

Terms and Conditions of Issue, Use and Maintenance of Payment Cards

1. Terms and definitions

Bank – JSC "Regionāla investīciju banka", registered in the Commercial Register of the Republic of Latvia under reg. No. 40003563375, legal address: J. Alunana Street 2, Rīga, LV-1010, e-mail: bank@ribbank.com. The Bank is supervised by the Financial and Capital Market Commission in accordance with the procedure specified in the normative acts.

Acquiring bank – a bank that has concluded an agreement with a Merchant regarding acceptance of Cards for products and/or services or that maintains an automated teller machine for cash dispensing and/or cash depositing and/or paying the invoices and/or services and for receipt of information on the Card account balance.

Affirmation – a form signed by the Customer, Cardholder or other person authorized by the Customer confirming the receipt of the Card, PIN code.

Agreement – an Agreement on the issue, use and maintenance of a payment card containing a written set of documents between the Bank and the Customer, that consists of the Application, application for an additional cardholder (if any), the Agreement on granting a credit limit (if any), the Affirmation, the Price list, the Terms and Conditions, the terms and conditions of the Use of SMS Bank Services, the SMS Bank Services User's Manual (if the Customer has applied for the service) and the General Terms and Conditions of Transactions, all of which shall be integral parts of the Agreement.

Application – a form (forms) filled and signed by the Customer for receipt of the Card and/or granting of a Credit limit.

Banking day – any calendar day within the period from 9:00 to 17:00, on which the Bank is open, except Saturday, Sunday or any other day-off recognised as such by the normative acts of the Republic of Latvia.

Basic account – a mono-currency Current account in Euro with a possibility of using the basic payment functions of the Current account opened in the Customer's name with the Bank in accordance with the terms and conditions of the Basic Account Opening and Servicing Agreement.

Card – a Bank-issued international MasterCard or Maestro plastic payment card with a magnetic stripe and microchip, which is linked to the Card account and which the Cardholder may use for Transactions at locations where a third party provides acceptance of the respective Card for payments.

Card account – the account opened with the Bank in the name of the Customer, to which a Card (Cards) is (are) linked, and which serves to pay for Transactions and to perform other Bank operations in accordance with the Agreement.

Cardholder – the Customer or other individual specified in the Agreement (a holder of a basic card/additional card), to whom a Card is issued by the Bank in accordance with the Agreement, and whose name, surname and signature specimen is presented on the Card. By signing the Agreement, the Customer authorizes the Cardholder to use the funds on its Card account for Transactions.

Collateral – a deposit, guarantee, pledge, Minimum balance or other type of collateral accepted by the Bank, which secures the Bank's claims against the Customer in case the Customer is not fulfilling its obligations arising from the Agreement.

Consumer – the Customer (individual) who is considered as a consumer under the Consumer Rights Protection Law.

Credit limit (Authorized credit limit) – renewable loan granted by the Bank to the Customer, available on the Card account and which the Customer may use for Transactions in addition to the Customer's funds on the Card account until the end of term of Credit limit use.

Credit limit (Authorized credit limit) interest – the interest that the Customer pays to the Bank for the actually used and unrepaid Authorized credit limit funds.

Current account – an account for the performance of the Bank's services opened in the Customer's name with the Bank in accordance with the terms and conditions of the Current Account Opening and Servicing Agreement.

Customer – a legal entity or an individual that is the Card account holder with the Bank.

CVC2 code – a Mastercard three-digit security code printed on the back of the Card next to the Cardholder's signature panel and used for online payments.

Identity Check static password – a password that can be requested from the Cardholder when shopping on the Internet. It is assigned one time and sent to the Customer in an SMS to the mobile telephone number specified by the Customer.

Internet Bank – an electronic system maintained by the Bank where the information, required for the execution of the Banking operations, is exchanged between the Customer and the Bank, using the internet network.

Mastercard Identity Check – a Banking service that ensures an additional security layer for the protection of card data when using Cards for shopping on the Internet. This service restricts the possibility of making payments on the Internet without the consent of the Cardholder. Within the framework of the service, the Cardholder, while shopping on the Internet, may be requested to specify the Identity Check static password and the one-time password (OTP) sent to the Cardholder's mobile telephone number.

Member country – a member country of the European Union or the European Economic Area.

Merchant – a company/legal entity that accepts the Card at its trading place as a method of payment for products and/or services.

Minimum balance – the amount of money that the Customer should always keep on the Card account according to the Price list and that is not available for Transaction authorisation.

OTP – One Time Password – a one-time code sent to the mobile telephone number specified in the Customer's Application in an SMS and valid for 5 (five) minutes.

Parties – the Bank and the Customer, jointly or individually.

Password – the password specified in the Agreement, which the Cardholder uses to receive information when calling to the telephone number specified by the Bank about the Card, the Card account balance, Transactions, and other information. The Bank uses this password to identify the Cardholder.

Payment service provider – a payment service provider that is considered to be such in compliance with the Law on Payment Services and Electronic Money.

PIN code – a four-digit combination generated with special software and known only to the Cardholder, which the Bank issues to the Cardholder together with the Card, and which serves as the Cardholder's electronic signature for certain Transactions, and which is regarded as a sufficient tool to identify the Cardholder and/or to confirm the Transaction.

Price list – the price list of the Bank's services in effect at the time of the Transaction.

Remote Communication Device – any device, including remote account management tool, which can be used to conclude agreements between the Customer and the Bank, and/or to provide/receive Banking Services, without a simultaneous physical presence of the payment services provider and the payment services user.

Service – the issue, receipt, use and maintenance of the Card in accordance with the Agreement, the regulations of international card organizations and the normative acts of the Republic of Latvia in force.

Spending limit – the amount of money that the Customer may use for Transactions, consisting of the Customer's funds on the Card account and/or the Authorized credit limit granted by the Bank.

