

# Conditions of Private Customer Card Agreement

Valid from  
13.01.2018

## 1. GENERAL PROVISIONS

- 1.1 The Private Customer Card Agreement (hereinafter the **Agreement**) governs the relations between AS LHV Pank (hereinafter the **Bank**) and the customer of the Bank (hereinafter the **Customer**) in the use of the services provided by the Bank and any third party via an electronic means of payment – i.e. a card – to be issued by the Bank.
- 1.2 These terms and conditions of the Private Customer Card Agreement (hereinafter the **Conditions**) shall form an integral part of the Agreement and shall be applied to the Agreement insofar as the Bank and the Customer have not agreed otherwise.
- 1.3 In issues not regulated by the Agreement, the Bank and the Customer shall be governed, in addition to the Conditions, by the Bank's General Conditions and the Conditions of Payment Services Agreement, including other documents referred to therein. The Customer has reviewed all of the above conditions, is aware of and consents to the Parties' rights and obligations arising therefrom.
- 1.4 The Agreement shall be governed by the laws of the Republic of Estonia.

## 2. TERMS AND DEFINITIONS

- 2.1 In addition to the terms defined in the General Conditions of the Bank and the Conditions of the Payment Services Agreement, the following terms with the following meaning shall be used in the Conditions:
- 2.1.1 **Card User** is a Customer who is a natural person, or another natural person complying with the requirements of the Bank, to whom the Bank has granted the Card for use upon the request of the Customer.
- 2.1.2 **Card** is an electronic means of payment which is owned by the Bank and which may be used by the Card User for performing Operations, pursuant to the procedure established by the Bank, at the expense of the funds available on the Account (i.e. use the Card as a debit card) or at the expense of the funds available on the Credit Account (i.e. use the Card as a credit card, provided that the Bank and the Customer have previously entered into a Credit Limit Agreement).
- 2.1.3 **Account** is the Customer's current account in the Bank, as specified in the Agreement.
- 2.1.4 **Credit Account** is an account tied to the Customer's Account, from which the Credit Limit can be used for performing Operations, making transfers to the Account, and paying for the costs and fees related to the Operations and transfers, provided that the Bank and the Customer have previously entered into a Credit Limit Agreement.
- 2.1.5 **Credit Limit Agreement** is a separate contract which is concluded between the Customer and the Bank and under which the Bank allows the Customer to use the Credit Limit on the Credit Account.
- 2.1.6 **Credit Limit** is the maximum amount (in euros), specified in the Credit Limit Agreement, within which the Bank will grant the Customer credit on the Credit Account. Where no Credit Limit Agreement has been concluded between the Customer and the Bank, the Credit Limit shall be 0 (zero) euros.
- 2.1.7 **Limit** is the limit (in euros), within which the Card User is allowed to perform Operations in one day or one month; The Limits shall be determined as a standard amount for the Account and the Credit Account.
- 2.1.8 **Payment Date** is the 10th day of each month. On the Payment Date, the Bank shall debit from the Customer's Account the fees established in the Agreement and the Price List.
- 2.1.9 **International Card Organisation** is MasterCard Worldwide.
- 2.1.10 **Terminal** is an ATM, a payment terminal or another system (including the Internet environment) complying with the requirements of the Bank and allowing the Card User to perform Operations.
- 2.1.11 **Operation** is the use of the Card for accessing, through the Terminal, the funds available on the Account or the Credit Account for the purpose of cash withdrawal, payment for goods or services, receipt of information, or for other operations related to the Card.

## 3. USE OF THE CARD AND SELECTION OF THE ACCOUNT FOR PERFORMANCE OF THE OPERATION

- 3.1 Only the Card User shall be entitled to perform Operations with the Card. Where the Customer and the Card User are separate persons, the Customer shall be obliged to forward to the Card User the Agreement (including the Conditions), the General Conditions, the Conditions of Payment Services Agreement and other relevant service conditions for examination, and to take responsibility for the Card User's adherence to the same.
- 3.2 Upon Card issue, the Card User shall be provided with personal Security Elements of the Card (PIN), which shall be regarded as the signature of the Card User when performing Operations.
- 3.3 Upon the Customer's request, the Bank shall be entitled to send non-activated Cards and the Security Elements of Cards to Customers by post at the address provided by the Customer to the Bank. Upon receipt of the Card, the Customer shall make sure that the envelope of the Card as well as that of the Security

Elements of the Card has not been opened or damaged. The Customer shall activate the Card at a Bank office or via the Internet Bank.

