

**VERSOBANK AS
TERMS AND CONDITIONS OF A
PERMANENT PAYMENT CREDIT
CARD CONTRACT**

1. DEFINITIONS

1.1. Price List – rates established by the Bank for payment for services and Payment Services by the receiver of the respective service. The Bank shall reserve the right to change the Price List unilaterally. The Price List is available on the website of the Bank at www.versobank.com and the service office of the Bank.

1.2. Interest – the amount payable by the Account Owner to the Bank for using Credit Limit.

1.3. Internet Bank – the Agreement for Using the Communication Channels concluded between the Bank and the Account Owner, based on what the Account Owner has the right to use the internet Bank service via the communication channels and through which the Bank shall forward the Card related information to the Account Owner.

1.4. Cardholder – a physical person corresponding to the requirements of the Bank to whom the Bank has granted the right to use the Card under an application of the Account Owner.

1.5. Card – electronic payment instrument owned by the Bank with which the Cardholder is able to make Operations according to the procedure established by the Bank.

1.6. Account – a settlement account linked with the Card that the Account Owner has opened in the Bank under the settlement contract.

1.7. Account Owner – a person having an Account at the Bank connected to the Card.

1.8. Card Account – an account linked with the Card from which the Bank permits to use Credit Limit.

1.9 Reserves of the Card Account – unused part of Credit Limit and/or money transferred to the Card Account additionally.

1.10. Use Limit – the maximum limit agreed between the Bank and the Account Owner upon concluding the Contract, in the extent of which the Cardholder has the right to perform Operations in twenty-four hours and in a calendar month.

1.11. Credit Limit – the maximum limit agreed between the Bank and the Account Owner upon concluding the Contract, in the

extent of which the Bank provides credit to the Account Owner.

1.12. Contract – the present Permanent Payment Credit Card Contract.

1.13. Payment Date – a date fixed in the Contract on which the Bank shall debit the Account and the Card Account in the extent of the payments given in the Contract (incl. Permanent Payment).

1.14. Bank – Versobank AS (registry code 10586461, address Hallivanamehe 4, Tallinn).

1.15. PIN – confidential personal identification code provided by the Bank to the Cardholder upon issuing the Card used to identify the Cardholder.

1.16. Permanent Payment – the amount agreed between the Bank and the Account Owner upon concluding the Contract, in the extent of which the Account Owner shall repay the used Credit Limit to the Bank monthly and pay service fees and interest.

1.17. International Card Organisation – VISA.

1.18. Terminal – cash dispensing machine, payment terminal or any other place of payment, system (incl. Internet environment) through which the Cardholder can perform Operations.

1.19. Operation – use of the funds on the Card Account by using the Card via Terminal for withdrawing cash, paying for goods or services, acquiring information and performing other transactions and operations related to the Card.

1.20. Over-Limit Interest – Interest to be paid by the Account Owner, which shall be calculated by the Bank on the amount exceeding the used Credit Limit.

2. GENERAL PROVISIONS

2.1. The Contract shall regulate the rights and obligations arising from the services of the Bank and third persons with the use of the permanent payment credit card issued by the Bank between the Bank, the Account Owner and the Cardholder.

2.2. The Bank is entitled to demand that financial claims against the Account Owner arising from the Contract shall be secured by the security (pledge) provided by the Account Owner or the third person.

2.3. In all relationships between the Bank, the Account Owner and the Cardholder not covered by the terms and conditions of the Contract, the General Terms and Conditions of the Bank, the settlement contract

concluded between the Bank and the Account Owner, the Price List and the legislation of the Republic of Estonia shall apply.

3. USE OF THE CARD

3.1. Only the Cardholder shall be entitled to perform Operations with the Card. The Bank shall be entitled to assume that all Operations performed with the Card have been made personally by the Cardholder and correspond to the will of the Account Owner and the Cardholder.

3.2. In case the Account Owner and the Cardholder are not one and the same person, the Account Owner shall be obliged to ensure the informing of the Cardholder of the General Terms and Conditions of the Bank, the terms and conditions of the settlement contract, and the Contract concluded between the Bank and the Account Owner and the Account Owner shall be responsible for their performance by the Cardholder.

