

Part E

REGULATIONS ON PAYMENT CARDS

Terms used in the Regulations

Card User – a Customer or a person, who is authorised by the Customer to receive and use the Card.

Additional Card User – a person, who is authorised by the Customer to receive and use additional Card.

Card Credit – the Bank's funds (loan resources) that make up a sum of the total negative Card Account balance (used and unpaid Card Credit Limit amount) including all money funds written off by the Bank on a no contestation basis for all Customer's payments provided for in the current Regulations and Fees.

Card Credit Limit – the amount of cash determined by the Bank and available to the Customer on the Card Account in addition to the funds available on the Card Account, thus making up a negative balance on the Card Account within this amount. The Bank is entitled to write off funds payable to the Bank from the Card Loan Credit in cases and in the procedure described in the present Regulations and Fees if the amount available on the Customer's Card Account is insufficient for these payments.

Card Credit Limit Overdraft – an increase of the negative Card Account balance for the amount that increases the Card Credit Limit set for the Customer. The Bank's deducted payments due from the Customer according to the present Regulations and Fees may also cause the Card Credit Limit Overdraft if the funds available on the Customer's Card Account and Card Credit Limit are insufficient.

Card Credit Interest – an amount paid by the Customer to the Bank for actually spent Card Loan funds according to the present Regulations and Fees.

Card Credit Repayment Term – the date until which the Customer should repay to the Bank the whole spent and unpaid funds on the Card Account.

Forfeit Interest – the amount the Customer should pay to the Bank for the Card Credit Limit Overdraft according to the present Regulations and Fees.

Spending Limit – the Bank's set limitations for the available amount including limitations for the number of transactions and/or amounts within one day/month.

Guarantee Deposit – a deposit placed by a third party or the Customer and used as a financial pledge to guarantee that the Customer would fulfil his liabilities towards the Bank.

PIN-CODE – a Personal Identification Number, which the Bank issues to the Customer (Card User/ Additional Card User) alongside with the Card. The PIN-CODE is used for confirmation of transaction.

Basic Settlement Currency – currency, in which the Bank's Fees are written off, as well as the funds equivalent to the amounts in other currencies, in which the Customer's transactions were performed.

17.1. Regulations on Payment Cards are applicable to the relations between the Bank, the Customer and the Card User/ Additional Card User, in case the Customer has applied for the issue of the Card in the Bank or if the Card User/ Additional Card User is issued a Card.

17.2. The relations between the Bank, the Customer and the Card User/ Additional Card User are regulated by the rules of international payment cards organisation *VISA International* (according to the type of the Card), and the Customer is obliged to familiarise himself with them and to observe them. The rules of international payment cards organisation *VISA International* are available on the Internet homepage – www.visa.com.

17.3. The Bank is entitled to determine and alternate functionality of a certain Card type (see the description of the Card types on the Bank's Internet homepage – www.privatbank.lv).

17.4. The Relations between the Bank and the Customer regarding the opening, blocking, closing and the receipt of Card Account Statements are regulated by Account Regulations of Part D.

Issuance of Card/ Additional Card

17.5. The Bank issues the Card (Additional Card) and starts its servicing within 5 (five) Bank Working Days of the day of the receipt of a written Notification for issuance of the Card at the Bank and upon the receipt of the Acceptance protocol of Card and PIN-CODE, signed by the Card's user.

17.6. The Bank is entitled to refuse issuing the Card without indicating the causes of taking such decisions. The Bank is entitled to offer the Customer to receive the Card of other type.

17.7. The Card issued to the Customer by the Bank (Card User/ Additional Card User), is the property of the Bank.

17.8. The Customer shall provide that the Card User/ Additional Card User familiarises himself with the Customer's Notification for issuance of the Card, the Regulations, the rules of international payment cards organisation *VISA International* (relevant Card type), regulatory enactments of the Republic of Latvia and other regulatory enactments of the Bank and undertake to observe them as the Customer himself.

Use of PIN-CODE and Card

17.9. The PIN-CODE is a digital combination, which the Bank issues to the Customer (Card User/ Additional Card User) together with the Card in a special non-transparent and sealed envelope.

