

## RULES OF USE OF SIA TRANSACT PRO PREPAID GIFT CARDS

### 1. DEFINITIONS USED IN THE RULES

In the Rules the following terms have meanings as defined below:

**Suspicious Transaction** is a transaction related to or causing suspicion that it can be related to money laundering or an attempt of terrorism financing.

**Activation Date** is the date, as of which the Institution enables the possibility to use of the Gift Card for Transactions.

**Authorisation** is the process of electronic verification of the Gift Card data initiated by the Merchant or another service provider resulting in an on-line inquiry for the Institution's permission to perform the Transaction.

**Price List** is the list of standard fees for the Institution's Services effective at the moment of execution of the relevant activity available on the Institution's Website and, inter alia, setting out the Fees and terms of their application. The Institution may determine different Gift Card programmes with a separate Price List for each.

**CVC2/CVV2 Code** is a personal identification code issued by the Institution or the Distributor to the Buyer along with the Gift Card and used for remote identification of the User when making 'Gift Card not present' Transactions.

**Transaction** is a financial activity initiated by a Merchant or other financial service provider resulting in full or partial payment by the Gift Card User for the goods sold and/or services provided by the Merchant by using the Gift Card.

**Gift Card** is a plastic or a virtual Visa or MasterCard prepaid international payment card with an individual number, usable for payment of goods and/or services at the places of operation of Merchants, provided that the Card Nominal Value is not exceeded.

**Gift Card Balance** is the part of the Gift Card Nominal Value, which is not yet used and a hold on which is not placed for payment of the Transactions or Fees at the respective point in time.

**Gift Card Account** is the User's current account opened within the Institution's system, to which the Gift Card is linked and which the Institution uses for recording and reflection of Transactions and Payments.

**Expiry Date** is the term until the last day (including) of the calendar month indicated on the Gift Card, during which the Gift Card can be used for payment of Transactions and other operations provided for the Gift Card, unless the Term of Use of the Gift Card Use has elapsed.

**EEA** is the European Economic Area.

**EEA Transaction** is a Transaction, in the performance of which there are involved the Merchant's payment service provider and the Institution, both located in any of the EEA member states (current list of member states is available in the Price List), and which is made in the euro currency or the national currency of any of the EEA member states.

**Institution** (Issuer of the Gift Card) is SIA Transact Pro, registered with the Enterprise Register of the Republic of Latvia under number 41503033127, legal address at Ropazu iela 10, Riga, LV-1039, Latvia, Website [www.istadavanukarte.lv](http://www.istadavanukarte.lv) and [www.transactpro.lv](http://www.transactpro.lv), email address [info@transactpro.lv](mailto:info@transactpro.lv) and [info@istadavanukarte.lv](mailto:info@istadavanukarte.lv). The Institution is a licenced electronic money institution with the right to provide payment services, registered with the Register of Licences maintained by the Financial and Capital Market Commission under the number 06.12.04.416/359, and its operation is supervised by the Financial and Capital Market Commission.

**Institution's Business Day** is every day within the working hours of the Institution on which the Institution and the bank servicing the Institution's payments performs operations necessary for execution of the respective Transaction or Payment. Information about the Institution's working hours is available on the Institution's Website.

**Institution's Electronic Signature** is the electronic data generated by the Institution, attached to an electronically prepared document or logically linked with it and enabling authenticity of the electronic document, as well as confirming the Institution's identity.

**IBAN (International Bank Account Number)** is an international current account number granted by financial institutions to their Customers in line with international standard ISO 13616-1:2007 Financial services - International bank account number (IBAN) – Part 1: Structure of the IBAN".

**Internet Office** is the system offered by the Institution to its customers for remote management of funds and electronic money, as well as a secure information exchange channel, in which the User, in the cases and within limits stipulated herein, upon entering his/her User name and Password, can obtain information on the Gift Card Balance and the Transactions.

**Distributor** is a person authorized by the Institution, who, upon the Institution's assignment distributes Gift Cards and collects from Buyers Nominal Values and Fees for issuance of Gift Cards.

**Fee** is the charge set out in the Price List payable by the User to the Institution for Services.

**Term of Use** is a term determined by the Institution, during which the Gift Card can be used for payment of the Transactions and receipt of other services, unless the Expiry Date determined by the Institution has elapsed. If a Gift Card is purchased at the Institution, its Term of Use commences on the Gift Card production date, while in case of purchase of a Virtual Gift Card it commences on the day the Institution transfers the Nominal Value to the Virtual Gift Card Account. If a Gift Card is purchased at a Distributor, its Term of Use commences on the date when the Gift Card is loaded, provided that the Gift Card is loaded on the Institution's Business Day; the Institution may determine a later day of commencement of the Term of Use, if a Gift Card is loaded outside of the Institution's Business Day, but no later than on the next Institution's Business Day. If the Institution provided the Distributor with already loaded Gift Cards, the Term of Use commences on the day when the amount of first Transaction made with the Gift Card has been debited from the Gift Card Account. Upon agreement between the Distributor and the Institution, another procedure for setting the Term of Use can be applied, provided that the User agrees to it at the moment of purchasing the Gift Card.

**User Name** is a unique combination of numbers and/or letters assigned to the User by the Institution and usable for the User's identification when using the Internet Office.

**User** is a person using the Gift Card for payment of Transactions and for receipt of other services in accordance with these Rules.

**Law** is the Law on Payment Services and Electronic Money of the Republic of Latvia.

**Payment** is a financial operation initiated by the User for redemption of the Gift Card Account Balance.

**Payment Order** is the User's order to the Institution to carry out the Payment.

**Payment Service** is any payment service within the understanding of the Law.

**Unusual Transaction** is a Transaction that meets the criteria of an unusual transaction under the laws and regulations of the Republic of Latvia.

**Nominal Value** is the sum of money indicated on the Gift Card packaging, surface of the plastic material, in a document confirming the purchase or in a Gift Card order application, which the Buyer transfers cash or cashless to the Institution or to a Distributor in exchange for a Gift Card of the same value.

**Rules** are the present Rules of Use of SIA Transact Pro Prepaid Gift Cards with all annexes thereto binding on Buyers and Users of Gift Cards.

**Service** is any financial service or a service related to a financial service offered or provided by the Institution to the User.

**Password** is a personal identification code assigned by the Institution, which is issued by the Institution or by the Distributor to the User along with the Gift Card and which is used for remote identification of the User when receiving information on the Gift Card and on Transactions in the Internet Office, as well as when confirming 'Gift Card not Present' Transactions.

**Partner** is a third party, including the Distributor, with which the Institution has agreed on cooperation in issuance or distribution of Gift Cards, that are used for both Services offered by the Institution and services and benefits offered by the Partner.

**Consumer** is a User, who is deemed to be a consumer within the meaning determined by the Law on Protection of Consumers' Rights of the Republic of Latvia.

**PIN Code** is a personal identification code issued by the Institution or by the Distributor along with the Gift Card and used for identification of the User when approving 'Gift Card Present' Transactions.

**Buyer** is a person buying or ordering a Gift Card from the Institution or from a Distributor.

**POS** or Point of Sale is any electronic terminal servicing Gift Cards, except for ATM, where a Gift Card is accepted as means of payment of Transactions.

**Merchant** is a person accepting Visa or MasterCard payment cards (including Gift Cards in accordance with a card's brand indicated on its plastic material) at their shops for payment for goods sold or services provided, if such person is able to ensure Gift Card Authorisation at the moment of performance of a Transaction. Visa or MasterCard logos, corresponding to the logos indicated on the plastic Gift Card issued to the User, displayed in shops, are evidence that the particular shop is a Merchant within the meaning of these Rules. Cash withdrawal places are not deemed Merchants even if these places are bearing Visa or MasterCard logo.

**Value Date** is the reference time used by the Institution to register an entry on execution of a Transaction and/or to determine the moment when the User becomes obliged to pay a Fee.

**Virtual Gift Card** is a Gift Card existing only in a virtual form. The Buyer is notified on the Gift Card number and other necessary identification data of the Gift Card, but it is not issued in a plastic form. A Virtual Gift Card can be used at all places where MasterCard payment cards are accepted for payment, but it is not requested to physically present the card, including when paying for Transactions on the Internet.

## **2. GENERAL**

2.1. The Rules govern the legal relationship between the Buyer and the User on the one side and the Institution on the other side, in relation to the purchase, issuance and use of the Gift Cards issued by the Institution, and are binding on all Buyers and Users. Legal relationship between the User, Buyer and the Institution related to the use of the Gift Card and not determined by the present Rules, is governed by terms and conditions of international payment card organisations (Visa and MasterCard, subject to the Gift Card brand), to the extent these do not contradict to the laws and regulations of the Republic of Latvia.

- 2.2. Gift Cards issued by the Institution are non-cash payment instruments provided for non-cash settlements for goods and services at Merchants accepting payment cards of the relevant international payment card organisation brand (MasterCard or Visa), as well as for other services allowed by the Institution in accordance with the Rules. A Gift Card is anonymous, if Buyer's or User's name and/or family name are not indicated on it. Cash withdrawal transactions are not possible with Gift Cards.
- 2.3. Gift Card, when issued to the Buyer, is active and valid, and the plastic Gift Card can be used for Transactions starting with the moment of its signing by the User. If the person using the Gift Card hasn't signed it, it is deemed that the Gift Card is being used unlawfully and the Institution is not liable for fulfilment of obligations set out in the Rules.
- 2.4. The nominal value of the Gift Card is limited, and all requirements towards it, including restrictions on its Nominal Value and other limits, are determined by the Institution.
- 2.5. The chosen Gift Card Nominal Value may not be changed; the balance of the Gift Card may not be supplemented, and after it is spent, the Gift Card is deemed invalid and the Gift Card Account is closed in accordance with the procedure determined by the Institution.
- 2.6. Balances of several Gift Cards may not be merged on one Gift Card Account. The balance of an active and valid Gift Card Account cannot be transferred to another Gift Card Account.
- 2.7. Appearance of Gift Cards, including their design and all the information indicated on a Gift Card, is determined by the Institution.
- 2.8. When ordering a Gift Card the Buyer confirms that he/she has fully read the Rules, the Price List and other documents (including the Institution's General Business Conditions and Payment Rules) applicable to legal relationship between the Institution, the Buyer and/or the User in relation to servicing of Gift Cards, agrees to them and undertakes to observe them as well as to ensure that the User reads them and observes them.
- 2.9. The Rules and other Institution's documents governing provision of Services, including the Remote Account Management Rules related to operations performed in the Internet Office and other remote communication between the User and the Institution, are available to the Buyer and to the User on paper at the Institution's office on the Institution's Business Days and electronically on the Institution's Website at any time, except for times the Website is down for emergency or scheduled maintenance.
- 2.10. The User may use the Gift Card that is issued by the Institution in cooperation with a Partner to receive both the services offered by the Institution and the Services and benefits offered by the respective Partner. Usage of a Gift Card issued in cooperation with a Partner for receipt of the Partner's services or benefits, as well as the mutual legal relationship between the Buyer, the User and the Partner in respect of use of the Gift Card for receipt of the Partner's services or benefits, are governed by terms and conditions on use of the Partner's services or benefits issued by the respective Partner.
- 2.11. Information on Partners and Gift Cards issued by the Institution in cooperation with each Partner, as well as the terms and conditions on use of the Partner's services and benefits, are available to the Buyer and the User at the Institution's office on Institution's Business Days or at any time on the Institution's Website.
- 2.12. The Institution is not liable for the Partner's services and benefits, including for terms and conditions of granting, provision and/or cancellation of such benefits, as well as for any loss incurred by the Buyer and/or the User in relation to the Partner's services and/or benefits or use thereof.

