

# TERMS AND CONDITIONS OF CREDIT CARD AGREEMENT

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## 1. GENERAL

### 1.1. Terms and definitions:

**Account Statement** — a document issued by the Bank to the Client in paper form or digitally, reflecting the movement of funds on the Account in a given period of time, and the Account balance at the beginning and end of the said period.

**Agreement** — agreement between the Bank and the Client, consisting of Section I of the Agreement or the Application, signed by the Bank and the Client manually or with a Digital Signature, and these Terms.

**Annual Interest Rate (AIR)** — total charges of the Loan calculated at the time of the conclusion of the Agreement pursuant to Cabinet Regulations, expressed as annual interest from the Credit Limit granted by the Bank.

**Application** — a document prepared by the Bank and completed and signed by the Client manually or electronically to apply for account opening, card issuance and maintenance, as well as receiving a credit limit. An Application completed electronically and signed with the Digital Signature has the same legal validity as a document manually signed by the Client; a document signed in such way is considered as a sufficient proof to resolve any potential disputes between the Bank and the Client.

**ATM** — an electronic Card servicing device, used for cash deposit and/or withdrawal and for providing certain services of the Bank.

**Authentication Tool** — an electronic Digipass token or Blue KEY mobile app, or Password+SMS authentication, used for Client authentication or verification of the use of the payment instrument.

**Bank** — BluOr Bank AS, registered with the Commercial Register of the Republic of Latvia under a unified registration No. 40003551060, registered office: Smilšu iela 6, Rīga, LV-1050.

**Cabinet Regulations** — the applicable Regulations of the Cabinet of Ministers of the Republic of Latvia “Regulations on Consumer Credit” or equivalent Cabinet Regulations superseding the mentioned ones.

**Card** — an international credit card issued by the Bank (also together with cooperation partners), serviced by the Bank, linked to the Client Account and handed over to the Cardholder based on the Agreement governing the issue and use of the Card.

**Cardholder** — the Client or an individual specified in the Agreement and authorised by the Client to use the Card, and whose name, surname and sample signature (if provided) is specified on the Card.

**Client** — an individual or legal entity, or Legal Arrangement, having concluded the Agreement with the Bank.

**Client Account** — a current account or a payment card account opened with the Bank, to which a Card is linked for executing Card Transactions and which serves as a credit card service account for making payments for the use of Credit Limit and the Card.

**Collateral** — a Deposit, financial assets deposited with the Bank on the basis of another agreement, or other financial instruments securing the Bank's claims on the Client in the event of non-performance of obligations under the Agreement by the Client.

**Confirmation** — a written notice sent by the Bank to the Client confirming the issue of the Card.

**Consent** — the Client's consent (authorisation) to the execution of an Order. Unless specified otherwise in the Agreement, the types and formats of giving a Consent are established in the GTB.

**Consumer** — the Client who is an individual and who uses the Bank's service (operation) that is not related to his/her economic or professional activity.

**Credit Limit** — a short-term loan included in the Client Account, granted pursuant to an Agreement concluded by the Bank and the Client, and specified in Section I of the Agreement.

**CVV2/CVC2 code** — a 3 (three) digit security code for online purchases, indicated on the back of the Payment Card in the field contemplated for sample signature.

**Deposit** — financial assets serving as Collateral pursuant to the Agreement, as specified in Section I of the Agreement.

**Digital Signature** — codes, passwords and other identifiers generated or actions taken during the use of the Authentication Tool, which allows to identify the Client in the Internet Bank or other environment provided by the Bank or to link the identified Client with the Application/questionnaire signed by the Client, agreements, Transactions or Orders, or having a logical link with any of the above-mentioned documents, and which is regarded as Consent and is used in accordance with the terms of the Agreement, as well as a secure electronic signature in accordance with Laws and Regulations.

**EEA** — the European Economic Area.

**EU** — the European Union.

**Exchange Rate** — the applicable currency exchange rate used for calculations when the currency of a Transaction is other than the currency of the Card.

**Fee or Commission Fee** — fees charged by the Bank for the services rendered by the Bank, based on the Pricelist.

**GTB** — General Terms of Business.

**Interest** — a fee for the use of Credit Limit, to be paid in accordance with these terms and the interest rate specified in Section I of the Agreement or the Pricelist.

**Internet Bank** — remote access and management system for providing Bank services (operations) online, including the mobile site. The Internet Bank may be accessed by opening the URL <https://ib.bluorbank.lv> or downloading the Bank's mobile app to a mobile device from *App Store* or *Google Play* websites.

**Laws and Regulations** — regulatory enactments of the Republic of Latvia, binding regulations issued by competent authorities, other regulations applicable to the relationship between the Bank and the Client, and the best banking practices. Foreign regulatory enactments are applicable if it is provided for by the laws and regulations of the Republic of Latvia or the terms of the Agreement.

**Legal Arrangement** — within the meaning of the Law on the Prevention of Money Laundering and Terrorism and Proliferation Financing.

**Merchant** — a merchant who accepts a Card in his/her business establishment as means of payment for goods and services.

**Minimum Amount Payable** — minimum amount which the Client must repay pursuant to the Agreement and based on the Pricelist.

**Order** — an order for the execution of a Bank Transaction issued by the Client in accordance with the requirements of the Bank.

**Parties** — the Bank and the Client.

**Payments** — payments for the use of the Credit Limit to be settled at the date specified in the Pricelist based on the type of the credit card.

**PIN code** — a combination of digits, known only to the Cardholder and used for accessing the Card. The Bank issues the PIN code in an individual sealed non-transparent envelope separately from the Card, and the Cardholder uses the PIN code as the Cardholder's signature (Consent) to authorise individual Transactions and to receive the Bank's services available at the ATM.

