Text consolidated by Valsts valodas centrs (State Language Centre) with amending laws of:

12 September 2013 [shall come into force on 25 September 2014];

30 January 2014 [shall come into force on 20 February 2014];

16 October 2014 [shall come into force on 12 November 2014];

9 February 2017 [shall come into force on 9 March 2017];

21 December 2017 [shall come into force on 1 April 2018];

30 January 2020 [shall come into force on 25 February 2020];

27 May 2021 [shall come into force on 23 June 2021];

23 September 2021 [shall come into force on 20 October 2021].

If a whole or part of a section has been amended, the date of the amending law appears in square brackets at the end of the section. If a whole section, paragraph or clause has been deleted, the date of the deletion appears in square brackets beside the deleted section, paragraph or clause.

The *Saeima*1 has adopted and

the President has proclaimed the following law:

**Law on the Credit Register**

**Chapter I**

**General Provisions**

**Section 1.** The following terms are used in the Law:

1) **financial service involving credit risk**– a financing service or a surety service provided for the benefit of himself or herself or of another person;

11) **financing service**– one of the following financial services:

a) a loan (credit) or other type of money lending or a commitment to lend money subject to the obligation of repayment;

b) leasing;

c) factoring with an obligation of a person to repay the financing if the debtor fails to pay the transferred monetary claims (hereinafter – the factoring);

12) **surety service** – one of the following financial services:

a) a letter of credit service provided to a buyer;

b) suretyship insurance or another service by which an obligation is assumed to be liable for a debt of a person in a specific amount without releasing the person therefrom (hereinafter – the surety (guarantee));

2) **Credit Register participant (hereinafter** – **the Register participant)** – an economic operator which provides financial services involving credit risk or which takes over the right to claim resulting from financial services involving credit risk, and which is one of the following economic operators:

a) a credit institution registered in Latvia and an equivalent economic operator registered in another country that has opened a branch in Latvia;

b) a commercial company registered in Latvia which, within the meaning of the Credit Institution Law, has close relations with a credit institution registered in Latvia or an equivalent economic operator registered in another country;

c) an economic operator equivalent to the commercial company referred to in Clause 2, Sub-clause “b” of this Section which is registered in another country and has opened a branch in Latvia;

d) a credit union registered in Latvia;

e) an economic operator registered in Latvia which has the right to provide insurance or reinsurance, and an equivalent economic operator registered in another country which has opened a branch in Latvia;

f) a state capital company registered in Latvia which has been established and operates as a joint stock company and performs a special task – implements the national development and aid programmes (hereinafter – the Development Finance Institution);

3) **Register participant with a restricted status (hereinafter – the restricted Register participant) –** an economic operator which has lost the status of Register participant and which, until the day of loss of the status of Register participant, has entered data in the Credit Register (hereinafter – the Register) on the obligations of a customer or customerʼs guarantor, unless they have expired or unless the rights and obligations or the right to claim resulting from the agreement of the customer or customerʼs guarantor have been transferred to another person;

4) **former Register participant**– an economic operator which:

a) has lost the status of Register participant if on the day of loss of the status of Register participant all obligations of the customer or customerʼs guarantor on which the relevant Register participant has entered data in the Register have expired or the rights and obligations or the right to claim resulting from the agreement of the customer or customerʼs guarantor have been transferred to another person;

b) has lost the status of restricted Register participant;

5) **customer**– a person who, on the basis of a written agreement, receives the financial service involving credit risk (hereinafter – the agreement of the customer) in the European Union or against whom, on the basis of a written agreement, the right to claim resulting from the agreement of the customer is taken over in the European Union. The central bank and a credit institution shall not be deemed to be a customer;

6) **obligations of a customer**– the following obligations of the customer specified in the agreement of the customer or related thereto:

a) regarding the financing services (except for the factoring) – the current or contingent payment obligations of the customer;

b) regarding the factoring – the current or contingent payment obligations of the customer which result if the debtor fails to pay the monetary claims transferred by the customer;

c) regarding the surety services – the current or contingent payment obligations of the customer which result if the creditor of the customer has used the relevant service to settle the customerʼs debt;

