

1. Terms Used in the Terms of Use and Servicing of the Card and Their Explanations

- 1.1. **Account** – the Client's current account in the Bank, to which the Card is attached.
- 1.2. **Application** – an application in the form approved by the Bank that is completed by the Client to receive the Service.
- 1.3. **Bank** – AS Citadele banka (registration No. 40103303559, legal address: Republikas laukums 2A, Riga, LV-1010) Eesti filiaal (registration No 11971924, address Narva mnt 63/1, Tallinn, email: info@citadele.ee, phone 7700000).
- 1.4. **Bank's ATM** (hereinafter referred to as **ATM**) – a device for performing the Transactions using the Card.
- 1.5. **Card** – A payment card of an international payment card organisation issued by the Bank in plastic form or as a Device Card or provided as a data solution. For the purposes hereof, a Card shall also mean a Card Derivative, except where different requirements for Card Derivatives and Cards are laid down by these Terms.
- 1.6. **Card Derivative** – a contactless payment tool created by the Bank, which is linked to a plastic card or Device Card data, which is available to the Cardholder as electronic data using Bank's remote management services, e.g., Citadele Online Banking.
- 1.7. **Cardholder** – a Client or natural person specified by the Client in the Application to whom the Bank issues the Card under the Service Agreement.
- 1.8. **Card Product** – any offer of payment cards of the Bank specified in the Pricelist, to which a specific range of services is attached, and one or several Cards of a specific type.
- 1.9. **Card with Contactless Payment Function** (hereinafter referred to as the **Contactless Card**) – a plastic Card or a Device Card by means of which it is possible to perform Transactions by a contactless method.
- 1.10. **Credit Limit** – the maximal amount of funds, which the Bank has allowed to spend in excess of the Client's funds in the Account, thus creating debit (negative) balance in the Account within the limits of the mentioned amount of funds.
- 1.11. **Credit Limit Agreement** – a written agreement between the Bank and the Client on assignment of the Credit Limit to the Account.
- 1.12. **Client** – a natural person in whose name the Account is opened.
- 1.13. **CVV2/CVC2 Code** – a three-digit combination for international payment cards issued by the Bank which is printed on the reverse side of the Card next to a signature sample strip of the Card.
- 1.14. **Device Card** – a Card that can be placed in an appropriate device or attached to a selected surface
- 1.15. **Interest on Unauthorized Negative Balance** – a fee expressed as a percentage specified in the Pricelist, which the Client shall pay to the Bank for the Unauthorized Negative Balance pursuant to the Service Agreement.
- 1.16. **International Payment Card Organisation** – the international company, which determines the procedure of issuance and acceptance of payment cards worldwide according to the unified standards of respective brand (e.g., *MasterCard International*, *Visa International*).
- 1.17. **Late Payment Interest** – a fee expressed as a percentage specified in the Pricelist, which the Client shall pay to the Bank, if the Client has not repaid the Unauthorized Negative Balance until the end of the term set out in the Service Agreement.
- 1.18. **Loan** – funds (credit resources) of the Bank, which the Bank allows the Client to use pursuant to the Credit Limit Agreement.
- 1.19. **Merchant** – an entrepreneur that accepts the Card as a means

of payment for goods and services.

- 1.20. **Parties** – the Client and the Bank.
 - 1.21. **Password** – a word specified by the Client/Cardholder which he/she uses for authentication by phone.
 - 1.22. **PIN Code** – a personal identification number known only to the Cardholder used for his/her identification when executing Transactions using the Card.
 - 1.23. **Pricelist** – an effective pricelist for products and services of the Bank.
 - 1.24. **Security Code** – a set of data, which is based on the Cardholder's data for authorisation in Citadele Online Banking and which ensures additional protection for Transactions performed on the internet.
 - 1.25. **Security Deposit** – the Client's or third party's funds placed as a term deposit or special deposit in the Bank, which are used as financial security to guarantee discharge of the Client's obligations before the Bank, which are set out in the Service Agreement and/or the Credit Limit Agreement (if such is concluded).
 - 1.26. **Services** – issuing of the Card to the Cardholder and servicing thereof as well as other services of the Bank related to use of the Card.
 - 1.27. **Service Agreement** – an agreement between the Bank and the Client on receiving the Service, the integral parts whereof are the Application and the Terms of Service.
 - 1.28. **Special Tariffs** – the Service conditions and tariffs differing from those referred to in the Terms of Service and the Pricelist and established by a separate internal document or agreements with third parties of the Bank.
 - 1.29. **Spending Limit** – limitations of the amount of funds available to the Cardholder using the Card, including limitations of a number and/or amount of Transactions per day/month.
 - 1.30. **Terms of Service** – these Terms.
 - 1.31. **Transaction** – all transactions that can be performed using the Card as well as information of the Card.
 - 1.32. **Unauthorized Negative Balance** – the whole amount of the debit (negative) balance of the Account, if the Account does not have the Credit Limit. The Unauthorized Negative Balance can occur, if the Bank withholds payments related to rendering of the Service and/or concluding the Transaction, and which is due to the Bank pursuant to the Service Agreement and/or the Pricelist, if there are no sufficient funds of the Client on the Account.
- ### 2. General Provisions
- 2.1. The Terms of Service regulate legal relations between the Client and the Bank related to issuance, use and service of the Card. Using the Card, the Client/Cardholder can pay for goods and services, withdraw cash from ATMs and in banks, make cash deposit in the Bank's ATMs, pay bills in the Bank's ATMs, unblock or change the PIN Code in the ATMs of the Bank.
 - 2.2. By signing the Application the Client certifies that:
 - 2.2.1. the Client/Cardholder will not use the Card or Service for illegal purposes, including laundering of proceeds derived from crime;
 - 2.2.2. the Card will be used in the Client's and/or Cardholder's interests and it will not be used upon commission of a third party in order to avoid disclosure of the identity of this person;
 - 2.2.3. the Application is signed, expressing the Client's free will, the Bank has provided the Client with complete and exhaustive information about the Service, the content, meaning and consequences of the Terms of Service have been discussed, including the procedure for examination of disputes, the Client acknowledges the Service Agreement as fair, mutually beneficial, voluntarily signs the Application without delusion and deceit, and undertakes to fulfil the Service Agreement;