**Pricelist** — the current Pricelist for services provided by the Bank.

**Reserved Amount** — the amount in which a Transaction or Account operation is executed and which is not debited from the Account because the operation is still being processed. The maximum period of reservation for such a Transaction or Account operation is 30 calendar days starting from the date of the Transaction or the Account operation. If the date of the Transaction date falls on a holiday, the reservation period shall start on the next business day.

**Right of Withdrawal** — the Client's right to withdraw from the Agreement pursuant to the Consumer Rights Protection Law.

**Settlement Period** — a period of 1 (one) calendar month, ending on the last Bank business day of the month. The 1st (first) Settlement Period starts on the 1st (first) day when the Transaction is booked and ends on the last Bank business day of the same month.

**Stop List** — a special list of suspended Cards.

**Strong Authentication** — a payment security system for online purchases, requiring the Cardholder, in addition to the Card number and expiry date, to enter a code generated by the Authentication Tool or a password and the SMS code, depending on the selected Authentication Tool.

**Total Amount Payable** — the amount calculated pursuant to Cabinet Regulations at the time of the conclusion of the Agreement, consisting of the Credit Limit amount and all charges (including interest and Fees) to be paid by the Client for the use of the Credit Limit pursuant to the Agreement. AIR calculation assumptions are used as the basis for calculating the Total Amount Payable.

**Transaction** — deposit or withdrawal of cash, transfer of assets, payment for purchases and services through the use of the Card, resulting in debiting or crediting of the Client Account.

**Transaction Limit** — a limit set on a Transaction by the Client or the Bank based on the type, amount, number and period of the Transaction.

**Unauthorised Credit Limit** — negative balance in the Client Account.

**Unauthorised Transaction** — a Transaction for which the Client has not given his/her Consent.

**Voice Password** — a password created by the Client for Client identification when the Client calls the Bank over the phone.

## 2. GENERAL PROVISIONS

- 2.1. The Bank shall issue a Card to the Cardholder and shall provide the Cardholder with an option to execute Card Transactions in the scope of Transaction Limit, the funds available on the Client Account, and the Credit Limit (if such is granted).
- 2.2. The Cardholder shall use the Card in accordance with the Agreement and shall pay for services received in accordance with the Pricelist and the Agreement.
- 2.3. The Agreement shall govern the relationship between the Bank and the Client in relation to the issuance, use and maintenance of the Card and Credit Limit. Legal relationship between the Parties, not covered by the Agreement, shall be governed by GTB and Laws and Regulations.
- 2.4. The Cardholder shall not disclose the information referred to in the Agreement and other documents relevant in the context of the Agreement to any third parties, unless this is necessary for the execution of Transactions.
- 2.5. Use of the Card and PIN code shall be governed by the Agreement, the terms and conditions of the Agreement on Account Opening and Maintenance, the GTB, the Pricelist, Laws and Regulations, and the regulations of the International Card Organizations (Mastercard).
- 2.6. The expiry date of the Card shall be indicated on the Card (based on "mm/yy" format). The Card shall be valid by the last day of the specified month (inclusive).

### 3. CARD ISSUE AND RENEWAL

- 3.1.** The Card shall be presented to the Cardholder at the Bank's premises (by signing the Confirmation) or sent in an inactive state by mail to the contact address specified by the Client in the Bank. If the Card is sent by mail, the Card may be activated only through the Internet Bank. The Client is obliged to activate the received Card, and by activating the Card received by mail, the Client assumes the risk associated with sending the Card using the postal services. The Client shall inform the Bank if:
  - 3.1.1.** The sent Card has not been received;
  - 3.1.2.** The received Card or its packaging is damaged;
  - 3.1.3.** There are other obstacles to receiving the Card.
- 3.2.** The Client shall be entitled to conclude an agreement for associating several cards with the Client Account, as well as to specify several Cardholders. Prior to receiving the Card, the Cardholder shall be identified in accordance with the procedure established by the GTB.
- 3.3.** Upon expiration of the Card, the Bank shall produce and issue a new Card to the Client, with a new expiry date, except for the cases specified in Clause 14.2 of the Agreement.
- 3.4.** The renewed Card shall be issued to the Cardholder at the Bank's premises, unless the Parties agree otherwise.
- 3.5.** The Bank shall issue the Card together with a sealed envelope containing the PIN code. In the event of card renewal, the PIN code shall be changed. The PIN code is confidential and shall be used by the Cardholder only.
- 3.6.** The Cardholder shall be entitled to change the PIN code via the Bank's ATM.
- 3.7.** To start using the contactless functionality, the Cardholder shall make the first Transaction with the input of the PIN code by inserting the card into the POS terminal.
- 3.8.** The Bank shall be entitled, for security purposes, to cancel and/or destroy the Card, terminate the Agreement if:
  - 3.8.1.** The Card has been issued/sent to the Cardholder, and the Cardholder has not activated the Card within 6 (six) months from the date of issuing/sending the Card;
  - 3.8.2.** The Card has been produced, but the Client has not collected it in the Bank within 6 (six) months from the Card production date.
- 3.9.** Destruction, cancellation of the Card or the Cardholder's refusal to collect the ordered and produced Card or failure to activate it shall not release the Client from the obligation to pay the Bank a fee for Card Account maintenance, Card replacement and delivery.