17.10. The PIN-CODE is confidential information. It is prohibited to divulge the PIN-CODE to other persons, write on the Card, as well as to keep together with the Card.

17.11. The PIN-CODE serves for the Customer's (Card User's/ Additional Card User's) identification during the execution of transactions. The PIN-CODE is considered respectively the Customer's (Card User's/ Additional Card User's) personal signature for confirmation of transactions, which lay liabilities on the Customer (Card User's/ Additional Card User's) in compliance with the Civil Code of the Republic of Latvia.

17.12. The Bank or the third party, which accepts the Card for performing a payment, is entitled to suspend the Card, if the PIN-CODE is input erroneously or there are suspicions about unauthorised use of the Card. The Suspended Cards shall not be returned to the Card User/ Additional Card User.

17.13. Solely the Card User indicated on the Card is authorised to use the Card. The Additional Card User stated on the Additional Card is solely authorised to use it.

17.14. The Customer is entitled to assign the Bank to terminate the activity of a particular Card/ Additional Card.

17.15. The Card may be used for the following purposes:

17.15.1. purchasing goods or services in points of sale where the Cards are accepted and in Internet;

17.15.2. cash withdrawal in ATMs and the Bank's premises;

17.15.3. establishing other possible liabilities;

17.15.4. receiving other services, offered by the Bank.

17.16. It is prohibited to use the Card for any unlawful purposes, including purchasing of such goods/ services, which are prohibited by the regulatory enactments of the Republic of Latvia.

17.17. The Bank defines the Spending Limit in order to increase security of the Customer's funds on the Card Account. The Customer may find information on the set Spending Limits at the Bank or in the appropriate Remote Account Management System, as well as via telephone and Online Chat.

Validity Term of Card

17.18. The validity term of the Card is indicated on the Card.

17.19. The Card is valid until the last day (inclusive) of the month of the year indicated on the Card.

17.20. Upon the expiry of validity term the Bank at its unilateral discretion produces a new Card, unless the Card User/ Additional Card User within 30 (thirty) Bank Working Days before expiry submits the Notification about the contrary and in case the Card Account balance is sufficient to pay the Fee for the Card change.

17.21. The Bank on a no contestation basis writes off the Fee for the Card production from the Customer's Card Account in accordance with the Bank's Fees.

17.22. Upon expiry of the validity term of the Card the Bank issues a new Card and cancels the previous Card.

17.23. The Card User/ Additional Card User may receive a new Card in the location indicated in the Notification as a location for receipt of the Card.

Obligations of Card User/ Additional Card User:

17.24. To sign the Card on the signature sample strip upon its receipt.

17.25. To keep the Card and the PIN-CODE cautiously, as money or securities.

17.26. To use the Card, PIN-Code and Card Number cautiously and reasonably to avoid their disclosure to unauthorised persons, not write the PIN-CODE on the Card or other items stored together with the Card and not to write the PIN-CODE in the mobile phone.

17.27. Not to hand the Card, Card Number and the PIN-CODE over to the third persons unless it is related with transaction regulations.

17.28. To report to the Bank immediately about the loss, the theft of the Card, as well as if the suspicion appears that the PIN-CODE has become known to third parties and to act in compliance with the regulations of Paragraph 17.40.-17.43.

17.29. Not to exceed Spending Limit.

17.30. Not to use the Card after the expiry of its validity term, as well as if the Card validity has been terminated or suspended due to any reasons.

17.31. To sign the document, confirming the transaction, or enter the PIN-CODE, prior to that verifying that the amount and currency in these documents coincide with the actual ones. If the amount or the currency, indicated in the document is different from the actual amount, or the currency of the transaction or the document, confirming the transaction (e.g. an invoice), is not duly completed, the Card User/ Additional Card User shall not sign this document, nor enter the PIN-CODE.

17.32. To sign the transaction confirmation document in the same manner as the Card had been signed.

17.33. To produce identification documents upon the request of the recipient of the Card in the acceptance location of the Card during the execution of transaction.