Terms of Use and Service of the Card

2.2.4. he/she has read the Terms of Service and General Terms of Business of the Bank, agrees with them and undertakes to observe them, as well as to ensure that the Cardholder reads them and observes them;

2.2.5. understands the risks related to use of the Service;

2.3. If the Application has been submitted to the Bank using the Bank's remote management possibilities (e.g. Citadele Online Banking):

2.3.1. the Client certifies that the Bank has provided to him/her and he/she has read the information set out in the effective regulatory enactments of the Republic of Estonia, which is related to remote agreements, that is, agreements that are concluded using the Bank's remote management services, including information about the Bank as a service provider and procedure for execution of the service;

2.4. Use of the Card and PIN Code, use and service of the CV2/CVC2 Code or Security Code, receipt, use and service of the Account and Card are regulated by the Service Agreement, General Terms and Conditions of the Bank, regulatory documents approved by the International Payment Card Organisations (depending on the type of the Card) and the effective regulatory enactments of the Republic of Estonia.

2.5. The terms used in the Terms of Service refer both to single and plural forms. The titles of sections are only provided to improve readability and shall not be used to interpret the content. The terms used in the Terms of Service, if their explanations are not provided in Clause 1 of the Terms of Service, are used within the meaning of the General Terms and Conditions of the Bank, Terms of Use and Service of Citadele Online Banking and other terms of service applied by the Bank.

2.6. For communication by phone with the Client/Cardholder, for example, to receive information regarding the Card or Transactions, to suspend (block) and/or renew (unblock) the operation of the Card, and for carrying out other actions accepted by the Bank, the Bank shall authenticate the Cardholder by the use of the Password. However, the Bank is entitled to also use such data for the identification or authentication of the Client/Cardholder by phone that is indicated in other Service Agreements entered into by the Bank and the Client/Cardholder or that are applicable in accordance with the General Terms and Conditions of the Bank.

2.7. The Client/Cardholder is entitled to request the Bank to change the Password.

2.8. Supervision of consumer protection with regard to the Services is carried out by the Estonian Consumer Protection Board, situated at Pronksi 12, Tallinn, e-mail: info@tarbijakaitseamet.ee and by the Estonian Financial Supervision Authority, situated at Sakala 4, Tallinn, e-mail: info@fi.ee.

3. Conclusion of the Service Agreement

3.1. The Service Agreement is concluded on the grounds of the Client's Application.

3.2. The Bank is entitled not to accept the Client's Application and/or not to issue the Card without explaining reasons of refusal.

3.3. The Client/Cardholder receives the Card and PIN code in a special-purpose envelope depending on the type of the Card and the method of use thereof in accordance with another procedure approved by the Bank, including without the previously created PIN code.

3.4. If the Client/Cardholder chooses or agrees to receive the Card and PIN Code by mail, the Client acknowledges and he/she is responsible for the risks related to the safety and the terms of receiving of postal deliveries.

3.5. The Service Agreement is considered concluded from the moment the Client/Cardholder has an opportunity to start performing Transactions.

3.6. The Bank has the right to replace the Card issuance at the Bank's branch with the Card sending to the Client's / Cardholder's contact address registered at the Bank, informing the Client / Cardholder at least

1 (one) month in advance. The Bank does not send the Card to the contact address registered at the Bank if any objections from the Client / Cardholder for such action is received.

3.7. Within the scope of one Service Agreement, the Bank has the right to replace the card issued to the Client/Cardholder with a Card of another brand and/or another Card Product without a separate consent of the Client, if the Service fees do not increase as a result of the replacement. If the Customer/Cardholder does not approve the receipt of the Card in accordance with the procedures described later in the Terms of Service, the Service Agreement may be terminated by ignoring the time period referred to in the Terms of Service.

3.8. If the Client/Cardholder has approved the receipt of the Card, including if the Card has been offered to the Client/Cardholder upon the initiative of the Bank with an invitation to replace the existing Card with a new one which may differ both by the Card Product and price, and also functionality, it will be assumed that the Client has agreed to the replacement of the Card and making of the respective amendments to the Service Agreement.

4. Use and Service of the Card

4.1. Use of the Card

4.1.1. One basic Card is attached to each Account and one or several supplementary Cards may be attached additionally, except for the case, when the Card Product includes several basic Cards of different International Payment Card Organisations, which are attached to one Account. Upon the Client's instruction, a basic Card or a supplementary Card is issued to the Cardholder.

4.1.2. If the Card is a plastic card, it contains a magnetic stripe/chip and the following information is specified on the Card: Card brand, Card number, term of validity of the Card, Cardholder's name and surname (except for the Cards, on which such information is not specified according to rules of the International Payment Card Organisations), and also the CV2/CVC2 Code.

4.1.3. A Device Card shall contain the following information provided on it: the Card brand, the last four digits of the Card number, and the Card expiry term. The full number of Device Card shall be provided on the plastic frame of the Device Card.

4.1.4. The Card is valid until the last day of the month of the year specified on it (inclusive). The term of validity of the Card Derivative is linked to the term of validity of the plastic Card.

4.1.5. When the term of validity of the plastic Card expires, a new plastic Card is produced, unless the Client has instructed otherwise 30 (thirty) business days before the end of the term of validity of the Card. An annual or monthly fee specified in the Pricelist is withheld from the Account. If the Client/the Cardholder has not collected the plastic Card in the Bank within 3 (three) months after producing of the plastic Card and has not performed Transactions or, in case the plastic Card has been sent to the Client/the Cardholder by mail and the Card is not activated, the Bank is entitled to cancel it, without reimbursing to the Client, the commission fees withheld in accordance with this Clause. If the term of validity of all Cards attached to the Account is expired and there are no any new active Cards attached to the Account, the Bank is entitled to apply the commission fee for maintenance of the Account specified in the Pricelist as well as to terminate the Service Agreement.