### 4. USE OF THE CARD

- 4.1.** The Card is a plastic card with a magnetic stripe and a chip. The Card is the property of the Bank, the Cardholder is the Card user.
- 4.2.** Only the person whose name/surname and signature (if provided) is indicated on the Card shall use the Card. The Cardholder shall not transfer the Card and/or Card details to other parties.
- 4.3.** The Card shall be used for carrying out Transactions in places where the Bank or a third party provides Card acceptance services or other Bank services.
- 4.4.** The Cardholder shall be entitled to use the Card only for execution of Transactions. The use of Card details for online Transactions shall also be considered as use of the Card.
- 4.5.** The Cardholder shall not use the Card for executing Transactions, which individually or together exceed the funds available in the account, the established Transaction Limits or the Credit Limit. The Client shall be entitled to request to increase the Transaction Limits by submitting a written application to the Bank or through the Internet Bank.
- 4.6.** The Cardholder shall use the Card and shall settle for Merchant's goods and services directly with the Merchant, by authorizing the Transaction:
  - 4.6.1.** With the Card and signature (if provided); or
  - 4.6.2.** With the Card and PIN code; or
  - 4.6.3.** With the Card and additional security system;
  - 4.6.4.** With the Card, if the Merchant does not use the additional security system;
  - 4.6.5.** In case of a contactless Card — with the Card only or with the Card and PIN code.

- 4.7.** The Cardholder shall use the Card and shall settle for cash operations in ATMs, by authorising the Transaction with the Card and PIN code.
- 4.8.** Merchants may use an additional security system for online transactions, where, in addition to the Card number and the expiry date, the Merchant will require the Client to enter the code from the Client's Internet Bank authorization tool.
- 4.9.** When a Transaction is duly authorised pursuant to the procedure provided for in Clause 4.5, 4.6, or 4.7, the Transaction shall be deemed irrevocable.
- 4.10.** The Cardholder shall not use the Card for Transactions or other operations prohibited by Laws and Regulations.
- 4.11.** Upon executing Transactions with a Merchant, the Cardholder, upon the request of the attending employee, shall present an identity document.
- 4.12.** The Cardholder shall request that the Transaction with the Card is carried out in his/her presence and shall not authorise/approve any supporting document of the Transaction, which does not specify the Transaction amount.
- 4.13.** When using the Card at ATMs or at Merchants, the point-of-sale of which is equipped with devices suitable for entering the PIN code, the PIN code replaces the signature and shall be deemed a sufficient means of Cardholder identification and Transaction confirmation.
- 4.14.** Before signing a supporting document for a Transaction or entering a PIN code, the Cardholder shall verify that the amount specified in the supporting document of the Transaction conforms to the actual Transaction amount. The Cardholder shall sign the supporting document of the Transaction with a signature analogous to his/her signature (if provided) on the Card. If the indicated amount differs from the actual amount of the Transaction, the Cardholder shall not authorise such Transaction.
- 4.15.** If, upon executing a Transaction, a wrong PIN code is entered into ATM 3 (three) times in row, the Card shall be suspended in the ATM. In order to prevent unauthorised use of the Client's funds, the Card must be replaced with a new one.
- 4.16.** If, upon executing a Transaction with a Merchant, a wrong PIN code is entered into the PIN code input device 3 (three) times in row, the Card shall be automatically blocked. In such event the Client may unblock the Card by entering the correct PIN code in the ATM.
- 4.17.** The Cardholder shall not use the Card if the Bank requests so.
- 4.18.** The Cardholder shall immediately return the Card to the Bank if the Bank requests so.
- 4.19.** The Cardholder shall not use the Card if the expiry date specified on the Card has elapsed. In such case, the Card shall be delivered to the Bank or destroyed by the Client him/herself.
- 4.20.** The Cardholder shall not engage in any actions at the result of which any Card details (number, CVV2/CVC2 code, etc.) are converted to an electronic format and sent, uploaded or entered directly or directly into information transmission system, unless directly required for the purposes of the Transaction.

## 5. STORING THE CARD

- 5.1.** The Cardholder shall keep the Card so that it is not accessible to third parties, Card details, Card Number and other information is not exposed to other parties, unless directly required for the purposes of the Transaction.
- 5.2.** The Cardholder shall not store the PIN code and/or mobile device together with the Card. The violation of this provision shall be considered a gross negligence on the part of the Cardholder.
- 5.3.** The Cardholder shall safely store and use the Card, protecting it from mechanical or electronic damage.

## 6. LOSS OF THE CARD

- 6.1.** If the Card is stolen, lost or otherwise illegally exposed to third parties or if the Card is suspended in ATM and/or suspicions arise that the PIN code and/or information relevant in the context of the Card has been exposed to a third party, the Cardholder shall immediately block the Card via the Internet Bank or inform the Bank during its business hours or by using the 24-hour phone line +371 67 092 555 of SIA Worldline Latvia, the company providing Card services. A (free-form) written confirmation of this fact shall be submitted to the Bank within 7 (seven) days following the verbal notification. The (free-form) confirmation may also be submitted via the Internet Bank, by using the Authentication Tool.
- 6.2.** The Cardholder shall promptly notify the Bank if a Card, that was previously reported as stolen or lost, is found, and shall not use such Card until the Bank authorises it.
- 6.3.** The Cardholder shall not reactivate the Card through the Internet Bank where there is a risk that the PIN code of the Card was exposed to any third party. The Client shall be full responsible for activation of a previously blocked Card and for Transactions executed with the Card after its reactivation.