- 3.4 The Card User may start performing Operations on the Account or the Credit Account from the moment of the activation of the Card, provided that the Account or Credit Account holds funds available for the performance of the Operations. The Customer may start using the Credit Limit after conclusion of the Credit Limit Agreement between the Customer and the Bank from the moment and on the conditions set forth in the Credit Limit Agreement.
- 3.5 The Card shall be tied to the Account and the Credit Account. Upon the Customer's request, several Cards may be tied to the Account and the Credit Account.
- 3.6 To perform an Operation, the Card User shall first choose whether to perform an Operation on the Account or the Credit Account. Where the Card User wishes to perform an Operation on the Account, the corresponding selection (e.g. "Debit", "D", etc.) shall be made in the Terminal (except for the Internet environment), or the Card number specified on the front side of the Card entered in the Internet environment. Where the Card User wishes to perform an Operation on the Credit Account, the corresponding selection (e.g. "Credit", "C", etc.) shall be made in the Terminal (except for the Internet environment), or the Card number specified on the back side of the Card entered in the Internet environment. Where the Terminal does not provide the above option for the performance of the Operation, the Operation may only be performed on the Account.
- 3.7 The Customer, the Card User or a third party shall be entitled to make transfers to the Credit Account in any amount (in euros only) at any time. Any amounts transferred to the Credit Account shall be considered as repayment of the Credit Limit used by the Customer under the Credit Limit Agreement, with the Credit Limit made available for new Operations in the same amount (provided that a Credit Limit Agreement has previously been concluded). The unused part of the Credit Limit and any extra amounts transferred to the Credit Account shall compose the available funds of the Credit Account. The Bank shall not pay any interest on the positive balance of the Credit Account.
- 3.8 The Card User is entitled to perform Operations within the limits of the funds available on the Account or the Credit Account, as specified in the Agreement.
- 3.9 The Bank shall require Strong Authentication of the Card User before use of the Card.
- 3.10 Where the Card User has granted his or her consent to the performance of the Operation, the Customer or Card User shall not be entitled to a refund of the amount paid for the Operation, unless the person who provided the relevant service agrees to a refund of the amount paid for the Operation, or unless Imperative Provisions stipulate otherwise.
- 3.11 Upon the request of a person serving the Card, the Card User shall present his or her identity document and agree to the recording of the data of the document.
- 3.12 The Customer shall accept that all Operations made by the Card User or by using the Security Elements of the Card shall be treated as legitimate by the Bank (and as authorised in the meaning of the Law of Obligations Act) and shall be executed by the Bank.
- 3.13 The Bank shall have the right not to perform the Operation ordered by the Card User, if:
- 3.13.1 the Customer's Account has been blocked or seized;
- 3.13.2 the Card is invalid or closed, or use of the Card has been blocked;
- 3.13.3 the amount of the Operation (including all fees and costs related to the Operations) exceeds the unused part of the Limit established in the Agreement or the unused part of the Credit Limit (where a Credit Limit Agreement has previously been concluded), unless the funds available on the Credit Account are used for the purpose;
- 3.13.4 the funds available on the Account prove insufficient for the performance of the Operation and payment of the fees and expenses related to the Operation;
- 3.13.5 under any other basis arising from the General Conditions or legal acts.
- 3.14 The Bank shall have the right to block the use of the Card until the circumstances are clarified, if:
- 3.14.1 the Customer or Card User fails to appropriately fulfil one or several of the obligations arising from the Agreement;
- 3.14.2 the Customer's Account has been blocked or seized;
- 3.14.3 the Bank has become aware of a circumstance from which it can be reasonably concluded that the Card has become available to or the Security Elements of the Card have been disclosed to a person not authorised to use the Card;
- 3.14.4 the use of the Card may be related to a fraud on behalf of the Customer or Card User;
- 3.14.5 there are grounds for blocking the Card under the Conditions, the General Conditions or Service Conditions.
- 3.15 If the reasons for blocking the Card under clause 3.14 of the Agreement are not eliminated, the Bank shall be entitled to close the Card.