Statement – a monthly overview of the Transactions performed on the Card account that the Bank issues or submits to the Customer in the format specified in the Application.

Terms and Conditions – these "Terms and Conditions of Issue, Use and Maintenance of Payment Cards".

Transaction – a financial operation performed by using the Card or Card data to pay for products, services, to receive cash at automated teller machines and banks and as a result of which the Card account is debited or credited.

Transaction authorization – verification of the Card data, the Cardholder's identification data, Spending limit, Available balance, Transaction limit and other Card limits, which results in accepting or denying a Transaction.

Transaction limit – a limit on the maximum amount/number/type of Transaction(-s) within a specific period, that is established in the Price list or with the Bank's agreement with the Customer.

Unauthorized credit limit – the exceeded Spending limit on the Card account.

Unauthorized Transaction – a Transaction that has been performed incorrectly or erroneously or which is not authorized in accordance with the Terms and Conditions.

2. Conclusion of the Agreement

- 2.1. The Customer shall submit to the Bank a signed Application and other documents necessary for issuing the Card and/or granting the Credit limit, prepared in accordance with the Bank's requirements.
- 2.2. By submitting the Application, the Customer makes an irrevocable offer for the Bank to open a Card account, prepare a Card, accept the Collateral for the Customer's obligations specified in the Application, conclude an Agreement and issue a Card, and also agrees that the Price list and the Terms and Conditions shall be applicable to the relationship of the Parties as of the moment of submission of the Application.
- 2.3. The Bank shall examine the Application within 5 (five) Banking days after receiving it. In case if the Customer had applied also for the Credit limit granting, the Bank shall examine the Application within 10 (ten) Banking days after receiving it.
- 2.4. In examining the Application, the Bank shall have the right to verify the information provided by the Customer and request additional information on the Customer and the Cardholder from the public authorities (incl. the Credit Register of the Bank of Latvia) and other persons in accordance with the procedure and scope established in the normative acts of the Republic of Latvia.
- 2.5. The Bank shall have the right to refuse to conclude an Agreement with the Customer without explaining the reasons for the refusal, except for the cases stipulated in the normative acts. If the Bank declines to conclude an Agreement with the Customer, the Bank shall keep the documents submitted by the Customer.
- 2.6. In case of approval of the Application, the Bank shall open the Card account, prepare the Card, and ensure the maintenance of the Card account in accordance with the Agreement, the regulations of international payment card organisations and the corresponding binding normative acts.
- 2.7. The Bank shall prepare the Card only if the Customer has provided the funds necessary for the processing of the Card on the Current account or the Basic account.
- 2.8. The Application submitted by the Customer in relation to the Card issue is valid for 6 (six) months, whereas the Application in relation to the Credit limit granting is valid for 3 (three) months from the date of its signing by the Customer. If within this period the Customer fails to deposit the funds necessary for the preparation of the Card in accordance with paragraph 2.7 of the Terms and Conditions or to provide to the Bank additional documentation requested by the Bank, a new Application is to be prepared for the Card receipt, which is examined by the Bank according to the standard procedure.
- 2.9. The Card expiry date is indicated on the Card. The Card is valid until the last day of the specified term (inclusive).
- 2.10. Communication between the Parties during the period of validity of the Agreement shall be performed in the language of the Agreement, unless the Parties agree otherwise in each individual case.
- 2.11. The Customer shall confirm that:
 - 2.11.1. the origin of funds on the Card account and on other accounts of the Customer in the Bank is legitimate/legal;
 - 2.11.2. the Customer/Cardholder shall not use the Card or the Bank's services for illicit purposes, including for laundering the proceeds from criminal activity, financing of terrorism or

- proliferation, and for purchasing goods/services which are prohibited by the normative acts of the Republic of Latvia;
- 2.11.3. shall assume liability arising from making false declarations, including with the purpose to obtain Credit limit.

3. Use of the Card

- 3.1. The Bank shall issue the Card only after the Agreement enters into force.
- 3.2. The Card is the property of the Bank passed on for usage to the Cardholder.
- 3.3. The Customer or the Cardholder shall acknowledge the receipt of the Card and the PIN code by signing the Affirmation or by sending a corresponding Internet Bank message to the Bank.
- 3.4. The Bank shall activate the Card only after receipt of the signed Affirmation or the Internet Bank message.
- 3.5. The Card may only be used by the Cardholder, and it shall not have the right to pass it on to a third party.
- 3.6. Upon receiving the Card, the Cardholder must immediately sign it on the corresponding panel on the back of the Card.
- 3.7. Together with the Card, the Bank shall issue to the Customer or to the Cardholder a PIN code in an undamaged (unopened) envelope. After the receipt of the Card and the PIN code, the Cardholder must memorize the PIN code and destroy the PIN code envelope.
- 3.8. The Card may only be used for Transactions that are permitted by the normative acts and that allow using the Card.
- 3.9. The Card issued to the Customer legal entity may only be used for economic activity.
- 3.10. The Cardholder shall use the Card and give authorization to the Merchant to perform a payment for products and/or services by authorizing the Transaction:
- 3.10.1. with the signature or
- 3.10.2. with the PIN code or
- 3.10.3. with the Card data (incl. the CVC2 code), Mastercard Identity Check static password and OTP (if such is required by the Merchant), when the Transaction is made without the presence of the Card.
- 3.11. The Cardholder shall use the Card and give authorization to carry out settlements for cash dispensing at an automated teller machine of the Acquiring bank by authorizing the Transaction with the PIN code.
- 3.12. The Bank shall refuse to execute the Transaction if the Card data (incl. the CVC2 code, Mastercard Identity Check static password and OTP) is entered erroneously, incompletely or in part.
- 3.13. When performing a Transaction, the Cardholder is obliged:
- 3.13.1. to require that the Transaction with the Card, unless it is an Online Transaction, is executed in its presence;
- 3.13.2. prior to signing the Transaction confirming document or entering the PIN code, to make sure that the amount of Transaction indicated on the POS terminal and/or on the POS terminal printed receipt matches the actual amount of Transaction;
- 3.13.3. not to sign the Transaction confirming document or not to confirm the online Transaction payment if it does not specify the Transaction amount and/or currency, or it is specified incorrectly.
- 3.14. When paying with a Card, the Cardholder may be asked to present an identity document and/or perform additional verification of the Card.
- 3.15. The Bank or a third party that accepts the Card as a payment instrument shall have the right to withhold the Card if an incorrect PIN code has been entered 3 (three) times. If Card is suspended and not returned to Cardholder, then Customer has to contact the Bank with a written Application or an electronic Application prepared in the Internet Bank for the Card replacement. If Card is not suspended and available to Cardholder, then Customer has to contact the Bank with a written Application or an electronic Application prepared in the Internet Bank for Card operations resuming.