7) **potential customer**– a person:

a) who has submitted an application to the Register participant or the Treasury, expressing the intention to become a customer. The application shall be submitted in writing or in a manner agreed upon by the Register participant or the Treasury and the potential customer in advance (in writing or remotely), or remotely in accordance with the Law on Electronic Identification of Natural Persons, the Personal Identification Documents Law, the Law on the Prevention of Money Laundering and Terrorism and Proliferation Financing or any other laws and regulations regarding remote identification of a person by using technological solutions which ensure that the information included in the application remains unchanged and provide assurance of the identity of the person. The application shall include information regarding the time of its submission and the financial service involving credit risk which the person wishes to receive, as well as personal identification details;

b) against whom the Register participant or the Treasury has,by entering into a written agreement with another legal subject, expressed an intention to take over from this legal subject the rights and obligations or the right to claim resulting from the agreement of the customer in the European Union;

8) **customerʼs guarantor**– a person who, on the basis of a written agreement (including a suretyship insurance policy or guarantee), has assumed an obligation in the amount specified therein to be liable for the obligations of the customer in the European Union without releasing the customer therefrom (hereinafter – the agreement of the customerʼs guarantor), or against whom, on the basis of a written agreement, the right to claim resulting from the agreement of the customerʼs guarantor is taken over in the European Union. The central bank shall not be deemed to be a customerʼs guarantor;

9) **obligations of a customerʼs guarantor**– the current or contingent payment obligations of a customerʼs guarantor specified in the agreement of the customerʼs guarantor;

10) **potential customerʼs guarantor**– a person:

a) who has submitted an application to the Register participant or the Treasury, expressing the intention to become a customerʼs guarantor. The application shall be submitted in writing or in a manner agreed upon by the Register participant or the Treasury and the potential customerʼs guarantor in advance (in writing or remotely), or remotely in accordance with the Law on Electronic Identification of Natural Persons, the Personal Identification Documents Law, the Law on the Prevention of Money Laundering and Terrorism and Proliferation Financing or any other laws and regulations regarding remote identification of a person by using technological solutions which ensure that the information included in the application remains unchanged and provide assurance of the identity of the person. The application shall include information regarding the time of its submission and the obligations of the customer for which the person wishes to be liable, as well as personal identification details;

b) against whom the Register participant or the Treasury has, by entering into a written agreement with another legal subject, expressed an intention to take over from this legal subject the rights and obligations or the right to claim resulting from the agreement of the customerʼs guarantor in the European Union;

101) [21 December 2017];

102) [21 December 2017];

11) **consumerʼs creditor –** a person who provides consumer credit:

a) a natural person whose address of the declared place of residence is in a European Union Member State or a State of the European Economic Area;

b) a person registered in a European Union Member State or a State of the European Economic Area that is not the Register participant, and an equivalent person registered in another country that has opened a branch in a European Union Member State or a State of the European Economic Area;

12) **general data**– data entered in the Register on the obligations of a customer and customerʼs guarantor (including the information characterising such data, data on supervision of financial market participants and macroeconomic analysis and the date on which this data has been entered or corrected in the Register), except for periodic data;

13) **periodic data**– data entered in the Register on the obligations of a customer and customerʼs guarantor (including the information characterising such data, data on supervision of financial market participants and macroeconomic analysis and the date on which this data has been entered or corrected in the Register) which is only included in the Register at the end of a specific period;

14) **data on the supervision of financial market participants and macroeconomic analysis**– general and periodic data which is only included in the Register for the purpose of promoting the supervision of financial market participants and macroeconomic analysis, and the disclosure of which to another Register participant, another restricted Register participant, consumerʼs creditor, customer, customerʼs guarantor, another authority or person may be detrimental to the Register participant, restricted Register participant or former Register participant by disclosing restricted access information of the relevant Register participant, restricted Register participant or former Register participant, or may jeopardise smooth discharge of obligations of the customer or customerʼs guarantor;

15) **qualifying holding**– a qualifying holding within the meaning of Article 4(1)(36) of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012;

16) **control**– control within the meaning of Article 4(1)(37) of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012;

17) **subsidiary**– a subsidiary undertaking within the meaning of Article 4(1)(16) of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012.