3.3. The Cardholder shall not use the Card for any illegal purposes or in any manner that may cause damage to the Bank and/or third persons, incl. the purchase of goods and services which are prohibited by legislation in force.

3.4. The Bank shall upon issuing the Card open the Card Account for the Account Owner. Several Cards can be linked with one Card Account. The Cardholder shall have the right to perform Operations within the extent of the Reserve of the Card Account according to the Use Limit established and only in the Terminals marked with the VISA logo.

3.5. The permitted Operations and limit values for making such Operations, incl. the Use Limits, shall be agreed on in the Contract.

3.6. The Account Owner and/or third persons shall have the right to transfer money to the Card Account. The used Credit Limit shall be reduced and released for the new Operations by the amount transferred to the Card Account.

3.7. The Bank shall not pay any interest on the positive balance of the Card Account.

3.8. In case of suspicion of card fraud, the Bank shall have the right to change Use Limits without the consent of the Account Owner. All terms and conditions provided in the Contract shall apply to the changed Use Limit.

3.9. Upon issuing the Card the Bank shall give to the Cardholder personal Security

Elements of the Card that shall be treated as the signature of the Cardholder in performing of Operations.

3.10. Upon receiving the Card, the Cardholder shall be obliged to sign the Card by hand.

3.11. The Card and its Security Elements are considered to be delivered to the Cardholder from the moment of signing the Confirmation of a Card Receipt.

3.12. The Bank has the right to transfer an unactivated Card and its personal Security Elements to the Cardholder at the request of the Cardholder by mail at the address reported to the Bank by the Account Owner. Upon receipt of the Card, the Cardholder shall be obliged to make sure that the envelopes of the Card and the Security Elements of the Card are not opened or damaged. In order to activate the Card, the Cardholder shall contact the service office of the Bank or the Internet Bank.

3.13. The Cardholder shall be able to start Operations and use the Card Account after the activation of the Card.

3.14. Any Operation performed with the Card shall be binding to the Cardholder and Account Owner if he or she has granted consent for the Operation, i.e. authorised the Operation. The Account Owner and the Cardholder shall accept that all the Operations performed by the Cardholder and/or using the Security Elements of the Card or by entering the data required in the internet environment, are considered for the Bank as correct (are authorized in terms of the Law of Obligations Act) and shall be implemented by the Bank.

3.15. If the Cardholder has given a consent for the performance of the Operation, the Account Owner and/or the Cardholder shall not have the right for the return of the Operation charge, unless the person providing the relevant service agrees to the return of the Operation charge or if the legislation does not prescribe imperatively otherwise. The Parties shall regard as authorisation of an Operation the signing of a sales receipt, entering of the PIN for confirming an Operation, entering Card details in the field intended for such purpose on the website of the service provider upon an online payment or forwarding Card details by the Cardholder to the person having the right to service the Card in case of Operations with preliminary authorisation.

3.16. The person having the right to service the Card has the right not to service the Card or confiscate the Card on request of the Bank.

3.17. On request of the person having the right to service the Card, the Cardholder shall be obliged to submit an identity document and agree with the recording of the data on the document.

3.18. The Bank shall have the right not to fulfil the Operation performed by the Cardholder, if:

3.18.1. the Account or the Card Account is blocked or seized;

3.18.2. the Card is invalid or closed or the use of the Card is blocked;

3.18.3. the amount of the Operation exceeds the Resources of the Card Account or the unused part of the Use Limit;

3.18.4. under any other basis arising from the General Terms and Conditions of the Bank or legislation.

3.19. The Bank shall have the right to block the use of the Card fully or partly for performing certain Operations, if:

3.19.1. the Account Owner or the Cardholder do not duly fulfil one or several obligations arising from the Contract or the security contract concluded for securing the fulfilment of the Contract or arising from any other contract concluded between the Account Owner and the Bank;

3.19.2. the Bank has learned about a circumstance on the basis of which it may be reasonably concluded that the Account Owner does not fulfil or cannot fulfil an existing or a future obligation in front of the Bank;

3.19.3. the Account has been seized or blocked;

3.19.4. the Cardholder has entered an incorrect PIN 3 (three) times successively;

3.19.5. the Bank has learned about a circumstance on the basis of which it can be reasonably concluded that the Card is available and/or the Security Elements of the Card are known to a person who does not have the right to use the Card;

3.19.6. the use of the Card may be related to the deception of the Account Owner or the Cardholder;

3.19.7. there is another basis for blocking pursuant to the Contract, General Terms and Conditions of the Bank or legislation.

