

1. Definitions used in the Terms and Conditions

Confirmation – the Customer's representative's consent given to the Customer (2) who is 16-18 years old to engage in Transactions with the Bank and manage his/her Account independently.

Transaction – using of the E-card at the Merchants' points of sale to pay for goods and services, including public transport services.

Partner – a partner who in cooperation with the Bank has made the enhanced design E-card.

Transaction amount – a sum in such currency and amount as used by the Customer in the Transaction with a Merchant.

E-card – a personalised contactless card for low value purchases, which combines the functionalities of the payment card and the identity document, as well as other functionalities.

Replacing of the E-card – making of a new Card in case of the loss, theft, or mechanical damage of the Card or a fraudulent use of it, or after the expiration date of the Card, by assigning a new number to the Card.

E-Card data – information on the Customer and the Card specified on the Card.

Identification – the process of the verification of the Customer – E-cardholder and of the Customer's representatives, during which it is established whether the Customer – E-cardholder and the Customer's representatives are authorised to use the Card data.

Customer's representative – the Customer's (1) natural guardians, i.e., parents, or the Customer's legal guardians, i.e., the guardians appointed by the orphan's court.

Customer (1) – a private person who is 7-15 years old and represented by the Customer's representative acting on his/her behalf.

Customer (2) – a private person who is older than 16 years.

Customer – Customer (1) and Customer (2) collectively.

Account – the Customer's (euro denominated) current account with the Bank, to which the E-card is linked and the funds available in which are used for Transactions.

Parties – the Bank and the Customer; or the Bank and the Customer's representative acting on behalf of the Customer.

Agreement – the agreement for the issuance and use of the Card entered into between the Bank and the Customer; or between the Bank and the Customer's representative acting on behalf of the Customer.

The Agreement consists of the Application, these Terms and Conditions, the Price List, the Credit Transfer Terms and Conditions, the Bank's General Business Terms and Conditions, and the Data Questionnaire.

Terms and Conditions – these E-Card Agreement Terms and Conditions, prescribing the procedure for the issuance and use of E-cards.

Reserved amount – the amount of the completed Transaction, which has not been debited to the Account due to it being processed.

Stop list – a special list for entering such Cards the use of which is suspended.

Merchant – a merchant, including but not limited to the provider of public transport services, which accepts E-cards for payments for goods and services at its point of sale.

The explanation of the definitions used in these Terms and Conditions but not explained herein is available in the Bank's General Business Terms and Conditions.

2. General principles

2.1. The Card is a payment instrument used by the Customer to engage in Transactions by using the funds available in his/her current account and within the Card limits.

2.2. The Bank's General Business Terms and Conditions, the Current Account Terms and Conditions, the Price List, the Credit Transfer Terms and Conditions, the Data Questionnaire, the provisions of other related Bank's services, the laws and regulations of the Republic of Latvia, as well as the terms and conditions of international payment card organisations (VISA, MasterCard) shall apply to such legal relations between the Parties which are not provided for in these Terms and Conditions. In case of conflicts between the Bank's General Business Terms and Conditions and these Terms and Conditions, the Parties agree to follow these Terms and Conditions.

2.3. The Customer can receive information and/or consultations regarding the use of the Card, the changing of the PIN, and Transactions at any of the Bank's Customer Service Centres or by calling +371 2666 8777 (chargeable number) from 8 a.m. until 10 p.m. on working days and from 10 a.m. until 5 p.m. on Saturdays and Sundays.

3. Entering into the Agreement

3.1. When entering into the Agreement with the Bank, the Customer (2) or the Customer's representative shall present his/her identity document. The Customer's representative shall additionally present the Customer's (1) birth certificate to support the right of the Customer's representative to assume obligations on behalf of the Customer (1).

