

CREDIT REGISTRY

The Bank of Latvia approved the Credit Registry Rules with effect from 22 October 2010.

The Credit Registry is the Bank of Latvia's network (database or data repository) intended to collect, organize and consolidate information about a participant of the Credit Registry (hereinafter referred to as the Bank), individual borrowers and guarantors, their financial obligations and their credit behavior (fulfillment of credit obligations). The Credit Registry keeps the information on file for unlimited periods of time.

Every single Bank is obligated to supply to the Bank of Latvia information about the Bank's borrowers and guarantors, their respective obligations and their credit behavior (fulfillment of credit obligations). The Bank delivers to the Bank of Latvia information about the borrowers and guarantors and their respective obligations within five banking days after the date on which such obligations enter into force (agreement signing date), the date on which the obligation is modified (novated) or any breach is identified.

According to the Credit Registry Rules, as approved by the Bank of Latvia, the Bank supplies debtor information to the Bank of Latvia on the occurrence of any of the following events:

- borrower or borrower's guarantor is more than 60 calendar days in arrears in making any payment as stipulated by the relevant loan agreement or guarantee agreement and the amount of delinquent debt, including default interest and late payment penalties, is not less than 100 Lats or an equivalent amount in another currency;
- borrower or the borrower's guarantor has committed any other material
- breach with respect to the loan agreement or guarantee agreement;
- borrower or borrower's guarantor has violated the Credit Institutions Act, Article 73.

The Bank communicates information on its debtors within 5 banking days after the occurrence of the event referred to in point 1, 2 and 3 herein above. The Bank provides the Bank of Latvia with the information about the repayment of a delinquent payment within five business days after the date the payment is made.

Whenever the information related to the borrower or the borrower's guarantor, the borrower's or the guarantor's financial obligations needs to be updated or new information needs to be added, or the Bank identifies that the Credit Registry contains incorrect or outdated information, the Bank supplies the new information to the Bank of Latvia within five business days after such information becomes effective or after inaccurate information is identified.

If the Bank communicates to the Bank of Latvia information about the borrower, the borrower's guarantor, and their respective financial obligations or credit behavior (fulfillment of credit obligations) without any reasonable justification, the Bank makes the information (held in the Credit Registry) null and void within one banking day after having ascertained that the information has previously been submitted without any reasonable justification.

Pursuant to the Credit Registry Rules, the Bank is entitled to request credit information from the Credit Registry's files for the purposes of credit assessment. As a lender, the Bank decides whether to grant the loan or not, based on the Credit Registry's information.

The Credit Registry collects financial information and makes it available to any private or legal person (authorized viewer) that requests it. At the person's request, the Credit Registry will give out the information on contained in his/her file. To obtain the Credit Registry's information, a requester is required to submit a written application to the

Bank of Latvia. Also, the application on the requester's behalf may be submitted by any other person, however the credit information may only be released or provided directly to the person concerned (requester). The Credit Registry's information may be released or provided to a private person's guardian (trustee) or to the authorized representative designated by a private person or a legal person.

To obtain the Credit Registry's information, the recipient must produce the following documents:

- private person – personal identification document;
- authorized representative designated by a legal person – personal identification document plus a document that certifies the authorized representative's right to represent the legal person without specific authorization from the legal person;
- private person's guardian - personal identification document plus the Orphans' Court decision on the appointment of the guardian;
- authorized representative designated by a private or legal person – personal identification document plus a notarized power of attorney that certifies the person's authority to obtain the Credit Registry's information.

The Credit Registry is maintained and the credit information is given out by the Bank of Latvia's Payment System Department, Riga, Bezdēlīgu iela 3, e-mail: krinfo@bank.lv. For the most current version of the Credit Registry Rules, please refer to the Bank of Latvia's website www.bank.lv.

If you have any questions, please feel free to call (+371) 6700 0444 to reach our staff at the Loan Department, Payment Card Division or Private Banking Department.