3.20. The Bank shall have the right to close the Card for the sake of security.

3.21. The Cardholder shall inform the Bank immediately of any errors or disturbances hindering the performing of Operations.

3.22. The Cardholder and the Account Owner have the right to demand the Bank to block and/or closing of the Card at any time.

3.23. The Bank shall, if possible, inform the Cardholder and/or the Account Owner in advance about the blocking of the Card and its reasons, unless it is not possible or reasonable for security reasons or is not in accordance with the legislation.

3.24. A Card that is blocked, closed or invalid shall not be used by the Cardholder. In case of violating the said prohibition the Bank shall have the right to demand and the Account Owner shall pay a contractual penalty to the Bank in the extent provided in the Price List.

4. SECURITY REQUIREMENTS FOR THE USE OF THE CARD

4.1. The Cardholder shall:

4.1.1. use the Card and the Security Elements pursuant to the provisions provided in the Contract and the General Terms and Conditions of the Bank and make every effort to keep the Card from being counterfeited, altered, copied, keep away from high temperatures, mechanical damages and the effects of a strong electromagnetic field, etc.;

4.1.2. the Account Owner and/or the Cardholder shall ensure that any person who does not have the right to use the Card would not be able to know or get to his/her possession the Card and/or the Security Elements of the Card. The Cardholder shall do everything in its power to keep the Card and/or the Security Elements of the Card protected, incl. memorise the Security Elements, not to record the Security Elements to any data medium and to keep the Security Elements with due diligence, which does not allow them to be used by third parties (incl. destroying immediately the paper which contains the Security Elements after memorising the Security Elements);

4.1.3. change periodically the Security Elements of the Card, in order to ensure the security of performing the Operations, if the relevant arrangements and periods have been established by the Bank;

4.1.4. not to give the Card to third party(ies), except the recipient of payment during the Operations;

4.1.5. if the Card is used unauthorized or incorrectly or if the Card and/or the Security Elements of the Card are lost or stolen or the Security Elements have become or may have become known to a third party that is not justified for their use, the Cardholder or the Account Owner shall be obliged to notify the Bank immediately by telephone, the number of which and the answering hours are available on the website of the Bank;

4.1.6. use the Card only in the Terminals marked with VISA logo and follow the instructions provided by the Terminal or written on it;

4.1.7. comply with other obligations arising from the Contract and the Law of Obligations Act;

4.1.8. prior to using the Card, review further instructions from the Bank on how to keep the Card and the Security Elements secure.

4.2. The Bank is not liable for the damages arising from the breach of Clause 4.1 of the Contract.

4.3. The Bank and/or the person serving the Card shall have the right to refuse from performing the Operation and/or confiscate the Card if the Card and/or the Security Elements of the Card have been used incorrectly or if the Bank and/or the person serving the Card have a suspicion related to the identity of the Cardholder.

5. PAYMENT OBLIGATION AND INTEREST

5.1. The Account Owner shall repay the used Credit Limit in the amount of the Permanent Payment to the Bank on the Payment Date under the terms and conditions provided in the Contract.

5.2. The Bank shall debit the Account on the Payment Date in the extent of the Permanent Payment and shall transfer the funds from the Account to the Card Account without an additional payment instruction from the Account Owner.

5.3. The Bank shall have the right to debit the Permanent Payment from the Account even after the Payment Date if there are insufficient funds on the Account for debiting the Permanent Payment on the Payment Date. The Bank shall have the right to debit the Permanent Payment partially, i.e. in the extent of the existing funds on the Account.

5.4. The Account Owner can perform payments to the Card Account by himself/herself any time to liquidate the debts

occurred (limit to be paid, arrears, interests, fines for delay and service fees).