## 7. SUSPENDING THE CARD

- 7.1.** At the request of the Cardholder, the Bank shall suspend the Card by including it in the Stop List.
- 7.2.** The Bank shall be entitled to unilaterally suspend the Card and Payment Card Account if the Client fails to settle for the Minimum Amount Payable for the used Credit Limit within 60 (sixty) days and to request the Client to repay the debt within 30 (thirty) days from the receipt of the Bank's notification. The Bank shall be entitled to exclude the Card from the Stop List after the Client pays the debt and submits a written application for unblocking the Card, unless the Bank withdraws from the Agreement.
- 7.3.** The Bank shall be entitled to unilaterally suspend the Card and include all the Cards associated with the Client Account in the Stop List by notifying the Client in advance or immediately upon suspension of the Card, if the Credit Limit is exceeded or the Cardholder violates other provisions of the Agreement. Upon the elimination of such violations, the Bank may restore the Card at the Client's request.
- 7.4.** The Bank shall be entitled to unilaterally suspend the Card by contacting the Client in advance or immediately upon suspension of the Card, if the Bank identifies any Transactions that, in the Bank's judgement, are unusual to the Cardholder. If the Cardholder confirms to the Bank that the unusual Transaction was indeed executed by the Cardholder, the Bank shall restore the Card. The Card and the Credit Limit may be suspended also upon the request of competent authorities/officials, as well as in other cases pursuant to Laws and Regulations. In such an event, the Client and the Cardholder shall be obliged to return the revoked Card to the Bank.
- 7.5.** The Bank shall be entitled to suspend the Card if an application has been received from the Client regarding the replacement of the Card.
- 7.6.** In accordance with the Client's written request, the Bank shall take the necessary measures to suspend the Cardholder's ability to make Transactions.

## 8. COLLATERAL

- 8.1.** At the time of the conclusion of the Agreement, all financial assets (in any currency) deposited and expected to be deposited in the accounts opened on behalf of the Client with the Bank, including accrued interest on deposited funds or other income, shall be pledged in favour of the Bank as financial collateral (financial pledge) for securing the Bank's claims arising out of the Agreement.
- 8.2.** The Client confirms that the financial assets, including those in any account opened by the Client with the Bank, shall be handed over to the Bank's possession.
- 8.3.** In case of delay in payments under the Agreement (payments that are due) by the Client, as well as in any other cases where the Bank has a claim against the Client under the Agreement, the Bank shall be entitled to dispose of such financial pledge, i.e. to use these financial assets for reducing the amount of secured contractual obligations (Fees, Interest, Credit Limits, penalties) or to completely discharge such obligations without prior notice to the Client and without applying any other additional procedures.
- 8.4.** Upon issuing a Card to the Client, the Bank shall be entitled to require a deposit from the Client in the amount specified by the Bank, which shall be deemed as financial collateral for fulfilment of the Client's obligations. In such an event, the information on the type of collateral shall be specified in Section I of the Agreement.

- 8.5. The Parties may agree to use other financial assets or financial instruments as Collateral. The Bank shall be entitled to require additional security — a surety from an individual or a guarantee from a legal entity, or the Parties may agree that the aforementioned surety or guarantee may serve as Collateral.
- 8.6. The Bank shall be entitled to refuse the Client from using any other Collateral than the Deposit, without justifying its decision.
- 8.7. During the term of the Agreement, the Client shall not be entitled to terminate the Deposit placed pursuant to the established procedure.
- 8.8. If at the end of the term of the Deposit the Agreement is expired, the Bank shall pay the accrued interest and the Deposit amount by crediting the Current Account after the Bank has debited the account in the amount of liabilities arising out of the use of the Card, unless the Client has otherwise settled their liabilities to the Bank.

## 9. CREDIT LIMIT

- 9.1. In addition to financial assets in the Client Account, the Client may use the Credit Limit to settle for Transactions, which was granted by the Bank upon signing the Agreement.
- 9.2. The term of the Credit Limit is linked to the validity period of the Card.
- 9.3. Upon the expiration of the Credit Limit term, the Bank shall have the right, after assessing the creditworthiness of the Client, to provide the Client with a Credit Limit for a new term together with the Card validity period, provided that the assessment of the Client's creditworthiness is positive.
- 9.4. The Credit Limit is subject to repayment at the Bank's request in the cases specified in Clause 9.14.
- 9.5. The Client shall pay interest to the Bank for the use of the Credit Limit. Interest shall be calculated on the actual debit balance of the Payment Card Account at the end of each day, assuming that there are 360 (three hundred sixty) days in a year.
- 9.6. Once a year, after concluding the Agreement, the Bank shall have the right to evaluate the terms and conditions of the granted Credit Limit (including the Interest Rate, the amount of the Credit Limit). If the Bank decides to change the terms and conditions of the Credit Limit, the Bank shall inform the Client about the changes 30 (thirty) days in advance, and the Consumer Client – 60 (sixty) days in advance.
- 9.7. **In case of repayment of the standard Credit Limit**, the Client shall, by the 20th of a given month (or, if the 20th is a day-off or holiday, by the last Bank business day preceding the 20th), pay the Minimum Amount Payable — 5% (five per cent) of the Credit Limit used during the preceding calendar month, and Interest.
- 9.8. **For a Credit Limit with grace period of up to 50 days (applies to Credit Limits granted before March 1, 2021):**
  - 9.8.1. By the 20th of the month following the current calendar month or by the last Bank business day preceding such 20th day (if the 20th falls on a day-off, a holiday or a Bank holiday), the Client shall pay the Minimum Amount Payable — 100% (one hundred percent) of the Credit Limit used during the preceding calendar month, and Interest, if such are calculated.
  - 9.8.2. Interest shall be charged if the Client has failed to repay the Credit Limit used during the previous calendar month by the end of the 20th of the month following the calendar month of using the Credit Limit, or the Bank business day preceding such 20th day (if the 20th falls on a day-off, a holiday or a Bank holiday).
- 9.9. Repayment of the standard Credit Limit cannot be replaced by repayment of the Credit Limit with grace period up to 50 days.
- 9.10. The used and unpaid Credit Limit can be fully or partially repaid at any time, including funds on the Client Account.
- 9.11. The used Credit Limit shall be available to the Client in the amount that was repaid by the Client.
- 9.12. If the Client requests to increase the Credit Limit, the Bank shall be entitled to refuse to increase the Credit Limit or to offer the Client a lower Credit Limit increase than requested by the Client.
- 9.13. The Bank shall be entitled to offer the Client to increase the Credit Limit by sending a respective offer through the Internet Bank, taking into account the Client's consent to receive commercial messages.
- 9.14. The Bank shall be entitled, by notifying the Client 30 (thirty) days in advance, and the Consumer Client 60 (sixty) days in advance, to unilaterally reduce or, if the Credit Limit has been spent, to demand full repayment of the provided Credit Limit, if:
  - 9.14.1. The Bank is aware about an increase in the Client's liabilities, reduction of income, delayed payments, claims of third parties or other circumstances that adversely affect/may affect the Client's creditworthiness;
  - 9.14.2. The assessment of creditworthiness is negative;



