

SECURITY + SERVICE INSURANCE RULES

(Approved by resolution of the Board of Directors of ADB "Compensa Vienna Insurance Group" of 15 March 2022. Valid from 16 March 2022)

The insurance applies to:

- fraudulent Card transactions
- Card replacement costs
- Card delivery service

In case of an insured event, please inform the Bank via:

- email address: info@luminor.lv
- telephone number +371 67 17 1880
- your personal internet banking

DEFINITIONS AND TERMS

Bank – Luminor Bank AS, registration code 11315936, address: Liivalaia 45, 10145, Tallinn, Estonia, acting in the Republic of Latvia through the "Luminor Bank AS Latvian Branch", branch code 304870069, Skanstes iela 12, LV-1013, Riga, Republic of Latvia, www.luminor.lv, info@luminor.lv who is a policyholder under these insurance rules.

Authorized Transaction (or Authorized) – a payment transaction is deemed authorized only when the Consent of Insured to execute payment transaction is given (Insured's Consent must be given in a form and order as agreed by the Insured and the Bank).

Card Account – Insured person's current payment account linked to the Card.

Card Details – details of the Card such as, name and surname of the Card holder, Card number, Card expiration date, Card issuer, card verification value (CVV), PIN code, OTP (one-time password) message for mobile wallets provision as well as any of the authentication means (such as password, passcode or other) used to access the device in which the Card is linked to the mobile wallet and any other information related to the Card.

Consent to execute payment transaction (or Consent) – shall mean Insured person's consent to execute payment transaction given in a form and order as agreed by Insured and the Bank in the framework payment service agreement or in the Bank's Payment Service Rules, for instance, entering of PIN, authenticating with SMART-ID, mobile / electronic signature, code generator or biometrical data.

Unauthorized Transaction (or Unauthorized) – a payment transaction is deemed unauthorized when such payment transaction has not been Authorized by the Insured with its Consent to execute payment transaction. Such payment transactions may include, without limitation, payment transactions made with contactless payment functionality, low-value (less than 30 Eur) mobile payments for which authentication was not required and non-secure ecommerce transactions for which authentication via SMART-ID, mobile / electronic signature, code generator or biometric data or otherwise was not required.

Fraudulent Card Transaction – Authorized or Unauthorized Transaction which has been fraudulently and illegally performed by a third party (not an Insured) without the knowledge

and/or against the will of the Insured as a result of criminal offence or administrative misconduct of such third party.

Insured – a cardholder, either natural or legal person, who has applied for Security+ insurance services and agreed with the Bank on such insurance coverage services.

Insurer – Compensa Vienna Insurance Group ADB Latvijas filiāle, registration number 40103942087, Vienības gatve 87H, Rīga, Tel.: 8888, www.compensa.lv.

Internet Bank - a tool, including an application on a mobile device, through which payment services are provided using the Bank's online customer service system, in accordance with a framework payment service agreement concluded between the Insured and the Bank.

Card – VISA electronic payment instrument, issued by the Bank to the Insured, which allows the Insured to electronically form a payment instructions to the Bank for the disposal of the Insured person's funds in the Card Account, i.e. to pay for goods and services in physical and ecommerce stores and service establishments and to withdraw and deposit cash at the points of dispensing/receiving of such funds and in automated teller machines (ATMs).

INSURANCE OBJECT

1. The Insured person's property interests related to Fraudulent Card Transactions occurring within 24 hours prior to the blocking of the Card and property interests related to the costs of replacement and delivery of the Card.

SUM INSURED

2. In the event of Fraudulent Card Transactions, the sum insured of all insured events occurring during the 1 (one) year period of insurance cover may not exceed a total sum insured of EUR 3,000 (three thousand euros) which shall represent the maximum liability of Insurer for any and all claims during the 1 (one) year period of insurance cover. After 1 (one) year of insurance cover, the total sum insured shall be again equal to EUR 3,000 (three thousand euros) regardless of whether there was any insured event(s) during the previous 1 (one) year period of insurance cover.