### **3. PURCHASE OF GIFT CARDS**

- 3.1. Gift Cards can be bought at the Distributors or at the Institution. The information on the points of sale of the Gift Cards and the Distributors is available from the Distributors or on the Institution's Website. The Institution accepts orders for Gift Cards also by telephone +371 67222 555 and on the Institution's Website.
- 3.2. The Buyer can buy a Gift Card and choose the Gift Card Nominal Value from the options offered and pre-defined by the Institution, as well as freely define the desired Gift Card Nominal Value, provided that minimum and maximum limits of the Nominal Value as set out in the Price List are met, if the Institution or the Distributor allows such option and the maximum Nominal Value limit hasn't been lowered by them. If the Institution or a Distributor for technical reasons is unable to provide to the Buyer an opportunity to set the desired Nominal Value of the Gift Card, the Buyer may freely choose it from the options of Nominal Value pre-defined by the Institution and indicated on the Gift Card's packaging or on the application for a Gift Card.
- 3.3. At the moment of purchase of the Gift Card the Buyer must deposit full amount of the Gift Card Nominal Value and pay the Gift Card issuance Fee. The depositing must be made prior to receipt of the Gift Card in cash or with other means of payment accepted and serviced by the Institution or by the Distributor, except for Gift Cards already issued to Users. If depositing of the Nominal Value is prohibited by applicable laws and regulations, the Institution may refuse to carry out depositing of the Nominal Value. The Institution may refuse depositing of the Nominal Value, if in the Buyer's order for depositing (payment) an erroneous or non-existent order number is indicated, as well as return the amount of such payment order to the payer's account, deducting the Fee set out in the Price List and applicable to credit transfers and withholding fees calculated by the institutions involved in returning of the amount of payment. If the Institution or the Distributor applies a fee (surcharge) for servicing the payment means or payment currency chosen by the Buyer, the Buyer at the moment of purchase of the Gift Card must pay in full amount the surcharge determined by the Institution

- or by the Distributor. The Institution or the Distributor may withhold the fee or the surcharge mentioned in this paragraph from the amount deposited by the Buyer, determining a smaller Nominal Value of the Gift Card respectively.
- 3.4. The Buyer may pay the Gift Card Nominal Value and the Gift Card issuance Fee also by a bank transfer based on the Institution's or the Distributor's invoice. In such case the Buyer must pre-order the Gift Cards in accordance with the following procedure:
- 3.4.1. The Buyer willing to purchase Gift Cars submits to the Institution an electronic order, which can be filled out at the Institution's Website, or fills out, signs and submits to the Institution a particular application form, which can be ordered by telephone +371 67222 555 or by email at [info@istadavanukarte.lv](mailto:info@istadavanukarte.lv). In the order form the Buyer indicates the required number of Gift Cards, their Nominal Values and other information requested by the Institution;
  - 3.4.2. Gift Cards are issued if the Institution accepts the order submitted by the Buyer;
  - 3.4.3. If the Institution accepts the order, it draws up an invoice to the Buyer and sends it to the address or facsimile number indicated by the Buyer or passes it to the Buyer (Buyer's representative);
  - 3.4.4. The Buyer is obliged to pay the invoice within 10 (ten) days upon its date by bank transfer to the Institution's current bank account, indicating in the payment order the Gift Card order number received from the Institution. If the Institution does not receive the payment in full amount within the mentioned term, the order is not binding on the Institution;
  - 3.4.5. The Institution produces the Gift Cards requested in the application within 3 (three) days upon receipt of the payment of the invoice in full amount;
  - 3.4.6. The Buyer's order of Gift Cards is binding on the Buyer as of the moment of full payment of the invoice presented to the Buyer. If the Buyer cancels or amends his/her/its Gift Cards' order, the Buyer pays to the Institution the cancellation or amendment Fee in accordance with the Price List;
  - 3.4.7. In case of cancellation of the order the Institution withholds the Fee indicated in the Price List from the sum paid by the Buyer, drawing up an additional invoice for the amount of Fee withheld. In case of amendment of the order the Institution draws up and sends to the Buyer an additional invoice for amendments made to the order, indicating the additional Fee payable, as well as withholds the additional Fee from the amount paid by the Buyer;
  - 3.4.8. The Buyer can receive the ordered Gift Cards along with the invoice in the Institution's office located at its legal address on the Institution's Business Days.
- 3.5. The Distributor or the Institution issues to the Buyer the Gift Card, PIN Code and the Password only upon receipt of full payment of the each Gift Card Nominal Value and Gift Card issuance Fee or upon confirmation from the issuer of the payment card on placing a hold on funds in the payment card account in the amount required for the payment, if such payment is made with a payment card accepted by the Distributor or by the Institution. If the Buyer makes the purchase remotely, with a payment card on the Institution's or Distributor's Website or by bank transfer to the Institution's current account, the Institution or the Distributor may, prior to issuance of the Gift Card, PIN Code or Password, identify the person who arrives for receipt of the Gift Card in order to ascertain that this person is the Buyer or the Buyer's authorised representative. In such case the Buyer or his/her/its authorised representative, upon arrival for the ordered Gift Cards, must present to the Institution's or Distributor's salesperson a valid identification document (passport, identification card or a driving licence issued in the Republic of Latvia), the order confirmation issued by the Institution, as well as the payment card with which the Gift Card order has been paid, if a payment card has been used for payment of the order. If a Buyer is a legal entity, in addition to the documents mentioned in this paragraph the Buyer's authorised representative upon arrival for the ordered Gift Cards must present to the Institution's or Distributor's salesperson the power of attorney issued by the Buyer. If a sole trader or a person with signatory rights granted by the Buyer arrives to collect the Gift Cards, the power of attorney is not necessary, if such rights are proven by documents or they can be verified by using an independent and reliable source.
- 3.6. Upon payment of the Gift Card Nominal Value and Gift Card issuance Fee the Distributor or the Institution issue to the Buyer a valid Gift Card fit for use, PIN Code and Password, as well as cash receipt or delivery note, in which the Nominal Value paid by the Buyer and other information is indicated in accordance with therequirements of laws and regulations of the Republic of Latvia. If in the course of ordering the Gift Card the Buyer requested posting of the Gift Card to the indicated address, the Institution upon payment or receipt of confirmation of such payment, in accordance with paragraph 3.5 hereof, prepares and sends to the Buyer's email address an order confirmation in which the Nominal Value paid by the Buyer, quantity of Gift Cards and applied Fees are indicated. The Buyer must keep the order confirmation issued by the Buyer until receipt of the Gift Card or present it at the receipt of Gift Cards at the Institution's office.
- 3.7. When executing orders submitted electronically or by telephone, in particular cases the Institution provides delivery of Gift Card, PIN Code and Password by mail or by courier in the Republic of Latvia in accordance with the Buyer's instructions given in the application. In such case the Institution may debit the Gift Card delivery Fee set out in the Price List from the amount of Nominal Value paid by the Buyer, decreasing the Gift Card Balance accordingly, if the amounts paid by the Buyer are insufficient for full payment of the Nominal Value chosen by the Buyer and Fees. Delivery of Gift Cards by mail or by courier is performed upon the Institution's consent only, and the Institution is not obliged to provide these services to all Buyers and/or Users.

- 3.8. The Institution issues to the Buyer Virtual Gift Card's identification data electronically by sending them to the email address indicated in the Buyer's application for a Virtual Gift Card. The Buyer must fulfil the Institution's requirements for establishment of a secure information exchange channel to be used for transfer of Virtual Gift Card identification data to the Buyer, or for the encryption method. If the Buyer refuses to fulfil the particular requirements for secure information exchange, the Buyer undertakes separate liability for potential disclosure or transfer of Virtual Gift Card identification data into third party's disposal. As of sending the Virtual Gift Card identification data to the email address indicated in the Buyer's application for a Virtual Gift Card, the Buyer is liable for the Virtual Gift Card safety and its use in accordance with these Rules. The Institution's printout confirming message origination from the server providing services to the Institution is the evidence of sending the Virtual Gift Card. If the message is not delivered, the Buyer must specify or change the email address for receipt of the Virtual Gift Card; these provisions do not cancel or otherwise affect the Virtual Gift Card Activation Date or Term of Use. The Institution accepts amendments to the initial application for the Virtual Gift Card from the Buyer, if submitted by using the initial Buyer's and Institution's communication channel (e.g., Buyer's previous email address, etc.) or by fulfilling the Institution's requirements on the Buyer's identification within the scope determined by the Institution.
- 3.9. In cases of posting the Gift Card, PIN Code and the Password by mail or by courier upon Buyer's request, the Institution is not liable for actions or omissions of third parties, including Latvian Postal Service ('Latvijas Pasts') or another mail service. The Institution is not liable for Buyer's or User's loss caused by actions or omissions of a mail service, if the Institution is able to prove that the Gift Card, PIN Code and Password were sent in accordance with the Buyer's instructions contained in the application for the Gift Card.
- 3.10. Immediately after receipt of the Gift Card the Buyer must verify correspondence of the Gift Card Nominal Value indicated in the received cash receipt, delivery note or order confirmation to the Nominal Value paid by the Buyer, as well as to ascertain that the plastic material of the Gift Card is undamaged. If the Buyer ascertains of discrepancy or damage of the plastic material, he/she/it must immediately notify on it the Distributor's or the Institution's representative, which has issued the Gift Card to the Buyer, to the Institution's customer service officer by telephone +371 67222 555, if the Gift Card is delivered by mail. If the Buyer fails to notify immediately a Distributor's or Institution's representative on damage of the Gift Card's plastic material or on the discrepancy between the Nominal Value paid by the Buyer and the Nominal Value (total of Nominal Values) indicated in the cash receipt, delivery note or order confirmation, the Distributor and the Institution retain their right to reject and leave unconsidered the applications submitted afterwards.