3.2. If the Customer (1) is 15 years old, when it is compulsory to have a document proving one's identity under the laws of the Republic of Latvia, but has not reached the age of 16, the Customer's representative shall ensure that the Customer (1) participates in the Agreement entering process, by presenting his/her identity document, the photocopy of which the Bank may take. In the case referred to herein, the Customer's representative shall sign the Agreement on behalf of the Customer (1).

3.3. If the Customer's representative is a guardian appointed under the decision of the orphan's court, the Customer's representative shall additionally present the decision of the orphan's court on appointing the Customer's representative the guardian. At the request of the Bank, the Customer's representative shall submit other documents as the Bank may require.

3.4. The Agreement shall come into force upon signing of the Agreement by both the Parties under the procedure prescribed in these Terms and Conditions.

3.5. Before entering into the Agreement the Bank may verify the information submitted by the Customer and request additional information from competent national regulatory authorities under the procedure and to the extent as prescribed in the laws and regulations of the Republic of Latvia. The Bank may refuse entering into the Agreement and issuing the Card, without explaining the reasons for the refusal.

3.6. When signing the Agreement, the Customer's representative confirms that he/she is aware that upon reaching the age of 16, the Customer will have the right to manage the Account and engage in Transactions with the Bank independently.

4. Issuing of the Card

4.1. The Bank shall open the Account and make the E-card within 5 (five) working days from the date of signing of the Agreement. The E-card can be received by the Customer (2) or the Customer's representative, by visiting the Bank's branch or, at the Customer's request, at another place of issuing cards as may be determined by the Bank. The Customer (2) or the Customer's representative shall sign in confirmation of receipt of the E-card.

4.2. The Customer shall activate the renewed or new Card received by post or courier service via the online banking facility.

4.3. The Bank may set restrictions for Transactions for the Customer, with which the Customer and the Customer's representative can familiarise themselves at the Bank's branches, the online banking facility or the Bank's website at www.seb.lv.

4.4. The Card is the Bank's property transferred for use to the Customer.

5. Using of the Card

5.1. The E-card may be used only by the person whose name and surname appear on the Card. The Customer (1) and the Customer (2) are prohibited from transferring the E-card and/or the E-card data to third parties.

5.2. The Customer is prohibited from using the E-card, engaging in Transactions or other activities which are prohibited under the laws of the Republic of Latvia.

5.3. The Customer has a duty to request that the Transaction with the Card be carried out in his/her presence.

5.4. The E-card does not support transactions at ATMs and online payments.

6. Safeguarding of the Card

6.1. The Customer (1) and the Customer (2) have a duty to carefully safeguard the E-card and keep the E-card data confidential, and prevent the passing thereof in the hands of third parties.

6.2. The Customer (1) and the Customer (2) have a duty to safeguard the E-Card and use it carefully to protect it from mechanical or electronic damages.

7. Loss of the Card

7.1. If the E-card is lost or stolen or if its PIN has become known to another person, or if the Customer or the Customer's representative suspects an unauthorised use of the E-card or E-card data, the Customer or the Customer's representative must immediately notify the Bank's Customer Service Centre thereof, calling the 24-hour line +371 26668777 (chargeable number).

7.2. The Customer or the Customer's representative has a duty to immediately notify the Bank in the event that the E-card that was reported as lost or stolen has been found, and not to use it until receiving the Bank's confirmation.

8. Suspending use of the Card

- 8.1. At the request of the Customer or the Customer's representative the Bank shall suspend use of the E-card, by entering it on the Stop list.
- 8.2. The Bank may unilaterally suspend use of the Card, by giving notice to the Customer or the Customer's representative in advance or immediately after suspending of the use of the Card in cases when the Customer or the Customer's representative violates the provisions of the Agreement or where an order to block the Card has been received from the Partner. As soon as the violations having been eliminated, the Bank may restore the use of the E-card, by withdrawing it from the Stop list.
- 8.3. The communication with the Customer or the Customer's representative specified herein can be effected by communicating with the Customer or the Customer's representative by phone, using the number specified in the Data Questionnaire.

