

Translation from Russian

APPROVED BY:
Chairman of the Board Oleksandr Trubakov
Signature:
(signature)
02 July 2008 Minutes of the Board meeting No. 24/2008

Procedure No. 43-01-02 on Submitting and Considering Claims (Complaints) from AS “PrivatBank” Customers

The document comes into effect on 03.07.2008.

Amendments: Amendments No. 43-01-02/01 to Procedure on Submitting and Considering Claims (Complaints) from AS “PrivatBank” Customers dated 30 July 2008, minutes No. 28/2008 – clauses 2.6, 3.3.3., 3.4.1.1., 3.4.1.2., 3.4.1.3., 4.7., deleted clause 3.9 – comes into effect on 01.08.2008.

Amendments No. 43-01-02/02 to Procedure on Submitting and Considering Claims (Complaints) from AS “PrivatBank” Customers dated 14 April 2010, minutes No. 14/2010 – clauses 3.3.3., 3.4.1.4. Comes into effect on 14.04.2010.

Amendments No. 43-01-02/03 to Procedure on Submitting and Considering Claims (Complaints) from AS “PrivatBank” Customers dated 1 June 2010, minutes No. 21/2010 – deleted clause 3.4.1.4. Comes into effect on 02.06.2010.

Replaced/cancelled documents: AS Banka “Paritate” Procedure on Considering Claims of Customers at Ombudsman of the Association of Latvian Commercial Banks, dated 24 October 2003, minutes No. 25/2003.

Next update of the document should be carried out: upon request of the process coordinator.

Agreed with: A. Vaskane	Agreed with: D. Kash
Signature: (signature)	Signature: (signature)

Content:

1. Organisational Provisions.....	2
1.1. Goals.....	2
1.2. Responsibility, Documentation Addressees.....	2
1.3. Terms and Acronyms Used in this Document.....	3
2. General Provisions:.....	3
3. Claims (Complaints) Procedure.....	3
4. Procedure and Terms for Considering Claims (Complaints).....	5

1. Organisational Provisions

1.1. Goals

- 1.1.1. To specify a unified procedure for submitting and considering claims (complaints) of Customers at the Bank and Ombudsman of the Association of Latvian Commercial Banks.
- 1.1.2. The Procedure has been prepared in accordance with:
 - “The Law on Credit Institutions” of the Republic of Latvia;
 - “Guidelines for Drafting Procedure for Efficient Out-of-Court Consideration of Claims of Customers with Credit Institution on Non-Cash Credit Transfers and Transactions with Electronic Payment Tools” of the FCMC;
 - “Procedure for Ombudsman of the Association of Latvian Commercial Banks to Consider Claims of Customers of Credit Institutions (Regulations)” of the ALCB Council
 - “Regulation on Latvia Ombudsman of the Association of Latvian Commercial Banks” of the ALCB Council
 - Other regulatory enactments and guidelines, as well as internal regulatory documents of the Bank.

1.2. Responsibility. Documentation Addressees

Process coordinator: Head of Legal Department.

Responsibility:

This document is binding for all employees of the Bank structural units involved in Customer service.

Should the Procedure be inexecutable, the person who has discovered it shall immediately report to Head of his structural unit, the process coordinator hereunder and the Bank Compliance Control Department for introduction of amendments.

Documentation Addressees:

- Head of Legal Department;
- Head of Individual Customers Service Department;
- Head of Non-Resident Customers Service Department;
- Head of Resident Customers Service Department;
- Head of Mortgage Lending Department;
- Head of Crediting Department;
- Head of Microcrediting Department;
- Head of Credit Cards Department;
- Head of Financial Markets Department;
- Head of Trust Transactions Department;
- Head of Resident VIP-Customers Service Department;
- Head of Regional Branches Development Department;
- Heads of Branches;
- Head of Management Technologies Department.

1.3. Terms and Acronyms Used in this Document

Bank – AS "PrivatBank";

Procedure – Procedure on Submitting and Considering Claims (Complaints) from AS "PrivatBank" Customers;

Customer – an individual or a legal entity, the Bank provides financial services to;

Credit transfer – a range of payments initiated by a payer at the Bank with the purpose to pass funds to a beneficiary at the beneficiary's institution;

Electronic payment tool – a tool, which allows its holder to carry out money transfers electronically (remote access payment tools and electronic money);

Remote access payment tool – a tool, which allows its holder to access funds on his account with the credit institution and to make payments; it usually requests the holder's identification code or another similar proof of identity. Such payment tools are payment cards (credit cards, debit cards, charge cards), telephone banking and *home-banking* software (*Privat Online, Privat B@nknet*) and other similar tools;

Electronic money – funds registered in electronic devices (chip cards or computer memory), which have been transmitted to a user as cash substitute and can be used for electronic money transfers;

Association of Latvian Commercial Banks (ALCB) – an institution where banks registered in Latvia and branches of foreign banks join on a voluntary basis;

Ombudsman – the institution established by the Association of Latvian Commercial Banks for the out-of-court settling of disputes between a customer and a bank on non-cash credit transfers and transactions with electronic payment tools. More information about the Ombudsman is available on the ALCB website: <http://www.bankasoc.lv>.