#### **4. RESTRICTIONS ON PURCHASE OF GIFT CARDS**

- 4.1. When purchasing Gift Cards from a Distributor, one Buyer may purchase maximum 5 (five) Gift Cards at a time for the total Nominal Value not exceeding EUR 250.00 (two hundred fifty euro) or USD 350.00 (three hundred fifty US dollars), unless otherwise stipulated by the particular Gift Card programme conditions. If the Distributor offers an option to freely choose the desired Nominal Value of the Gift Card, the Nominal Value of each separate Gift Card must comply with the restrictions mentioned in paragraph 3.2 hereof.
- 4.2. When ordering Gift Cards online on the Institution's Website or by telephone, one Buyer in one month may purchase Gift Cards for the total Nominal Value not exceeding EUR 2,000.00 (two thousand euro) or an equivalent amount determined at the foreign exchange rate of the European Central Bank, unless otherwise stipulated by the particular Gift Card programme conditions. In such case the Nominal Value of each particular Gift Card must meet the limits determined in the Price List. The Institution may also limit the number of Gift Cards issued to the same Buyer or to the group of interrelated Buyers.
- 4.3. One Buyer in one year (365 days) may purchase Gift Cards for the total Nominal Value not exceeding EUR 14,000.00 (fourteen thousand euro) or an equivalent amount determined at the foreign exchange rate of the European Central Bank, unless otherwise stipulated by the particular Gift Card programme conditions.
- 4.4. If a Buyer is willing to purchase such number of Gift Cards or to load such total Nominal Value, which exceeds the maximum number of Gift Cards or the Nominal Value limit determined in paragraphs 4.1, 4.2 or 4.3, the Buyer must contact the Institution's office, conclude Gift Cards' purchase agreement and fulfil the Institution's customer and customer economic operation identification requirements. The Institution may refuse conclusion of a Gift Cards purchase contract without giving reason for it.
- 4.5. The Institution and the Distributor may refuse issuance of Gift Cards to the Buyer in case of suspected money laundering, Suspicious or Unusual Transaction as well as in other cases, including cases determined by effective laws and regulations of the Republic of Latvia or by these Rules. The Institution is not obliged to give reasons for such refusal.

#### **5. BUYER'S AND USER'S RIGHTS, OBLIGATIONS AND LIABILITY**

- 5.1. The Buyer may transfer the Gift Card along with PIN Code and Password to any third party (User) or to use it by himself/herself/itself. The Buyer and the User are jointly and severally liable and, based on the Institution's written notification, reimburse the Institution for all losses caused to the Institution by the improper use of the Gift Card or by failure to fulfil or undue fulfilment of obligations set out herein.

- 5.2. The Buyer and the User are obliged to read the Rules and the Price List, as well as to follow independently the information concerning any amendments thereto. When passing the Gift Card to the User, the Buyer is obliged to introduce the User to the Rules, Price List and other information concerning usage of the Gift Card. The User may pass the Gift Card further to other Users without limitations. The person actually possessing an active and valid Gift Card is deemed to be the only lawful owner of the Gift Card, and the Institution, the Distributor and the Merchant are not obliged to verify how the User has acquired the Gift Card.
- 5.3. The User obtains all User's rights and obligations at the moment of receipt the Gift Card, and in case of a plastic Gift Card - at the moment of signing thereof. The receipt and signing of a Gift Card are deemed to represent the User's consent to these Rules and to the Price List, which become binding on the User as of the moment mentioned in this paragraph. The User is responsible for compliance with the Rules.
- 5.4. The Gift Card Balance cannot be increased after depositing of its Nominal Value, unless there is a special consent of the Institution to it. If the Institution receives a cashless deposit or credit transfer in favour of the Gift Card User, the Institution may, at its discretion (1) return such payment or credit transfer to payer and withhold the Fee covering the Institution's expenses related to the return of the payment or (2) if the Institution approves the User's application for payment card issuance or current account opening, as well as, if all the Institution's requirements for the User's identification as a customer are fulfilled, to change the Gift Card Account type to a card account or current account type, to declare the Gift Card, which is linked to the respective account, invalid, to transfer to this account the received payment and further service it in accordance with the Institution's General Business Conditions and relevant Service Conditions. The above provisions do not apply in cases when the Gift Card Balance is increased for the amount of cancelled Transaction in accordance with the procedure set out in paragraph 6.17 hereof.
- 5.5. Upon receipt of the Gift Card, PIN Code and the Password, the User must memorise the PIN Code and the Password and destroy the PIN envelope. The User may change the Password assigned by the Institution at any time in the Internet Office. The User must keep the Gift Card, the PIN Code and the Password with due care and take all and any steps to ensure security of the Gift Card, the PIN Code and the Password, as well as prevent falling of the Gift Card, the PIN Code and/or the Password into possession of third parties. The User may not record the PIN Code or the Password in an easily recognisable form, including on the Gift Card or any other item carried along the Gift Card, or disclose the PIN Code or the Password to any third parties.
- 5.6. The User must immediately notify the Institution on loss, theft or other kind of loss of the Gift Card, PIN Code or the Password, on the Gift Card's damages, or if a third party has learned the PIN Code or the Password or if the User suspects that a third party became aware of it. Immediately upon occurrence of the above mentioned events the User must notify the Institution by calling at +371 67222 555 or at another telephone number designated by the Institution for this purpose or by submitting a written notice to the Institution in person. The User must confirm every oral notice made to the Institution in respect of occurrence of circumstances specified in this paragraph with a written notice as soon as possible. If the Gift Card is lost abroad, the User may notify the Institution on the loss through any other foreign bank servicing Visa or MasterCard, respectively. Upon receipt of the notice from the User, the Institution suspends operation of the Gift Card until the User submits to the Institution a written order for renewal of the Gift Card. If the Gift Card is declared invalid pursuant to the User's order, the User, upon agreement with the Institution, may submit an application for replacement of the invalid Gift Card with a new one upon payment of the Fee set out in the Price List.
- 5.7. The User may carry out settlements with the Gift Card without limitations, by performing unlimited number of Transactions with Merchants during the Term of Use of the Gift Card and until the total amount of purchases and Fees related to servicing of the Gift Card reaches the Gift Card Nominal Value.
- 5.8. The User is obliged to approve Transactions sanctioned by the User in accordance with requirements set out in paragraph 6.5 in all cases when the Merchant's POS terminal provides such option. When carrying out Transactions with the Gift Card, the User is obliged to present his/her identification documents upon Merchant's request and to give consent to registration of User's personal data in the document confirming the Transaction.
- 5.9. The User is obliged to request from Merchants all documents confirming Transactions made with the Gift Card, and to keep the mentioned documents for at least 50 days after the date of debiting of the amount of respective Transaction from the Gift Card Account.
- 5.10. The User is obliged to submit to the Institution upon its request the documents mentioned in paragraph 5.9 hereof along with the claim application in line with paragraph 12.2 hereof.
- 5.11. The Buyer and the User must keep the Gift Card away from high temperatures, strong electromagnetic fields and mobile telephone sets, as well as protect the Gift Card from mechanical damages.
- 5.12. The Buyer and the User may return damaged Gift Cards to the Institution in line with the requirements set out herein. The Institution replaces the Gift Card only if the Buyer or the User submits to the Institution an invalid and damaged card without signs of forgery, and pays the Fee indicated in the Price List. The Institution does not apply the Fee mentioned in this paragraph, if the Gift Card's damage is caused by the Institution's fault; in cases of doubt the Institution's liability includes such damages on which the Buyer notified the Institution or the Distributor, which issued the Gift Card, immediately after receipt of the Gift Card and in accordance with the Rules.
- 5.13. The User is liable for the authenticity, completeness, accuracy, validity and timely submission of all information and documents submitted to the Institution, as well as for legality of Transactions and Payments carried out on the Gift

Card Account. The Institution is not liable for loss caused by the Buyer, the User, its representative or a third party. The User is liable for all loss incurred by the Buyer, the User or the Institution due to submission by the User to the Institution of forged documents and/or documents completed inaccurately or incompletely.

- 5.14. The Buyer and the User are responsible for the use of the Gift Card in accordance with laws and regulations of the Republic of Latvia, including those containing provisions on the prevention of money laundering, and these Rules.
- 5.15. The Buyer and the User are liable for the consequences and all losses incurred by the Institution and/or a third Party due to Buyer's or User's fraudulent activities, illegal usage of the Gift Card, violations of the Rules or applicable laws and regulations or abuse of the Institution.
- 5.16. The User may perform settlements with the Gift Card only within the Nominal Value of the Gift Card, without overdrawing the Gift Card Balance. Performance of Transactions without Authorisation is prohibited, and the User must refrain from such prohibited Transactions. The Buyer and the User are jointly and severally liable for the Transactions carried out by overdrawing the limitation mentioned in this paragraph.
- 5.17. The Buyer and the User bear all risks caused by loss, theft, misappropriation or damage of the Gift Card as of the moment of issuance of the Gift Card to the Buyer or passing of it to the User in accordance with the Rules. The User may at any time request the Institution to declare the Gift Card invalid and request to terminate operation of a lost, stolen or otherwise misappropriated Gift Card by applying for blocking of the Gift Card by calling +371 67222 555 or another telephone number designated by the Institution for this purpose. When blocking the Gift Card by telephone, the Gift Card number and/or other information must be provided, if stipulated by the particular Gift Card programme conditions. If the person requesting blocking of a Gift Card by telephone is unable to tell the full Gift Card number or other information reasonably requested by the Institution, the Institution may consider that such person is not the User and refuse termination of operation of the Gift Card. The User bears all the responsibility for Transactions with the Gift Card until the Institution receives the User's order to terminate operation of the Gift Card or to declare it invalid in accordance with paragraph 5.6 hereof.
- 5.18. After receipt by the Institution of the User's written order to terminate operation of the Gift Card or to declare it invalid in accordance with paragraphs 5.6 or 5.17 hereof, the User, in line with the provisions of paragraph 5.21, bears responsibility only for the losses caused, if:
  - 5.18.1. The Gift Card has been used illicitly and the fraudulent Transaction has been confirmed with the PIN Code or another proof of identification or personalised security element, or
  - 5.18.2. The User has acted with negligence, illegally or with malicious intent.
- 5.19. Failure to submit to the Institution a written notice on occurrence of circumstances specified in paragraph 5.6 is considered to be the proof that the User acted with negligence, and in such case the User is fully liable for consequences of such negligence.
- 5.20. The User may claim replacement of a lost or stolen Gift Card by submitting to the Institution an application completed in the form determined by the Institution and by paying the Fee determined by the Price List. After the Gift Card is replaced, the Term of Use and the Expiry Date of the replaced Gift Card are preserved and are not extended.
- 5.21. If the User denies authorisation of an executed Transaction or argues that the Transaction is executed erroneously, and the Gift Card Nominal Value does not exceed EUR 150.00 (one hundred fifty euro), the Institution is not obliged to prove that the User has sanctioned the Transaction, that the Transaction has been authenticated and/or that its execution hasn't been affected by technical errors or other omissions. If the Nominal Value of the Gift Card does not exceed EUR 150.00 (one hundred fifty euro), the Institution is not obliged to reimburse the Buyer or the User for losses caused by an unauthorised or erroneous Transaction.