5.5. The Bank shall have the right to block the use of the Card if the Bank cannot debit the Account pursuant to the provisions in Clause 5.2 of the Contract on the Payment Date due to insufficient available funds.

5.6. The Bank shall not debit the Permanent Payment from the Account if the Cardholder has not used the Credit Limit or the used Credit Limit has been returned to the Card Account in full.

5.7. The Account Owner shall pay to the Bank Interest and fees pursuant to the Price List in the amount provided in the Contract for using the Credit Limit on the first day of each month.

5.8. The Bank shall calculate Interest on the used Credit Limit for each calendar day. The Bank shall base the calculating of Interest on the part of Credit Limit actually used during the payment period, the 360-day year, actual number of days per month and the interest rate. The Interest period shall equal the payment period.

5.9. The Bank shall begin calculating Interest from the day following the day of using the Credit Limit until the last day of using the Credit Limit, pursuant to the limit used.

5.10. On the first day of each month, the Bank shall debit the Interest from the Card Account, service fees under the Price List related to using the Card and the interest on arrears. The Bank shall debit the last Interest on the date of expiration of the Contract.

5.11. The Bank shall debit the fee for the issuing / renewing / replacing of the Card on the first Payment Date after transferring the Card to the Cardholder.

5.12. The Bank shall debit annual fee from the Card Account pursuant to the Price List once per year for the following year, on the day indicated in the Contract.

5.13. The Bank shall fixate the amount of Credit Limit used on the Card Account on the first day of every month. The Bank shall also debit from the Card Account the service fees under the Price List related to Operations, which are added to the amount of the Credit Limit.

5.14. The Bank shall also have the right to debit from the Card Account all additional fees charged by the International Card Organisations for Operations performed abroad. Claims for Operations performed

with the Card outside of the euro zone shall be received by the Bank from the International Card Organisation in euros or being converted into euros or in the foreign currency agreed between the Bank and the International Card Organisation. All conversions performed by the International Card Organisation shall be subject to the rate appointed by the International Card Organisation or the bank servicing the organisation. The Bank shall have the right to charge a conversion fee according to the Price List.

5.15. The Bank shall have the right to debit all amounts, interest, interest on arrears, contractual penalties and service fees related to Operations performed with the Card pursuant to the Price List, without an additional payment instruction from the Account Owner.

5.16. The Bank shall have the right to receive a service fee pursuant to the Price List of the Bank and the Bank shall have the right to unilaterally change the rates of service fees related to the Card by informing the Account Owner at least 2 (two) months in advance, according to the procedure provided by the General Terms and Conditions of the Bank. If the changes are unacceptable for the Account Owner, the Account Owner shall have the right to cancel the Contract unilaterally pursuant to the General Terms and Conditions of the Bank within 2 (two) months. The Account Owner shall ensure that there are sufficient funds in the Account for debiting the said amounts.

5.17. The Account Owner shall have the right to receive information about the Operations, service fees under the Price List, Interest, Permanent Payment and debts of Permanent Payment from previous payment periods through the Internet Bank, the Account statement and the service office of the Bank.

5.18. If the Account Owner and/or the Cardholder fail to perform the payment obligations provided by the Clause 5 of the Contract, the Bank shall be entitled to block the use of the Card until the payment obligations are performed. The Bank shall stop blocking the use of the Card within a reasonable period of time after the removal or lapse of the relevant circumstances.

5.19. The Account Owner shall confirm with the conclusion of this Contract that the Bank has informed him/her and he/she has

understood the risks related to the use of the Credit Limit.

6. LIABILITY

6.1. The Account Owner shall be responsible for all Operations performed with the Card, unless otherwise provided by the Contract or legislation. The Account Owner shall be responsible regardless of whether the Operation was performed by the Account Owner, the Cardholder or any other person whom the Account Owner or the Cardholder enabled to use the Card.

6.2. In case of theft, loss of the Card or in a case when the Cardholder loses the possession of the Card against their will, the Account Owner shall bear the risk of the theft or loss of the Card until informing the Bank pursuant to the procedure provided in the Contract, but not over the excess limit.