- 3.16. If the Transaction is confirmed in compliance with the ways specified in paragraph 3.10, it shall be considered a sufficient evidence of the fact that the Transaction has been performed by the Cardholder. Upon the Customer's request, the Bank shall perform the necessary actions to track the Transaction according to the procedure specified in section 10 of the Terms and Conditions.
- 3.17. The Bank shall decline the Transactions that exceed the Transaction limit. The Bank and the Customer may mutually agree on the Transaction limit, except in the cases when the Transaction limit is determined according to the requirements of the normative acts or international payment card organisations regulating the Bank's activity.
- 3.18. To make it possible for the Cardholder to pay by the Card on the Internet, the Bank provides all the Cards issued by the Bank with Mastercard Identity Check, which is connected to the mobile telephone number of the Cardholder specified in the Application.
- 3.19. In the event of theft or loss of a mobile telephone or a SIM card, the Cardholder is obliged to notify the Bank immediately.
- 3.20. In order to change a mobile telephone number connected to Mastercard Identity Check, the Customer shall submit an application to the Bank either in written form or electronically via the Internet Bank.
- 3.21. If an incorrect OTP is entered 5 (five) times in a row, the Card's Mastercard Identity Check is blocked and the Card cannot be used for online purchases. In order to restore the blocked Mastercard Identity Check, the Customer shall submit an application to the Bank either in written form or electronically via the Internet Bank.
- 3.22. The Customer and the Cardholder shall be obliged to hand over to the Bank a Card that has been suspended due to any reason and that cannot or is not allowed to be renewed, within 7 (seven) days after the suspension, or to destroy it in such a way that it cannot be renewed.

4. Safekeeping and suspension of the Card

- 4.1. The Cardholder must keep the Card in a safe place, as with cash and checks, and must not hand over the Card, Card number, PIN code and other Card data to third parties.
- 4.2. The Cardholder must keep and use the Card with care and protect the Card from severe changes in temperature, electromagnetic fields and mechanical damage.
- 4.3. It is prohibited to keep the PIN code and Mastercard Identity Check static password together with the Card and/or to write it on the Card. The Cardholder must safeguard the PIN code by not keeping it in an easily accessible place. Violation of this Condition shall be considered to be gross negligence of the Cardholder.
- 4.4. If the Card has been lost or stolen, or if the PIN code or other Card data have become known to a third party, or if the Cardholder suspects unauthorized use of the Card or Card data, the Customer or the Cardholder must immediately notify SIA Wordline Latvia by 24-hour telephone number +371 67092555, or the Bank during the Bank's working hours by telephone number +371 67332200, or the Card must be suspended via the Internet Bank. As soon as possible, but not later than within 7 (seven) days after oral notification about the theft, loss of the Card or obtaining of the Card data by third parties, the Customer must submit this fact to the Bank in written form or by sending a message via the Internet Bank. The Bank shall cancel the Card after the receipt of written or electronic information.
- 4.5. The Cardholder is obliged to inform the Bank immediately if the Card that has been declared to be lost or stolen has been found, and must not use it. The Card that has been found must be delivered to the Bank or destroyed in such a way that it cannot be renewed.
- 4.6. The Bank shall have the right to suspend the Banking operations in the Card account and/or the Card, without notifying the Customer in advance, in the following cases:
 - 4.6.1. If the Bank has received information about possible compromising of the Customer's Card data.
 - 4.6.2. If the Card is declared as lost or stolen.
 - 4.6.3. If the Bank has suspicions about the Card counterfeiting.
 - 4.6.4. If the Bank identifies Transactions that are not characteristic for the Cardholder. If the Customer in writing or electronically via the Internet Bank confirms to the Bank that the performer of the uncharacteristic Transaction is the Cardholder, the Bank restores the Card.

- 4.6.5. If the rights of representation of the representative of a Customer who is a legal entity have expired.
- 4.6.6. If a binding order on recovery to the Customer's funds is received from state institutions, officials or third parties. In this event, the operation of the Card may be suspended until the Bank executes the respective request in full.
- 4.6.7. If after the Credit limit term expiry the corresponding credit liabilities are not settled.
- 4.6.8. If the risk of failure to fulfil the Customer's payment obligations undertaken with the Agreement has significantly increased (incl. if the Collateral has decreased), or if the Customer/Cardholder breaches other terms and conditions of the Agreement.
- 4.6.9. In other cases stipulated in the General Terms and Conditions of Transactions and agreements signed by the Parties, which stipulate the Bank's right to suspend Banking operations in the Customer's account.
- 4.7. The Bank shall have the right to unilaterally prohibit the use of the Card in certain countries or with certain Merchants without notifying the Customer in advance, if it is done due to suspicions about unauthorized or fraudulent use of the Card or other security measures.