## **6. TRANSACTIONS WITH THE GIFT CARD**

- 6.1. Payment for goods and services with a Gift Card is possible at any Merchant, which can enable Authorisation of a Transaction at the time of such Transaction.
- 6.2. The Gift Card can be used for payment of Transactions with any Merchant in Latvia or abroad, as well as for the receipt of other services allowed by the Institution (e.g., checking balance of the Gift Card at ATMs or POS terminals providing such service) immediately after the purchase and payment of the Nominal Value. The User may carry out Transactions only at such POS terminals and receive additional services allowed by the Institution only at such ATMs or POS terminals, which are marked with the logo of the Gift Card issued to the User, Visa or MasterCard respectively. Payments with a Virtual Gift Card can be made in virtual environment only, in 'Gift Card not present' Transactions, and then the Gift Card identification data mentioned in paragraph 6.7 are used for identification of the User. A Virtual Gift Card cannot be used for payment of Transactions where the presence of the Gift Card is required, including when for execution of a Transaction it is necessary to read electronic information from the Gift Card's data carrier - magnetic stripe or microchip.
- 6.3. A Gift Card can be used repeatedly for payment of several Transactions within the Gift Card's Term of Use and its Nominal Value.
- 6.4. Before making Transactions with the plastic Gift Card, the User must sign the back of the Gift Card. Any User who has signed the back of the Gift Card, may use it for payment of Transactions with Merchants in accordance with the present Rules.

- 6.5. When making Transactions with the Gift Card, the User must sign the document confirming Transaction (one copy of the receipt printed by POS) or to confirm it in accordance with the procedure set out in paragraph 6.8 hereof, with prior ascertainment that the sum of Transaction indicated in the document certifying the Transaction is accurate. The User may not sign a document confirming the Transaction, if the amount of the Transaction or other substantial information in the document is missing or if the amount of the Transaction is inaccurate.
- 6.6. When the Gift Card is used at ATMs or for Transactions at POS terminals with PIN Code verification function, entering of PIN Code in terms of legal force equals to approval of the Transaction with the User's signature.
- 6.7. When making 'Gift Card not present' Transactions, the User can be identified by the Gift Card identification data issued by the Institution (Gift Card number, Expiry Date and, in certain cases, CVC2/CVV2 Code and the Password). Entry of Password in terms of legal force is deemed equal to approval of a Transaction by User's signature.
- 6.8. When making Transactions with the Gift Card, the User gives his/her consent for a Transaction by approving the respective Transaction by PIN Code or Gift Card identification data mentioned in paragraph 6.7, or by signing the corresponding document confirming the Transaction in accordance with provisions of paragraph 6.5.
- 6.9. The User may not revoke his/her consent for the execution of a Transaction after such consent is given to the Merchant, except for cases when the User has agreed to such option with the Institution and there also is a consent from the Merchant. The User may address the Institution with a written request for revocation of his/her consent for a Transaction, by submitting to the Institution an application duly completed in the form determined by the Institution and the documents confirming the Merchant's consent mentioned in this paragraph.
- 6.10. The Gift Card cannot be used for cash withdrawal or cash deposit operations and it is provided for performance of Transactions with Merchants enabling Gift Card authorisation at the time of the Transaction, as well as for receipt of other particular services. The procedure of Authorisation of Transactions and possible reasons why an Authorisation might be declined:
  - 6.10.1. If the Authorisation has been successful, the Institution decreases the Gift Card Balance for the amount notified by the Merchant's POS terminal to the Institution, adds to this amount Fees set out in the Price List, while the Merchant issues to the User documents confirming the Transaction (cash receipt and POS terminal receipt, unless these two documents are joined in one document) and containing the Merchant's and the Transaction's identification data. The User is obliged to verify the documents confirming the Transaction issued to him/her, to approve the Transaction in accordance with the procedure set out in paragraphs 6.5 and 6.8 hereof and, if the Transaction is approved with signature, to return the signed copy of the POS printout (receipt) to the Merchant's salesperson;
  - 6.10.2. The Authorisation has been unsuccessful and the Institution declines execution of the Transaction in the following cases:
    - 6.10.2.1. The Gift Card Balance is insufficient for the execution of the Transaction and for payment of related Fees. In such case the User may execute other Transaction for the amount of the Gift Card Balance and pay the difference with other means of payment (including another Gift Card, cash or a payment card, etc.), if the Merchant allows such option;
    - 6.10.2.2. The Gift Card's Term of Use or Expiry Date has elapsed. In such case the User may request replacement of the Gift Card and extension of the Term of Use or Expiry Date by submitting to the Institution the relevant application and by paying the Fee set out in the Price List;
    - 6.10.2.3. The Gift Card is damaged. In such case the User may request replacement of the Gift Card by submitting to the Institution the relevant application and by paying of the Fee set in the Price List;
    - 6.10.2.4. Identification of the User has been unsuccessful, including entry of the wrong PIN Code, CVC2/CVV2 Code or Password. In such case the User must make the Transaction repeatedly by entering all the required Gift Card's identification data and personal ID codes;
    - 6.10.2.5. The use of the Gift Card is terminated or limited, including cases when the Gift Card is declared invalid (blocked). In such situation the User must contact the Institution and in case of need request renewal of validity (unblocking) of the Gift Card in accordance with the procedure determined by the Institution;
    - 6.10.2.6. The Institution suspects an unauthorised use or forgery of the Gift Card, including in cases when the data sent to the Institution at the moment of Authorisation do not correspond to the Gift Card identification data assigned by the Institution;
    - 6.10.2.7. The POS terminal being at the disposal of the Merchant is out of order and fails to function in the specified way, or a Merchant's salesperson, in the course of processing the Transaction with Gift Card, has made a error resulting in sending to the Institution of inaccurate (wrong, erroneous, inconsistent or misleading) information about the Transaction at the moment of Authorisation. In such case the User may perform the Transaction repeatedly after correction of the respective error or elimination of the damage;
    - 6.10.2.8. Telecommunication services are not provided or other technical problems are experienced. In such case the User has to execute the Transaction repeatedly after a short time (5-10 minutes). If it is impossible, as well as if the Authorisation of the repeated Transaction has been declined, the User pays for the goods or services with other means of payment. If due to such technical reasons the User was unable to use the Gift Card for payment of a Transaction on the last day of the Term of Use or of the Expiry Date, the User may request renewal of the Gift

Card and extension of the Term of Use without paying the Fee, by submitting to the Institution the relevant application with statement of the facts and a copy of POS terminal receipt evidencing decline of Authorisation in accordance with paragraph 6.11;

6.10.2.9. In other cases determined by laws and regulations of the Republic of Latvia.

- 6.11. Upon receipt of decline of Authorisation, the Merchant declines payment of the Transaction with the Gift Card. In such case the User may request the Merchant to issue the printout of POS terminal document evidencing declined Authorisation of the Transaction, if the POS terminal used by the Merchant provides such option.
- 6.12. The Institution is not liable for execution of the Transaction in line with the Rules, if Authorisation of the Transaction has been declined.
- 6.13. The Institution allows repeated insertion of a Gift Card into a Merchant's POS terminal in order to pay for a Transaction fully or partially and a repeated reading of Gift Card's data from the Gift Card's information carrier only in order to execute a new Transaction with the Merchant or in cases stipulated in paragraphs 6.10.2.1, 6.10.2.4, 6.10.2.7 and 6.10.2.8, provided that the initial authorisation of the Transaction was unsuccessful and that the User has received from the Merchant the document evidencing decline of Authorisation in accordance with paragraph 6.11 hereof.
- 6.14. The Merchant's salesperson may refuse acceptance of a Gift Card and decline a Transaction without an Authorisation, if the Expiry Date on the Gift Card presented by the User has elapsed or if the Gift Card's security features and parameters do not meet the terms of international payment cards verification (the Gift Card is forged), as well as if the Merchant's salesperson suspects a Suspicious or Unusual Transaction or a Gift Card forgery.
- 6.15. In cases mentioned in paragraph 6.14 hereof (except for cases when the Gift Card Expiry Date has elapsed), the Merchant's salesperson may retain the Gift Card in accordance with instructions of the institution servicing the Merchant's POS terminal. If the retained Gift Card is transferred to the Institution, the latter may notify law enforcement institutions in cases if the Institution detects that the retained Gift Card is forged.
- 6.16. If the User has reasonable doubts about proper recording of Transactions by the Merchant and about proper acceptance of Gift Cards for payments, suspicion of unjustified refusal of execution of Transaction or retaining of the Gift Card, the User must contact the Institution and act in accordance with the instructions provided. In such case the Institution may request the User to submit a written statement of the facts indicating detailed name and location of the Merchant with accompanying documents evidencing the Transaction, if such were issued to the User.
- 6.17. If the Transaction has been cancelled for any reason and the Merchant refunds to the User the amount of the Transaction or any part thereof by transferring it to the User's Gift Card Account, the Institution supplements (restores) the Gift Card Balance accordingly. If the Merchant refunds to the User the amount of Transaction in cash or otherwise, the Institution does not transfer the amount of the Transaction or a part thereof to the Gift Card Account or debits previously and erroneously credited amount of the Transaction or a part thereof from the Gift Card Account. If debiting of the erroneously credited amount of Transaction is impossible, the User and the Buyer are jointly and severally liable to the Institution for repayment of the overdrawn balance of the Gift Card.
- 6.18. If the payment with the Gift Card is made in a currency other than the currency of the Gift Card Nominal Value, and the processing of the respective Transaction is performed by Visa or MasterCard payment centre, the following provisions apply:
  - 6.18.1. If currency of the Gift Card Nominal Value is euro (EUR) and the Transaction is made in another currency, the Transaction amount is converted from currency of the Transaction to euro in accordance with foreign exchange rate determined for the Transaction processing day by the international payment card organisation Visa or MasterCard respectively;
  - 6.18.2. If currency of the Gift Card Nominal Value is US dollars (USD) and the Transaction is made in another currency, the Transaction amount is converted from currency of the Transaction to US dollars in accordance with foreign exchange rate determined for the Transaction processing day by the international payment card organisation Visa or MasterCard respectively;
  - 6.18.3. For exchange of the currency of the Transaction the User pays to the Institution the currency exchange surcharge specified in the Price List pro rata to the amount exchanged into the currency of the Gift Card Nominal Value. The currency exchange surcharge is automatically added on the amount of Transaction in currency of the Gift Card Nominal Value and is not listed separately.
- 6.19. If the payment with the Gift Card is made in the currency other than the currency of the Gift Card Nominal Value and the processing of the Transaction is fully performed by the Institution, the following provisions apply:
  - 6.19.1. If the Transaction is made in euro (EUR), the Transaction amount is converted to the currency of the Gift Card Nominal Value in accordance with foreign exchange rate determined by the Institution and effective at the moment of processing of the Transaction by the Institution;
  - 6.19.2. If the Transaction is made in a currency other than euro (EUR), first the Transaction amount is converted into euro (EUR) in accordance with the Institution's foreign exchange rate effective at the moment of processing of the Transaction. If the currency of the Gift Card Nominal Value is other than euro (EUR), the result of exchange Transaction is exchanged to the currency of the Gift Card Nominal Value in accordance with foreign exchange rate of the Institution effective at the moment of processing of the Transaction.