4.1.6. Card Derivatives are available for plastic Cards of such brands, which offer activation of Card Derivatives to Cardholders and where such option is available for Cardholders using the Bank's remote management services or according to another procedure approved by the Bank.

4.1.7. The Client is informed and agrees that if activation of the Card Derivative is available using the Cardholder's individual channel of

Terms of Use and Service of the Card

communication, e.g. Mobile app of Citadele Online Banking, the Cardholder is entitled to activate the Card Derivative using such communication channel, and the Client recognises such Cardholder's action as binding upon the Client.

4.1.8. The Card Derivative shall be used for execution of Transactions according to the procedure, about which the Bank has informed the Cardholder in the frame of Card Derivative activation process as well as in accordance with instructions available at places where Cards are accepted.

4.2. Transactions that may be performed using the Card

4.2.1. Using the Card that is intended only for cash withdrawal, the Cardholder can withdraw cash from ATMs and make cash deposit in the ATMs of the Bank.

4.2.2. The Cardholder may execute Transactions according to the procedure that corresponds to the respective type of the Card. Should there be any doubts or issues that need to be clarified, the Cardholder shall contact the Bank.

4.2.3. At the moment of receipt of the Contactless Card, the functionality enabling to perform Transactions by a contactless method in the respective Card is not active. In order to activate the functionality to perform Transactions by a contactless method and use it, the Cardholder shall perform the first Transaction using the contact technology and entering PIN Code, i.e. inserting the Contactless Card in the Merchant Card acceptance device or ATM.

4.2.4. If the Card Derivative is activated in the Mobile App of Citadele Online Banking, it is usable immediately upon completion of activation and it will operate in accordance with setting of the Mobile App, which the Cardholder selects for the Card Derivative in the frame of the restrictions set by the Bank, including the limit (maximal amount) of a contactless Transaction that may be executed without entering the PIN Code.

4.3. Cardholder's consent to perform transactions

4.3.1. The Card may only be used by the Cardholder;

4.3.2. The Bank assumes that the Cardholder has given his/her consent to perform the Transaction, if the PIN Code entered in the ATM or Card acceptance device/system corresponds to the data encoded in the magnetic stripe/chip of the Card, or if the signature on the document approving the Transaction is analogous to the Cardholder's signature on the Card signature sample strip and/or Application and/or copy of the document attesting identity submitted to the Bank, or in the case of the Transaction, for which entering of the CVV2/CVC2 Code is requested, the entered CVV2/CVC2 Code coincides with the data encoded in the authorisation software of the Bank, or if the Transaction has been additionally confirmed by the Security Code, as well as performing other intentional, definite and sequential activities, as specified in the Card acceptance place, including as specified in the Clause 4.3.3 of the Terms of Service;

4.3.3. Contactless Transactions as well as Transactions that may be executed using the Card Derivative may be performed without entering the PIN Code or signature of the Cardholder on the document certifying the Transaction, if the amount of the Transaction is within the limit set out for contactless Transactions;

4.3.4. The Parties confirm that if the Transaction has been approved in any manner mentioned in Clause 4.3.2, such approval is considered to be the consent of the Cardholder to perform the Transaction, which legally has equal effect as a consent document signed by Cardholder by hand and, imposing liabilities on the Client/Cardholder in accordance with the Estonian law;

4.3.5. As of the moment when the Cardholder has given his/her consent to perform the Transaction, the Cardholder is not allowed to revoke it;

4.3.6. The Cardholder's consent to perform the Transaction can be revoked only in case, if the Bank has additionally agreed on it with the Client/Cardholder. Such agreement is possible, if the Bank can stop execution of the order or return the transferred amount.

4.4. In order to increase safety of the Client's funds on the Account, the Bank sets the Spending Limit for the Card (for the basic Card and each supplementary Card), about which the Client can receive information in the Pricelist, customer service center of the Bank, using the Bank's remote account management services or by calling 24-hour information service of the Bank. The Bank can change the Spending Limit on the grounds of the Client's application. It is an obligation of the Client to inform the Cardholder about the Spending Limit set for the Card.

4.5. The Cardholder is obliged to observe the following requirements for use of the Card:

4.5.1. if the plastic Card is not intended only for cash withdrawal, to sign the plastic Card on the signature sample strip immediately after receipt thereof;

4.5.2. to store the Card or Card data carrier in the same way as checks and cash and daily check/verify presence of the Card;

4.5.3. to keep the plastic Card and a Device Card away from high temperature, influence of electromagnetic fields and mechanical damage;

4.5.4. to handle the Card, PIN Code, or CVV2/CVC2 Code and Card number as well as other personalised access and security elements of the Card/Card data, including the ones that are necessary for use of the Card Derivative, carefully and thoughtfully, in order to prevent unauthorised persons from using it, not to put down the PIN Code on the Card or other objects that are kept together with the Card. The requirements laid down by this Clause also apply to any plastic Cards and Device Cards at the disposal of the Client/Card User which are unfit for Transactions

4.5.5. not to transfer the Card, Card number and other information with regard to the Card to other persons unless it shall be done in accordance with the Merchant's trading rules. The requirements laid down by this Clause also apply to any plastic Cards and Device Cards at the disposal of the Client/Card User which are unfit for Transactions

4.5.6. to make sure that the Merchant accepts the Card as a means of payment only in the presence of the Cardholder and to present a document attesting the identity by request of the Merchant;

4.5.7. not to exceed the Spending Limit and Credit Limit;

4.5.8. before confirming the Transaction, to make sure that the Transaction amount indicated by the Merchant corresponds to the actual Transaction amount. If the indicated amount differs from the actual Transaction amount (taking into account the possible guarantee amount that may be withheld in certain Transaction types), the Cardholder has no rights to confirm such Transaction;

4.5.9. to sign a document attesting the Transaction analogically to his/her signature on the Card;

4.5.10. not to use the Card after the end of the term of validity or when the Card is suspended (blocked) due to any reason including in case of replacement of a Card;

4.5.11. upon request of the Bank, to submit the Card to the Bank immediately;

4.5.12. to submit to the Bank plastic Cards that are invalid for execution of Transactions. If a plastic Card cannot be returned, the Card User is obliged to destroy the plastic body by cutting it so as to make the Card chip and the magnetic strip unusable and to make the personal information provided on the Card unidentifiable

4.5.13. if the Card is the Card that is intended only for cash

withdrawal, to observe the requirements of Clause 4.5.2, 4.5.3, 4.5.4, 4.5.5, 4.5.7, 4.5.8, 4.5.10, 4.5.11 and 4.5.12 of the Terms of Service.