- 9.14.3.** The Collateral established for the receipt of the Credit Limit is lost;
- 9.14.4.** During the term of the Agreement, the Client was late on payments towards the Bank;
- 9.14.5.** A request is received from supervisory authorities.
- 9.15.** In cases when the term of the Agreement has expired or the Agreement has been terminated at the initiative of the Bank, the Bank has the right to set a repayment schedule for the full repayment of the Credit Limit provided in accordance with the Agreement, as well as to determine the procedure for paying Interest and penalties by concluding an agreement with the Client on debt repayment. If the Client does not comply with the terms of the said agreement, the Bank may unilaterally terminate it and require the Client to immediately repay the entire debt and/or, if necessary, file a claim with the court to recover the debt.
- 9.16.** If the Bank suspends the Card in accordance with the Agreement and blocks the Client Account or any other accounts in the amount of the Credit Limit, the Client shall not be entitled to unilaterally handle the funds available in the accounts until any due payments under the Agreement are fully discharged. The Bank shall unblock the accounts as soon as there are no reasons for blocking, i.e. delayed payments are discharged or the orders of competent institutions/officials are executed/cancelled.
- 9.17.** The Client shall credit the Client Account in the amount of Minimum Amount Payable, Card account maintenance fee, Interest and interest on the Unauthorized Credit Limit.

## 10. PAYMENT ORDER

- 10.1.** Card Transactions shall be executed by using the funds available on the Client Account. The Client shall ensure that the amount necessary for the execution of Transactions is available in the Client Account in the Card currency.
- 10.2.** In foreign countries, Card Transactions shall be processed by using the system of the International Card Organizations. Information on Currency rates applicable to Card Transactions is available on the website of the International Card Organizations <https://www.mastercard.com/global/en/personal/get-support/convert-currency.html>. If the Transaction currency is different from the Bank's settlement currency (EUR or USD), Transaction amounts shall be converted into EUR at the applicable currency exchange rates of the International Card Organizations. If the Card of a Card is other than EUR, Transaction amounts shall be converted at the Bank's exchange rates on the day of posting the Transaction.
- 10.3.** If the currency of the account, to which the Card is linked, is other than the Transaction currency, a Fee shall be applied for currency conversion in accordance with the Pricelist.
- 10.4.** Upon authorising a Transaction, the Client shall accept the applicable exchange rates of the Bank and Mastercard that are used for booking the Transaction in the account. Transactions shall not be challenged based on considerations regarding the exchange rate.
- 10.5.** A Card Transaction shall be deemed authorised if the Cardholder confirmed the Transaction by using Authentication Tools or otherwise gave his/her Consent to the Transaction. The Cardholder may authorise a Transaction by submitting relevant information or by performing certain, deliberate and consecutive actions (e.g. indicating the name, surname, card number, expiry date, CVV code, by inserting or bringing the Card close to the device for processing Card data with or without PIN code input, by ordering certain goods or services offered at service points). If a Transaction is authorised in any manner described in this Clause, such authorisation shall be deemed as the Cardholder's Consent and such Consent shall have the same legal effect as documents signed by the Client manually, and shall serve as a sufficient evidence for resolving any potential disputes between the Bank and the Client. The Client shall not appeal a Transaction executed based on a Consent given in accordance with the procedures laid down in this Clause and GTB.
- 10.6.** If the Cardholder disputes an already executed Transaction, the Cardholder shall submit to the Bank all the information and documents (i.e., any evidence) required for conducting a review of the contested Card Transaction.
- 10.7.** If the Cardholder has executed a Transaction and the Client Account does not hold sufficient funds for the Transaction, the Client shall immediately repay such funds, by crediting the Client Account in the required amount.
- 10.8.** Each purchase or Transaction executed through an ATM by using a Card may be reflected in the Client Account twice as Transaction amount reservation (Reserved Amount) and Transaction authorisation. Cancellation of the Reserved Amount shall not affect the Transaction authorisation and the Client shall ensure funds in the Client Account necessary for the execution of the Transaction, unless the party, accepting the Card, cancels the transaction.
- 10.9.** The Client shall credit the Client Account in the amount of the Minimum Amount Payable, Credit Limit usage fee, Card Account maintenance fee, Interest or penalties (if applicable) not later than by the end of the Settlement Period, unless the respective payments are due on an earlier date.