5. Service fees

- 5.1. For Services received, the Customer shall pay the commissions established in the Price list.
- 5.2. The Bank shall deduct the commissions and other claims of the Bank, resulting from the Agreement, without further authorization, from the Card account, allowing the Credit limit exceeding, if any, i.e. Unauthorized credit limit. If the amount of funds on the Card account is not sufficient to satisfy the Bank's claims, the Bank shall have the right to deduct it from other accounts of the Customer in the Bank, converting it, if necessary, according to the exchange rate determined by the Bank on that day.
- 5.3. The Bank shall have the right to transfer the Card issue fee from the Current account or the Basic account to the Card account and to deduct it prior to the Card preparation.
- 5.4. The Card maintenance fee shall be paid by the Customer to the Bank for each following period in advance, according to the Price list, and the Bank shall deduct this fee in the respective month of each calendar year.
- 5.5. The Transaction fee shall be deducted on the day of writing-off the Transaction amount.
- 5.6. Upon the expiration of the Card's period of validity, the Bank shall have the right to prepare a new Card for the Cardholder, if the Customer has not declined to receive a new Card at least 30 (thirty) calendar days before the expiration of the current Card.
- 5.7. If, due to any reason, it is necessary for the Customer to replace the current Card and/or PIN code, the Bank, based on the Customer's application prepared in writing or electronically via the Internet Bank, shall prepare a new Card and/or PIN code for the Customer, deducting a fee for that in accordance with the Price list. The fee shall be deducted before the preparation of the new Card.
- 5.8. The Bank shall have the right to cancel and destroy the Card, to close the Card account linked to the Card, if the Customer or the Cardholder has not accepted it within 3 (three) months from the Card preparation day. The fees deducted by the Bank for the Service shall not be refunded in this case. In order to receive a new Card, the Customer shall submit a new Application to the Bank.
- 5.9. Unauthorised credit limit interest rate shall be applied for the Unauthorised negative balance, if there is such on the Card account. The Unauthorised credit limit interest rate shall be calculated starting from the day when the Unauthorised credit limit has occurred on the Card account until the day when the exceeded amount is deposited to the Card account.

6. Credit limit

- 6.1. The Bank, based on the Application, shall grant the Credit limit to the Customer in accordance with the terms and conditions of the Agreement.
- 6.2. In addition to the Credit limit granted by the Bank, the Customer can use its own funds for Transactions by depositing them to the Card account.
- 6.3. The Credit limit validity period shall be determined until the Card expiry date, unless the Parties otherwise agree to a different term. The Credit limit validity period shall be automatically

prolonged under the same conditions for every subsequent period of the Card validity or other period, if such has been determined by an agreement between the Parties, unless the Bank decides not to prolong the Credit limit validity period before its expiration.

- 6.4. The Customer shall pay Credit limit interest to the Bank for using the Credit limit, in the amount specified in the Agreement. If the Credit limit interest rate is not determined by a separate agreement, the interest rate specified for the respective type of Card in the Service Price list shall be applied to the Credit limit.
- 6.5. The Bank shall calculate the Credit limit interest for every day, starting from the day when the Bank receives information on the Transaction (i.e. the Card account is debited) until the day when the used Credit limit amount is repaid.
- 6.6. The Bank shall calculate the Credit limit interest for every calendar day, assuming that there are 360 (three hundred and sixty) days in a year.
- 6.7. The Bank shall calculate the Credit interest for the use of the Credit limit for the full calendar month and shall deduct it on the first Banking day of the following month.
- 6.8. The Customer may repay the Credit limit at its discretion, but no later than by the end of the period of validity of the Credit limit. The used Credit limit shall become available to the Customer in the amount to which the Customer has repaid it.
- 6.9. The Bank shall be entitled to unilaterally cancel or reduce the Credit limit at any time and/or request the Customer to immediately repay the used Credit limit and related payments, if:
 - 6.9.1. The Customer infringes the Agreement;
 - 6.9.2. The Credit limit is granted to the Customer without a Collateral or the Collateral is insufficient for settling all the Customer's liabilities resulting from the Credit limit use;
 - 6.9.3. The Bank has doubts regarding the Customer's financial stability or the circumstances changed, on the basis of which the Credit limit had been granted;
 - 6.9.4. Third parties' claims are raised against the Customer or its property;
 - 6.9.5. The Bank has withdrawn from other agreements (one or several) concluded with the Customer and requested their early performance and/or an event occurred which, according to any other agreement on risk transaction (a loan agreement, a lease agreement, an agreement on issuance of collateral (guarantee) or letter of credit or any other agreement on risk transaction) concluded between the Bank and the Customer or the Collateral issuer (if the Customer and the Collateral issuer is not the same person), constitutes the grounds for the Bank's rights to request that the Customer or the Collateral issuer fulfils the payment obligations to the Bank, that result from the corresponding agreement.
- 6.10. In the event mentioned in the previous paragraph, the Customer is obliged to repay the Credit limit and the related payments (interest, penalties, commissions and other payments) not later than on the date specified in the Bank's claim.
- 6.11. The Bank shall have the right unilaterally at any time to change the Credit interest rate, notifying the Customer about that at least 60 (sixty) days in advance, if the Customer failed to properly perform its obligations under the Agreement, and/or if the value of the Customer's Collateral has decreased. The new Credit limit interest rate shall enter into force on the date specified by the Bank. If the Customer does not wish to use the Credit limit with the changed Credit limit interest rate, it has the rights to terminate the Agreement or to refuse from the Credit limit before the new Credit limit interest rate enters into force.
- 6.12. The Credit limit shall be considered fully repaid when the Customer has repaid to the Bank the Credit limit used and the Credit limit interest calculated, the commissions, possible penalties and other payments arising from the Agreement.
- 6.13. All payments for the liabilities established with the Agreement shall be covered in the following order:
 - 6.13.1. Commissions;
 - 6.13.2. other payments arising from the Agreement;
 - 6.13.3. Credit limit interest;
 - 6.13.4. the Credit limit used;
 - 6.13.5. penalty.