9. Settlement procedures

- 9.1. For Transactions with the Card, the funds available in the Account shall be used, subject to the Transaction limits as may be set by the Bank.
- 9.2. The Customer (2) or the Customer's representative shall independently keep track of Transaction amounts and see to it that the grand total of Transaction amounts does not exceed the funds available in the Account.
- 9.3. If the E-cardholder has carried out a Transaction for the payment of which there are not enough funds in the Account, he/she shall immediately refund such overspending to the Bank, by crediting the necessary amount to the Account.
- 9.4. The Bank may levy the commission fees specified in the Price list from the Account under the following procedure:
 - 9.4.1. The E-card issuance fee shall be levied when issuing the E-card to the Customer (2) or the Customer's representative;
 - 9.4.2. The Card issuance fee shall be deducted on the date on which the E-card was issued whereas the E-card usage fee shall be applied starting from the first date of the month following the month in which the E-card was issued. The E-card usage commission fee shall be deducted at the end of each month of use of the E-card.
 - 9.4.3. Other payments owed by the Customer shall be made in accordance with these Terms and Conditions.
- 9.5. If there are not enough funds in the Customer's Account for covering the commission fees, the Bank may deduct the commission fees specified in the Price list from the Customer's other accounts with the Bank.
- 9.6. The Bank may set limits for the Transaction amount with the E-card.

10. Card expiration date and renewing of the Card

- 10.1. The expiration date of the E-card is indicated on the E-card, and the Card shall be valid until the last day of the month, inclusive. The Customer is prohibited from using the E-card after its expiration date has passed.
- 10.2. Within five working days after the expiration date of the E-card, the Customer must return it to the Bank.
- 10.3. Upon expiring of the E-card expiration date and subject to receiving confirmation from the Partner, the Bank shall make a new E-card with a new expiration date, except when:
 - 10.3.1. At least 30 (thirty) calendar days before the Card expiration date, the Customer (2) or the Customer's representative submits a request to the Bank not to renew the Card and/or terminate the Agreement;
 - 10.3.2. The Bank has identified that the Customer and/or the Customer's representative has violated the provisions of the Agreement or of the applicable laws and regulations.
- 10.4. In the cases specified in these Terms and Conditions, the Customer and the Customer's representative can receive the new E-card at the Bank or, at the Customer's request, at the place of issuing cards as may be determined by the Bank, however not sooner than one week before the expiration date of the previous Card.
- 10.5. The Bank may destruct the E-card, if the Customer (2) or the Customer's (1) representative has not received the E-card within 2 (two) months of the making of the E-card.

11. Examination of claims

- 11.1. Any of the Customer's (2) or the Customer's representative's claims regarding the activity of the Bank transaction in performing the Agreement shall be submitted to the Bank or via the online banking facility in writing. The Bank's Customer Service Centre accepts the claims regarding Customer Transactions at Cash machines (ATMs) owned by the Bank by phone.
- 11.2. The Bank shall examine the Customer's (2) or the Customer's representative's claims for Transactions in accordance with the deadlines stipulated by the international payment card organisations (VISA, MasterCard). The Bank shall inform the Customer or the Customer's representative about the progress of the examination of the claims after 14 days, however the total duration of the examination of a claim can take up to 60 days from the date of receipt of the claim at the Bank.
- 11.3. The Customer's (2) or the Customer's representative's claims about

- erroneous or unauthorised Transactions with Cards at the Bank's ATMs shall be reviewed for up to 14 days from receipt of the claim at the Bank.
- 11.4. If, in the course of examining the claim, it is found that an erroneous or unauthorised Transaction has occurred, the Bank shall immediately compensate the Customer or the Customer's representative for the losses, if such an obligation is stipulated under the applicable laws and regulations and/or the Agreement. The Bank shall charge a fee for the examination of the Customer's claim according to the Price list.
 - 11.5. The Customer is aware that criminal liability may ensue for the attempts of fraud in accordance with the laws and regulations of the Republic of Latvia.

