

# General Terms and Conditions

19.07.2022

## DEFINITIONS

Ancillary Agreements to the Loan Contract	a contract concluded between the Parties, on a basis of and according to which the Special Terms and Conditions or the Payment Schedule of the Loan Contract are amended or supplemented.
Base Interest Rate	the variable part of the variable Loan interest rate, which is EURIBOR or other Base Interest Rate chosen by the Lender.
Borrower	a natural person, who is considered a consumer under the Consumer Rights Protection Law of the Republic of Latvia and who is using, has used or has expressed an intention to use the Borrower's Services or is otherwise related to using of the Services.
Contact Information	the information on the Lender's means of communication, which is indicated on the Website.
Default Interest	a payment, the rate of which is specified in the Special Terms and Conditions of the Loan Contract and which shall be paid by the Borrower to the Lender, if the Borrower delays, fails to fulfil or improperly fulfils the Loan repayment according to the Payment Schedule.
Digital Channels	the Lender's digital environment (for example, internet bank) and apps (for example, mobile bank), through which the Lender can view the Service information related to the Lender or carry out activities related to the Services. The use of the Digital Channels is regulated by the Digital Channels Terms and Conditions, which are available on our Website.
General Terms and Conditions	an integral part of the Loan Contract, which stipulates the rights and obligations of the Lender and the Borrower.
Identification Payment	a money transfer in the amount of 1 euro cent (0.01 EUR) or, if applicable, in the amount of the first into the Lender's bank account, made by the Borrower from its current account for identification purposes.
Lender	SIA "Inbank Latvia", reg. No: 40103821436.
Loan	amount of money lent by the Lender to the Borrower pursuant to the conditions of the Loan Contract for replenishment of the Borrower's current account or full or partial settlement of payments for goods and/or services;
Loan Contract	a contract concluded between the Parties, which consists of the Special Terms and Conditions and the General Terms and Conditions, on a basis of and according to which the Lender grants the Loan to the Borrower. Also ancillary agreements, amendments, annexes and additions are considered parts of the Loan Contract.
Loan Interest	fee for using of the Loan, paid by the Borrower to the Lender.
Price List	a list of the Additional Services (no obligatory consequences of the Loan Contract conclusion or performance) and their costs, drafted unilaterally by the Lender, as well as any other costs that may be requested from the Borrower in the cases and pursuant to the procedure specified in the contract.
Monthly Payment	any Loan payment according to the Payment Schedule.
Partner	the Lender's cooperation partner, who is a seller of goods or provider of services, whose goods or services can be paid for by the Borrower, using the Loan granted by the Lender.
Party or Parties	the Lender and the Borrower separately or collectively.
Payment Schedule	the Loan repayment schedule, included in the Special Terms and Conditions, where the amount and payment due terms of the Loan payments are indicated.

Service Terms and Conditions	the Lender's unilaterally drafted document, containing the terms for provision of the Additional Services.
Services	any services provided by the Lender.
Special Terms and Conditions	an integral part of the Loan Contract, comprised of the Payment Schedule and individual Loan terms and conditions, prepared for each Borrower individually.
Website	the website maintained by the Lender: <a href="http://www.inbank.lv">www.inbank.lv</a> .

## 1. CONCLUSION AND ENTRY INTO FORCE OF THE LOAN CONTRACT

- 1.1. The Lender concludes the Loan Contract on a basis of the Borrower's application, made: (1) on the Lender's Website; via another electronic channel or means of communication; or (2) via the electronic channel of the Lender's Partner or other means of communication; or at the point of sale of the Lender's Partner.
- 1.2. The Loan Contract comes into effect upon signing thereof by both Parties. In case of distance contract, the Loan Contract shall come into effect, when the Borrower signs the Loan Contract, using any secure electronic method of signing the Loan Contract, or by making the Identification Payment mentioned in the General Terms and Conditions to the Lender's bank account.
- 1.3. The Borrower confirms that conclusion of the Loan Contract is not related to the Borrower's economic or professional activity. Otherwise, the legal relations between the Borrower and the Lender shall not be subject to laws regulating protection of consumer rights.