- 6.20. The Institution applies any changes to foreign exchange rates set by the international payment card organisations Visa and MasterCard immediately, without prior notification of the User.
- 6.21. The Institution debits the Gift Card Account for the amount of the Transaction made with the Gift Card and corresponding Fees on the date of receipt by the Institution of the respective Transaction payment order from the Merchant or from the international payment card organisation settlements centre. The Institution debits the Payment amount and the corresponding Fees from the Gift Card Account on the day when the Institution executes the respective Payment Order in accordance with the General Business Conditions and Service Conditions governing the procedure of provision of payment services by the Institution. Prior to debiting of the Transaction or Payment amount from the Gift Card Account the Institution may place a hold on the amount of the respective Transaction or Payment and the relevant Fees by reducing the Gift Card Account balance available to the User and by restricting the use of amounts held. The Institution may debit the Gift Card Account for the Transaction or Payment amount and the relevant Fees also on other dates stipulated by the Institution.
- 6.22. The Buyer and the User may not use the Gift Card for illegal purposes, including for Transactions resulting in payments for illegal or illegally obtained goods or services. The Institution may limit the range of Merchants accepting the Gift Card for payments, as well as determine particular Merchants, goods and/or services of which may not be paid by a Gift Card, in case if the Institution reasonably suspects that these Merchants may be involved in processing of illegal or Suspicious Transactions.

## **7. GIFT CARD ISSUANCE AND SERVICING FEES**

- 7.1. Within the determined term and in the currency of the Nominal Value the Buyer and/or the User pays to the Institution the Gift Card production, issuance and servicing Fees determined in the Price List, as well as Transaction, Payment and Service Fees related to the use of the Gift Card in accordance with the Rules and the Price List, unless the Buyer, the User and the Institution have separately agreed otherwise. The Institution may also independently determine and charge the fee for cancellation of Payments and/or Transactions upon the User's request, as set out in the Price List.
- 7.2. In addition to the Fees set out in the Price List, in cases when a transaction with a Gift Card is made abroad or in a foreign currency, the Institution may debit the Gift Card Balance for additional fees determined by the international payment card organisations.
- 7.3. The Buyer and the User authorise the Institution without additional notice to debit the Gift Card Account for all payments, including Fees, penalties and other sums due to the Institution under any Buyer's and/or User's liabilities against the Institution or under the Rules and/or the Price List. If for execution of the respective payment the Institution needs to perform currency exchange, it is carried out in accordance with the Institution's foreign exchange rate effective at the moment of debiting of funds.
- 7.4. The Institution does not calculate and does not pay interest on the Gift Card Balance.
- 7.5. Fees are payable cashless by the Buyer or the User by a bank transfer to the bank account indicated by the Institution or Fees are debited by the Institution from the Gift Card Account or from another Buyer's and/or User's account with the Institution. If a Gift Card is purchased at a Distributor, certain Fees can be paid cash at the Distributor's cash desk, if the Distributor allows such option. The Institution may place a hold on any Fees by decreasing accordingly the Gift Card balance available to the User prior to provision of the respective service or at the moment of provision thereof, as well as to withhold any Fee by debiting it from the Gift Card Account.
- 7.6. The Institution does not refund the User for the Fees duly calculated and debited in accordance with the Price List prior to receipt of the User's written application for replacement or renewal of the Gift Card or for redemption of the Gift Card Balance.
- 7.7. The Institution may refuse provision of Services, if the Buyer or the User hasn't paid the respective service Fee in full, as well as if the Gift Card Balance is not sufficient for payment of the Transaction and/or the Fee.
- 7.8. The Institution may first debit the Gift Card Balance for the amounts due to the Institution, even if the Buyer or the User has submitted another order before the Institution debits amounts due to it from the Gift Card Balance, including amounts, which became due and payable prior to receipt of the respective order.
- 7.9. The Institution suspends accrual of Gift Card service, usage and/or maintenance Fees only in the following cases:
  - 7.9.1. The Institution has received the User's written notice on occurrence of circumstances mentioned in paragraph 5.6;
  - 7.9.2. The Institution has received the User's written application for redemption of the Gift Card Balance in accordance with paragraph 11.1 hereof.
- 7.10. The User is obliged to pay Fees applicable for a certain period of time (e.g., monthly fee for maintenance of an inactive Gift Card Account) in the full amount at the beginning of the respective period of provision of services. The Institution may debit such Fee at any time at free discretion of the Institution, starting with the first day of the respective period of provision of services. In case of redemption of the Gift Card Balance or account closing the Fee is calculated for full months, refunding advance payments for unused months (if any).

## **8. PROVISION OF INFORMATION ON TRANSACTIONS**

- 8.1. Upon debiting of the Transaction amount from the Gift Card Account the Institution provides the User with a possibility to receive the following information on the Transaction:

- 8.1.1. Transaction Authorisation Code enabling the User to identify the respective Transaction;
- 8.1.2. Merchant's name;
- 8.1.3. Amount of the Transaction in currency of the Transaction;
- 8.1.4. Amount of the Transaction in currency of the Gift Card Nominal Value;
- 8.1.5. Fee payable by the User for execution of the Transaction, if such Fee is set in accordance with the Price List or an agreement between the Buyer, the User and the Institution;
- 8.1.6. Foreign exchange rate;
- 8.1.7. Value date for debiting the Gift Card Account for the amount of the Transaction.
- 8.2. The Institution provides a possibility to receive a statement on Transactions carried out with the Gift Card:
  - 8.2.1. Electronically on the Internet Office - at any time, except for times when it is down for emergency or scheduled maintenance;
  - 8.2.2. Electronically to the email address indicated in the User's request;
  - 8.2.3. On paper at the Institution's office on the Institution's Business Days.
- 8.3. The information mentioned in paragraph 8.2.1 hereof is available to all Users free of charge during the Term of Use of the Gift Card and within 18 (eighteen) months upon expiry of the Term of Use.
- 8.4. Statements mentioned in paragraphs 8.2.2 and 8.2.3 hereof can be obtained upon prior request by telephone +371 67222 555 or upon application satisfactory to the Institution sent to the email: [info@istadavanukarte.lv](mailto:info@istadavanukarte.lv):
  - 8.4.1. By a User, which is a Consumer, for a Gift Card with Nominal Value above EUR 150, once a calendar month until expiry of the Term of Use - free of charge;
  - 8.4.2. By a User, which is a Consumer, for a Gift Card with Nominal Value below EUR 150, and by a User, which is a Consumer, for a Gift Card above 150 EUR, if requested more frequently than once a calendar month or if requested upon expiry of the Term of Use - after the Fee set out in the Price List is paid;
  - 8.4.3. By other Users - after the Fee set out in the Price List is paid.
- 8.5. The Institution prepares the requested statements on paper within 3 (three) Institution's Business Days starting with the business day following the receipt of the User's oral or written request and after receipt of the Fee by the Institution, if any.
- 8.6. The Institution issues statements on paper to the User, which:
  - 8.6.1. Presents the Gift Card mentioned in the application, which is not deemed invalid under paragraphs 9.5.5 or 9.5.6 hereof; or
  - 8.6.2. Identifies himself/herself properly as User of the Internet Office in the presence of an Institution's representative.
- 8.7. The User can obtain the Gift Card Balance information at the Internet Office at any time of day, except for times when it is down for emergency or scheduled maintenance, or by calling telephone number +371 67222 555 and telling the valid Gift Card number, as well as at ATMs offering such option, by entering a PIN Code and paying the Fee set out in the Price List. If a person requesting Gift Card Balance information by telephone cannot tell the Gift Card number or tells the number of the Gift Card, which is invalid in accordance with paragraphs 9.5.5 or 9.5.6 hereof, the Institution may deem that this person is not a User and refuse provision of such information. Gift Card Balance information is provided by the Institution also at the Institution's office during the Institution's Business Days to Users fulfilling the requirements of paragraph 8.6 hereof.
- 8.8. Statements and information available on the Internet Office and printed on paper are prepared electronically and issued in the form of printouts. All electronically prepared documents of the Institution, including but not limited to statements and information mentioned herein, as well as Gift Card Account statements available on the Institution's Website and other documents may be signed using electronic signature of the Institution. Any document electronically prepared by the Institution containing the proper electronic signature of the Institution, is deemed valid without the signature and/or the seal and in terms of its legal force is deemed equivalent to the Institution's document prepared on paper and duly signed. The Buyer and/or the User may request the Institution to certify authenticity of the Institution's electronic signature.
- 8.9. The Institution does not provide statements on Transactions and does not provide Gift Card Balance information, if the person requesting a statement or an information:
  - 8.9.1. Cannot present a valid Gift Card or the presented Gift Card is deemed invalid in accordance with paragraphs 9.5.5 or 9.5.6 hereof, or if the Institution ascertains signs of its forgery; or
  - 8.9.2. Cannot identify itself as a User in accordance with the requirements of paragraph 8.6 hereof; or
  - 8.9.3. If the Fee, if applicable, is due and payable or if there are unsettled liabilities against the Institution in respect of the Gift Card.

## **9. EXPIRY DATE AND TERM OF USE, INVALID AND FORGED GIFT CARDS**

- 9.1. The Term of Use of a Gift Card is 6 (six) months following the Activation Date or 1 (one) month following the Gift Card renewal date in accordance with paragraph 10.1 hereof. The Institution may determine other Term of Use to particular Gift Card programmes. Term of Use of a Gift Card is set in the Institution's transaction processing system and is not indicated on the Gift Card. If the last day of the term falls on a date, which is absent in the respective month, the Institution sets the last day of that month as the last day of the Term of Use.