6.3. The excess limit shall be EUR 50.00 (fifty euros) for each Card.

6.4. The excess limit shall not be applied if the Cardholder or the Account Owner violated the obligation provided in the Contract to ensure secure use of the Card either intentionally or due to severe negligence or if it is a case of deception by the Cardholder or the Account Owner.

6.5. The Bank shall not be responsible for any third persons involved in performing Operations, for goods or services paid for by the Card, also in case the Card is refused to be accepted for performing an Operation.

6.6. The Bank shall not be responsible for any damages that are caused by blocking of the Card under incorrect notification.

6.7. If there are insufficient funds on the Account for debiting the Account in the extent of Permanent Payment and/or Interest and/or interest on arrears and/or servicing fee and/or for paying contractual penalty or if Credit Limit or Use Limit is exceeded, the Bank shall have the right to:

6.7.1. demand interest on arrears from the legal person being the Account Owner in the amount of 0.2% (zero point two per cent) of the amount of Permanent Payment and/or service fee in debt for each day of delay;

6.7.2. demand interest on arrears from the Account Owner who is the Consumer in the extent provided by law of the amount of Permanent Payment and/or service fee in debt for each day of delay;

6.7.3. make a claim for payment on the securities established for ensuring duly

fulfilment of the Contract.

6.8. If the Account Owner or the Cardholder exceeds Credit Limit, the Bank shall have the right to demand and the Account Owner shall pay to the Bank Over-Limit Interest for the part exceeding Credit Limit in the extent provided in the Price List. Interest shall be paid by the Account Owner pursuant to the terms and conditions of paying Interest provided in Clause 5 of the Contract.

6.9. The Bank shall have the right to debit at any time any settlement accounts of the Account Owner in the Bank for the debt, service fees, interest, contractual penalty and interest on arrears that have fallen due, without a respective additional payment instruction from the Account Owner.

6.10. The Bank has the right to restrict the use of the Card, if the account of the Customer is seized or blocked based on the request of third parties pursuant to the legislation, without informing the Customer about it in advance.

6.11. The Account Owner shall be responsible for notifying the Bank or other payment service provider which has issued the payment instrument or the third party notified by the latter for that purpose, about the loss, theft and unauthorized or incorrect use of the payment instrument, after becoming aware of it.

6.12. The Account Owner shall be responsible for the use of the payment instrument in accordance with the terms of its issuance and use, inter alia, taking all necessary steps after the receipt of the payment instrument, in order to keep the payment instrument and the technical aids allowing the use of it, including personalized Security Elements, protected.

7. VALIDITY OF THE CARD AND ISSUING OF A NEW CARD

7.1. The Card shall be valid until the last day of the calendar month (the last date included) marked on the Card.

7.2. Upon the expiration of the validity of the Card, the Bank shall automatically prepare a new Card, if the Account Owner and the Cardholder correspond to the terms and conditions established by the Bank. The Bank shall inform the Account Owner and/or the Cardholder of the time and place for receiving the new Card.

7.3. The Bank, upon the expiration of the validity of the Card or when the Account

Owner applies for a new Card (replacement card), shall have the right not to prepare and/or issue a new Card, if the Account Owner and/or the Cardholder have/has violated the obligation arising from the Contract, incl. the terms and conditions of using the Card agreed on in the Contract.

7.4. If the Account Owner and/or the Cardholder do not want a new Card, they shall inform the Bank thereof in writing or in any other manner accepted by the Bank within 45 (forty-five) days before the last day of the month of validity of the Card marked on the Card.

7.5. If the Account Owner or the Cardholder does not accept the Card from the Bank within 6 (six) months as of preparing of the Card, the Card shall be closed and destroyed, whereas the service fees debited from the Account of the Customer according to the Price List shall not be returned to the Account Owner.

8. RIGHT OF WITHDRAWAL

8.1. The Account Owner who is the Consumer may withdraw from the Contract within 14 (fourteen) days as of concluding the Contract by informing the Bank thereof in writing at the address given in the Contract.

8.2. Upon implementing the right of withdrawal the Account Owner shall immediately, but not later than within 30 (thirty) days as of submitting the application for withdrawal to the Bank, repay the entire used Credit Limit, Interest calculated until the date of cancelling the Contract and fees provided by the Price List and any other debts to the Bank.