## 2. PAYOUT OF THE LOAN

- 2.1. The Lender shall pay out the Loan amount within the term indicated in the Service Terms and Conditions, provided that: (1) the Borrower has signed the Loan Contract by hand or digitally; and (2) the Borrower's identity has been verified in accordance with the Lender's requirements; (3) the Borrower has made the Identification Payment. The Lender shall transfer the Loan amount to the Borrower's or Partner's current account, unless otherwise specified in the Loan Contract.
- 2.2. The Lender may refuse paying out of the Loan, if any of the following conditions occur: (1) the Borrower has not submitted to the Lender the required documents or information, or the Borrower has submitted forged or incorrect documents, or false or incorrect information; (2) the Borrower's identity or authenticity of the submitted documents has to be checked additionally; (3) essential conditions, on a basis of which the Loan is granted, have changed (including deterioration of the Borrower's creditworthiness).

## 3. REPAYMENT OF THE LOAN

- 3.1. The Monthly Payment is a monthly instalment, transferred to the Lender's bank account, the number and frequency of which is stipulated in the Payment Schedule, and which comprises the Loan repayment amount, Loan interest, Loan Contract administration fee and other fees payable by the Borrower according to the Loan Contract. The Borrower shall make the Monthly Payment in accordance with the Payment Schedule.
- 3.2. The Lender shall consider the Monthly Payment settled at the moment of depositing of the payment into the Lender's current account indicated in the Loan Contract, if the payment reference number corresponds to the reference number indicated in the Loan Contract.
- 3.3. If the Borrower wants to repay full Loan amount or any part thereof prematurely, the Borrower shall send to the Lender a signed Application, indicating the repayment amount and date. If the Borrower makes early repayment of full Loan amount or any part thereof, the Borrower shall not pay the Loan Interest and other costs for the period when the Loan will not be used anymore. The Lender will inform the Borrower about the total amount of Monthly Payments, arising from the Loan Contract at the moment of repayment.
- 3.4. The amount overpaid without submission of the Application for early repayment shall be considered by the Lender as an advance payment and allocate the funds for covering of future Monthly Payments. The Lender will contact the Borrower to clarify the advance payment allocation purpose, when the advance payment reaches the amount of two Monthly Payments according to the Payment Schedule. The Borrower may allocate the advance payment: (1) for partial covering of the Loan principal, reducing the Monthly Payment amount or the Loan Contract term, concluding a respective agreement with changes; (2) return the advance payment, based on a written Application, provided that the advance payment is not

less than the bank commission fee. The Borrower may request returning of the advance payment, which is less than an amount of two Monthly Payments according to the Payment Schedule, based on a written Application, if the advance payment is not less than the bank commission fee. The Lender shall refund the advance payment to the Borrower within 10 (ten) days from the date of receiving the Application.

- 3.5. If the amount of the received Monthly Payment is less than specified in the Payment Schedule, the payment shall be used for covering of outstanding amounts in the following sequence: (1) for covering of outstanding interest (both Loan Interest, and Default Interest); (2) for covering of the Loan principal; (3) for covering of the commission fee; (4) for covering of the servicing fee; (5) for covering of debt recovery costs; (6) for covering of contractual penalty.
- 3.6. On a basis of written Application, the Borrower may request dividing of the last Monthly Payment and receive a new Payment Schedule before expiry of the due term of the last Monthly Payment, by concluding a respective agreement with changes.
- 3.7. If the Borrower does not make payments arising from the Loan Contract within the specified terms, the Lender may request compensation of debt recovery costs (including for sending of warning letters/notifications) in accordance with the Price List effective at the time and obligations of performance of the Ancillary Agreements to the Loan Contract (if applicable). The Borrower shall reimburse to the Lender any costs incurred by the Lender in relation to requests made by the Lender if such requests have been made in relation to non-fulfilment or improper fulfilment of the Loan Contract by the Borrower. The Lender is entitled to withdraw from the Loan Contract unilaterally if the Borrower fails to fulfil the Loan Contract or fulfils it improperly.