- 9.2. Gift Card Expiry Date is limited and is indicated on the Gift Card's plastic material. A Gift Card is valid until the last day (including) of the month of the Expiry Date, unless the Term of Use of the Gift Card has elapsed.
- 9.3. The Institution determines the Term of Use of the Gift Card in accordance with paragraph 9.1 hereof. The User can obtain the information on the Term of Use at the Internet Office at any time or by calling telephone number +371 67222 555 and telling the Gift Card number. If a person inquiring about the Gift Card's Term of Use by telephone cannot tell the Gift Card number or tells number of the Gift Card, which is invalid in accordance with paragraphs 9.5.5 or 9.5.6 hereof, the Institution may deem that this person is not a User and refuse provision of the requested information.
- 9.4. The Institution ensures that the Expiry Date of a Gift Card purchased from a Merchant, as of the date of purchase, is not shorter than the Term of Use mentioned in paragraph 9.1, if Activation Date falls on the Institution's Business Date following the Gift Card purchase date.
- 9.5. The Gift Card is unfit for use, if:
  - 9.5.1. Its Balance equals 0.00 (zero euro); or
  - 9.5.2. Its Expiry Date has elapsed; or
  - 9.5.3. Its Term of Use has elapsed; or
  - 9.5.4. It is damaged (a Gift Card is considered damaged if it is not possible to electronically read data from its data carrier, i.e., magnetic stripe or chip, as well as such Gift Card whose plastic material is damaged or worn out so that it is not possible to see in full the Gift Card number, Expiry Date, card security features or the User's signature); or
  - 9.5.5. It is blocked due to loss, theft or other misappropriation of the Gift Card, PIN Code and/or Password, due to the Institution's decision taken in accordance with paragraphs 9.9 or 11.4 hereof, or in other cases determined by the laws and regulations of the Republic of Latvia; or
  - 9.5.6. It is forged.
- 9.6. The Gift Card is considered forged, if:
  - 9.6.1. Its Balance exceeds the Nominal Value and the excess is not caused by a currency exchange performed by the Institution in order to restore the Gift Card Balance for the amount of a cancelled Transaction in accordance with paragraph 6.17 hereof;
  - 9.6.2. Its Balance, subject to the currency of the Nominal Value, exceeds EUR 250.00 (two hundred fifty euro) or USD 350.000 (three hundred fifty US dollars) or another amount, depending on terms and conditions on the particular Gift Card programme, and the Buyer or the User haven't fulfilled the Institution's User identification requirements in accordance with paragraph 4.4 hereof;
  - 9.6.3. Its appearance or design does not correspond to the appearance and design of the Gift Card determined by the Institution;
  - 9.6.4. Its security features do not meet requirements of international payment card organisations;
  - 9.6.5. Other signs or forgery are detected, including signs of transformation of data recorded to the Gift Card data carrier (plastic material, magnetic stripe or microchip), as mentioned in paragraph 15.4 hereof.
- 9.7. Forged Gift Cards are annulled and it is not possible to exchange them against valid Gift Cards or use them for payment of Transactions, and their Balance is not disbursed to their bearers.
- 9.8. Gift Cards mentioned in paragraphs 9.5.2, 9.5.3 and 9.5.4 hereof can be substituted (renewed or replaced) after submission of the relevant application to the Institution and payment of the Fee set in the Price List.
- 9.9. For security purposes or in cases when the User fails to comply with the Rules or if the Institution reasonably suspects unauthorised or illegal use of the Gift Card, including execution of Suspicious or Unusual Transactions, or use for fraudulent purposes, or in cases when there is a considerable increase of risk that the Buyer or the User will not be able to perform his/her financial liabilities, the Institution may at any time and without prior notice terminate or limit operation of the Gift Card and to declare it invalid.

## **10. RENEWAL AND REPLACEMENT OF GIFT CARDS**

- 10.1. A Gift Card with elapsed Term of Use or Expiry Date can be replaced against a valid Gift Card or renewed, i.e., its Term of Use or Expiry Date can be extended for 1 month, within 18 months upon expiry of the Term of Use or Expiry Date of the Gift Card, by submitting to the Institution an application drawn up in accordance with its requirements along with the invalid Gift Card and after paying the Fee set out in the Price List. If the Institution has agreed to renewal of the Gift Card in accordance with paragraph 10.4 hereof, in replacement of the invalid Gift Card the Institution issues to the User a Gift Card with the same number and Gift Card Balance, as it was on the Gift Card, Term of Use or Expiry Date of which has elapsed, and with new Term of Use and/or Expiry Date, which is 1 month upon the date of renewal of the Gift Card starting on the date of actual production of the new Gift Card. The Institution may refuse to renew the Gift Card, if the invalid Gift Card is not submitted. The Institution may determine a longer Term of Use of renewed Gift Cards to particular Gift Card programmes.
- 10.2. A damaged Gift Card, payments with which are not possible, can be replaced; stolen, lost or otherwise misappropriated Gift Cards can be exchanged or replaced with valid Gift Cards upon accurate completion and submission to the Institution of an application approved by the Institution as well as upon payment of Fee set out in the Price List. If the Institution in accordance with paragraph 10.4 hereof agrees to the replacement of a Gift Card, the Institution produces

it and issues to the User in replacement of the invalid Gift Card a new Gift Card with the same Term of Use and Gift Card Balance as it was on the invalid Gift Card. The User attaches the damaged Gift Card to the application mentioned in the present paragraph and submits it to the Institution; otherwise the Institution may refuse replacement of the invalid Gift Card. The Institution accepts the application within the term mentioned in paragraph 10.1 hereof, if the applicant:

- 10.2.1. Transfers to the Institution the damaged Gift Card mentioned in the application, which is not deemed invalid under paragraphs 9.5.5. or 9.5.6 hereof;
  - 10.2.2. Is able to identify himself/herself properly as User of the Internet Office in presence of an Institution's representative;
  - 10.2.3. In the course of evaluation of other User's information the Institution doesn't suspect that the applicant for replacement of the Gift Card is not the User.
- 10.3. The Institution may request the person applying for replacement of a Gift Card in accordance with paragraphs 5.20 and 10.2 to provide information on circumstances of purchase, loss, theft or alienation of the Gift Card and to verify this information, including to address public law enforcement institutions. The Institution may refuse replacement of a Gift Card, if the information provided by the User on purchase, loss, theft or alienation of the Gift Card is contradictory or inconsistent, or if the Institution has grounds for assuming that the person applying for the Gift Card replacement is not the User.
- 10.4. The Institution reviews applications mentioned in paragraphs 10.1 and 10.2 hereof and takes its decision on renewal or replacement of the Gift Card within 3 Institution's Business Days following the date of receipt of the application. After the decision is taken, the Institution's representative contacts the User, which submitted the application, and informs him/her on the procedure for receipt of the renewed or replaced Gift Card by the User, or explains the Institution's reasoning for refusal of renewal or replacement of the Gift Card.
- 10.5. The Institution does not renew the Term of Use and the Expiry Dates of Gift Cards with detected signs of forgery. The Institution is entitled not to renew a Gift Card declared invalid in accordance with paragraphs 9.5.4, 9.5.5 or 9.5.6 hereof.
- 10.6. The Institution does not replace a damaged Gift Card if it has detected signs of forgery. Forged Gift Cards are annulled and cannot be replaced against valid Gift Cards or used for payment of Transactions.
- 10.7. The Institution does not replace a damaged Gift Card, if its damages do not impede reading the Gift Card's data from the data carrier (magnetic stripe, plastic or chip) and use of the Gift Card for payment of Transactions. Such Cards are not deemed invalid.
- 10.8. The Institution may refuse renewal or replacement of Gift Card, if reading of 16-digit Gift Card number from the Gift Card's plastic material or data carrier (magnetic stripe or chip) is impossible. Gift Card number is deemed unreadable, if it is indiscernible or if it is impossible to certainly identify at least one of 16 Gift Card number digits.
- 10.9. If the Buyer or the User requests renewal or replacement of an invalid Gift Card, the Institution may refuse acceptance of the application, if the Buyer or the User fails to fulfil his/her obligations, including obligations provided herein and/or by laws and regulations in respect of the use of Gift Cards, as well as in cases when the Gift Card is declared invalid in accordance with paragraph 9.9 hereof.
- 10.10. The Institution does not renew or replace the Gift Card, if the Fee for renewal or replacement set out in the Price List is not paid in full.
- 10.11. The Institution is entitled to refuse renewal or replacement of the Gift Card, if the User has completed the application mentioned in paragraphs 10.1 or 10.2 hereof inaccurately, incompletely or inconsistently.
- 10.12. The Institution may post the replaced or renewed Gift Card by mail or by courier to the postal address indicated in the User's application for renewal or replacement of the Gift Card, and debit the Fee set out in the Price List, or, if no such Fee is set out, debit the actual expenses. As of the moment of handing in the Gift Card to the post office it is deemed that the Institution has fulfilled its obligations against the User.

## **11. REDEMPTION OF THE GIFT CARD BALANCE**

- 11.1. During the Gift Card's Term of Use, as well as within 36 months after it the User may submit to the Institution a request for cashless redemption of the Gift Card Balance, by submitting to the Institution an application completed in the form determined by the Institution along with the Gift Card and by paying the Fee determined by the Price List, which can be debited from the Gift Card Account. The Institution redeems the Gift Card Balance, without prior approval and by debiting the standard Fee set out in the Price List, with a bank transfer to the account indicated by the User in his/her application and opened with a financial institution established in Latvia, within 10 business days upon receipt of the application mentioned in this paragraph, the Gift Card (except for a Virtual Gift Card) and additional documents mentioned in paragraph 11.2 hereof, and after payment of the Fee set out in the Price List in full amount. Prior to redemption of the Gift Card Balance the Institution debits from the Gift Card Balance other Fees and amounts due to the Institution from the Buyer or from the User. Upon execution of the transfer mentioned in this paragraph, it is deemed that the Institution has performed all its obligations on redemption of the Gift Card Balance and that it closes the Gift Card in accordance with the procedure set out by the Institution.

- 11.2. Prior to redemption of the Gift Card Balance the Institution may request the User to present his/her personal identification document and, if necessary, to identify the User as the Institution's customer in line with the procedure set out by laws and regulations and the Institution's internal control procedure.
- 11.3. The User understands that in the result of execution of the Payment Order resulting from the application the redeemable amount can be transferred to the beneficiary's bank account based only on IBAN account number indicated in the application, without checking whether the account number corresponds the beneficiary. If the User has indicated an inaccurate IBAN in an application to the Institution, the User is liable for all loss resulting from non-execution or inaccurate execution of the Payment Order to which the application refers. The Institution is not obliged to investigate an unexecuted or erroneously executed Payment mentioned in this paragraph; the Fee debited by the Institution is not refunded to the User.
- 11.4. Gift Card Balance can be redeemed only once and only in full amount of the Gift Card Balance with Fees and other amounts due to the Institution deducted. On the day of receipt of the application mentioned in paragraph 11.1 hereof the Institution declares the Gift Card invalid and terminates its operation.
- 11.5. Upon submission of the application mentioned in paragraph 11.1 to the Institution the User may not carry out Transactions with the respective Gift Card and the Institution is entitled not to execute the mentioned Transactions.
- 11.6. The Institution does not redeem the Gift Card Balance to the User, if it does not exceed the total of Fees and other payments due to the Institution.
- 11.7. The Institution may limit the maximum redeemable Gift Card Balance, which can be transferred to the User by bank transfer in accordance with the Rules. In such case the Gift Card Balance exceeding the maximum redeemable balance set by the Institution can be used by the User in full by paying for Transactions with Merchants.
- 11.8. Submission of application and physical transfer of the Gift Card to the Institution is the only requirement and a sufficient reason for redemption of the Gift Card Balance to the User, which has transferred the Gift Card to the Institution, unless the Gift Card is deemed invalid in accordance with paragraphs 9.5.1, 9.5.4, 9.5.5 or 9.5.6 hereof. The Institution is not obliged to request the User to present his/her identification documents or check the way of acquisition of the Gift Card presented for redemption of the Gift Card Balance. Property rights over the Gift Card Balance can be proved by successful access of the respective Gift Card statement in the Internet Office.
- 11.9. The Institution does not redeem the Gift Card Balance in the following cases:
  - 11.9.1. The Gift Card is not transferred to the Institution or the transferred Gift Card is declared invalid in accordance with paragraph 9.5.5 hereof and the person requesting redemption of the Gift Card Balance is not able to identify himself/herself as an Internet Office User;
  - 11.9.2. The Fee set out in the Price List is not paid in full amount;
  - 11.9.3. Signs of forgery are detected on the transferred Gift Card;
  - 11.9.4. The transferred Gift Card is damaged so that reading the Gift Card number from its plastic material and data carrier (magnetic stripe or chip) is impossible. The Gift Card number is deemed unreadable, if it is indiscernible or if it is impossible to certainly identify at least one of 16 Gift Card number digits;
  - 11.9.5. The Gift Card is declared invalid in accordance with paragraph 9.9 hereof.
- 11.10. The User can obtain information on execution of redemption of the Gift Card Balance or on refusal of such execution upon request at the Institution's Office on the Institution's Business Days or in the Internet Office.
- 11.11. The User may not revoke his/her order for redemption of the Gift Card Balance after the Institution has received it, except for cases when the User has agreed to such option with the Institution by addressing the Institution with a respective application, and it has been accepted by the Institution.
- 11.12. The Buyer and/or the User loses any claim rights against the Institution in respect of the Gift Card Balance, if Institution has not received the application for its redemption within the term determined in paragraph 11.1 hereof.