12. Liability

- 12.1. The Parties shall be held liable for compliance with the provisions of the Agreement and for compensating losses caused to the other Party.
- 12.2. The Bank shall not be liable to the Customer for any unauthorised or erroneous Transactions, if the Customer, immediately upon becoming aware of an unauthorised or incorrectly executed payment, however not later than within 13 months after the money is debited to the Account, has failed to notify the Bank thereof.
- 12.3. The Customer (2) or the Customer's representative shall be liable for the Transactions with all the Cards issued under this Agreement and for the use thereof in compliance with the Terms and Conditions.
- 12.4. The Customer (2) or the Customer's representative shall be responsible for Transactions with E-cards until such time as the Customer or the Customer's representative reports the loss or theft of the E-card to the Bank.
- 12.5. The Customer (2) or the Customer's representative shall bear the losses of up to 150 euros, incurred by him/her and related to Unauthorised transactions (including erroneous or unauthorised Transactions):
 - 12.5.1. If the E-card has been lost or stolen;
 - 12.5.2. If the Customer has failed to ensure the safeguarding of the E-card data and/or PIN to prevent an illegal use of the Card.
- 12.6. The Customer shall bear all the losses incurred by him/her and related to Unauthorised transactions where:
 - 12.6.1. The Customer has committed fraud;
 - 12.6.2. The Customer has failed, acting deliberately or negligently, to perform any of the duties set out in Sections 5, 6, and 7 hereof.
- 12.7. The Bank shall not be liable for failure to execute, in whole or in part, the orders of the Customer or the Customer's representative, nor for errors, delays, inaccuracies and other deficiencies arising due to the Customer or the Customer's representative submitting/issuing incompletely or incorrectly filled documents or orders, due to the fault of third parties, nor for the losses caused by the providers of communications services.
- 12.8. The Bank shall not be liable for disruptions in communications and/or technical connections, which can lead to the failure to execute, in whole or in part, the orders of the Cardholder arising due to the fault of a third party, nor for losses caused by the providers of communications services, and not arising due to gross negligence on the part of the Bank.
- 12.9. By signing this Agreement, the Customer's representative acknowledges that he/she is aware of the risks related to the use of the E-card and possible disruptions in communications and/or technical connections, which may result in the failure to execute the orders of the Cardholders, in whole or in part, and which have not arisen due to gross negligence on the part of the Bank.
- 12.10. The Parties shall not be liable for the failure to perform, in whole or in part, their obligations assumed under the Agreement resulting from the force majeure circumstances that could not have been reasonably predicted, prevented or controlled.

13. Terminating the Agreement

- 13.1. The Agreement is entered into for an indefinite term and shall be valid until the complete performance of the obligations provided for therein. The Card expiration date shall not be considered the date of the termination of the Agreement.
- 13.2. Either Party may unilaterally withdraw from the Agreement, by giving notice of such withdrawing in writing at least two months in advance, unless withdrawing from the Agreement occurs on the basis of such violation by the other Party, for which another period of notice is provided for under this Agreement or under the Bank's General Business Terms and Conditions.
- 13.3. Upon receiving the Bank's notice on withdrawing from the Agreement, the Customer or the Customer's representative shall settle all their payment obligations owed to the Bank under the Agreement.
- 13.4. The Bank may destruct the E-card and unilaterally withdraw from the contract without giving notice to the Customer or the Customer's representative, if the Customer does not collect it within 2 (two) months or if the payment for it is overdue for four consecutive months.
- 13.5. The Customer may unilaterally withdraw from the Agreement, by giving prior notice thereof in writing at the Bank's branch or via the online banking facility. The said application shall be considered the Customer's or the Customer's representative's request to the Bank to terminate further performance of the Agreement from the date of receipt of the application.