4.6. Actions in case of loss of the card or illegal activities with the Card.

4.6.1. If the Card or Card data carrier is lost or stolen or the Client/Cardholder has grounds to consider that the PIN/ CVV2/CVC2 Code of the Card or other personalised access and security elements of the Card/Card data, including the ones that are necessary for use of the Card Derivative, has become known to an unauthorised person, the Client/Cardholder shall:

4.6.2. immediately notify the Bank by calling 24-hour information service of the Bank at +372 7700000 (from 5 p.m to 9 a.m) the service is available in English and Russian only);

4.6.3. or instruct the Bank in written to block the Card, if the Client uses the Bank's remote account management services, which allow blocking the Card;

4.6.4. as far as possible declare theft or loss of the Card in the police or another responsible institution of the respective country where the theft or loss occurred;

4.6.5. upon request of the Bank, provide the Bank with the information available to Client/Cardholder regarding loss/theft of the Card;

4.6.6. immediately notify the Bank by calling 24-hour service of the Bank at +372 7700000 (from 5 p.m to 9 a.m) the service is available in English and Russian only) or submit to the Bank the respective application if the lost/stolen Card is found.

4.6.7. Upon receipt of the information stipulated by Clause 4.6.1.1 or 4.6.1.2 of the Terms of Service from the Client/Cardholder, the Bank blocks the specific Card or, if the Client is unable to specify the Card number or provide other detailed information, blocks all Cards attached to the Account. Upon receipt of information on a specific Card, the Bank except for the specific Card, renews (unblocks) the other Cards.

4.6.8. The Bank issues a new Card, except for the Card Derivative, to the Cardholder on the grounds of the Client's/Cardholder's application (incl. verbal).

4.7. Security Deposit

4.7.1. The Bank is entitled to request the Client to place the Security Deposit to the amount stipulated by the Bank.

4.7.2. The Security Deposit is considered as financial security provided to the Bank.

4.7.3. The minimum term of the Security Deposit is 1 (one) year. During the term of validity of the Service Agreement, the Bank automatically extends the term of the Security Deposit for each subsequent term that is equal to the previous term.

4.7.4. During the term of validity of the Service Agreement, the whole Security Deposit may only be decreased or withdrawn upon consent of the Bank and in compliance with requirements of the Bank, on the grounds of the respective application of the Client. In the case of a positive decision of the Bank, the Bank disburses the Security Deposit (part thereof) to the Client not earlier than after 40 (forty) calendar days from the day when the Client's application was submitted to the Bank. The Bank may decide on an earlier term of disbursement of the Security Deposit. The Bank withholds the Client's outstanding payments, which shall be disbursed to the Client in accordance with the Service Agreement, Credit Limit Agreement (if such is concluded) and/or Pricelist, from the amount of the Security Deposit and calculated interest, but the rest of the amount is transferred to the account specified by the Client.

4.7.5. In the case of non-discharge of the Client's obligations the Bank is entitled without prior notice to the Client to use the Security Deposit and calculated interest unilaterally to make the Client's outstanding

payments resulting from the Service Agreement and Credit Limit Agreement.

4.7.6. The Parties agree that the Bank has rights without the Client's separate order to use the Security Deposit and calculated interest also to repay other claims of the Bank towards the Client.

4.8. Before making the Transaction, upon the Client's request, the Bank provides information on its execution term and fee for the Service as well as on allocation of this fee.

5. Settlements

5.1. General Settlement Procedure

5.1.1. The Parties agree that the Bank has the right to withdraw funds from the Account without the Client's separate order, including creation or increase of the debit (negative) balance (Credit amount) of the Account:

5.1.1.1. to pay amounts of Transactions;

5.1.1.2. to pay a fee for Transactions and fee for other services of the Bank according to the respective Pricelist valid at the moment of execution of the Transaction simultaneously with making book-keeping entries for the respective Transaction;

5.1.1.3. to make payments, which are not specified in the Pricelist, but which the Bank has to make in order to ensure provision of the Service;

5.1.1.4. to make other payments to be performed by the Client/Cardholder that are provided for in the Service Agreement.

5.1.2. If the Cardholder has executed the Transaction with the Card in the currency that differs from the currency of the Account, the following conditions shall be observed:

5.1.2.1. if the Transaction data are processed in the payment systems of *MasterCard International* or *Visa International*, then the above mentioned organisations convert the amount of the Transaction into the Bank's settlement currency (EUR or USD) according to the *MasterCard International/Visa International* currency exchange rate determined by *MasterCard International/Visa International* for the day when the data of the Transaction are processed in payment systems of the above mentioned organizations. Then, if necessary, the Bank converts the Bank's settlement currency, into the currency of the Account according to the euro foreign exchange reference rate published by the European Central Bank in force on the day when the data of the Transaction are received and processed at the Bank;

5.1.2.2. if the Transaction data are processed in the inter-bank payment systems, the Bank converts the amount of the Transaction into the currency of the Account according to the euro foreign exchange reference rate published by the European Central Bank in force on the day when the data of the Transaction are received and processed at the Bank;

5.1.2.3. the Client pays the currency exchange mark-up specified in the Pricelist to the Bank.