3. In the case of Card replacement and delivery, the cost of issuance and delivery of new Card is covered by the Insurer 1 (one) time per 1 (one) year of insurance cover.

INSURED EVENTS

4. The Insurer shall reimburse the amount of money lost by the Insured as a result of a Fraudulent Card Transaction during the 24-hour period prior to the blocking of the Card, when Authorized Fraudulent Card Transaction event has occurred.

5. The Insurer shall cover the costs of replacement of the Card and arrange and cover the costs of the Card's prompt delivery to the Insured by post or courier, when the Card has been lost, stolen, broken, or blocked due to fraudulent activity with the card.

NON-INSURABLE EVENTS AND UNCOMPENSATED LOSSES

6. The Insurer does not pay the insurance benefit when the Card was subjected to:

6.1. Unauthorized Fraudulent Card;

6.2. the following Authorized Fraudulent Card Transactions were carried out:

6.2.1. due to an illegal, fraudulent call or SMS, fraudulent links in emails, messaging applications, social media platforms, websites or other forms of fraudulent cyber-attack that caused losses to the Insured;

6.2.2. when the Insured voluntarily or grossly negligently discloses the Card Details to third parties (events of gross negligence includes, but are not limited to, events where the Card is lost together with the PIN code or any other authentication means which would provide the means to Authorize the payment transaction, e.g., loss of a wallet or bag, car theft or intrusion into a premises, where the information (PIN code, phone log-in details) needed to authorize the Card payment transactions is kept with the Card).

7. The Insurer does not reimburse:

7.1. Indirect or consequential losses incurred by the Insured that are not specified in the subject-matter of the insurance, such as loss of benefits, transportation or mobile operator costs, other losses and expenses;

7.2. Any payment transactions not made directly using the Card, but by other means of transfers (payments) from a Card Account.

8. An event is considered uninsurable in all cases if it was caused by or contributed to:

8.1. acts of foreign enemies, hostilities/war actions (whether or not martial law has been declared), act of terrorism, civil war, coup d'état or usurpation of power, mass disturbances, insurrection, revolution, rebellion, strike, lockout; activities of the country's armed forces, military, police, special services; confiscation, seizure or destruction of property on the orders of law enforcement authorities; imposition of a state of emergency;

8.2. cyber incidents (an event or act that adversely affects the availability, authenticity, integrity and confidentiality of electronic information transmitted or processed by, or on, communications or information systems, and/or disrupts the operation, management and service of computers or other communications and information technology equipment or systems);

8.3. malicious computer programs, computer viruses or information technology equipment, regardless of the cause, that interfere with information technology applications, computer, network, telephone, internet functions or internet usage;

8.4. documents, software, data, whatever their expression or form, damage, destruction, distortion, loss, misappropriation, improper transmission, unauthorized use of their storage media;

8.5. radiation or other exposure to atomic energy, exposure to radioactive radiation.

RIGHTS AND OBLIGATIONS

9. The Insured has a duty to protect the Card Details at all times and not to allow other persons to learn it, even accidentally.

10. In the event of an insured event, the Insured must:

10.1. upon learning that the Card has been lost, stolen or otherwise unlawfully possessed by a third party, immediately block it in accordance with the Bank's Payment Service Rules;

10.2. immediately inform the Bank by filling in the disputable payment transactions form and/or the application form to produce a new Card;

10.3. report the use of a lost or stolen Card and/or the unauthorized acquisition of a Card to law enforcement authorities and provide the Bank with documents proving fulfilment of this obligation;

10.4. cooperate in the investigation of the circumstances of the insured event and provide any other information and documents needed to investigate the event.

11. The Insured shall accumulate funds in the Card Account in the amount of monthly insurance premium by the day before the last day of the current month and to keep them in the Card Account until the end of the current month for the purpose of automatic debit of respective insurance premium amount.

12. The Insurer and/or the Bank have the right to give the Insured reasonable mandatory instructions to minimize or avoid the loss after being notified by the Insured of a possible insured event and the Insured shall act according to such instructions.