- 3.16 The Customer or Card User shall have the right to request the blocking or closing of the Card by the Bank at any time.
- 3.17 A card, which has been blocked, closed or rendered invalid, may not be used.
- 3.18 Unless otherwise provided by the Imperative Provisions, the Bank shall not be held liable for any damage caused to the Customer or a third party (including the Card User) in connection with the blocking of the Card or closing of the Card by the Bank in accordance with the Conditions. This shall also be the case, if the Bank has blocked the use of the Card in good faith on the basis of a false notification.
- 3.19 The Bank shall have the right to engage third parties in the performance of Card-related Operations [e.g. credit institutions, the International Card Organisation or the Card Centre of Banks (Nets Estonia AS)]. The Bank shall not be held liable for the actions of these persons, or their failure to act.
- 3.20 The Bank shall have the right to establish a minimum and maximum amount for the Limits as well as for single Operations.
- 3.21 The Bank shall be entitled to offer the Customer or Card User, without the prior consent of the Customer or Card User, additional Card-related services and benefits or stop offering such additional services and benefits or establish in the Price List the service fees for such services and benefits.
- 4. SECURITY REQUIREMENTS FOR THE USE OF THE CARD**
- 4.1 A Card User shall:
- 4.1.1 personally sign the Card upon its receipt;
- 4.1.2 use the Card in accordance with the Agreement and make every effort to protect the Card from mechanical damage, high temperatures, electromagnetic fields, reproduction, alteration, etc.;
- 4.1.3 not to allow third party/parties to use the Card, except for the receiver of the payment during the performance of the Operation;
- 4.1.4 use the Card only in Terminals bearing the MasterCard logo and follow the instructions given by or written on the Terminal, when performing the Operations. The Bank shall not be held liable for any damage caused by the breach of this clause of the Agreement;
- 4.1.5 not to use the Card for illegal activity, including for purchasing goods and services prohibited by valid legal acts;
- 4.1.6 immediately notify the Bank of any errors or failures obstructing the performance of Operations;
- 4.1.7 fulfil other obligations arising from the Agreement and the Law of Obligations Act.
- 4.2 To guarantee the security of the performance of Operations, a Card User shall periodically change the Security Elements of the Card, if the Bank has established the relevant procedures and periods, and the means to do so.
- 4.3 The Customer or Card User is obliged to ensure that persons not authorised to use the Card have no access to the Card or the Security Elements of the Card. A Card User shall make every effort to safeguard the Card or the Security Elements of the Card, including to memorize the Security Elements, not to save the Security Elements on any data carrier and to safeguard the Security Elements in such a way as to rule out their use by third Parties (including to destroy the hard copy of the Security Elements immediately after memorizing the Security Elements).
- 4.4 If the Card has been used by unauthorised parties or in an inappropriate manner, or if the Card or the Security Elements have been lost or stolen or the Security Elements have been or are in danger of being disclosed to unauthorised third parties, the Card User or the Customer shall immediately notify the Bank thereof at the time and telephone number specified by the Bank on its website.
- 4.5 Upon receipt of the information specified in clause 4.4, the Bank shall make every effort to prevent further use of the Card (including to close the Card).
- 4.6 The Bank or a person serving the Card shall be entitled to refuse to perform the Operation or to confiscate the Card, if the Card or the Security Elements of the Card have been used inappropriately or if the Bank or the person serving the Card has suspicions with regard to the identity of the Card User.
- 5. PAYMENT OBLIGATION**
- 5.1 The Bank shall have the right to debit from the Account the amount of Operations performed on the Account with the Card, any fees related to the use of the Card, i.e. the Operations performed, as set out in the Price List, in particular but not limited to the fee for cash withdrawal from ATM, the fee for the balance or account statement of the Account via ATM. Where the Customer performs an Operation on the Credit Account, the Bank shall have the right to debit from the Credit Account, in addition to the amount of the Operations performed on the Credit Account, any fees related to the use of the Card, i.e. the Operations performed, as set out in the Price List, in particular but not limited to the fee for cash withdrawal from ATM, the fee for the balance statement of the Credit Account or the statement of Operations via ATM.
- 5.2 As a rule, the Bank shall debit the amount of the Operations as well as the fees and costs related to the Operations from the Account or the Credit Account on the day the Operation is received by the Bank. Still, the Bank shall have the right to debit the amount of the Operation or the fees set forth in the Agreement from the Account or the Credit Account from another day established by the Bank.
- 5.3 The Bank shall have the right to debit from the Account the fees set out in the Price List, including but not limited to the fees for the issue of the Card, the fee for the replacement of the Card, the monthly fee and the fee for the use of a closed Card). The Bank shall debit the fee for the issue or replacement of the Card from the Account on the Payment Date of the month following the ordering of the Card (including a new Card), the monthly fee for the Card on the Payment Date of the month following the month which serves as the basis for calculation, and the fee for the use of a closed Card on the date established by the Bank.
- 5.4 In addition to the fees established in the Price List, the Bank shall have the right to debit from the Account or the Credit Account any additional fees charged by the International Card Organisation as well as the potential conversion fee. The