5.1.3. At the moment of execution of the Transaction, except when reservation is not made for the respective type of Transaction in accordance with the provisions of the International Payment Card Organisation, for the payment whereof the Bank reserves funds in the Account for the period up to 15 (fifteen) days, if during this period of time the Bank does not receive the data of the Transaction, reservation is cancelled and the funds become available to the Client.

5.1.4. Book-keeping entries for the Transactions are made not later than on the next day after the data of the Transaction are received at the Bank. If the deferred valuation term is specified for the Card in accordance with the Pricelist, the date of valuation of the Transaction is additionally specified in the book-keeping entry for the Transaction.

Terms of Use and Service of the Card

5.1.5. If the Client discovers discrepancies between the Transactions specified in an account statement and the Transactions actually performed by the Client/Cardholder, he/she shall immediately, but not later than within 45 (forty-five) calendar days from the day when a book-keeping entry is made for the Transaction, notify the Bank about it in writing.

5.1.6. The Client's obligation to pay for the Transaction arises at the moment of execution of the Transaction.

5.1.7. The Transaction on behalf of the Merchant shall be commenced on the day when the Transaction is registered on the Account.

5.1.8. The Bank does not reimburse disputed funds to the Client, if the Client is identified under the procedure stipulated by these Terms of Service or if the Client/Cardholder has acted without proper care or illegally when performing the respective Transaction.

5.2. The Client pays to the Bank the fees for the Service stipulated by the Service Agreement and Pricelist.

5.3. The Client shall repay the Unauthorized Negative Balance to the Bank immediately after it has occurred and simultaneously the Client shall pay the Interest on Unauthorized Negative Balance to the Bank (if it is calculated). The amounts, in relation to which book-keeping entries are made with the deferred value date, are included into the Unauthorized Negative Balance after occurrence of the value date. If the Client has not made the payment stipulated by this Clause until the 15th (fifteenth) date of the next calendar month following the month when the Unauthorized Negative Balance occurred, the Bank calculates the Late Payment Interest on the Unauthorized Negative Balance as of the end of the previous calendar month for each day, starting from the 16th (sixteenth) date till the day (excluding it), when the corresponding amount is paid to the Account, taking into account all amounts that have been paid to the Account till repayment of the Unauthorized Negative Balance, and the Client shall pay this Late Payment Interest to the Bank.

5.4. The fee for the Card specified in the Pricelist is withdrawn from the first time from the balance of the Account as of the moment when the Client/Cardholder receives the Card or starts execution of Transactions. For each next successive year of use of the Card the annual fee is withdrawn from the balance of the Account till the 5th (fifth) date of the first month of the next year of use of the Card. A monthly fee for the use of the Card is withdrawn from the balance of the Account till the 5th (fifth) date of each calendar month.

5.5. If the Client fails to ensure the funds on the Account sufficient for making payments stipulated by the Service Agreement and/or Credit Limit Agreement (if such is concluded) in full, the Bank is entitled, but not liable to withdraw the funds necessary to discharge the obligations under the Service Agreement and/or Credit Limit Agreement from the Security Deposit or any other account of the Client in the Bank without a separate payment order or order of the Client, if necessary, converting funds in other currencies on other Client's accounts into the currency of the Account according to the exchange rate set out by the Bank for non-cash operations at the moment of conversion.

6. Obligations of the Client

6.1. The Client undertakes to:

6.1.2. familiarise the Cardholder with the Terms of Service and amendments thereof, if any;

6.1.3. observe and fulfil the Service Agreement in good faith and to ensure that the Cardholder observes and fulfils the Terms of Service;

6.1.4. ensure execution of his/her obligations under the Service Agreement;

6.1.5. keep track of use of the Card and Account;

6.1.6. ensure that the Card is used by the Cardholder specified in the Application;

6.1.7. immediately make all the payments to the Bank resulting from the Service Agreement and Credit Limit Agreement (if such is concluded), ensuring availability of the respective funds on the Account;

6.1.8. immediately, but not later than within 30 (thirty) calendar days from the day when the respective circumstances come into force, notify the Bank of any changes that concern what is specified in the Service Agreement and other information/documents that are submitted to the Bank (including those regarding change of the declared and/or actual address of place of residence of the Client, change of name and/or surname of the Client/Cardholder) by submitting documents attesting the changes. In the case of change of name and/or surname of the Client/Cardholder, a new Card is issued on the grounds of the Client's/Cardholder's application.

6.2. Non-receipt of an account statement does not release the Client from due execution of the Client's obligations under the Service Agreement and Credit Limit Agreement (if such is concluded).

7. Submission of Documents and/or Information

7.1. Notices from the Bank and other information is sent to the Client to the Client's specified or later in writing submitted address or e-mail address, or communicated using Citadele Online Banking, or SMS, and also through the use of other communication channels appropriate for the respective notification or submitted to the Client in person against signature.

7.2. The Bank ensures the processing of the private individual data in accordance with the Privacy Protection Rules approved by the Bank, which are available on the website of the Bank.

8. Liability of the Parties

8.1. The Bank and Client, to the amount of their respective rights and obligations, are liable for the execution of the Service Agreement, including the Terms of Service, and the compensation of losses directly caused to the other Party.

8.2. The Bank is liable to the Client for unauthorised Transactions, except when the Client/Cardholder has intentionally or upon gross negligence acted illegally, including by violating the requirements of the Terms of Service or applicable regulatory enactments, for example, has failed to take actions necessary for ensuring the secrecy of the authentication elements (PIN code, Security Code, etc.) related to the Card.

8.3. The Client is responsible for checking the transactions that have occurred in the Account in a timely manner, but not less frequently than once a month, if the Bank does not provide the aforementioned information in accordance with the procedures referred to in the General Terms of Business of the Bank.

8.4. The Bank is not responsible for an unauthorised or erroneous Transaction, if the Client has not informed the Bank without delay after it has become known or it should have become known to him/her in accordance with these Terms of Service. If the Client has not submitted the respective notification to the Bank within 13 months from the registering of the Transaction in the Account, the Bank is entitled to consider that the Client has no objections to the Transaction.