17.34. To keep the documents confirming the transaction not less than 6 (six) months.

17.35. To protect the Card from high temperature, mechanical damage and electromagnetic fields. Not to keep the Card together with the mobile telephone or other objects, under the influence of which the Card may be damaged.

17.36. To immediately stop using the Card, upon receipt of the relevant instruction from the Bank.

17.37. To submit the Card to the Bank upon the Bank's request.

17.38. To destroy the Card not valid for execution of transactions.

17.39. Not to use the Card for any unlawful purposes.

Action in Case of Card's Loss/ Theft

17.40. In case the Card is lost or stolen or the PIN-CODE became known to any third party, the Customer (Card User/ Additional Card User) is obliged to immediately report it to the Bank.

17.41. In case the Card is lost outside the borders of Latvia, the Customer (Card User/ Additional Card User) is obliged to report it to police or to the Bank. If the aforementioned is not possible, the Customer shall apply to any *VISA International* institution or the Bank, which services *VISA International* payment cards.

17.42. The Customer (Card User/ Additional Card User) is obliged in case of necessity to submit all the information to the Bank to allow investigating the case of the Card's loss/ theft.

17.43. In case the Card, the loss/ theft of which has been reported to the Bank, is found, the Customer (the Card User/ Additional Card User) is obliged to report it to the Bank.

The Customer's Responsibility

17.44. The Customer bears full responsibility for all transactions, performed with the Card/ Additional Card. The Customer undertakes to compensate for any losses caused to the Bank in any transaction with the Card issued to the Card User/ Additional Card user or as a result of any other activities with the Card. In this case the Bank shall not be held responsible for the Customer's

17.45. If the Card/ Additional Card was lost/ stolen or if any illegal activities were performed with the Card/ Additional Card the Customer shall be fully responsible for all transactions made with the Card/ Additional Card until his submittal of the notification to the Bank.

17.46. The Customer shall be held responsible for the transactions executed with the Cards linked to the Card Account for 40 (forty) days after their execution.

Rights of the Bank

17.47. The Bank is entitled without prior notification of the Customer to partially or fully limit the rights of using the Card, if the Customer (the Card User/ Additional Card User) is indebted to the Bank or does not observe the Bank's Regulations, these Regulations of the international organisation *VISA International*, regulatory enactments of the Republic of Latvia or other documents, to which the Bank has familiarised the Customer.

17.48. With the purpose of protecting the Customer's interests the Bank is entitled at any time without submitting a special notification to the Customer to block the Customer's Cards or each separately, prohibiting to perform any transactions until the clarification of circumstances. The Bank bears no responsibility for the Customer's losses and any other Customer's additional expenses, if the Bank exercises the rights, determined in present Paragraph.

17.49. If the Bank has received a ruling from a competent institution or person to persecute the Customer's funds the Bank is entitled to block access to all funds available on the Card Account unilaterally, without prior notice to the Customer, until the persecution is released. The Bank is also entitled not to execute the ruling from the Card Credit Limit issued to the Customer

17.50. The Bank may, at its discretion, decrease or remove the Card Credit Limit, request placing a Guarantee Deposit or increasing the present Guarantee Deposit, or request to repay the spent and unpaid Card Credit to the Bank before the end of the Card Credit Repayment Term unilaterally, with prior notice in writing to the Customer, if:

17.50.1. the Bank has information at its disposal regarding a significant decrease in the Customer's finances;

17.50.2. the Customer/ Card User/ Additional Card User has violated these Regulations;

17.50.3. the Guarantee Deposit term has not been extended according to the terms of these Regulations.

17.51. The Customer authorises the Bank to write off funds from the Card Account without specific Notifications from the Customer thus increasing the negative balance on the Account (the Card Credit amount) in the following cases:

17.51.1. for transactions made with the Card/ Additional Cards;

17.51.2. for providing services not mentioned in the Fees and that had to be provided in order for the Bank to ensure servicing of the Customer/ Card User/ Additional Card User and/or Card/ Additional Card;

17.51.3. for other payments due from the Customer according to these Regulations.