- 6.14. The Bank at its discretion shall have the right to change the sequence mentioned in the previous paragraph, unless it is prohibited by the binding normative acts. In case of changing the sequence, the Bank shall not waive and shall not lose the right to demand other payments that have not been covered.
- 6.15. If on the last day of the Credit limit validity the Customer failed to repay it in full, starting from the following day the Unauthorized credit limit interest rate shall be applied to the outstanding part of the Credit limit.
- 6.16. The Bank shall provide information to the Credit Register of the Bank of Latvia and request information from it about the Customer and/or the Customer's guarantor and their obligations towards the Bank according to the terms and conditions of the Credit Register approved by the Bank of Latvia.
- 6.17. The persons mentioned in the previous paragraph shall have the right to receive information about themselves from the Credit Register at any time by submitting a request in written form to the Bank of Latvia.

7. Collateral

- 7.1. The Bank shall have the right to request and the Customer shall be obliged to provide a Collateral.
- 7.2. The Bank shall determine the type and amount of the Collateral in accordance with the Price list or by separate agreement with the Customer.
- 7.3. If the Customer is not fulfilling its obligations, the Bank shall have the right to use the Collateral, without additional notice, to cover its claims against the Customer that have arisen from the use/maintenance of the Card or Card account or from failure to observe the Agreement.
- 7.4. If the Collateral is the Customer's deposit or Minimum balance, and the Bank uses it or part of it to cover the Customer's obligations, then the Customer must immediately restore this deposit or Minimum balance to the amount specified in the Agreement.
- 7.5. The funds on any of the Customer's accounts with the Bank and the funds deposited into these accounts after the Agreement conclusion and income derived therefrom shall be considered to be pledged to the Bank as financial collateral for coverage of claims arising from the Agreement. The Bank shall have the right on non-acceptance basis to deduct from the Customer's accounts the funds necessary for the Bank's claims settlement. If the currency on the accounts is different from the currency of unsatisfied claim, the required funds shall be converted according to the exchange rate determined by the Bank on that day.

8. Settlements procedure

- 8.1. At the moment of the Transaction authorization, the Bank shall immediately reserve funds on the Card account for the Transaction, up to a period of 14 (fourteen) days after the day of the Transaction. If the Bank does not receive the confirmation of the Transaction within the aforementioned period, the reserved funds become available to the Customer; however, the Bank shall have the right to deduct the funds necessary for paying for the Transaction later, if the confirmation of the Transaction is received by the Bank after the said 14 (fourteen)-day period.
- 8.2. As a result of Transactions performed without the Card authorization, the displayed available Card account balance in real time in the Internet Bank, the ATM balance and SMS Bank balance may differ.
- 8.3. The Transaction amount shall be deducted (debited) from the Card account not later than within 2 (two) Banking days after confirmation of the Transaction is received by the Bank. The Bank shall have the right to deduct funds from the Card account for the Transaction regardless of when the Transaction has been made and confirmation from the Merchant has been received.
- 8.4. As a result of currency exchange rate fluctuations, the Transaction amount reserved on the Card account may be different from the Transaction amount deducted from the Card account.
- 8.5. The Bank shall have the right to debit the Card account without receiving prior agreement or giving prior notice to the Customer, incl. allowing Unauthorized credit limit, in the following cases:
 - 8.5.1. for Transactions, after confirmation of the Transaction is received by the Bank;

- 8.5.2. to deduct commissions and other claims in connection with the services provided to the Customer/Cardholder;
- 8.5.3. to deduct interest and other payments in connection with the use of the Credit limit;
- 8.5.4. for other fair and adequate remuneration established by the Bank for services provided to the Customer that are not included in the Price list but have been necessary to carry out the Customer's order;
- 8.5.5. to deduct losses caused to the Bank by the Customer using the Card and/or violating the Agreement;
- 8.5.6. if deposit to the Card account is made due to a technical error of the Bank;
- 8.5.7. a deficiency of legal nature is found in the respective deposit to the Card account.
- 8.6. If the currency of the Card account differs from the Transaction currency, after receiving confirmation of the Transaction the Bank shall, immediately and without advance notice to the Customer, write off the Transaction amount from the Card account, converting it in accordance with the currency exchange rate established by the Bank and/or international payment card organization MasterCard valid at that moment. The Bank shall deduct a fee for the currency conversion in accordance with the Price list.
- 8.7. One may become acquainted with the exchange rate of the Bank at the home page of the Bank www.ribbank.com, and with the exchange rate of the international payment card organization MasterCard at www.mastercard.com.
- 8.8. The Bank shall credit the Card account in accordance with deposits made (incl. by third parties) to the Card account. A deposit to the Card account must be made in the currency of the Card account, specified in the Agreement. If the currency of the deposit does not correspond to the currency of the Card account, then the Bank shall have the right to convert the deposited amount into the currency of the Card account in accordance with the currency exchange rate established by the Bank as on the day of the deposit.
- 8.9. The Bank shall have the right to unilaterally, without giving advance notice to the Customer, erase the Unauthorized credit limit by deducting funds from any of the Customer's accounts with the Bank, if the funds on the Card account are insufficient.
- 8.10. The Bank shall have the right to unilaterally, without giving advance notice to the Customer, to debit or credit any other account of the Customer in the Bank for Transactions, if the Bank has received the Transaction approval or other payment request resulting from the Card use after the closure of the Card account. In this case:
 - 8.10.1. If the Card account is debited and the Customer does not have other accounts with the Bank, the Customer shall reimburse the Bank's expenses on the basis of an invoice issued by the Bank;
 - 8.10.2. If the Card account is credited and the Customer does not have other accounts with the Bank, the Bank, based on the Customer's application, shall transfer the deposited Transaction amount to the Customer's account that is opened with another credit institution or financial institution.