## **12. COMPLAINTS AND CLAIMS**

- 12.1. The User must independently follow the Gift Card Balance and the Transactions, and check the information on Transactions included in the statement mentioned in paragraph 8.2 hereof not less frequently than once a month. The User must notify the Institution in writing immediately, as soon as he/she becomes aware of defective execution of a Transaction or notices other errors in servicing and maintenance of the Gift Card, but no later than within 50 (fifty) calendar days after debiting the Gift Card Account for the funds. A User, which is a Consumer, may notify the Institution on erroneous or unsanctioned EEA Transactions within 13 (thirteen) months following debiting of funds from the Gift Card Account, unless earlier notification on the error wasn't possible for objective reasons. If the User fails to submit the above notice to the Institution within the term indicated herein, the Institution may assume that the User has no complaints in relation to Transactions executed within the reference period. Claims submitted later may be rejected by the Institution. Non-receipt of information on the Transactions that the User can obtain from the Institution under the Rules does not release the User from the financial liability for the Transactions with the Gift Card.
- 12.2. Any claims or complaints concerning Gift Cards, including Transactions, Payments, correspondence of Nominal Value, acceptance or non-acceptance of Gift Cards for payments, Gift Card Balances, Fees, failure to observe the Rules and/or applicable laws or regulations must be submitted to the Institution immediately after ascertainment of an unauthorised or erroneous Transaction, taking into account (accordingly) the provisions of paragraphs 12.1 and 12.7.4 hereof. Claims on non-correspondence of the Gift Card Nominal Value can be submitted by the Buyer or by the User in accordance

with the procedure set out in paragraph 12.4. Claims and complaints on all matters related to the use of the Gift Card can be submitted only by User, by filling out and submitting to the Institution an application completed in the form determined by the Institution, indicating all the identification data required by the Institution, including the User's name, family name, ID code, telephone number and address, Gift Card number, Transaction details and other data disputed by the User, as well as facts and circumstances substantiating the claim and the claimant's request. The claim must be supplemented with all documents being at the disposal of the Buyer or the User respectively, including documents confirming the disputed Transaction that provide arguments in support of the claim and explain reasons for it.

- 12.3. The Institution accepts the applications mentioned in paragraph 12.2 hereof on the Institution's Business Days from the Buyers or Users which:
  - 12.3.1. Presents to the Institution a Gift Card, which is not deemed invalid under paragraphs 9.5.5. or 9.5.6 hereof; or
  - 12.3.2. Identifies himself/herself properly as a User of the Internet Office in presence of an Institution's representative.
- 12.4. Claims concerning the consistency of the Transaction amount are reviewed by the Institution only if the User has supplemented the claim application with documents confirming the Transaction or copies thereof. Claims concerning consistency of the Gift Card Nominal Value are reviewed by the Institution only if the Buyer or the User properly and in form for a claim determined by the Institution, attaches the cash receipt, order confirmation or delivery note issued to the Buyer by the Distributor or by the Institution upon depositing the Nominal Value in accordance with paragraph 3.6 hereof.
- 12.5. If the User submitting the claim application to the Institution is not able to ensure timely submission of documents confirming the Transaction upon the Institution's request, the Institution may refuse review of the claim application and dismiss the claim. The Institution is not obliged to request the Merchant to provide documents confirming the Transaction until after respective written order is received from the Gift Card's User and the Fee set out in the Price List is fully paid or a hold is placed on it on the Gift Card Account.
- 12.6. The Institution reviews claims concerning Transactions in accordance with the terms and conditions of international payment card organizations (Visa or MasterCard, subject to brand of the Gift Card) and takes the decision on the validity of the claim based on these terms and conditions and the burden and the means of proof, to the extent these terms and conditions not contradict laws and regulations of the Republic of Latvia.
- 12.7. The following provisions apply to the determination of liability for disputed EEA Transactions:
  - 12.7.1. If the Institution within the term determined in paragraph 12.1 hereof receives a User's notice on an unsanctioned Transaction, the Institution immediately, as soon as it ascertains that the Transaction is unsanctioned, refunds the User for the amount of the unsanctioned Transaction or restores the Gift Card balance to that as if the unsanctioned Transaction was not executed. The provisions of this paragraph do not apply and the User is liable for an unauthorised Transaction, if the User acted unlawfully or hasn't observed the Rules or other applicable laws and regulations, as well as if the Nominal Value of the Gift Card used by the User does not exceed EUR 150.00 (one hundred fifty euro);
  - 12.7.2. A Consumer is entitled to a refund by the Institution of an authorised and already executed Transaction provided that both of the following conditions are met:
    - 12.7.2.1. The exact amount of the Transaction has not been indicated at the approval thereof; and
    - 12.7.2.2. The amount of the Transaction exceeds the amount the User could reasonably have expected for the respective Transaction, taking into account the data of his previous Transactions, the Rules and the relevant circumstances of the Transaction.
  - 12.7.3. The User upon the Institution's request provides proof of the conditions indicated in paragraph 12.7.2. The User may not claim that these conditions are met by reasons related to the currency exchange, if the foreign exchange rate has been applied pursuant to the Rules.
  - 12.7.4. The User may request the refund pursuant to paragraph 12.7.2 within 8 (eight) weeks following the date on which the Gift Card Account has been debited for the amount of the respective Transaction.
  - 12.7.5. The Institution either refunds the amount of the Transaction indicated in paragraph 12.7.2 or notifies the User on the reasons for refusal of the refund within 10 (ten) Institution's Business Days upon receipt of the User's claim and the evidences specified in paragraph 12.7.3. Until clarification of all the circumstances the Institution may place a hold on the deposited amount, which is refunded by the Institution in accordance with the present paragraph, by decreasing respectively the Gift Card Balance available to the User.
- 12.8. The Institution reviews Consumer claims within 10 business days, but a complaint filed by a User or a Buyer, which is not a Consumer - within 30 days upon receipt of the correctly filled claim form and, in particular cases, upon receipt of accompanying documents requested by the Institution, including documents confirming the Transaction and the evidence mentioned in paragraph 12.7.3, and notifies the applicant on the results of the review, including:
  - 12.8.1. Satisfaction of the claim, informing the applicant on the term and procedure of satisfaction of the claim;
  - 12.8.2. Dismissal of the claim, providing the applicant with a substantiated denial;
  - 12.8.3. Informing the applicant on the course of the claim review and additional measures and/or the time needed by the Institution for review of the claim in its essence, including for ascertainment of the facts and circumstances mentioned in the claim and for determination of validity of the claim.

- 12.9. The Institution forwards its reply to the claim to the Buyer or to the User to the email address indicated in the claim or to the postal address, or delivers/issues it to the applicant in person. The Institution is not obliged to make the reply to the Buyer's or the User's claim in writing, if no corresponding request is received from the applicant.
  - 12.10. The Institution is not liable towards the User for non-execution, an unsanctioned or defective execution of any Transaction, if the User fails to notify the Institution on such Transaction pursuant to paragraphs 12.1 or 12.7.4 (respectively). The Institution is entitled to reject and not review any claims that are submitted after the deadline mentioned respectively in paragraphs 12.1 or 12.7.4 hereof, as well as claims that do not meet the requirements mentioned in paragraph 12.2. The Institution does not review applications submitted by applicants, who are not Buyers nor Users, including if the applicant is unable to present the Gift Card mentioned in the application and cannot identify himself/herself as an Internet Office User, as well as if the Gift Card presented to the Institution is deemed invalid in accordance with paragraphs 9.5.5 or 9.5.6 hereof or if the Institution detects signs of its forgery.
  - 12.11. The User must verify documents issued by Merchants in confirmation of Transactions (receipts, tickets, etc.) immediately after payment of the Transaction and immediately inform the Merchant's salesperson about any detected inconsistencies. The User may submit a claim application to the Institution only in cases when the Merchant cannot or is not willing to correct the inconsistency detected by the User or otherwise compensate for loss incurred by the User.
  - 12.12. In case of any inconsistencies, data of the Institution's transaction processing system on Transactions, Transaction Authorisation and Gift Card Balances prevail.
  - 12.13. If the Institution acknowledges the Buyer's or the User's claim as valid, the Institution either renews validity and/or balance of the claimant's Gift Card mentioned in the application, thereby fully or partially satisfying the claimant's claim, or issues to the claimant a new Gift Card with Nominal Value balance corresponding to the amount of claim acknowledged as valid.
  - 12.14. If in the result of review of a claim application the Institution finds out that it is invalid, the Institution is entitled to annul the preceding satisfaction of the claim and to restore the activity and/or balance of the Gift Card to the situation as it was prior to submission of the invalid claim. If the Institution acknowledges the Buyer's or the User's claim as invalid, the Buyer or the User (respectively) is obliged to pay the Fee for reviewing of an invalid claim set out in the Price List.
  - 12.15. The Institution is entitled to place a hold on the Fees mentioned in paragraphs 12.5 and 12.14 hereof by decreasing the Gift Card balance available to the User until completion of review of the claim, if the Institution has reasonable doubts about the validity of the claim submitted by the Buyer or by the User, or if the Institution has received the User's order to request documents confirming the Transaction.
  - 12.16. If the Buyer or the User is not satisfied with the Institution's reply to his/her claim application, the Buyer or the User is entitled to the following:
    - 12.16.1. A Consumer may submit a complaint to the Consumer Rights Protection Centre. The procedure for taking decisions by the Consumer Rights Protection Centre and the procedure for appealing of such decisions is determined by the Consumer Rights Protection Law;
    - 12.16.2. A Buyer or a User, which is not a Consumer, may submit a complaint to the Financial and Capital Market Commission;
    - 12.16.3. The Buyer or the User may bring an action based on the claim or complaint in line with paragraph 16.2 hereof.
- 13. INSTITUTION'S AND DISTRIBUTOR'S RIGHTS AND LIABILITY**
- 13.1. The Institution and the Distributor are liable only for the fulfilment of their obligations mentioned herein.
  - 13.2. Prior to issuance of a Gift Card to the Buyer, the Institution and the Distributor may perform customer identification procedures set out in applicable laws and regulations or in the Institution's or Distributor's internal regulations, and refuse issuance of a Gift Card, if the Buyer's identification is impossible.
  - 13.3. The Institution, the Distributor and the Merchant may notify the authorities and request identification of the Buyer or of the User in cases when in the course of a Transaction or Gift Card purchase the Institution, the Distributor and the Merchant obtain a reason to suspect that the Buyer or the User is going to make or has made a Suspicious or an Unusual Transaction.
  - 13.4. If the Institution suspects a Suspicious or an Unusual Transaction, the Institution may autonomously investigate such Transaction and request the Merchant to issue copies of documents confirming the Transaction without prior notification of the User, as well as notify relevant law enforcement and/or anti-money laundering institutions on the Transaction.
  - 13.5. The Institution may (but is not obliged to) contact the User, if the Institution detects that Transactions, which are unusual for the User, are carried out with the Gift Card.
  - 13.6. The Institution is liable towards the User in line with the procedure and amounts stipulated herein for inconsistency of the Gift Card balance and for erroneously performed Transactions, if the inconsistency of a Gift Card Balance or Transaction execution error is caused by disturbances or improper operation of the card transactions processing system used by the Institution, except for cases when the relevant disturbances or improper operation is caused by Buyer's, User's or a third party's conscious behaviour.
  - 13.7. Use of a Gift Card for payment of Transactions in no way causes Institution's or Distributor's liability for the quality and safety of goods sold or services provided and for compliance thereof to standards, contracts or requirements of laws