17.52. Each transaction with the Card on the Card Account is reflected two times – when reserving the amount of transaction (cancellation of reservation is performed simultaneously with confirmation of the transaction) and confirming the transaction.

17.53. For the transactions in the currency, which is different from the Basic Settlement Currency of the Card Account, the Bank executes currency exchange into the basic currency of the Card Account on the date of transaction according to the currency exchange rate, determined by the Bank, charging the Fee in accordance with the Bank's Fees.

17.54. The Bank upon the Customer's request is entitled to increase or decrease the Spending Limit.

17.55. The Bank is entitled to unilaterally without prior notification of the Customer (Card User/ Additional Card User) to determine the limitations for the Card use. The Bank shall place/ publish the specified limitations for the Card's use and their amendments/ additions prior to the date of their entry into effect in the place available for the Customers at the Bank and/ or publishes them on the Bank's Internet homepage – www.privatbank.lv.

Responsibility of the Bank

17.56. The Customer fully understands and agrees, that the Bank uses the services of third parties, acting in the instructions/ needs of the Customer, as well as providing the Card's servicing. In this case the Bank bears no responsibility for the Customer's losses or inconveniences, in case they have arisen as a result of acts/ omission of third parties.

17.57. The Bank bears no responsibility for the following:

17.57.1. refusal of third parties to accept the Card as a payment means;

17.57.2. quality of goods and services purchased with the Card as a payment means;

17.57.3. the Customer's losses caused by inability to use the Card as a result of communications lines failures, damages or other technical reasons and as a result of reasons the Bank cannot be held responsible for;

17.57.4. the Customer's losses in cases when limitations or limits of third parties have infringed or may infringe the Customer's (Card User's/ Additional Card User's) interests or have affected the use of the Card as a payment means;

17.57.5. legal relations, arising for the Customer with third parties according to mutual transactions or pursuant to the law (including cases, when the basis for establishment is the transaction with using the Card as a payment means);

17.57.6. executed payments, transactions or exchange of information in the Internet, and about any consequences, arising as a result of these actions.

17.58. If the Card User and the Customer (individual) are different persons the Card User and the Additional Card User are not the Bank's Customers in terms of the present Regulations and the Bank shall not be held responsible for their submitted claims and requests.

Card Credit

17.59. The Customer may ask and the Bank is entitled to grant the Card Credit by respectively increasing the balance of the Card Account. The Bank is entitled not to grant the Card Credit to the Customer without explaining the reason.

17.60. The volume of the Card Credit granted by the Bank depends on the type and volume of the Customer's guarantee.

17.61. The Customer is obliged to pay back the amount of the spent Card Credit and the compensation (interest) in compliance with the present Regulations and/or regulations on the relevant Card Credit product of the Bank. If the Customer had placed a Guarantee Deposit the Card Credit repayment term is equalled to the term of the Guarantee Deposit.

17.62. On the basis of the Customer's Notification the Bank may cancel the Card Credit Limit if it does not result in a negative balance on the Card Account.

17.63. The Bank calculates the Card Credit interest for the used and unpaid Card Credit Limit for every day until the day when the used Card Credit Limit is repaid.

17.64. The Bank calculates the interest for the Card Credit Limit overdraft starting with the day when the Card Credit Limit overdraft was established until the day (inclusive) when the overdraft amount is transferred to the Card Account.

17.65. The Bank shall calculate the Card Credit interest considering the 365-day or 366-day year, accordingly, and the number of days in the appropriate month.

17.66. Every month on the date when the Card Credit was granted the Bank calculates the Customer's unpaid Card Credit amount for the previous month, calculates Card Credit interest and Forfeit Interest and writes them off from the Card Account.

17.67. At the end of the Card Credit payment term the Bank calculates and writes off from the Card Account the Customer's unpaid Card Credit amount, Card Credit interest and Forfeit Interest.

Guarantee

17.68. The Bank is entitled to determine the type and volume of Guarantee Deposit amount and interest rate for safekeeping of the funds on the Guarantee Deposit Account in accordance with the Bank's Fees or upon a separate agreement of the Customer.