9. Statement

- 9.1. The Bank shall provide a Statement to the Customer, reflecting all Transactions made with Cards linked to the Card account, the exchange rate applied, commissions deducted by the Bank, the Card account balance, and the Credit limit. The mentioned information is available on the Internet Bank.
- 9.2. The Customer must acquaint itself with the Statement at least once per month. The Customer shall immediately inform the Bank upon discovering an Unauthorized Transaction in compliance with paragraph 4.4 of the Terms and Conditions.
- 9.3. Non-receipt of the Statement shall not release the Customer from the duty to perform the obligations established in the Agreement in a timely manner.

10. Examination of complaints and claims

- 10.1. The Customer shall submit a Complaint about the Bank's work connected with the performance of the Agreement to the Bank in written form or electronically via Internet Bank. Complaints shall

be examined according to the procedure and terms stipulated by the General terms and conditions of Transactions.

- 10.2. The Customer's claim regarding Transactions deducted from the Card account or the respective amounts must be submitted to the Bank in a written form or electronically via Internet Bank, but not later than within 60 (sixty) days as of the day when the Transaction was debited on the Card account.
- 10.3. The Bank shall examine claims received from the Customer in accordance with the terms and conditions established by the Bank and/or the international payment card organizations. The Bank shall inform the Customer about the progress in the examination of the claim and its results within 60 (sixty) days from its receipt. The Bank shall have the right to extend the period for examination of claims.
- 10.4. If, as a result of the examination of a claim, the Bank finds that the Customer's claim is justified and the Unauthorised Transaction occurred, the Bank shall compensate losses caused to the Customer by refunding the Unauthorised Transaction amount or by restoring the status on the Card account, if the Customer notifies the Bank immediately, as soon as it finds about the Unauthorised Transaction, but not later than within the period specified in paragraph 12.1.8 of the Terms and Conditions after the Transaction debiting day on the Card account.
- 10.5. If the Customer's claim is determined to be unfounded, the Bank shall deduct a fee for the examination of an unfounded claim in accordance with the Price list.

11. Liability of the Parties

- 11.1. The Parties shall be responsible for observing and carrying out the Agreement.
- 11.2. The Bank shall not be responsible for:
 - 11.2.1. losses of the Customer if they have been caused due to damage or malfunction of communication lines beyond the Bank's control, and as a result of which the Cardholder was not able to use the Card for payments execution;
 - 11.2.2. losses of the Customer that have arisen as a result of inaccurate or incorrect information provided or documents or orders given by the Customer and/or Cardholder;
 - 11.2.3. losses of the Customer that have arisen if the Customer's and/or the Cardholder's interests were affected by restrictions and limits imposed by third parties;
 - 11.2.4. losses and inconvenience of the Customer that have arisen due to action or omission of third parties whose services the Bank uses in order to ensure performance of its obligations stipulated by the Agreement.
 - 11.2.5. Merchant's/third party's refusal to accept the Card as a payment instrument;
 - 11.2.6. quality of goods and services purchased by paying by the Card.
- 11.3. The Bank shall not be liable towards the Customer for Unauthorized Transaction, if the Customer has not notified the Bank according to the term and procedure specified in paragraph 12.1.8 of the Terms and Conditions.
- 11.4. The Bank shall not compensate losses to the Customer up to 50 (fifty) Euros (or the equivalent in other currency, converted in accordance with the currency exchange rate determined by the European Central Bank as on the day on which the Bank makes the payment) that have arisen due to Unauthorized Transactions, if:
 - 11.4.1. The Card has been lost, stolen or otherwise illegally misappropriated. This provision shall not be applied, if the Customer's Card has been stolen or otherwise illegally misappropriated and the Customer is a Consumer;
 - 11.4.2. The Cardholder has not ensured safekeeping of the PIN code and/or other Card data in order to prevent illegal use of the Card.
- 11.5. The Bank shall not compensate losses that have been incurred by the Customer due to Unauthorized Transactions, if:
 - 11.5.1. the Customer/Cardholder has performed fraudulent activity; or
 - 11.5.2. the Customer has opted out in writing or electronically via Internet Bank of receiving short messages of SMS Bank regarding outgoing amounts from the Card account, or

- 11.5.3. the Customer/Cardholder has, intentionally or due to gross negligence, failed to observe any of the terms established in sections 3 and 4 of the Terms and Conditions.
- 11.6. The Bank must compensate losses to the Customer if they have been incurred due to the use of a lost, stolen or illegally misappropriated Card and/or Card data after the Customer has acted in accordance with paragraph 4.4 of the Terms and Conditions, with the exception of cases when the Customer itself has acted illegally.
- 11.7. The Customer shall be liable for Transactions with all Cards issued under the Agreement and for their use in accordance with the Terms and Conditions. The Customer shall be liable for all Transactions made by the Cardholder, as well as for any losses that may be caused by Cardholders to the Bank or to third parties by making Transactions or failing to observe the Agreement.
- 11.8. The Customer understands that fraud or attempted fraud is grounds for criminal liability according to the normative acts of the Republic of Latvia.
- 11.9. The Parties shall not be liable for losses connected with force majeure.