- 10.10.** The Client shall pay fees and other payments for the Bank's services related with the Card issue, replacement, renewal, Transactions and insurance in accordance with the Pricelist and the Agreement from any Client Account with the Bank (including from the Credit Limit).
- 10.11.** In order to execute the payments under the Agreement and the Pricelist, the Bank shall be entitled to calculate and, without any additional approval by the Client, to withhold from the Client Account or any other account of the Client the following payments in the following sequence and order:
- 10.11.1.** Card Account maintenance fee. The Card Account maintenance fee shall be applicable starting from the month when the Card Account was opened and withheld until the 5th of the current month;
  - 10.11.2.** Commission Fee for Transactions using the Card, after the execution of the Transaction;
  - 10.11.3.** Interest in accordance with Section I of the Agreement or the Interest Rate established in the Pricelist;
  - 10.11.4.** Minimum Amount Payable or Credit Limit and the overdrawn Credit Limit in accordance with the Pricelist;
  - 10.11.5.** Interest on Unauthorised Credit Limit;
  - 10.11.6.** Other payments due by the Client under the Agreement and the Pricelist.
- 10.12.** Upon withdrawing the funds as provided for in Clause 10.11, the Bank shall be entitled, if necessary, to make a currency exchange operation at the rate approved by the Bank on the respective settlement date.
- 10.13.** Upon withdrawing the funds as provided for in Clause 10.11, the Bank shall also be entitled, if the funds in the Client Account are not sufficient to cover the Commission Fees, to allow an excess of the Credit Limit or Unauthorized Credit Limit.
- 10.14.** If the Client has not activated the Card before the expiration of the previous Card, the Bank shall be entitled to deduct from the Client Account a fee for services related to the production and issuance of the Card (if any), without additional approval from the Client. If the Client has failed to activate the Card within the period specified in the Agreement, the Bank shall cancel/destroy it. Commission Fees paid to the Bank shall not be refunded
- 10.15.** The Bank shall provide the Client with a report that reflects all the Transactions, executed with Cards associated with the Client Account during the Settlement Period, the Account Statement and the Credit Limit, as well as the Minimum Amount Payable and the Settlement Period.

## 11. RESOLUTION OF CLAIMS

- 11.1.** Any claims of the Cardholder regarding Client Transactions shall be submitted to the Bank in writing in person or via the Internet Bank.
- 11.2.** The Bank shall review the Cardholder claims regarding Card Transactions within the deadlines established by the International Card Organizations (Mastercard). The total period for the review of a claim shall be up to 60 (sixty) days from the receipt of the claim at the Bank.
- 11.3.** If, as a result of consideration of the application, it is established that the Client's claims are justified, the Bank shall reimburse the Client for damages incurred in the amount recognized by the International Card Organization (Mastercard) by placing the returned funds at the disposal of the Bank.
- 11.4.** Claims raised by Clients regarding erroneous or Unauthorized Card Transactions executed via the Bank's ATMs shall be reviewed within 14 (fourteen) days from the date of receipt of the claim at the Bank.
- 11.5.** The Bank shall have the right to withhold funds or reserve financial assets in the Client accounts for enforcement of its claims.

## 12. LIABILITY

- 12.1.** The Client shall comply with the Agreement and fulfil the obligations under the Agreement, as well as ensure compliance with the Agreement on the part of Cardholder.
- 12.2.** At least once a month, the Client shall review the Account Statement in the Internet Bank or shall request the receipt of the Account Statement in the Bank's premises in accordance with the Pricelist and shall verify the correctness of the information included in the Account Statement.
- 12.3.** The Bank shall not be liable for any unauthorized or erroneous transactions if the Client fails to notify the Bank thereof as soon as the Client becomes aware of such unauthorized or erroneous transactions, but not later than within 13 (thirteen) months after debiting funds from the Client Account.

- 12.4.** The Client shall be liable for Transactions up to the moment when the Cardholder notifies the Bank about a lost or stolen Card.
- 12.5.** The Client shall be liable for Transactions that are executed with the Card, during the period of 60 (sixty) calendar days after the Card is suspended.
- 12.6.** The Client shall confirm the existence of a legal basis for data processing for the transfer of Cardholder personal data to the Bank and that the Cardholder has been informed that the Bank processes personal data in accordance with the GTB and the Privacy Policy. The purpose of data processing: issuance and maintenance of the Card, conducting due diligence of the Cardholder and ensuring compliance with the requirements of international and national sanctions. More detailed information about the Privacy Policy is available here: <https://www.bluorbank.lv/en/information-on-processing-of-personal-data>.
- 12.7.** If the Card is issued/used based on inaccurate, false and/or misleading information provided by the Cardholder, the Client shall be solely responsible for all liabilities incurred during the use of the Card. The Client confirms that he/she is aware of the liability arising from the provision of inaccurate, false and/or misleading information (incl. in order to obtain the Credit Limit). The Client is informed that failure to fill in the requested information shall be deemed to be the absence of such information.
- 12.8.** If the Cardholder denies having authorised a Transaction that has already been executed, establishing the physical use of the Card or the use of Authentication Tools shall serve as evidence of the fact that the Cardholder has indeed authorised the Transaction, or that the Cardholder has illegally or through intent or gross negligence failed to fulfil one or more of the obligations under the Agreement with respect of using and storing the security features of the Card.
- 12.9.** The Bank shall not reimburse the Client's losses of under EUR 50 (fifty euros) incurred due to Unauthorised Transactions in the event of loss, theft, or other illegal access to remote access tools (Internet Bank, Authentication Tool) or the Card, except in cases specified in the Law on Payment Services and Electronic Money.
- 12.10.** The Bank shall not reimburse the Client's losses incurred from Unauthorised Transactions, if the Client has acted illegally, maliciously or negligently, including failure to use or store the remote access tools (Internet Bank, Authentication Tools) or the Card (including PIN code, password, user name) in accordance with the Agreement concluded between the Bank and the Client or Manuals of remote access tools, and failure to immediately notify the Bank about the loss, theft or other illegal access to the Authentication Tool or the Card.
- 12.11.** If the Client qualifies as Consumer, the scope of responsibility established in Clause 12.9 of the Agreement shall not be applicable.
- 12.12.** If a Transaction is executed in the absence of sufficient funds in the Client Account (Credit Limit overdraft), the Client shall pay interest on Unauthorized Credit Limit to the extent specified in Section I of the Agreement or the Pricelist.
- 12.13.** The Bank shall not be held responsible for non-execution or incomplete execution of an order of a Cardholder, as well as any errors, delays, inaccuracies or other deficiencies caused because of the submission of incomplete or incorrectly filled documents or orders by Cardholders, due to the fault of any third party, or losses caused by communication organizations.
- 12.14.** The Bank shall not be held liable for refusal to accept the Card by any third party. The Bank shall not be responsible for the quality of goods and services purchased with the Card. The Bank shall not be responsible for any restrictions imposed by a third party that may violate the interests of the Cardholder.
- 12.15.** By signing the Agreement, the Client shall confirm that he/she is aware of the risks associated with the use of the Card and possible errors in communications and/or technical systems that may result in non-execution or incomplete execution of the orders of Cardholders, except those caused by the Bank's gross negligence.
- 12.16.** The Parties shall not be responsible for partial fulfilment or non-fulfilment of any contractual obligations due to Force Majeure circumstances that cannot be foreseen, prevented or influenced by reasonable means. The Parties agree that Force Majeure circumstances shall include non-fulfilment or partial fulfilment of the obligations of the Bank's correspondent banks registered outside the OECD (Organization for Economic Cooperation and Development) member-states at the result of which the Bank fails to fulfil (or delays fulfilment of) its obligations to the Client.