17.69. All funds placed to the Guarantee Deposit Account are considered financial pledge.

17.70. The Customer is entitled to demand the decrease of the amount of funds on the guarantee deposit account and decrease the Card Credit Limit or to refuse from the Card Credit and withdraw all the funds on the Guarantee Deposit Account, submitting the relevant Notification to the Bank in writing. The Customer may receive the indicated part of the Guarantee from the balance amount on the Guarantee Deposit Account not earlier than after 40 (forty) calendar days from the day of receipt of the Customer's written Notification in the Bank. The unpaid Card Credit amount is deducted from the Guarantee Deposit amount and calculated interest payable to the Customer.

17.71. The Bank pays the interest to the Customer for the actual term of depositing the funds and actual amount of deposited funds on the Guarantee Deposit Account in accordance with the Bank's Fees. The Customer is entitled to receive the interest for depositing the funds on the Guarantee Deposit Account only at the end of the deposit term on condition that the Customer does not withdraw all the funds or a part of the funds deposited on the Guarantee Deposit Account prior to the expiry of deposit term.

17.72. In case the Customer until the end of the term has not submitted the Notification to the Bank in written about withdrawal of funds from the Guarantee Deposit Account in compliance with Paragraph 17.70. or the Notification in written about closing of the Card Account, the term of the Guarantee Deposit is not prolonged and the Guarantee Deposit amount and calculated interest are transferred to the Customer's Card Account at the Bank and the Customer's Card Credit is removed.

17.73. The funds, deposited on the Guarantee deposit account are blocked and are not available for the Customer until the moment, when the regulations of the Paragraph 17.70., 17.74.-17.76. are performed.

17.74. The Bank is entitled at any moment without prior warning of the Customer on a no contestation basis to use the funds on the Guarantee Deposit Account of the Customer for payment for transactions, covering of expenses and losses, arising for the Bank as a result of use and servicing the Card (Additional Card) or in case of non-observance of the Regulations.

17.75. The Bank is entitled at any moment without agreement with the Customer on a no contention basis to use the funds on the guarantee deposit account to waive the Customer's debts, including the Card Credit, Card Credit interest and the Fee, as well as the Forfeit Interest payment in case the debt is not paid 2 (two) months in succession.

17.76. The Customer authorises the Bank to write off the funds from the Card Account (if the funds on the Card Account are not enough, the Bank is entitled to write off the funds from the Customer's Guarantee Deposit Account and later from any other Customer's account), without a separate Customer's order about the transactions, which are performed by using the Card or Additional Cards, Fees, Card Credit interest, forfeit, other compensation to the Bank for the services, provided to the Customer, which are not included in the Bank's Fees, but were

necessary for completing the Customer's order and losses, arising as a result of use of the Card (Additional Card), as well as non-fulfilment of the Regulations.

Fees

17.77. The Fee is charged at the moment of ordering the Customer's Card for issuance of the Card.

17.78. The Bank is entitled to charge the Fee for the Card change 30 (thirty) days prior to the expiry of the Card's validity term in accordance with the Bank's Fees.

17.79. The Fees for the transactions with the Card are charged after the execution of transaction in accordance with the Bank's Fees.

17.80. Annual Fee for the Card is charged for the whole year within the first month starting for the day of receipt of the Card in accordance with the Bank's Fees.

Contestation of Transactions

17.81. In case of revealing of incongruities among the transactions (amounts), which are executed by using the Card or Additional Cards, and actually performed transactions and actually paid amounts, the Customer is entitled to submit claims (complaints) to the Bank in written within 60 (sixty) days of the day of executing the transaction.

17.82. Procedure of further consideration of the complaints is performed in compliance with the rules of international cards organisation *VISA International*.

17.83. In case the Customer has completed the regulations of Paragraph 17.81., the Bank shall indemnify the disputable funds to the Customer, but only after the Bank has obtained them indisputably, acting in compliance with the Bank's regulatory documents and/ or the rules of international organisation *VISA International*.

17.84. The Bank shall not pay to the Customer the funds that are a subject of an argument if, when performing a transaction, the Card User was identified as provided in the present Regulations or if the Customer/Card User/Additional Card User acted carelessly or unlawfully.