- claims of the International Card Organisation for Card Operations performed outside the euro area are received by the Bank in euros or amounts converted into euros. The conversion rate shall be determined by the International Card Organisation as of the day when the Operation is sent to the Bank.
- 5.5 The Bank shall debit the fees payable by the Customer to the Bank under the Agreement from the Customer's Account or Credit Account without the Customer's separate order. The Customer is obliged to ensure that there are sufficient funds available (in euros) on the Account or the Credit Account for debiting the amounts specified in clause 5 of the Agreement. If the Bank is unable to debit the Account or the Credit Account on the date specified in the Agreement due to unavailability of funds, the Customer shall be considered as having failed to fulfil the payment obligation arising from the Agreement and the Bank shall be entitled to block the use of the Card, notifying the Customer thereof as soon as possible. The Bank shall unblock the Card within a reasonable period of time after the circumstances serving as the basis for the blocking have been eliminated or have ceased to exist.
- 5.6 In case of failure to make the payments set forth in the Agreement, the Customer shall be obliged to pay a fine for delay and the debt processing fee set out in the Price List. The Customer may incur additional costs related to the collection of the debt (the fees charged by the collection service provider or legal costs or bailiff's charges).
- 6. EXCHANGE OF INFORMATION AND SUBMISSION OF CLAIMS REGARDING THE OPERATIONS PERFORMED**
- 6.1 The statement of Operations performed by the Customer or Card User, any costs related to the Operations, and any fees paid by the Customer to the Bank in accordance with the Price List shall be made available to the Customer by the Bank in electronic form via the Internet Bank (statement of the Account or the Credit Account or the respective Card).
- 6.2 The Customer shall immediately check the correctness of the Operations performed. Any claims related to unauthorised or incorrectly performed Operations shall be filed in a format which can be reproduced in writing immediately, but not later than by the term indicated in the Payment Services Agreement.
- 6.3 All other claims and disputes between the Customer, the Card User and the Bank shall be settled pursuant to the procedure provided in the General Conditions. If the Bank and the Customer fail to reach an agreement in case of a dispute, the dispute shall be settled in court at the location of the Bank, unless the Bank and the Customer have agreed otherwise or unless Imperative Provisions stipulate otherwise.
- 6.4 The Customer shall also have the right to turn to the Consumer Complaint Committee of the Consumer Protection Board (address: Rahukohtu 2, Tallinn 10130, telephone: 372 62 01 700, e-mail: info@tarbijajakaitseamet.ee, website: www.tka.riik.ee) to resolve the dispute out-of-court.
- 6.5 The Customer confirms that he or she agrees to the application of the law of the Republic of Estonia to the relations arising from the Agreement and to the settlement of any disputes in an Estonian court (including in the event that the Customer is living in or moves to a foreign country upon entry into the Agreement).
- 7. LIABILITY**
- 7.1 The Parties shall be held liable for breach of their obligations in accordance with the provisions of the Conditions, the General Conditions, the Payment Services Agreement and legal acts.
- 7.2 Where an unauthorised payment (in the meaning of the Law of Obligations Act) has been made through the use of a lost or stolen Card or Security Elements of the Card, and there are no circumstances, as provided by law, which would release the Customer from liability, the Customer shall be held liable for the damage caused until notification of the Bank through means acceptable to the Bank, up to a maximum amount of 50 euros. The Customer shall also be held liable, if the Card or the Security Elements have been used in another unauthorised manner and the Customer or Card User has failed to safeguard the Card or Security Elements in accordance with the requirements. The liability limit stipulated in this clause shall not be applied, if the unauthorised payment can be associated with a fraud conducted by the Customer or Card User, or if the Customer or Card User intentionally or due to gross negligence breaches:
- 7.2.1 the obligation to use the Card or the Security Elements according to the terms and conditions of their issue and use, including the obligation to make every effort required to safeguard the Card and the Security Elements that enable the use of the Card;
- 7.2.2 the obligation to notify the Bank or any third party designated by the Bank, immediately after learning of such circumstances, of the loss or theft of the Card or the Security Elements and of any unauthorised or incorrect use of the Card;
- 7.2.3 one or more of the conditions of issue and use of the Card or the Security Elements.
- 7.3 The Bank shall not be held liable for the activities of third parties engaged in the performance of the Operations, the goods or services paid for with the Card or cases where the Card is not accepted for performance of the Operation.
- 8. VALIDITY OF THE CARD AND THE ISSUE OF A NEW CARD**
- 8.1 The Card shall be valid until the last day of the month (included) indicated on the Card.
- 8.2 The Bank shall have the right to prepare a new Card upon expiry of the validity of the Card. The Bank shall notify the Customer or Card User of the time or place of delivery of the new Card.
- 8.3 The Bank shall have the right, upon expiry of the Card or when the Customer applies for a new Card (a replacement card), not to prepare or issue a new Card, if the Customer or Card User has breached any of the obligations arising from the Agreement or conditions of use of the Card, or if the Customer no longer complies with the conditions established by the Bank.
- 8.4 If the Customer or Card User does not wish to receive a new Card, the Customer or Card User shall notify the Bank thereof in writing or by other