2. General Provisions:

- 2.1. A Customer is entitled to submit complaints to the Bank on non-cash transfers and transactions with Electronic payment tools, claims of financial nature and those related to other transactions, as well as claims (complaints) regarding quality of the Bank products/services, Customer service, organisation of work at the Bank and other claims (complaints).
- 2.2. The Bank shall consider Customer claims (complaints) and give a reply as per this Procedure and in compliance with regulatory enactments of the Republic of Latvia, guidelines of the Financial and Capital Market Commission, General Provisions of the Bank, other internal regulatory documents of the Bank and agreements signed with Customers (transaction documents).
- 2.3. The Bank shall consider Customer claims (complaints) according to the principles of objectiveness, efficiency and fairness.
- 2.4. The Bank shall ensure consideration of Customer claims (complaints) free of charge.
- 2.5. The Bank shall consider Customer claims (complaints) and give a reply no later than within 14 (fourteen) calendar days after receipt of the claim (complaint) and the Bank requested documents.
- 2.6. Customers may submit their claims (complaints) to the Bank in the Latvian, Russian, English, or German languages. A written response of the Bank is provided in the Latvian, Russian, English, or German languages, accordingly.
(in accordance with Amendments No. 43-01-02/01 dated 30 July 2008, minutes No. 28/2008)

3. Claims (Complaints) Procedure

- 3.1. A Customer may submit a claim (complaint) in writing or orally.
- 3.2. A written claim (complaint) is considered the one that is submitted to the Bank:
 - 3.2.1. by a Customer (its representative) personally visiting any structural unit of the Bank;
 - 3.2.2. by mail (to the address: AS "PrivatBank", 4 Terbatas Str., Riga, LV-1134, Latvia);
 - 3.2.3. by e-mail (to e-mail addresses: info@privatbank.lv; welcome@privatbank.lv; support@privatbank.lv or by filling in a feedback form in the Remote account management system - www.privatbank.lv);
 - 3.2.4. using the Remote account management systems – PrivatOnline, PrivatB@nkNet;

- 3.2.5. by fax – to the number 67282981;
- 3.2.6. using the “Chat Online” system.
- 3.3. An orally submitted claim (complaint) is the one submitted to the Bank:
 - 3.3.1. by a Customer (its representative) personally visiting any structural unit of the Bank;
 - 3.3.2. over the telephone (toll-free information line 8000 15 15 or trust line 6 728 19 95);
 - 3.3.3. as SMS to the Bank official mobile phone; number available in branches of the Bank.
(in accordance with Amendments No. 43-01-02/01 dated 30 July 2008, minutes No. 28/2008)
(in accordance with Amendments No. 43-01-02/02 dated 14 April 2010, minutes No. 14/2010)
- 3.4. A Customer is entitled to submit a **written** claim (complaint) to the Bank in such timeframes and cases:
 - 3.4.1. no later than within 6 (six) calendar months after execution of non-cash Credit transfer or a transaction using Electronic payment tools, except for:
 - 3.4.1.1. transactions on the settlement account within 10 calendar days after an account statement was mailed, if a Customer has applied for an account statement;
(in accordance with Amendments No. 43-01-02/01 dated 30 July 2008, minutes No. 28/2008)
 - 3.4.1.2. transactions on the settlement account no later than 5 working days after the transaction date if a Customer before this date has not applied for or has refused from account statement;
(in accordance with Amendments No. 43-01-02/01 dated 30 July 2008, minutes No. 28/2008)
(in accordance with Amendments No. 43-01-02/03 dated 1 June 2010, minutes No. 21/2010)
 - 3.4.1.3. transactions on the card account no later than 60 calendar days after the transaction date;
(in accordance with Amendments No. 43-01-02/01 dated 30 July 2008, minutes No. 28/2008)
(in accordance with Amendments No. 43-01-02/03 1 June 2010, minutes No. 21/2010)
 - 3.4.2. no later than within 60 (sixty) calendar days after another transaction date, unless the agreement between a Customer and the Bank (transaction document) or the General Provisions of the Bank set another timeframe.
- 3.5. A Customer is entitled to submit a **written or oral** claim (complaint) to the Bank in the following timeframes and cases:
 - 3.5.1. during cash transfer in the presence of a Bank employee, who received or disbursed payments, in the event of cash transactions. The Bank shall not accept claims (complaints) on cash deposits and payments confirmed by signature of a Customer or his representative on the payment order;
 - 3.5.2. about the content of received documents - no later than within 10 (ten) calendar days from the day when the respective document was sent, unless the agreement (transaction document) signed between a Customer and the Bank or the General Provisions specify another term;
 - 3.5.3. at any time in other circumstances not mentioned in clause 3.4. and sub-clauses 3.5.1. and 3.5.2., unless the agreement (transaction document) signed between a Customer and the Bank or the General Provisions of the Bank specify another term and procedure.
- 3.6. The written claim (complaint) shall include:
 - 3.6.1. title of a credit institution and its structural unit/branch to which the claim (complaint) is submitted;
 - 3.6.2. submitter (Customer) details:
 - individuals – name, surname, personal identity code, if none – date of birth, residence address;
 - legal entities – title, registration number, address, position, name and surname of an authorised person;
 - 3.6.3. subject, essence and request of the claim (complaint);
 - 3.6.4. list of enclosures (if any);
 - 3.6.5. preferably a telephone number, or e-mail address to ensure faster response to a Customer;
 - 3.6.6. date and place of drafting and signing of claim (complaint);
 - 3.6.7. signature of submitter.
- 3.7. Relevant documents supporting a claim (complaint) shall be enclosed with a claim (complaint).