[*30 January 2014; 16 October 2014; 9 February 2017; 21 December 2017; 30 January 2020*]

**Section 2.** The purpose of the Law is:

1) to make a contribution to the promotion of financial stability of Latvia by providing:

a) the Register participant and the Treasury with additional possibilities to asses creditworthiness of their customer, potential customer, customerʼs guarantor and potential customerʼs guarantor;

b) the restricted Register participant with additional possibilities to assess creditworthiness of its customer and customerʼs guarantor;

c) the Financial and Capital Market Commission with additional possibilities to receive the data necessary for the supervision of financial market participants;

d) Latvijas Banka with additional possibilities to receive the data necessary for financial statistics;

e) the Financial and Capital Market Commission and Latvijas Banka with additional possibilities to receive the data necessary for macroeconomic analysis;

2) to contribute to the promotion of responsible provision of consumer credit, as well as responsible and fair borrowing by providing:

a) the creditor of the consumer with additional possibilities to assess creditworthiness of the consumer;

b) the Register participant with additional possibilities to assess whether the customer and potential customer of the relevant Register participant is a consumer within the meaning of the Consumer Rights Protection Law;

3) to contribute to the promotion of the fulfilment of public administration tasks by providing State authorities with additional possibilities to receive the data necessary for the performance of analysis within the framework of the tasks specified in laws and regulations, as well as provide additional possibilities for the facilitation of the settlement of obligations of the customer and customerʼs guarantor in financial difficulty;

4) to contribute to the promotion of the fulfilment of the tasks of the European System of Central Banks.

[*30 January 2014; 16 October 2014; 21 December 2017*]

**Section 3.** (1) The Register is a State information system, and the manager thereof is Latvijas Banka.

(2) Latvijas Banka shall independently maintain and develop the Register and also stipulate its security management by ensuring conformity thereof with the requirements of this Law. The Register shall not be included in the integrated State information system.

(3) Technical means ensuring operation of the Register shall be the property of Latvijas Banka.

**Section 4.** (1) Data entered in the Register which has not been disclosed and published in accordance with the procedures laid down in Section 5 of this Law shall constitute restricted access information that may only be used and disclosed in the cases and in accordance with the procedures laid down in this Law.

(2) Latvijas Banka has the right to provide the data entered in the Register only to the persons specified in this Law and in accordance with the procedures laid down in this Law.

(3) The customer and the customerʼs guarantor have the right to freely disclose the data received from the Register and use it otherwise.

(4) The Register participant and the restricted Register participant have the right to only use the data received from the Register for the purpose envisaged in this Law, disclose it to the relevant customer and the relevant customerʼs guarantor and also submit it to a court and a court of arbitration.

(5) Any other person who, in accordance with the provisions of this Law, has the right to receive data from the Register may only use it for the purpose envisaged in this Law, disclose it to the relevant customer, the relevant customerʼs guarantor, the Register participant or the registered Register participant who has entered the relevant data in the Register.

(6) When using the Register data for the purpose envisaged in this Law, Latvijas Banka and the Financial and Capital Market Commission have the right to provide this data to the bodies and institutions of Latvia as well as of other countries and the European Union.

[*30 January 2014*]

**Section 5.** (1) Latvijas Banka and the Financial and Capital Market Commission have the right to disclose and publish the data entered in the Register in summary or aggregate form so that the customer, customerʼs guarantor, Register participant or restricted Register participant could not be directly or indirectly identified, and the national economic interests could not be harmed.

(2) In contributing to the promotion of the fulfilment of the tasks of the European System of Central Banks, Latvijas Banka shall provide the data entered in the Register to the European Central Bank in compliance with the requirements and amount specified in the directly applicable European Union legislation, including in such form which allows to directly or indirectly identify the customer, customerʼs guarantor, Register participant or restricted Register participant.

[*21 December 2017*]

**Section 6.** Data entered in the Register shall be of informative nature, and it shall not prove the existence or non-existence of the obligations of the customer and customerʼs guarantor or their violations.

**Section 7.** Data shall be entered in the Register in the Latvian language. The given name and surname of a natural person who is not a citizen or non-citizen of Latvia, and also the name of a person registered in other country shall be entered in the Register in the Latin characters.