## 13. AMENDMENTS TO THE AGREEMENT

- 13.1.** The Bank shall be entitled to unilaterally amend the Agreement incl. introduce changes in the Credit Limit (including revocation), Interest rates and the Pricelist, by notifying the Client thereof in writing or using any other reliable medium 30 (thirty) days in advance, and the Consumer Client 60 (sixty) days before the change comes into force. The Parties agree that the Client shall be deemed as having agreed with the amendments if, within 30 (thirty) or 60 (sixty) days, accordingly, after receiving the notification, the Client has not notified the Bank of his/her objections to the amendments, or has not requested termination of the Agreement. The Bank shall be entitled to depart from the established notification term if the Pricelist amendments are favourable for the Client.
- 13.2.** The new version of each Agreement, to which the Client has agreed after signing the Agreement, shall replace this Agreement unless otherwise agreed.
- 13.3.** The Bank shall be entitled to unilaterally amend the Transaction Limits by giving notice to the Client 30 (thirty) days in advance, and to the Consumer Client 60 (sixty) days in advance, pursuant to Clause 13.1 of the Agreement. The Bank shall be entitled to disregard the term specified in this Clause, if requested by supervisory authorities of the Bank's activities.
- 13.4.** The Client shall be liable to the Bank for informing the Cardholder about changes in the Agreement, Credit Limit and Pricelist.

## 14. VALIDITY AND TERMINATION OF THE AGREEMENT

- 14.1.** The Agreement shall enter into force at the moment of its signing by the Client and acceptance by the Bank. The Agreement shall be concluded for an indefinite period. The expiry date of the Card and the validity period of the Credit Limit in itself shall not be deemed as the expiry date of the Agreement, except in cases stipulated in the Agreement.
- 14.2.** Upon the expiration of the Card or the Credit Limit, the Bank shall reserve the right not to renew the Card and to refuse continuation of the Agreement on the same terms if:
- 14.2.1.** The positive balance of the Client Account is less than the Card Account maintenance fee specified in the Pricelist and/or Transactions with the Card have not been carried out for 3 (three) months;
- 14.2.2.** At least 1 (one) month before the expiration of the Card, the Client submitted a written application to the Bank or via the Internet Bank for termination of the Agreement;
- 14.2.3.** Unauthorised Credit Limit occurs on the Client Account;
- 14.2.4.** The Bank determines that the Client and/or the Cardholder has/have violated these terms and conditions;
- 14.2.5.** The Card has been suspended (by the Client) and the Client has not activated/replaced it within 30 (thirty) days from the Card suspension date;
- 14.2.6.** The Client Account is arrested, settlement operations are suspended or funds are withheld from it in cases provided for by Laws and Regulations;
- 14.2.7.** The Bank does not have accurate and complete information about the Cardholder's identification data.
- 14.3.** Upon termination of the Agreement by the Bank or the Client, the Client shall repay to the Bank the used and due Credit Limit, Interest, penalties (if any), the Credit Limit overdraft (if any), as well as payments related to the use of the Card and the Card Account in accordance with the Agreement and the Pricelist.
- 14.4.** The Client shall have the right to unilaterally withdraw from the Agreement at any time upon complete discharge of the obligations under the Agreement, by submitting a prior written application to the Bank, which shall be accompanied by all the Cards linked to the Client Account. In case of termination of the Agreement, conditions of the Agreement regarding the financial collateral shall apply.
- 14.5.** Notwithstanding the aforementioned, the Agreement may be terminated only upon full discharge of obligations under the Agreement, but not earlier than after 30 (thirty) days from the date on which the application on termination is submitted to the Bank.
- 14.6.** The Agreement may be terminated at any time upon mutual consent of the Parties pursuant to the procedure provided for in Clause 14.5 of the Agreement.