- 3.8. If a claim (complaint) fails to comply with the provisions of clauses 3.6. and 3.7., the Bank shall inform the Customer – submitter of claim (complaint); in such case the Bank shall disregard the claim (complaint) and specify a timeframe for remedial actions. If a Customer fails to eliminate shortages within the set time period, the claim (complaint) shall be deemed as not submitted and shall not be considered further.

4. Procedure and Terms for Considering Claims (Complaints)

- 4.1. The Bank shall register all Customer claims (complaints) in the Claims Register.
- 4.2. After receipt of a Customer's claim (complaint) the Bank shall consider the claim (complaint) and, if necessary, request additional information and/or documents from the Customer about the facts and circumstances described in the claim (complaint).
- 4.3. Upon receipt of a claim (complaint) complying with the Procedure requirements and after receiving all necessary information and documents, the Bank shall consider a claim (complaint) and give a reply to a Customer within 14 (fourteen) calendar days.
- 4.4. The Bank shall provide oral replies to oral claims (complaints); upon individual agreement, a reply may be provided in writing.
- 4.5. The Bank shall provide written replies only to written claims (complaints) of Customers. In a written claim (complaint) a Customer may indicate the most convenient way for getting a reply (e.g. orally over the phone, in writing to e-mail address, etc.).
- 4.6. A person, having the right of signature at the bank, shall sign a written reply to be posted to a Customer. The reply shall be sent to a Customer specified address by a registered letter or otherwise, recording the fact of sending, or be delivered to a Customer in person against the signature.
- 4.7. The Bank shall take all possible actions to settle arguments between the Bank and a Customer by way of negotiations.
(in accordance with Amendments No. 43-01-02/01 dated 30 July 2008, minutes No. 28/2008)
- 4.8. If in the process of investigation of claim (complaint) the Bank finds it fully or partially grounded, the Bank shall take remedial actions to comply fully or partially with Customer requirements as per claim (complaint).
- 4.9. If a Customer did not receive a reply from the Bank to his claim (complaint) or a Customer was not satisfied with the reply, a Customer is entitled to submit a written claim to the Ombudsman of the Association of Latvian Commercial Banks or to court according to the General Provisions of the Bank and/or agreement (transaction document) signed between a Customer and the Bank.
- 4.10. The Ombudsman is competent to consider claims, which fully meet the following criteria:
- 4.10.1. a claim is about non-cash credit transfers or transactions using electronic payment tools;
 - 4.10.2. a claim is about actions of a bank registered in Latvia;
 - 4.10.3. the transaction amount (the total of obviously related transactions) being the subject of the claim does not exceed EUR 50,000;
 - 4.10.4. the claim does not include issues about falsification of documents;
 - 4.10.5. the claim does not cover issues of justification of Bank pricing, granting, cancelling or changing the credit limit, terms and conditions of credit limit and other similar issues;
 - 4.10.6. a Customer has previously turned to the Bank with a claim of the same nature, but has not received a satisfactory reply from the Bank within a month after submission (sending) of the claim;
 - 4.10.7. court or arbitration court has no outstanding claims on the said subject;
 - 4.10.8. a Customer has not submitted the same claim to the Consumer Rights Protection Centre;
 - 4.10.9. no claims from the same Customer on the same subject have been submitted to the Ombudsman before;
 - 4.10.10. the Bank has not been announced insolvent or undergoing liquidation.
- 4.11. Detailed information about submitting and considering claims at the Ombudsman is available on the ALCB website: <http://www.bankasoc.lv>.