#### 4. LOAN INTEREST

- 4.1. The Loan Interest is a fee for using of the Loan, paid by the Borrower to the Lender. The Loan Interest per day is the interest calculated per one day after withdrawal from the Loan Contract. The Lender shall calculate the Loan Interest for the outstanding share of the Loan granted to the Borrower in accordance with the period of use of the Loan and the interest rate indicated in the Loan Contract. The Loan Interest shall be paid by the Borrower as a part of each Monthly Payment, unless other procedure is agreed under the Loan Contract. The Lender shall calculate the Loan Interest from the effective date (including) of the Loan Contract and until the date (including) of making the last Monthly Payment.
- 4.2. When calculating the Loan Interest and the Default Interest, the calculation shall be done based on an assumption that there are 360 (three hundred and sixty) days in a year, whereas for other costs arising from the Loan Contract, including calculation of the annual interest rate, it shall be assumed that there are 365 (three hundred and sixty-five) days or 366 (three hundred and sixty-six) days in a year.
- 4.3. According to the Loan Contract, the Loan Interest rate is fixed or variable. The fixed Loan Interest rate is constant throughout the effective period of the Loan Contract, except the instances provided for in the Special Terms and Conditions (if applicable). The variable Loan Interest rate is comprised of: (1) the Base Interest Rate, i.e., EURIBOR (*Euro Interbank Offered Rate*) and (2) the added rate, which is a fixed interest rate added to the Base Interest Rate.
- 4.4. The effective Base Interest Rates in the period specified in the Loan Contract (during which the Base Interest Rate remains constant) are available online on the official website of the European Money Markets Institute. The Base Interest Rate applicable to the Loan Contract is set by the Lender on the day of making the Loan offer or, in case of effective Loan Contract, by changing the Base Interest Rate after the term specified in the Loan Contract, based on the latest Base Interest Rate known to the Lender, which is not older than 2 (two) working days. A negative Base Interest Rate is set to zero. If the Base Interest Rate is not published on the date of changing the interest rate, the last available Base Interest Rate, published prior to the day of changing the interest rate, shall apply.
- 4.5. After changes to the Base Interest Rate coming into effect, the Lender shall make a new Payment Schedule available to the Borrower, using one of the following methods: (1) via the Digital Channels; (2) via e-mail. The Monthly Payment shall be made timely also if the Borrower has not received a new Payment Schedule.
- 4.6. If publishing of EURIBOR is suspended or terminated for an indefinite period, the Lender may replace EURIBOR and set a new applicable Base Interest Rate with the calculation principles similar to EURIBOR. The Lender may replace EURIBOR, if the Lender considers that EURIBOR calculation principles have changed significantly. The Lender shall notify the Borrower of the new applicable Base Interest Rate, using the Digital Channel, e-mail, or other means of communication. If the Borrower does not agree to replacement of EURIBOR with the new applicable Base Interest Rate, the Borrower may withdraw from the Loan Contract unilaterally within 60 (sixty) calendar days from notifying the Borrower of the changes.
- 4.7. In order to withdraw from the Loan Contract unilaterally in the instance mentioned in Paragraph 4.6x of the General Terms and Conditions, the Borrower shall submit a written Application before expiry of the term of the warning, using the Lender's Contact Information. In case of withdrawal from the Loan Contract, the Borrower shall immediately, but not later

than within sixty (60) calendar days from submission of the Application for unilateral withdrawal from the Loan Contract to the Lender, settle all payments arising from the Loan Contract. If the Borrower has not settled all payments arising from the Loan Contract within the aforesaid term, it shall be considered that the Borrower has agreed to application of the new Base Interest Rate. The new Base Interest Rate shall come into effect on the following calendar day after expiry of the term of the Application for unilateral withdrawal from the Loan Contract.

## 5. DEFAULT INTEREST AND OTHER PAYMENTS IN CASE OF DELAY

- 5.1. If the Borrower fails to settle payments arising from the Loan Contract in a timely manner or fails to settle such payments in full amount, the Borrower shall pay the Default Interest to the Lender. If the rate of the Default Interest, which is indicated in the Loan Contract, is lower than the rate of default interest for a consumption loan stated in regulatory enactments of the Republic of Latvia, the Lender shall calculate the Default Interest according to the Default Interest rates specified in the respective regulatory enactments. The Default Interest shall be calculated from the outstanding amount for each day of delay, starting from the day following the date, until which the Borrower had to make the Monthly Payment, and up to the day of debt settlement. The Lender shall apply the statutory restrictions concerning the amount of the Default Interest. The Default Interest shall not be calculated from the Default Interest itself, the Loan Interest, or other fees for using the Loan. The total amount of the Default Interest calculated during the effective period of the Loan Contract shall not exceed the initial Loan amount.
- 5.2. If the Borrower fails to settle the payments arising from the Loan Contract within the set term or fails to settle the payments in full, the Borrower shall reimburse to the Lender any costs related to debt recovery, including a fee for sending a debt reminder and debt recovery costs and/or legal service costs and/or bailiff's remuneration.