CALCULATION AND PAYMENT OF THE INSURANCE BENEFIT

13. The insured event, the amount of the insurance benefit shall be determined and the insurance benefit shall be paid in accordance with the legislation and these rules, taking into account the documents provided by the Insured, collected by the Bank and/or Insurer and received from other persons about the circumstances and consequences of the insured event and any other information necessary to assess the insured event.

14. The Insurer has the right to postpone a decision on whether to pay the insurance benefit until all the documents, substantiating the insured event and its circumstances, have been received and/or collected, or until the conclusion of any dispute or legal proceedings directly related to the insured event.

15. The insurance benefit shall be paid within a maximum of 30 (thirty) calendar days from the date on which all the information necessary to establish the fact and circumstances of the insured event and to determine the amount of the loss is received.

16. If, after the payment of the insurance benefit or the production of a new Card, it turns out that, according to the terms

of the insurance contract, the insurance benefit should not have been paid or the insurance benefit should have been smaller and/or the Card should not have been produced, the Insured must, within thirty (30) calendar days, from the date of the delivery of written request, reimburse the Insurer the insurance benefit paid or the overpaid part of the benefit, as well as, in case the Card was produced, the replacement fee and the fee for its express issue, and the cost of posting such card abroad.

17. The insurance benefit is paid into the Insured person's Card Account for which insurance is valid.

CASES OF REDUCTION AND NON-PAYMENT OF THE INSURANCE BENEFIT

18. The insurance benefit shall not be paid if its payment would violate the regulation of trade, economic or other sanctions or embargoes imposed by the Republic of Latvia, the EU or international organizations, or any other national or international legislation applicable to the Insurer's and/or Bank's activities.

19. The Insurer has the right to refuse to pay or reduce the insurance benefit if:

19.1. the Insured fails to comply with instructions of the Insurer and/or the Bank, evades, refuses to cooperate, does not assist or obstructs the clarification of the circumstances of the event, misleads the Insurer and/or the Bank, provides the Insurer and/or the Bank with untrue information or documents, or carries out any actions aimed at obtaining the insurance benefit unreasonably;

19.2. the Insured person has failed to comply with the obligations set out in these insurance rules;

19.3. the Insured has failed to take all reasonable steps to mitigate or avoid the loss after the occurrence of the insured event;

19.4. the Insured failed to comply with its obligations arising from the Bank's General Business Terms, Payment Service Rules or any other rules, conditions or laws applicable or related to usage of the Card and/or Card Account which resulted or contributed to the occurrence of insured event.

20. The Insurer does not pay the insurance benefit if the Insured fails to report the Fraudulent Transaction to law enforcement authorities.

THE CONCLUSION, ENTRY INTO FORCE, PERFORMANCE AND TERMINATION OF THE INSURANCE CONTRACT

21. The insurance cover takes effect from the date of application for this insurance service or the date the new Insured person's Card, subject to Security+ insurance coverage, is activated (whichever occurs later) and lasts until the end of the respective calendar month. Cover is automatically extended for the following calendar months. The number of renewals is unlimited and shall continue until the Card is no longer used, the insurance service is terminated. The Bank or Insurer may at any time decide not to extend the insurance coverage and therefore terminate the insurance services by giving a written notice to the Insured. Such notice shall be effective and insurance services shall be terminated as of the first ca-

lendar day of the month following the month on which the notice was served.

22. The Insurer shall have the right to inform the Insured of any changes in the premium amounts and payment terms at least 15 days before the expiry of the current insurance term (i.e., the end of the respective calendar month), taking into account the loss ratio, change in the type of insurance, change in the terms and conditions of the reinsurance contracts, increase or decrease of the risk at the place of insurance, or change in the amount of insurance or the scope of insurance. If the Insured does not agree to the changes, the Insured must inform the Bank of its intention not to renew the insurance cover. If the Bank does not receive a request from the Insured to terminate the insurance contract before the first day of the following month, the newly proposed premium amounts and payment terms shall take effect and it is deemed that the Insured accepts such changes.