- 14.7.** The Bank shall be entitled to unilaterally suspend the Card and terminate the Agreement at any time without notifying either the Client or the Cardholder, if:
- 14.7.1.** The Client/Cardholder fails to fulfil any of their obligations towards the Bank;
  - 14.7.2.** The Collateral established for the receipt of the Credit Limit is lost;
  - 14.7.3.** The business relationship with the Client is terminated;
  - 14.7.4.** The Card has been suspended (by the Client) and the Client has not activated/replaced it within 30 (thirty) days from the Card suspension date;
  - 14.7.5.** The Credit Limit is reduced to 0 (zero) as a result of the assessment of the Client's creditworthiness;
  - 14.7.6.** The Client/Cardholder violates legislation in performing Transactions;
  - 14.7.7.** The Client's business activity has been suspended or terminated, any signs of the Client's insolvency proceedings have been detected, or an application for initiation of insolvency proceedings has been filed with the court;
  - 14.7.8.** The Bank has information about the bad reputation of the Client or the Client acts disrespectfully towards the Bank;
  - 14.7.9.** The Client/Cardholder has attempted or has committed fraudulent actions against the Bank or any of its Clients;
  - 14.7.10.** The Bank suspects that the Cardholder has not agreed to produce the Card in the Cardholder's name or does not want to continue using the Card;
  - 14.7.11.** The Client fails to submit the information required under Clause 16.1 of the Agreement;
  - 14.7.12.** The Client has submitted false documents or provided false information to the Bank; in this case, the Bank has grounds to propose to initiate criminal proceedings against the natural person who sent the information in accordance with the relevant provision of the Criminal Law;
  - 14.7.13.** The Bank is aware or suspects that the Client has performed or attempted to perform actions aimed at money laundering and the financing of terrorism and proliferation, or other criminal offence;
  - 14.7.14.** Claims are raised by third parties with respect of funds on the Client Account or any other account opened on behalf of the Client with the Bank;
  - 14.7.15.** At least one of the following conditions exist (the Client is requested to repay the used and due Credit Limit, Interest, penalties (if any) and the Credit Limit overdraft (if any), as well as payments related to the use of the Card and the Card Account in accordance with the Agreement and the Pricelist (within two weeks from the moment the Bank has sent the relevant notice):
    - 14.7.15.1.** The Client fails to provide the Bank with genuine information and documents to the extent that would allow the Bank to conduct client due diligence in accordance with the requirements of the Law on the Prevention of Money Laundering and Terrorism and Proliferation Financing, or in other cases specified in the said Law and GTB;
    - 14.7.15.2.** The Bank decides to terminate business relationship and/or enforce early fulfilment of obligations in respect of other Bank's clients who have the same beneficial owners (included in the same group of mutually related clients as the Client) pursuant to the procedure provided for in the Law on the Prevention of Money Laundering and Terrorism and Proliferation Financing.
- 14.8.** The Bank shall have the right to terminate the Agreement also in other cases specified in the GTB or the Laws and Regulations.
- 14.9.** If the Bank withdraws from the Agreement, the Client shall, upon receipt of the Bank's notification, discharge the due payments under the Agreement within the term specified in the notice or the Agreement.
- 14.10.** The Bank shall be entitled to terminate the Agreement unilaterally if the Bank stops issuing the relevant card type.

## 15. RIGHT OF WITHDRAWAL (NOT APPLICABLE IF A CLIENT IS A LEGAL ENTITY)

- 15.1. The Client shall have the right to, within 14 (fourteen) days following the conclusion of the Agreement, exercise the Right of Withdrawal and refuse from the Credit Limit (withdraw from the Agreement) without explaining the reasons for such withdrawal.
- 15.2. The Client shall notify the Bank in writing about exercising the Right of Withdrawal, by submitting an application to the Bank or sending a message in the Internet Bank. The notice about exercising the Right of Withdrawal shall be sent to the Bank before the term specified in Clause 15.1 of the Agreement falls due.
- 15.3. The Client shall as soon as possible, but not later than within 30 (thirty) days after giving the notice to the Bank in accordance with Clause 15.2 of the Agreement, repay to the Bank the Credit Limit received and used, and Interest for the entire period of use of the Credit Limit.
- 15.4. In the event of exercising the Right of Withdrawal, the Card Account maintenance fee already withheld shall not be refunded to the Client.
- 15.5. If the Client fails to comply with Clause 15.2 and/or 15.3 of the Agreement, the Client shall be deemed not to have exercised the Right of Withdrawal and the Client shall be obliged to continue making Payments pursuant to the Agreement.

## 16. FINAL PROVISIONS

- 16.1. The Client shall not later than within 10 (ten) business days from the date of the Bank's request submit the information requested by the Bank regarding the income and/or liabilities of the Client.
- 16.2. The Bank shall be entitled to refuse issuance of the Card. In the event of refusal, the Bank shall reserve the right to refrain from clarifying its decision.
- 16.3. Headings of the sections of the Agreement are for convenience only and shall not to be used to construe the essence of the Agreement.
- 16.4. If the Client is considered a Consumer in accordance with the Laws and Regulations, during the term of the Agreement the Client shall be entitled to receive the Agreement or information on specific provisions of the Agreement free of charge, on paper or on another hard medium, upon request.
- 16.5. The Parties agree that in cases where the applicable Laws and Regulations allow an agreement between the Parties on the non-application of certain regulation (for example, if the service user is not a Consumer), the conclusion of the Agreement is considered such an agreement.
- 16.6. The Bank shall be entitled to apply changes to currency exchange rates immediately and without prior notice. Information about changes in the Bank's currency exchange rates and current exchange rates shall be available to the Client at the Bank's premises and on the website [www.bluorbank.lv](http://www.bluorbank.lv).
- 16.7. The Client and the Cardholder are aware that the Bank verifies the accuracy, accuracy and completeness of the provided information, as well as, if necessary, requests additional information and confirmations from third parties without coordinating actions to be taken with the Client and/or Cardholder. In order to provide the services the Bank shall have the right to process and disclose to third parties the data that became known to the Bank and are necessary for the execution of the Agreement, other Bank's regulations and terms of service. The Bank shall process personal data in accordance with the procedure specified in the Bank's Privacy Policy.
- 16.8. The Bank shall have the right to cede or otherwise transfer to third parties any of its claims under the Agreement and personal data of the Client for the purpose of debt collection and recovery.