12. Rights and obligations of the Customer and Cardholder

- 12.1. The Customer shall be obliged to:
 - 12.1.1. present and submit to the Bank all documents and information requested by it, as well as immediately, but not later than within 5 (five) Banking days, to notify the Bank in written form about changes in the information provided. The Customer shall be responsible for the correctness and completeness of the documents and information submitted to the Bank;
 - 12.1.2. if the Card and the PIN code have been issued to the Customer, to pass on the Card and the Card's PIN code to the Cardholder in an undamaged (unopened) envelope;
 - 12.1.3. to get the Cardholder acquainted, if the Cardholder is not the Customer itself, with these Terms and Conditions and amendments thereof, as well as inform the Cardholder about his or her rights and obligations towards the Bank;
 - 12.1.4. to ensure availability of funds on the Card account necessary to cover the commissions and other payments resulting from the Agreement;
 - 12.1.5. if the Credit limit is granted to the Customer, not later than within 5 (five) Banking days after the Bank sends the request, to provide the requested information and documents that confirm the Customer's financial state;
 - 12.1.6. upon the Bank's request to provide information about the circumstances connected with loss, theft, etc. of the Card, as well as about disclosure of PIN code to third parties;
 - 12.1.7. at least once a month to check the Transactions performed on the Card account;
 - 12.1.8. if the Customer is a Consumer, and the Transaction is performed in the currency of a Member country to other Payment service provider in a Member country, to notify the Bank immediately in writing or electronically via Internet Bank about the Unauthorised Transaction, observing the term stipulated by paragraph 10.2 of the Terms and Conditions, but if it is not possible to observe this term, then not later than within 13 (thirteen) months, counting from the Unauthorised Transaction debiting day in the Bank. If the Customer is not a Consumer and/or the Transaction is performed in the currency of a Member country to the country that is not a Member country, or the Transaction is performed in currency that is not a Member country currency, the Customer is obliged to observe the term stipulated by paragraph 10.2 of the Terms and Conditions.
- 12.2. The Customer shall have the right:
 - 12.2.1. to receive the Service in compliance with the procedure stipulated by the Agreement;
 - 12.2.2. at any time in writing to apply for a new Card;
 - 12.2.3. to propose changes of the term and conditions of the Credit limit;
 - 12.2.4. if the Card has been lost or stolen, or if the PIN code or other Card data became known to a third party, to receive a new Card in compliance with the procedure stipulated by the Agreement;
 - 12.2.5. during the period of validity of the Agreement to receive information on demand about the Agreement free of charge in printed form at the Bank and/or electronically on the home page www.ribbank.com.
- 12.3. The Cardholder shall be obliged:

- 12.3.1. upon the receipt of the Card, to sign it immediately on the corresponding panel on the back of the Card;
- 12.3.2. to use the Card in accordance with the terms and conditions of the Agreement;
- 12.3.3. not to exceed the Spending limit;
- 12.3.4. to receive and use the Card in his or her own interests, not on the orders of a third party with an aim of concealing its identity;
- 12.3.5. not to use the Card and to cancel its further use at the Merchants – scheduled service providers (if any) after the expiration of its period of validity or in other cases when the Card has been suspended or revoked due to any reason;
- 12.3.6. upon the Bank's request, immediately to deliver the Card to the Bank;
- 12.3.7. to keep documents supporting the Transaction for at least 6 (six) months;
- 12.3.8. upon the Bank's request to provide information about the circumstances connected with loss, theft, etc. of the Card, or about disclosure of the PIN code to third parties;
- 12.3.9. within 7 (seven) days after the Card expiry date to return the expired Card to the Bank or destroy it in such a way that it cannot be restored.

13. Rights and obligations of the Bank

- 13.1. The Bank is entitled to process personal data of the Customer and the Cardholder, as well as to verify accuracy and completeness of information provided by the Customer and/or the Cardholder. The Bank shall process personal data of the Customer and the Cardholder in compliance with the Guidelines for processing of personal data of individuals of the Bank, which are available at the Bank's home page www.ribbank.com. When processing the Customer's and/or Cardholder's data, the Bank shall observe the requirements of binding normative acts that regulate protection of individuals' personal data.
- 13.2. The Bank, in the course of ensuring the performance of its obligations arising from the Agreement, also uses services of third parties. The Bank shall pass on information and data about the Customer and/or the Cardholder to third parties, that is required to ensure the performance of obligations stipulated by the Agreement.
- 13.3. Unless otherwise stipulated by the Agreement in relation to specific changes, the Bank shall have the right to unilaterally propose changes in any of separate documents that are part of the Agreement, notifying the Customer at least 2 (two) months before the planned changes come into effect by posting the information on the Bank's home page www.ribbank.com, as well as electronically via the Means of Remote communication. A new version of the corresponding document shall come into effect on the date specified by the Bank. If the Customer has not submitted objections and a notice of termination of the Agreement by the specified date, it shall be considered that the Customer has agreed to the changes. If the Customer submits objections regarding the proposed changes within this term, it shall have the right to terminate the Agreement before the proposed changes have come into effect, immediately and without penalty.
- 13.4. The Bank shall have the right to provide information about the Customer and/or Cardholder and their transactions to third parties in the cases, scope and procedure specified in the normative acts of the Republic of Latvia. The Bank does not have to inform the Customer and/or Cardholder about the provision of the information specified in this paragraph.
- 13.5. If the Bank discontinues issuance of a respective Card type, it shall have the right to terminate the Agreement unilaterally and not to extend the Card validity, or in case of the Card replacement/renewal to issue a Card of other type instead of the existing Card.

14. Right of withdrawal

- 14.1. The Customer who is a Consumer shall have the right within 14 (fourteen) calendar days starting from the Agreement conclusion day to exercise the right of withdrawal and to refuse from the Credit limit, without submitting grounds for the refusal.
- 14.2. The Customer shall notify the Bank about exercising the right of withdrawal in writing, according to the procedure stipulated by the Terms and Conditions. A notification on exercising the right of

withdrawal must be sent to the Bank before the term stipulated by paragraph 14.1 of the Terms and Conditions comes into effect.