**Chapter II**

**Data to be Entered in the Register**

**Section 8.** (1) Data on the following shall be entered in the Register:

1) the customer of the Register participant and restricted Register participant, the obligations of the customer and the violations of the obligations of the customer (including the information characterising such data and the date on which it has been entered or corrected in the Register);

2) the customerʼs guarantor of the Register participant and restricted Register participant, the obligations of the customerʼs guarantor and the violations of the obligations of the customerʼs guarantor (including the information characterising such data and the date on which it has been entered or corrected in the Register);

3) the requesting of the data entered in the Register.

(2) In the case of a surety (guarantee) or in the case of transfer of such right to claim resulting from a surety (guarantee), the data referred to in Paragraph one, Clause 1 of this Section shall only be entered in the Register if the data referred to in Paragraph one, Clause 2 of this Section and Section 38, Paragraph one, Clause 2 of this Law is not to be entered in the Register.

[*16 October 2014; 21 December 2017*]

**Section 8.1** (1) The Register participant which is a credit institution registered in Latvia, or the restricted Register participant which has lost the status of such Register participant shall enter in the Register the data referred to in Section 8, Paragraph one, Clauses 1 and 2 of this Law resulting from the financial services involving credit risk provided in the European Union and the right to claim taken over in the European Union which results from the financial services involving credit risk.

(2) Another Register participant or restricted Register participant shall enter in the Register the data referred to in Section 8, Paragraph one, Clauses 1 and 2 of this Law resulting from the financial services involving credit risk provided in Latvia and the right to claim taken over in Latvia which results from the financial services involving credit risk.

[*21 December 2017*]

**Section 9.** When correcting and updating the data entered in the Register, the previous data entered in the Register shall be deleted.

**Section 10.** Latvijas Banka shall determine the content and scope of the data to be entered in the Register.

**Chapter III**

**Entry of Data in the Register**

**Section 11.** (1) The Register participant shall enter in the Register data on the customer, obligations of the customer and violations of the obligations of the customer, as well as the data on the customerʼs guarantor, obligations of the customerʼs guarantor and violations of the obligations of the customerʼs guarantor. The Register participant shall update the data entered in the Register in case of changes, except for periodic data.

(2) The restricted Register participant shall enter in the Register data on the customer, obligations of the customer and violations of the obligations of the customer or the customerʼs guarantor, obligations of the customerʼs guarantor and violations of the obligations of the customerʼs guarantor if this restricted Register participant has entered in the Register data on the relevant customer and the relevant obligations of the customer or the relevant customerʼs guarantor and the relevant obligations of the customerʼs guarantor before the day of loss of the status of Register participant. The restricted Register participant shall update the data entered in the Register in case of changes, except for periodic data.

(21) In the event of issuance of the covered bonds, the information referred to in Section 8, Paragraph one, Clauses 1 and 2 of this Law that refers to the cover assets shall be included in the Register by the Register participant or restricted Register participant who manages the cover assets. If the cover assets are managed in Latvia by a person who does not correspond to Section 1, Clause 2 or 3 of this Law, the respective information shall be included in the Register by a covered bond company which is the Register participant or restricted Register participant.

(3) Depending on the type of requesting the data entered in the Register, the data referred to in Section 8, Paragraph one, Clause 3 of this Law shall be entered in the Register automatically or by Latvijas Banka.

[*16 October 2014; 21 December 2017; 27 May 2021*]

**Section 12.** Prior to entering in the Register data on violations of the obligations of a customer or customerʼs guarantor, the Register participant or restricted Register participant shall inform the relevant customer or customerʼs guarantor thereof.

**Section 13.** Latvijas Banka shall determine the time period and lay down the procedures for entering data in the Register.

**Chapter IV**

**Provision of Register Data**

**Section 14.** (1) The customer and the customerʼs guarantor have the right to receive, free of charge, the Register data on itself. The customer and the customerʼs guarantor do not have the right to receive data on the supervision of financial market participants and macroeconomic analysis.

(2) If, upon a request of the customer or customerʼs guarantor, the Register data is provided by sending it by post, this customer or customerʼs guarantor shall pay to Latvijas Banka for postal services according to the tariffs of the postal service provider.