8.3. The right of withdrawal shall not be applied if a mortgage has been established as a security for the duly fulfilment of the obligations arising from the Contract.

9. RESOLUTION OF DISPUTES

9.1. The Cardholder and/or the Account Owner shall check the accuracy of the data given on the receipt of an Operation and on the Account statement and on the Card Account statement.

9.2. The Account Owner and/or the Cardholder who is the Consumer shall inform the Bank of an unauthorized Operation immediately after learning about it, but not later than within 13 (thirteen) months after the amount has been debited from the Card Account.

9.3. The Account Owner and/or the

Cardholder who is not the Consumer shall submit a complaint to the Bank immediately after learning about it, but not later than within 3 (three) months after the amount has been debited from the Card Account.

9.4. If the Account Owner or the Cardholder has authorized the Operation without knowing the exact amount, the Account Owner and/or the Cardholder shall have the right to submit a claim or a return claim, regarding the relevant amount of the Operation, directly to the receiver of the payment arising from the Operation, instead of the Bank.

9.5. Any disputes between the Bank, the Account Owner and the Cardholder shall be settled pursuant to the General Terms and Conditions of the Bank.

10. VALIDITY, AMENDMENT AND CANCELLATION OF THE CONTRACT

10.1. The Contract shall enter into force as from the moment of conclusion and is entered into for a specified term.

10.2. The Contract shall be valid until the last day of the calendar month of the validity of the Card issued under the Contract or until cases provided in Clause 10.7 of the Contract occur.

10.3. The Bank shall have the right to unilaterally amend the terms and conditions of the Contract (incl. in justified cases the limits and rights of use of the Card) and the Price List informing the Account Owner of the amendments beforehand pursuant to the procedure and by the deadlines provided in the General Terms and Conditions of the Bank.

10.4. If the changes are unacceptable for the Account Owner, the Account Owner shall have the right to cancel the Contract unilaterally during the introductory term pursuant to the procedure provided in the General Terms and Conditions of the Bank while fulfilling all obligations arising from the Contract beforehand. If the Account Owner has not cancelled the Contract within that period, it shall be regarded that they have accepted the amendments and the amendments shall enter into force with regard to the Account Owner as from the date of making the amendments.

10.5. The Account Owner shall have the right to cancel the Contract ordinarily by notifying the Bank thereof in a format that can be

reproduced in writing at least 1 (one) month in advance.

10.6. The Bank shall have the right to cancel the Contract extraordinarily, without adhering to the deadline of advance notice, if the Account Owner has delayed fulfilment of an indebted payment obligation arising from the Contract or any other agreement with the Bank and does not fulfil the obligation even during the additional term provided by the Bank.

10.7. If Credit Limit has not been used, the Contract shall be terminated if:

10.7.1. all Cards issued under the Contract are closed or the use of a Card is blocked for at least 60 (sixty) consecutive days;

10.7.2. the Account has been blocked or seized for at least 1 (one) month;

10.7.3. the Account Owner or the Cardholder do not accept the new Card from the Bank within 6 (six) months;

10.7.4. the settlement contract concluded between the Bank and the Account Owner has expired;

10.7.5 the Bank does not prepare a new Card on the basis of Clause 7.3. of the Contract.

10.7.6. there is a basis arising from the General Terms and Conditions of the Bank, the payment service contract or legislation.

10.8. The expiration of the Contract does not affect the financial claims arising before the expiration of the Contract from falling due or being satisfied.

11. CONFIDENTIALITY

11.1. The Parties shall not disclose any information concerning the concluding or fulfilment of the Contract to third persons, except for in case when it is necessary under circumstances related to processing the Card and any Operations, or it has been agreed in the Contract, or provided by the General Terms and Conditions of the Bank, or in cases provided by legislation.

11.2. In addition to the terms and conditions provided in the General Terms and Conditions of the Bank and the Principles of Processing Customer Data, the Account Owner/Cardholder shall grant a consent to the Bank to request personal data of the Account Owner/Cardholder from a person maintaining state or local government databases and a right to the person maintaining the databases to forward the said personal data to the Bank.