## 6. COMMUNICATION OF IMPORTANT FACTS

- 6.1. The Borrower shall immediately, but not later than within 5 (five) working days notify the Lender of any circumstances that the Borrower has become aware of and that may hinder fulfilment of the Borrower's obligations under the Loan Contract, including, but not limited to: (1) if the Borrower's creditworthiness deteriorates, incl. the Borrower's regular income decreases or liabilities increase; (2) if the Borrower has become insolvent or a bankruptcy application has been submitted to the court against the Borrower, or the bankruptcy proceedings have been initiated; (3) if a court judgment against the Borrower has come into effect regarding a claim against the Borrower, the amount of which exceeds EUR 100.00 (one hundred euros, 00 cents); (4) if any circumstances or events arise, which significantly impact or may impact performance of the Loan Contract in any way or hinder or make performance of the Loan Contract by the Borrower impossible; (5) if the Borrower's contact information, which is indicated in the Loan Contract, has changed; (6) if the security subject mentioned in the Loan Contract has been damaged, broken, stolen or otherwise destroyed (if applicable).

## 7. AMENDMENTS, EXPIRY AND WITHDRAWAL FROM THE LOAN CONTRACT

- 7.1. The Loan Contract may be amended only upon written agreement between the Parties, unless otherwise stated under the Loan Contract.
- 7.2. The Lender may amend the General Terms and Conditions and the Price List unilaterally. Amendments to the General Terms and Conditions are binding upon the Borrower without his/her consent if the amendments are more favourable to the Borrower than the General Terms and Conditions effective at the moment of conclusion of the Loan Contract. Otherwise, the General Terms and Conditions that were effective at the moment of conclusion of the Loan Contract shall apply. Amendments to the Price List are binding upon the Borrower starting from the following day after publishing the Price List on the Lender's Website.
- 7.3. The Loan Contract shall expire on the day, when the Parties have fulfilled their mutual obligations to full extent and according to the agreed procedure, except the cases, when any of the Parties exercises its right to withdraw from the Loan Contract unilaterally.
- 7.4. The Borrower is entitled to withdraw from the Loan Contract without stating the reason for withdrawal within 14 (fourteen) days from the conclusion of the Loan Contract. The Borrower shall notify the Lender of withdrawal from the Loan Contract in writing, using the Lender's Contact Information. In case of withdrawal from the Loan Contract, the Borrower shall immediately, but not later than within 30 (thirty) calendar days from the date of notice of withdrawal from the Loan Contract, repay to the Lender the Loan principal and the Loan Interest, calculated from the day of granting the Loan and up to the Loan repayment day. Otherwise, the Lender shall consider that the Borrower has not withdrawn from the Loan Contract.
- 7.5. The Borrower is not entitled to exercise the withdrawal rights mentioned in Paragraph 7.4 of the General Terms and Conditions and withdraw from the Loan Contract in the following cases: (1) if the Loan does not exceed EUR 140.00 (one hundred and forty euros, 00 cents); (2) if the Loan Contract is concluded as a result of settlement between the Parties,

reached in the court or through mediation of the Consumer Rights Protection Centre; (3) in other instances stated in regulatory enactments of the Republic of Latvia.