and regulations. The Merchant is separately liable for its activities or failure to act, for goods sold and for services provided. All risks related to performance of Transactions are borne by the User.

- 13.8. The Institution is not liable for loss occurred in the result of actions by third parties involved in processing of the Transaction or Payment, including in cases when the Merchant refuses to accept the Gift Card for payment of goods sold and/or services provided, including also cases when the POS terminal being at disposal of the Merchant is out of order or the telecommunication services between the Merchant's POS terminal and its servicing entity or international payment card processing centres are disturbed, that prevents the Merchant from performance of Authorisation of the Transaction.
- 13.9. The Institution is responsible for execution of a Transaction (Payment) in accordance with provisions of the Law to the extent of the Institution's ability to have a real influence on execution of the Transaction (Payment) or a stage thereof. In the event that a Payment is not executed or is executed erroneously, and the Institution is responsible for it, the Institution upon the User's request tries to trace the Payment and inform the User on the results of tracing. If a Transaction or a Payment is executed erroneously, and in accordance with the present paragraph the Institution is liable for the introduced error, the Institution immediately refunds to the User the amount of erroneously executed Transaction or Payment or restores the Gift Card Balance to that as if the erroneous Transaction or Payment was not executed.
- 13.10. The Institution is not liable for loss resulting from any country's currency exchange restrictions or specific procedure.
- 13.11. The Institution is not liable towards the Buyer or the User for defective execution or non-execution of a Transaction or Payment, if it results from circumstances related to compliance with laws and regulations applicable to the Institution.
- 13.12. The Institution may at any time unilaterally amend the Price List, the Rules and annexes thereto. The Institution notifies on amendments by publishing them on the Institution's Website or by making them otherwise available to potential Buyer and User in at least 10 (ten) days prior to their effective date. Amendments, if these refer to Payment services, apply to a Buyer or a User, who is a Consumer and has bought or is using a Gift Card with Nominal Value exceeding EUR 150.00 (one hundred fifty euro), only after 60 (sixty) days following announcement of the respective amendments by publishing the information on the Institution's Website and in the Institution's premises. The Institution may deem that the Buyer or, respectively, the User agrees to application of the amendments to Gift Cards purchased before announcement of amendments in accordance with the procedure set out in this paragraph, if he/she hasn't notified the Institution on his/her objections prior to the effective date of such amendments.
- 13.13. For security purposes (including if the Gift Card is declared invalid in accordance with paragraph 9.5.5 or 9.5.6 or in case of existence of doubts on the authenticity of the Gift Card and/or lawfulness of Transactions), the Institution may request the Merchant to refuse to service the Gift Card and/or to seize it.
- 13.14. The Institution may (but until the receipt by the Institution of a due notice from the User, is not obliged to) suspend operation of the Gift Card and declare it invalid, if the Institution becomes aware of circumstances giving reasonable grounds for a conclusion that PIN Code, Password or the Gift Card are being used illegally or if fraudulent activities by the Buyer or by the User with the Gift Card are suspected, or involvement of the Buyer or the User in Unusual or Suspicious transactions is suspected. The Institution is not liable for loss resulting from suspension or restriction by the Institution of operation or use of the Gift Card in accordance with the Rules.
- 13.15. The Institution and the Distributor are not liable for the Buyer's and/or User's indirect losses or lost profit. In any case the Institution's and the Distributor's liability against the Buyer and/or the User is limited to the amount of Gift Card Balance lost by particular Buyer or User due to the Institution's or Distributor's fault. Calculation of the amount of losses does not include the value of such Transactions, on which a claim application is not submitted in accordance with the requirements hereof.
- 13.16. The Institution and the User may process personal data of Buyers and Users to the extent necessary for the fulfilment of the requirements set forth by these Rules, for maintenance of the transaction processing system used by the Institution as well as for the fulfilment of provisions of the laws and regulations binding on the Institution and on the Distributor and set forth by supervisory and controlling authorities.
- 13.17. The Institution and the Distributor may reciprocally transfer the Buyer's and the User's personal data to the extent necessary for the establishment, maintenance and operation of the Gift Card transaction processing system and for fulfilment of the requirements set forth by these Rules.
- 13.18. The Institution may not transfer the Buyer's or User's personal data to third parties for commercial purposes.

#### **14. CURRENCY OF OPERATIONS AND THE APPLICABLE FOREIGN EXCHANGE RATE**

- 14.1. The Institution executes Transactions and Payments in the currency of the Gift Card Nominal Value.
- 14.2. The Institution may execute a Transaction or a Payment in another currency, if the performance of the Transaction or Payment in the specified currency is impossible due to circumstances for which the Institution has no responsibility or occurrence of which is not resulting from the activities of the Institution.
- 14.3. Where the currency of the Transaction or Payment differs from the currency of the respective Gift Card Nominal Value, which is the Gift Card Account maintenance currency, in cases specified herein the currency of the Transaction or Payment is exchanged in accordance with the foreign exchange rate applicable in the particular case.
- 14.4. Information on foreign exchange rates set by the Institution is available to the Buyer and to the User at the Institution's office on the Institution's Business Days and at any time on the Institution's Website.

14.5. The Institution applies any changes to foreign exchange rates set by the Institution immediately, without prior notification of the Buyer or the User. The Institution notifies the Buyer and the User on any changes in foreign exchange rates set by the Institution by placing the foreign exchange rates set by the Institution at the Institution's office and on the Institution's Website.

14.6. The Institution applies any changes to the foreign exchange rates set by the international payment card organisations Visa and MasterCard immediately, without prior notification of the Buyer or the User.

## **15. INTELLECTUAL PROPERTY RIGHTS**

15.1. Intellectual property rights, including author's rights and patent rights, irrespectively of their recognition or registration in line with effective laws and regulations, including design of the Gift Cards, trademarks, logotypes, brands, software developed by the Institution, documentation and advertising materials, are the property of the Institution, its related entities and/or Institution's counterparties or third parties, where specified in particular.

15.2. Nor the Buyer neither the User may in any way fully or partially reproduce the Gift Card as well as use any trademarks, logotypes, brands or other identification signs or marking of the Institution, related entities or third parties placed on the Gift Card.

15.3. Copying (reproducing) the Gift Card and manufacturing or distribution of payment instruments identical or similar to the Gift Card is deemed to be a forgery of a payment instrument as well as a violation of the intellectual property rights of the Institution and other parties, as well as an act of crime against property of the Institution and other parties, resulting in civil and criminal liability determined by the law.

15.4. Any mechanical, electronic or other transformation of the data recorded to the Gift Card or its data carrier (plastic material, magnetic stripe or microchip) is prohibited. If the Institution ascertains transformation of the data recorded to the Gift Card or its data carrier or an attempt thereof, the Institution may terminate the operation of the corresponding Gift Card, declare it invalid in accordance with paragraph 9.5.6, and bring the case to the law enforcement institutions.

## **16. GOVERNING LAW AND DISPUTE RESOLUTION**

16.1. Purchase of Gift Cards and use thereof in accordance with the present Rules and the legal relations related thereto are governed by the laws of the Republic of Latvia.

16.2. Any dispute arising between the Institution and the Buyer or between the Institution and the User respect of the Rules and the application or fulfilment of the requirements thereof, if not resolved in mutual negotiations with the Institution or if such negotiations last for more than 30 days, is settled:

16.2.1. If the Customer is a Consumer, upon the plaintiff's choice, by a court of jurisdiction by agreement subject to the Institution's address or by a court of general jurisdiction;

16.2.2. If the Customer is not a Consumer - upon the plaintiff's choice, by a court of general jurisdiction or by Galvenā Šķīrējtiesa (Supreme Arbitration, unified registration number 40103210884) in Riga, and in accordance with the laws of the Republic of Latvia and under the Rules of this Arbitration, in a written procedure, by one arbitrator appointed by the Chairman of the Arbitration. Language of litigation is Latvian.

## **17. MISCELLANEOUS**

17.1. The Institution may debit funds from the Gift Card Balance without Buyer's and/or User's order or consent in the following cases:

17.1.1. If the Buyer or User has outstanding payment liabilities against the Institution, including outstanding Fees and other sums pursuant to the Rules or agreements concluded with the Institution;

17.1.2. If the Institution has credited funds and increased the Gift Card Balance in the result of misunderstanding, negligence or error, or without any legal grounds;

17.1.3. In other cases determined by the Rules, agreements concluded with the Institution or pursuant to the laws and regulations of the Republic of Latvia.

17.2. The Language of communication between the Institution, the Buyer and/or the User is Latvian language, unless the Institution agrees to communicate in another language acceptable to the Buyer and/or the User.

## **18. INTERPRETATION OF THE RULES**

18.1. Unless specified otherwise in the Rules, the terms used in the singular have the same meaning as used in the plural, and vice versa.

18.2. Headings of the chapters in the Rules are intended for convenience only, not for interpretation of the Rules.

18.3. If any part of the Rules is or becomes inoperable, the remaining part of the Rules is not affected thereby.

18.4. In case of discrepancies or ambiguities between the Latvian and the foreign text of the Rules, the text in Latvian prevails.