8.5. The Client is fully responsible for the Transactions made using the Cards issued to the Cardholders and other actions of the Cardholder within the scope of the Service Agreement.

8.6. The Client is responsible for timely submission of documents and information and for authenticity, correctness, completeness, validity of documents and information submitted to the Bank. In the case of submission of false, incomplete, wrong, invalid documents and information or untimely submission thereof, the Bank shall not be responsible for losses of the Client. If the losses are inflicted upon

Terms of Use and Service of the Card

the Bank as a result of said circumstances, it is obligation of the Client to compensate them to the Bank in full.

8.7. The Bank shall not be responsible for:

8.7.1. refusal of the Merchant/third party to accept the Card as a means of payment;

for quality of products and services purchased using the Card as a means of payment;

8.7.2. for losses of the Client that appear in the cases when the Cardholder has been unable to use the Card due to disruptions or damage of the communication lines, or due to other technical reasons and otherwise, that are beyond control of the Bank;

8.7.3. for losses of the Client that appear in the cases when restrictions or limits set for a third party have interfered with the interests of the Client/Cardholder or have affected use of the Card as a means of payment.

8.8. If unauthorized Transactions are made with a card that has been lost, stolen, or acquired in another illegal manner and as a result of it the Client has incurred losses, the Client assumes risk of up to EUR 50 (fifty euros) for losses that have been caused until the moment the Client/Cardholder has informed the Bank that the Card is no longer in the possession of the Cardholder. The Client shall not be liable if the Card has left the possession of the Cardholder due to illegal actions of third parties and the Client has certified it to the Bank in accordance with appropriate procedures.

8.9. The Client will be liable for all losses incurred as a result of the use of the Card, including, illegal use of the Card and in cases of unauthorised Transactions, if the Client/Cardholder has acted illegally, including by making the violations laid down in Section 4 of the Terms of Services.

8.10. The Client will be liable for each and every Transaction made using the data of a plastic Card unfit for Transactions, if the Card is not returned to the Bank, or of a Device Card unfit for Transactions, except where the Client/Card User has notified the Bank according to Clause 4.6.1.1 or 4.6.1.2 of these Terms of Service, or where other circumstances exist which exclude the liability of the Client/Card User.

8.11. The Client is informed that the Bank also uses third parties' services to ensure rendering of the Service. The Bank is not responsible for losses and inconveniences of the Client, should this be a result of third parties' activity or inactivity.

8.12. If the Cardholder and the Client is not one and the same person, the Cardholder is not a party of this Service Agreement; therefore, the Bank is not responsible to the Cardholder for his/her claims and demands.

8.13. The Parties are not responsible for losses that are connected with force majeure circumstances.

9. Restriction of Action of the Service Agreement

9.1. The Bank is entitled to unilaterally:

9.1.2. refrain from debiting or crediting the Account and/or suspend (block) the Card or all of the Cards attached to the Account, if the Bank has suspicion that the Card is used for legalisation of proceeds derived from crime or other illegal activity, or the Client at the Bank's written request fails to submit to the Bank the information necessary for the Client's due diligence that would allow to perform the Client's due diligence by substance;

9.1.3. suspend (block) the Card or all of the Cards attached to the Account, and/or the Account, if the Client fails to discharge his/her obligations to the Bank, has submitted false information or documents to the Bank in the Application or within the term of validity of the Service Agreement, if the Client/Cardholder does not observe the Service Agreement and/or Credit Limit Agreement (if such is concluded), until violations are eliminated;

9.1.4. suspend (block) access to the funds found in the Account and transferred to it thereafter, should the Bank receive a decision of a competent institution or person on encumbrance of the Client's funds, or incontestable withdrawal of the Client's funds until removal of such encumbrance and/or execution or revocation of decision on incontestable withdrawal of the Client's funds, as well as not to execute said decision if there are no funds in the Client's Account;

9.1.5. suspend the funds currently found in the Account and transferred to it thereafter, if the Bank uses its right to revoke the Credit Limit and request the Client to repay the Loan, on the grounds of any of the circumstances stipulated by the Credit Limit Agreement (if such is concluded);

9.1.6. close the Card or all of the Cards attached to the Account, if the Bank discontinues issuance of the respective type of the Cards;

9.1.7. suspend (block) the Card, if the information regarding the eventual compromising of the data of the Card of the Client/Cardholder is received from the International Payment Card Organisation;

9.1.8. suspend (block) the Card, if the Bank has doubts about unauthorised use of the Card, use of the Card for fraudulent purposes, counterfeiting of the Card, or if further use of the Card may cause losses to the Client or the Bank;

9.1.9. suspend (block) the Card, if the PIN Code entered by the Cardholder three times does not coincide with the Card data and/or data related to the Card;

9.1.10. specify restrictions for the use of the Card if the Client has only been identified in the Bank remotely.

9.2. The Bank is entitled to prohibit unilaterally use of the Card in some countries or with selected Merchants, or upon occurrence of specific circumstances, without giving prior notice to the Client/Cardholder, if such prohibition is a protection mechanism for the Client/Cardholder against the eventual fraud. The Bank is entitled to restrict and/or block performance of Contactless Transactions without prior notification of the Client/Cardholder, including by using the Card Derivative, if during certain time period a certain number of Contactless Transactions has been made without entering the PIN Code or without signature of Transaction document, or if the set limit of Contactless Transactions has been reached, if such restriction may facilitate elimination of fraud risks as well as in other cases if, in the Bank's opinion, such restriction may eliminate losses related to the use of the Card.

9.3. In the cases mentioned in Clause 9.1 and 9.2 of these Terms of Service the Bank using the communication channels and ways of delivering of information, regarding which the Bank and the Client have agreed (e.g., letter, telephone, SMS, e-mail or Citadele Online Banking message etc.) informs the Client/Cardholder about blocking of the Card and/or Account and its reasons, if it is possible before blocking of the Card, but not later than immediately after blocking, except for cases when provision of information endangers objectively well-grounded security reasons or it is prohibited by the Estonian law.