**Section 15.** (1) The Register participant has the right to receive the Register data that refers to the following person:

1) the customer of the above Register participant;

2) the customerʼs guarantor of the above Register participant;

3) the potential customer of the above Register participant;

4) the potential customerʼs guarantor of the above Register participant;

5) the person who has a qualifying holding in such a commercial company which is the customer, customerʼs guarantor, potential customer or potential customerʼs guarantor of the above Register participant;

51) the person who is a beneficiary of the customer, customerʼs guarantor, potential customer or potential customerʼs guarantor of the above Register participant within the meaning of the Law on the Prevention of Money Laundering and Terrorism and Proliferation Financing, and it is supported by data or documents registered in an information system of the Republic of Latvia or a foreign country;

6) the commercial company which is a subsidiary of the customer, customerʼs guarantor, potential customer or potential customerʼs guarantor of the above Register participant, and each following subsidiary of such subsidiary;

7) the commercial company in which the customer, customerʼs guarantor, potential customer or potential customerʼs guarantor of the above Register participant has a qualifying holding;

8) the member of the council (if the council has been established) and the member of the board of the customer, customerʼs guarantor, potential customer or potential customerʼs guarantor of the above Register participant;

9) [21 December 2017];

10) [21 December 2017].

(11) If the Register participant refuses to enter into the agreement of the customer or customerʼs guarantor or refuses to take over the rights and obligations or the right to claim resulting from the agreement of the customer or customerʼs guarantor, the Register participant no longer has the right to receive the data entered the Register which refers to the person referred to in Paragraph one of this Section.

(2) The Register participant does not have the right to receive the following:

1) data on the supervision of financial market participants and macroeconomic analysis entered in the Register by another Register participant or restricted Register participant;

2) data which allows to identify another Register participant or restricted Register participant that has entered in the Register the data referred to in Paragraph one of this Section;

3) data on the request of Register data which has been made by another Register participant or restricted Register participant, the Treasury, customer, customerʼs guarantor, consumerʼs creditor or another person.

(3) The restricted Register participant has the right to receive the data entered in the Register on the customer and customerʼs guarantor of the above restricted Register participant.

(4) The restricted Register participant does not have the right to receive the following:

1) the data referred to in Paragraph two of this Section;

2) the data entered in the Register by another Register participant or restricted Register participant, or the Treasury on the obligations of its customer or customerʼs guarantor if they have expired or if the rights and obligations or the right to claim resulting from the agreement of the customer or customerʼs guarantor have been transferred to another person;

3) the data entered in Register by another Register participant or restricted Register participant, or the Treasury on the violations of the obligations of its customer or customerʼs guarantor which have been eliminated.

(5) The Register participant which is a user of credit information within the meaning of the Law on Credit Bureaus (hereinafter – the user of credit information) has the right to receive the data entered in the Register and specified in this Section and the data entered in the Register by the Treasury which refer to the person referred to in Paragraph one of this Section (except for data on the supervision of financial market participants and macroeconomic analysis), also via intermediation of a credit bureau. The restricted Register participant which is the user of credit information has the right to receive the data entered in the Register and specified in this Section and the data entered in the Register by the Treasury which refer to a customer or customerʼs guarantor of the above restricted Register participant (except for data on the supervision of financial market participants and macroeconomic analysis), also via intermediation of a credit bureau. The credit bureau shall not use the received data for purposes other than the transfer of such data to the user of credit information in unchanged form and shall not store it after the transfer to the user of credit information.

[*16 October 2014; 9 February 2017; 21 December 2017; 30 January 2020*]

**Section 15.1** [*Section shall come into force on 1 January 2023 and shall be included in the wording of this Law as of 1 January 2023.* *See Paragraph 12 of Transitional Provisions*]

**Section 16.** (1) The consumerʼs creditor has the right to, with the consent of a natural person, receive the Register data which refers to this natural person.

(2) The consumerʼs creditor does not have the right to receive the following:

1) data on the supervision of financial market participants and macroeconomic analysis;

2) data which allows to identify the Register participant or restricted Register participant which has entered in the Register the data referred to in Paragraph one of this Section;

3) data on the requests of Register data.

**Section 17.** Latvijas Banka shall determine the scope of the Register data to be provided to a customer, customerʼs guarantor, and also the Register participant, restricted Register participant and consumerʼs creditor, as well as the time period and procedures for data provision and covering postal charges.