23. The monthly insurance premium is automatically debited from the Insured's Card Account by the Bank on the last day of the calendar month, unless agreed otherwise. The payment to the Bank is considered as the payment to the Insurer.

24. If the Card is renewed or if the same type of Card is re-manufactured, the insurance coverage continues.

25. The Insured has the right to request the cancellation of the insurance cover at any time. In all cases, insurance cover ends on the first day of the following calendar month. The insured person must submit the request in writing at any of the Bank's branches, or call +371 67 17 1880 or fill in a free form application in the Internet Bank. In all cases, including when the Card is surrendered, the unused balance of the insurance premium shall not be calculated and the insurance premium paid shall not be refunded, and the insurance cover shall cease as from the first day of the following calendar month or the date of expiry of the Card.

CALCULATING, PAYING AND RETURNING INSURANCE PREMIUMS

26. The amount of the premium is calculated by the Insurer. The Insurer has the right to change the premium in accordance with Clause 22 of these rules.

27. The premium is paid monthly during the term of the insurance contract. The Bank automatically debits the insurance premium from the Insured person's Card Account each month.

28. The date of payment of the insurance premium shall be deemed to be the date on which the Bank debits the premium from the Card Account.

29. If the Insured has not accumulated funds in the Card Account for the insurance premium, the Bank shall debit the amount equal to insurance premium from any other of the Insured's accounts within a Bank. If there are no accumulated funds in any of the accounts of the Insured, the Bank shall apply its funds to cover one month insurance premium and in such case the Insured shall incur a debt obligation to the Bank. The Insured shall be notified in writing of the shortfall in the premium and shall compensate the premium to the Bank until the end of the current calendar month. If the premium is not paid after this deadline, the insurance cover ends, however that shall in no way affect the Insured person's obligation to repay the unpaid insurance premium amount to the Bank.

INFORMATION ON THE PROCESSING OF PERSONAL DATA

30. The processing of personal data is described in the Privacy Policy, which is available on the Insurer's website <https://www.compensa.lv/privatuma-politika/>.

31. The Insurer shall process personal data received from the Insured, persons covered by the insurance service, their family members, other persons comparable to the Insured under the insurance protection service or other participants in the insurance protection service, for the purpose of the provision of the insurance services and the performance of the actions related.

32. Personal data may be disclosed to third parties (law enforcement and other authorities, reinsurers, companies providing customer service and other services to the insurer, other natural or legal persons) if necessary for the performance of the insurance services or on other lawful grounds.

33. The Insured or any other person whose personal data are processed by the Insurer has the right to contact the Insurer's Data Protection Officer (e-mail: dpo@compensa.lv) on all issues related to the processing of personal data and the exercise of his/her rights.

34. The Insured or any other person whose data is processed by the Insurer, considering that his/her rights with regard to the processing and protection of personal data have been violated, shall have the right to lodge a complaint with the State Data Protection Inspectorate.

NOTICES

35. A notice shall be deemed to have been duly served if it is dispatched:

35.1. to the Bank – by email info@luminor.lv (signed by qualified electronic signature), via Internet Bank or by phone +371 67 17 1880 (Luminor);

35.2. to the Insured – to the contact e-mail address, specified by the Insured to the Bank, in the Insured person's Internet Bank, or by registered letter to the contact address, specified by the Insured;

36. The notice shall be deemed to be delivered on the next working day following the date of its dispatch in the case of an e-mail or on the actual date of delivery in the case of a registered letter.

OTHER PROVISIONS

37. Additional rights and obligations of the Insurer, the Bank and the Insured are set out in insurance agreement and policy, Civil Code of Republic of Latvia, Law on Insurance of Republic of Latvia and other legal acts applicable to the insurance services.

38. Disputes arising out of insurance service shall be settled by good faith negotiation and, in the absence of an agreement on the settlement of the dispute, by the courts of the Republic of Latvia or by the Bank of Latvia.

39. The law of the Republic of Latvia applies to these rules and insurance service.