9.4. The Parties agree that the funds blocked in the Account in the amount of the Client's debt to the Bank are deemed to be financial security provided for execution of the Client's obligations under the Service Agreement.

9.5. The Bank may set certain limitations for the use of individual Card products, depending on another Bank product, including another Card product, by stating the respective limitations in the Pricelist

10. Term of Validity and Termination of the Service Agreement

Terms of Use and Service of the Card

10.1. The Service Agreement is concluded for an indefinite term and is valid until complete discharge of the obligations under the Service Agreement. The term of validity of the Card shall not be deemed as the end date of the Service Agreement.

10.2. The Client is entitled to terminate the Service Agreement unilaterally by submitting a notice to the Bank, using the Bank's remote account management possibilities (e.g. Online Banking) or in any customer service center of the Bank, as well as by submitting all the Cards received in accordance with the Service Agreement. The Bank closes the Card and terminates the Service Agreement within 7 (seven) calendar days after receipt of the notice on the termination of the Service Agreement from the Customer. If the Credit Limit Agreement is concluded between the Client and the Bank, the Client is entitled to terminate the Service Agreement only by simultaneously terminating the Credit Limit Agreement under the procedure stipulated by the Credit Limit Agreement, if the Parties have not agreed otherwise.

10.3. If the Application is submitted to the Bank using the Bank's remote account management services:

10.3.1. the Client is entitled to terminate the Service Agreement unilaterally within 14 (fourteen) calendar days from the day when it is concluded;

10.3.2. in the case referred to in Clause 10.3.1. of the Terms of Service, the Client shall submit to the Bank all the Cards received in accordance with the Service Agreement not later than within 30 (thirty) calendar days as of the day of submission of the notice on use of the right to cancellation;

10.3.3. the Bank reimburses to the Client the paid annual fee in proportion to the actual period of the use of the Card.

10.4. In any case of termination of the Service Agreement the Client has the obligation to make all of the payments stipulated in the Service Agreement and Credit Limit Agreement (if such is concluded), which are outstanding as of the moment of termination of the Service Agreement, in full.

10.5. The Bank is entitled on its own initiative to close all Cards attached to the Account and to terminate the Service Agreement unilaterally, informing the Client in writing by sending at least 2 (two) months prior notice.

10.6. The Bank is entitled on its own initiative to close all Cards attached to the Account and to terminate the Service Agreement unilaterally without the prior notification, mentioned in the Clause 10.5. of the Terms of Service in any of the following cases:

10.6.1. the Bank has the information about the extraordinary circumstances, which is beyond the Bank's control and which can affect the safety and confidentiality of the Client's and/or other Bank's client's deposits or can cause the damages;

10.6.2. the rights of the Bank to terminate the Service Agreement unilaterally arise from the legislative acts which is binding on the Bank;

10.6.3. the Client fails to fulfill the Terms of Service Agreement;

10.6.4. Security Deposit term is not prolonged due to any reason;

10.6.5. the Account is closed;

10.6.6. the Bank terminates issuance of a certain type of Payment Card;

10.6.7. if the Client has submitted false information or documents to the Bank;

10.6.8. if the Card shall not be used without Credit Limit and the Credit Limit has been cancelled.

10.6.9. the Bank possesses information that the Client has been involved in a crime liable to criminal responsibility under the effective regulatory enactments, and/or other negative information about the Client, which may injure the Bank's reputation;

10.6.10. if the Client/Card User has not taken out the plastic Card, activated it or has made no Transactions within three (3) months after production of the Card (if the plastic Card was sent to the Client/Card User by post).

10.7. The Client is responsible for the Transactions executed with the Cards attached to the Account for 40 (forty) calendar days after the day when the Cards are closed.

10.8. The Client can receive the Security Deposit and its interest in 40 (forty) calendar days after closing of the Cards attached to the Account and making all the payments stipulated by the Service Agreement and Credit Limit Agreement (if such is concluded), but in the case stipulated by Clause 10.3 of the Terms of Service – in 30 (thirty) calendar days after receipt of the Client's notice on the use of the right to cancellation in the Bank, if the Client has made all the payments, which are stipulated by the Service Agreement and Credit Limit Agreement (if such is concluded), in full. If the Client has not made said payments in full, the Bank is entitled to use the Security Deposit and the calculated interest to cover them. The Bank can make a decision on an earlier term of disbursement of the Security Deposit.

10.9. Termination of the Service Agreement due to any reason does not release the Client from the obligation to pay to the Bank all amounts of remuneration due to it, compensate the inflicted losses, as well as to execute all of the requirements ensuing from the Service Agreement but outstanding as of the moment of termination thereof.

10.10. The Client pays the annual fee for the Card specified in the Pricelist till the termination of the Service Agreement for complete months.

10.11. If a new Card of the Card Product is attached to the account in accordance with the Client's Application, all Cards of the previous Card Product attached to this Account are closed and the Service Agreement of the respective Card is terminated as of the moment when the Client and the Bank conclude a new Service Agreement in relation to the Card Product.

10.12. The Client/Cardholder shall return the Cards received under the Service Agreement to the Bank after the end of their validity or in case if they are replaced, or in case of termination of the Service Agreement.

11. Procedures for Applying Claims and Other Provisions

11.1. All documents that the Bank has received in connection with the Application and/or during the term of validity of the Service Agreement are stored in the Bank.

11.2. The Bank is entitled to amend the Pricelist, General Terms of Business of the Bank and Terms of Service unilaterally.