- 7.6. If the Borrower returns to the Lender's Partner (seller of goods or service provider) a part of the goods acquired as hire purchase, when concluding the Loan Contract with the Lender, the Lender shall reduce the amount of the Loan Contract and shall contact the Borrower in order to clarify changes to the Loan repayment procedure. When signing respective amendments to the Loan Contract, the Borrower can: (1) reduce the amount of the Monthly Payments, leaving the Loan repayment term unchanged; (2) reduce the Loan repayment term, leaving the amount of the Monthly Payments unchanged.
- 7.7. The Lender is entitled to withdraw from the Loan Contract unilaterally, without a prior warning, and request settlement of payments arising from the Loan Contract, pursuant to laws and/or conditions of the Loan Contract and the Ancillary Agreements to the Loan Contract, and the procedure laid down in these Ancillary Agreements. The Lender is also entitled to withdraw from the Loan Contract unilaterally, without a prior warning, and request settlement of all payments arising from the Loan Contract, if any of the events listed below has occurred that the Parties consider a justified reason for unilateral withdrawal from the Loan Contract: (1) The Borrower delays the Monthly Payment specified in the Payment Schedule for more than 30 (thirty) days; (2) the conditions stated in Subparagraphs (2), (3), (4) and (6) of Paragraph 6.1 of the General Terms and Conditions; (3) if the security subject is damaged, broken, stolen or otherwise destroyed, or its market value has decreased significantly and it does not cover a half of the outstanding Loan amount due to the Borrower's fault (if applicable); (4) the Loan is used for purposes other than indicated in the Loan Contract and/or the Borrower has not submitted a certifying document (payment deed, invoice, contract or other suitable document) stating that the Borrower has used the Loan for the purposes indicated in the Special Terms and Conditions of the Loan Contract; (5) if it is established after conclusion of the Loan Contract that the Borrower has submitted false data for receiving the Loan. If the Lender withdraws from the Loan Contract unilaterally, the Lender shall notify the Borrower of such withdrawal in writing.
- 7.8. The Borrower shall immediately, but not later than within 30 (thirty) days from the date, when either Party has unilaterally withdrawn from the Loan Contract, pay the Lender all outstanding amounts arising from the Loan Contract and the Ancillary Agreements to the Loan Contract.
- 7.9. The Lender is entitled to assign the claims against the Borrower, arising from the Loan Contract and/or the Ancillary Agreements to the Loan Contract, and the Lender will inform the Borrower about assignment of claim in accordance with regulatory enactments of the Republic of Latvia. The Lender is entitled to disclose information about the Loan Contract and the Borrower to third parties, if the respective rights and/or obligation arises from regulatory enactments of the Republic of Latvia or conditions of the Loan Contract and other Ancillary Agreements to the Loan Contract.

## 8. SERVICES

- 8.1. During the Loan Contract effective period, the Borrower is entitled to receive the Services indicated in the Price List for the fee indicated in the Price List.
- 8.2. The Services are provided on a basis of written Application submitted by the Borrower to the Lender: (1) on the Lender's Website; by using any other electronic channel or means of communication; (2) at the Lender's branch; (3) by mail.
- 8.3. The Services are provided to the Borrower after receiving a payment for the Service according to the Price List.

## 9. RESOLUTION OF COMPLAINTS

- 9.1. If the Borrower is not satisfied with the Services provided by the Lender, the Borrower may submit a complaint (in writing or electronically), using the Lender's Contact Information. In the complaint the Borrower shall describe as precise as possible the circumstances that have caused the Borrower's discontent and shall attach documents substantiating the Borrower's statements.
- 9.2. The Parties shall resolve any disputes through negotiations. If the Parties are unable to resolve a dispute through negotiations, the Borrower as a consumer is entitled to address a court of general jurisdiction of the Republic of Latvia or the Consumer Rights Protection Centre (address: Brivibas Street 55, Riga, LV-1010, phone +371 65452554, e-mail [pasts@ptac.gov.lv](mailto:pasts@ptac.gov.lv), website [www.ptac.gov.lv](http://www.ptac.gov.lv)) for defence of own rights. The Borrower can find information on [www.ptac.gov.lv](http://www.ptac.gov.lv). Any complaints arising from the Loan Contract, concluded by using means of communication, may be submitted at the address [ec.europa.eu/odr](http://ec.europa.eu/odr).
- 9.3. The Lender's supervisory authority is the Consumer Rights Protection Centre (address: Brivibas Street 55, Riga, LV-1010, phone +371 65452554, e-mail [pasts@ptac.gov.lv](mailto:pasts@ptac.gov.lv), website [www.ptac.gov.lv](http://www.ptac.gov.lv))