- 14.3. The Customer shall be obliged immediately, but not later than within 30 (thirty) calendar days starting from the day of notifying the Bank about exercising the right of withdrawal, to repay the received and used Credit limit to the Bank and to pay interest for the entire period of Credit limit use.
- 14.4. In case of exercising the right of withdrawal, the Card issue fee shall not be refunded to the Customer.
- 14.5. If the Customer fails to comply with the terms and conditions stipulated by paragraphs 14.2 and 14.3 of the Terms and Conditions, it shall be considered that the Customer has not exercised the right of withdrawal, and the Customer is obliged to continue make payments according to the Agreement.
- 14.6. In case if the Customer exercises the right of withdrawal and refuses from the Credit limit, but does not withdraw from the Agreement, the travel insurance issued with the Card shall not be cancelled.

15. Period of validity of the Agreement

- 15.1. The Agreement between the Bank and the Customer shall be considered as concluded and shall come into effect from the moment the Bank opens the Card account for the Customer and confirms it with signature on the Application.
- 15.2. The Agreement shall be concluded for an indefinite term. Expiration of the Card's period of validity and the Credit limit expiration term shall not be considered to be expiration of the Agreement.
- 15.3. The Customer shall have the right to unilaterally terminate the Agreement at any time by submitting an application to the Bank in written form or electronically via Internet Bank and returning all Cards issued under the Agreement or destroying them in such a way that they cannot be renewed. After the Bank has received the Customer's application on termination of the Agreement, it shall immediately cancel the Card.
- 15.4. After the Customer submits an application for termination of the Agreement, the Customer/Cardholder shall not have the right to perform Transactions with the corresponding Cards linked to the Card account and to perform debit operations on the Card account.
- 15.5. If the Customer's deposit or Minimum balance serves as a Collateral, the Bank shall transfer the funds deposited herein to the Customer's Current account or Basic account after 30 (thirty) calendar days, deducting the fees which the Bank is entitled to deduct from the Customer according to the terms and conditions of the Agreement.
- 15.6. The Bank shall have the right to unilaterally terminate the Agreement, notifying the Customer in writing at least 2 (two) months in advance.
- 15.7. The Bank shall have the right to unilaterally terminate the Agreement without observing the obligation to notify, stipulated by paragraph 15.6, and demand early fulfilment of the obligations established in the Agreement from the Customer in any of the following cases:
 - 15.7.1. the Customer and/or Cardholder under the Agreement acts unlawfully, intentionally fails to fulfil or otherwise infringes the terms and conditions of the Agreement or the normative acts of the Republic of Latvia;
 - 15.7.2. the Customer and/or Cardholder is not fulfilling its obligations towards the Bank;
 - 15.7.3. the Customer fails to provide to the Bank information about its financial state according to the procedure stipulated by the Agreement;
 - 15.7.4. the Collateral is insufficient to fully secure the Customer's obligations;
 - 15.7.5. The Bank becomes aware that the Customer has provided inaccurate, incorrect and/or misleading information;
 - 15.7.6. The Bank has received a binding order from international payment card organisations or competent authorities;
 - 15.7.7. In other cases stipulated in the General Terms and Conditions of Transactions.
- 15.8. Upon terminating the Agreement, the Bank shall have the right to transfer the funds in the Card account to the Current account or the Basic account without receiving additional acceptance from the Customer.

- 15.9. The Bank shall have the right, without separate notification to the Customer, to consider the Agreement as terminated, to cancel and destroy the Card and to close the Card account if the Customer fails to accept the Card within 3 (three) months from its preparation day and it has no other active Cards under the Agreement.
- 15.10. The Agreement shall be binding for the Customer until the obligations stipulated by it are executed properly and in full. Termination of the Agreement due to any reason shall not release the Customer from the obligation to make all payments that the Bank is entitled to, cover any losses that may have arisen, as well as carry out all the terms and conditions of the Agreement that have not been completed by the time of termination of the Agreement.

16. Dispute resolution procedure

- 16.1. Any disagreements that might arise between the Parties with regard to the Agreement shall be resolved through negotiations. If no solution can be reached this way, disputes shall be resolved at the court of the Republic of Latvia according to the location of the Bank, unless the Parties have individually stipulated a different dispute settlement procedure.
- 16.2. The Customer, without applying to court, may apply:
- 16.2.1. Any Customer – to the Ombudsman of the Finance Latvia Association (financelatvia.eu/ombuds/).
- 16.2.2. The Customer who is a Consumer – to the Consumer Rights Protection Centre (Commission for Solving the Consumer Disputes) (<https://www.ptac.gov.lv>).
- 16.3. Irrespective of whether the Customer has previously applied to any of the institution mentioned in paragraph 16.2 of the Terms and Conditions, the Customer shall have the right to bring an action to the court of the Republic of Latvia.

17. Other provisions

- 17.1. In case if the Customer asked in the Application to issue the travel insurance for the Card, the Bank shall withdraw the amounts of payments related to entering into and maintenance (prolongation or renewal) of the insurance agreement from the Customer's accounts in the Bank with no further authorization according to the Bank's Price list, as well as perform all the activities related to entering into and maintenance (prolongation or renewal) of the insurance agreement on behalf of the Customer until the Card expires.
- 17.2. Supervision of compliance with consumer rights shall be performed by the Consumer Rights Protection Centre, address: 55 Brivibas iela, Riga, LV-1010.
- 17.3. The headings used in the Terms and Conditions shall be for information purposes only, they are not to be taken into account in the Agreement interpretation.
- 17.4. The Bank has provided complete and comprehensive information to the Customer about the offered Service, the Customer understands and agrees with the content of the Agreement, including the procedure of dispute resolution. The Customer and the Bank find the Agreement to be fair and mutually beneficial, conclude it voluntarily, without delusion, coercion or fraud, and undertake to fulfil it.