11.2.1. the information about any planned amendments of the General Terms of Business of the Bank, the Terms of Service or Pricelist before they come into force is available to the Client in the branch office of the Bank, homepage of the Bank www.citadele.ee, as well as the Client can receive this information by calling the information service of the Bank;

11.2.2. the Bank is entitled to introduce amendments, which are less favourable to the Client in comparison with the previous ones, only in case if there is a well-grounded reason. The Bank shall timely inform the Client about such amendments not later than 2 (two) months before they come into force, using the communication channels and ways of delivering of information, regarding which the Bank and the Client have agreed (for example, letter, SMS, e-mail or Citadele Online Banking message, etc.);

11.2.3. if the Client disagrees with amendments made by the Bank, the Client is entitled to terminate the Service Agreement immediately without penalties, making all payments resulting from the Service

Terms of Use and Service of the Card

Agreement and Credit Limit Agreement (if such is concluded) in full. If the Client has not informed the Bank about his/her objections until the date when amendments to the Terms of Service or Pricelist come into force, it is considered that the Client has agreed with these amendments;

11.2.4. the Bank is entitled to amend the Pricelist, General Terms and Conditions of the Bank and/or Terms of Service unilaterally, without informing the Client in advance, if these amendments are made to eliminate harm to the interests of all Clients of the Bank and stability of the state financial system, including, but not limited to, in order to limit an excessive outflow of deposits and other attracted funds from the Bank. The Bank shall inform the Client about such amendments immediately, as soon as it becomes possible, using the means of communication specified in Clause 11.2.2 of these Terms of Service. The Client's rights to terminate the Agreement shall be explained to the Client in the information provided on making the corresponding amendments.

11.3. The Terms of Service are governed by Estonian law.

11.4. Information on the Service Agreement is available to the Client in accordance with the Terms of Service.

11.5. The Bank shall commence the application of the Special Tariff as soon as it appropriately establishes grounds for its application irrespective of whether the said circumstances have existed before.

11.6. If the Client/Cardholder is required to inform the Bank directly for the application of Special Tariffs, when the Bank becomes aware of the respective circumstances under other procedures, it might not form sufficient grounds for the application of Special Tariffs.

11.7. If Special Tariffs are applied to the Card, then as soon as the Bank becomes aware of the expiry of such circumstances that formed the grounds for the application of Special Tariffs, the Bank is entitled to apply to the respective Card the provisions and tariffs laid down in the Terms of Service and Pricelist.

11.8. As soon as the Bank becomes aware of the changes in the circumstances, the existence of which was a precondition laid down for the application of a specific Card Product and/or tariff, the Bank is entitled to close the respective Card Product for the Client or replace it with another or apply tariffs which correspond to the new circumstances.

11.9. Examination of claims:

11.9.1. claims regarding the execution of the Service Agreement may be submitted by the Client in writing at the branch office of the Bank or Citadele Online Banking system, and also in the cases specified by the Bank via telephone by calling the informative phone number of the Bank;

11.9.2. claims regarding the execution of a Transaction shall be examined in accordance with the procedures and within the time periods laid down by the International Payment Card Organisation. Sums of Transactions, if such may be repaid as a result of examining the claim, shall be repaid after completion of the examination of the claim. The Bank, upon its own initiative and also a request of the Client, shall inform the Client of the progress in the examination of the claim;

11.9.3. upon receipt of a claim from a Client by which the Client contests/denies authorisation of the Transaction, the Bank shall repay the sum of the unauthorised Transaction not later than within the next working day, if, upon evaluating the type of approval of the Transaction, the claim initially seems justified. But the Bank, upon its own initiative, may continue to examine both such claims and claims submitted for other reasons, and the repayment of the sum of Transaction to the Client may not be deemed as the admittance of the responsibility of the Bank for the unauthorised Transaction or other circumstances referred to in the claim;

11.9.4. if after initial examination of the claim the Bank has reasonable suspicions that the Client/Cardholder has acted illegally or failed to maintain the security of the authentication elements (i.e. PIN Code, or Security Code) and/or the Transaction has been approved in accordance with the Service Agreement, the Bank is entitled not to repay the Client the sum of the contested Transaction, and to inform of the suspicions the supervisory and law enforcement authorities. In the case referred to in this Paragraph the Client has the obligation to prove the soundness of the claim;

11.9.5. by continuing to examine the claim after repayment of the sum of Transaction to the Client and finding that the claim was not justified, the Bank is entitled to withhold the repaid sum of Transaction from any Account of the Client in the Bank, including to reserve funds in the amount of the sum to be withheld in the Account of the Client, if at the moment of withholding the respective sum is not available in the Account of the Client;

11.9.6. if the Client/Cardholder provides false or misleading information or takes other abusive actions when submitting the claim, the Bank is entitled to withhold costs and losses from any Account of the Client if the Bank has incurred such in the process of examining the claim;

11.9.7. the Client/Cardholder undertakes to provide the Bank with all the information requested thereby in a timely manner and cooperate in other manner during the examination of the claim, including in cases, when the Bank has repaid the Client the sum of the contested Transaction;

11.9.8. the claim will be considered to be received on the respective working day, if the Client has submitted it and the Bank has accepted it until 14.00 o'clock. The claims submitted after the specified time and also on weekends and national holidays shall be considered to be submitted on the following working day. On the day before a national holiday the time period for submission/acceptance time shall be reduced by one hour;

11.9.9. when submitting a claim regarding authorisation, the Client undertakes to immediately stop the operation of the respective Card. The Bank has the right to block the Card independently, if it finds that the Client/Cardholder has failed to do it in such case;

11.9.10. the Bank is entitled to unilaterally terminate the claim handling by declaring it erroneously initiated and informing the Client thereof, when the information provided by the Client/Cardholder is unclear and misleading and the Client/Cardholder cannot be contacted in a timely manner through the use of those channels which the Client/Cardholder has specified for this purpose;

11.9.11. in order to fully use the possibilities available within the examination of Clients' claims in accordance with the provision of the International Payment Card Organisation, any documents certifying the Transaction are recommended to be kept for at least 6 (six) months.

12. Resolution of Disputes

12.1. Any dispute, claim or controversy between the Client and the Bank that arises from the Service Agreement, concerns it or its infringement, termination or invalidity shall be settled in accordance with the Bank's General Terms and Conditions.