channels acceptable to the Bank within at least 2 (two) months before the last day of the month specified on the Card.

- 8.5 If the Customer or Card User fails to accept the Card from the Bank or to activate the Card within 6 (six) months after preparation of the Card, the Card shall be closed and destroyed, without refunding the fees debited from the Customer's Account under the Bank's Price List.
- 8.6 The Card User shall not use an invalid or a closed Card or a Card that has been rendered unfit for use in any other way, and shall return such a Card to the Bank within 30 (thirty) days from the closing of the Card, expiry of the Card or from the moment the Card has been rendered unfit for use in any other way.
- 9. ENTRY INTO FORCE, AMENDMENT AND TERMINATION OF THE AGREEMENT**
- 9.1 The Agreement shall enter into force upon its signing and shall be valid for an unspecified term.
- 9.2 The Customer shall have the right to request change of the Limits pursuant to the procedure and within the limits established by the Bank. In such cases, the Bank shall have the right to change (including to raise) the Limits without concluding a separate annex for amendment of the Agreement.
- 9.3 The Bank shall have the right to unilaterally amend the terms and conditions of the Agreement by notifying the Customer thereof at least 2 (two) months in advance. The Customer shall be entitled, within those 2 (two) months, to cancel the Agreement immediately and free of charge. If the Customer fails to cancel the Agreement within the above term, it shall be deemed that the Customer has accepted the amendments.
- 9.4 The Customer shall have the right to cancel the agreement in the ordinary manner by notifying the Bank thereof at least 1 (one) month in advance.
- 9.5 The Bank shall have the right to cancel the Agreement in the ordinary manner by notifying the Customer thereof at least 2 (two) months in advance.
- 9.6 The Bank shall have the right to cancel the Agreement extraordinarily and without any advance notification (including to close the Card), if:
- 9.6.1 the Customer fails to fulfil any of the obligations (including a payment obligation) arising from the Agreement within the additional term of 14 (fourteen) days granted by the Bank to the Customer;

- 9.6.2 all Cards issued under the Agreement have been closed or the use of the Card has been blocked for at least 4 (four) consecutive months;
- 9.6.3 the Card is rendered invalid and the Customer or Card User fails to accept a new Card from the Bank (including to activate the new Card) within the time limit set forth in clause 8.5 of the Agreement;
- 9.6.4 no Operations have been performed with the Card for a period of at least 6 (six) consecutive months.
- 9.7 In addition to the cases stipulated in the Conditions, the Bank shall have the right to cancel the Agreement extraordinarily without any advance notification on other basis provided by the General Conditions, the Payment Services Agreement or legal acts.
- 9.8 The Agreement shall be automatically terminated upon termination of the payment services agreement concluded between the Bank and the Customer.
- 9.9 The Parties shall have the right to terminate the Agreement at any time by mutual agreement.
- 9.10 Termination of the Agreement shall have no bearing on the collection or satisfaction of financial claims that arose prior to termination of the Agreement.
- 9.11 The Bank shall close the Credit Account upon termination of the Agreement, but not before the Credit Limit Used has been repaid to the Bank in full (in cases where a Credit Limit Agreement has been concluded).
- 9.12 Upon termination of the Agreement, the Bank shall transfer the positive balance of the Credit Account to the Account.
- 10. FINAL PROVISIONS**
- 10.1 The Bank and the Customer undertake not to disclose any information related to the conclusion of the Agreement and performance of the Agreement to third parties, unless this is required by circumstances related to the processing of the Card or Operations, or unless agreed in the Agreement.
- 10.2 The Bank shall have the right to disclose the Agreement-related information on the Operation, the Card, the Customer and the Card User to third parties whose right to such information arises from the General Conditions and the Principles of Processing Customer Data by the Bank.
- 10.3 The Financial Supervision Authority (address: Sakala 4, 15030 Tallinn; telephone: 372 66 80 500; e-mail: info@fi.ee, website: www.fi.ee) shall conduct supervision over the activities of the Bank.