**Section 18.** (1) The Financial and Capital Market Commission has the right to receive all Register data for the performance of the tasks specified in laws and regulations, including the data which is necessary to verify, according to the competence specified in laws and regulations, whether the Register participants follow requirements of the laws and regulations governing the operation of the Register.

(2) Latvijas Banka has the right to receive all Register data for the performance of the tasks specified in laws and regulations, including the data which is necessary to verify, according to the competence specified in laws and regulations, whether the Register participants and restricted Register participants follow requirements of the laws and regulations governing the operation of the Register, as well as the date which has to be provided to the European Central Bank in compliance with the requirements specified in the directly applicable European Union legislation.

(3) Latvijas Banka shall determine the time period and lay down the procedures for the provision of Register data to the Financial and Capital Market Commission.

[*21 December 2017*]

**Section 19.** If, prior to commencing a tax review (audit), the State Revenue Service has grounds to believe that expenses of a natural person (resident) could exceed his or her income, the Service has the right to, for the purpose of analysis of the need for tax review (audit), on the basis of a written request of the Director General of the State Revenue Service, his or her deputy, the head of a unit authorised by the Director General of the State Revenue Service or his or her deputy in tax administration, receive the Register data on the relevant customer – a natural person (resident) and his or her obligations: the type of obligations of this customer, the date of obligations taking effect and their end date, the amount, the outstanding amount, the period, the Register participant or restricted Register participant that has entered such data in the Register, as well as the information regarding the number of customers for the relevant obligation of the customer.

**Section 20.** The following institutions have the right to receive the Register data on to the Register participant and restricted Register participant that has entered the Register data on the customer and customerʼs guarantor, and the date of the obligations of the relevant customer and customerʼs guarantor taking effect and their end date for the performance of the tasks specified in laws and regulations:

1) a court;

2) a pre-trial investigating institution and the Office of the Prosecutor;

3) a body performing operational activities;

4) the State Revenue Service;

5) the Financial Intelligence Unit;

6) the Corruption Prevention and Combating Bureau;

7) the administrator of insolvency proceedings of the relevant customer or customerʼs guarantor if this customer or customerʼs guarantor is a natural person;

8) a sworn notary;

9) the Orphan’s and Custody court;

10) a sworn bailiff.

[*16 October 2014; 30 January 2020; 23 September 2021*]

**Section 21.** (1) Latvijas Banka shall immediately, but not later than within three working days after receipt of a written request, provide in writing to the persons referred to in the Sections 19 and 20 of this Law the Register data referred to in the relevant Sections free of charge.

(2) If the law or an international agreement provides for a prohibition to inform the customer, customerʼs guarantor or any other person of a request for Register data, this prohibition and the grounds for it shall be included in the data request. Latvijas Banka may not disclose data on such a request when providing the Register data.

(3) The persons referred to in Sections 19 and 20 of this Law shall be responsible for ensuring that the Register data is requested and used in accordance with the provisions of this Law.

**Chapter V**

**Responsibility for Data Processing**

**Section 22.** (1) The Register participant and restricted Register participant shall be responsible for the following:

1) entering in the Register data which is fundamentally consistent with the agreement of the customer and customerʼs guarantor;

2) entering in the Register all the data specified in the laws and regulations governing operation of the Register in accordance with the procedures laid down in these laws and regulations;

3) requesting the Register data in the cases specified in this Law.

(2) Latvijas Banka shall be responsible for the consistency of the Register data with the data entered by the Register participant and restricted Register participant.

**Section 23.** The Register participant, restricted Register participant and former Register participant shall be obliged to, within one month, examine a submission of the customer, customerʼs guarantor, potential customer and potential customerʼs guarantor and provide a reply to it with regard to the following:

1) the consistency of the data entered in the Register by the above Register participant or restricted Register participant with the agreement of the relevant customer or customerʼs guarantor;

2) the entry of data in the Register made by the above Register participant or restricted Register participant in accordance with the procedures laid down by the laws and regulations governing its operation;

3) the request of Register data made by the above Register participant or restricted Register participant which refers to the relevant customer, customerʼs guarantor, potential customer or potential customerʼs guarantor.

[*9 February 2017; 21 December 2017*]

**Section 24.** (1) In case of an error, the Register participant and restricted Register participant shall correct or cancel the Register data. Such correction or cancellation of data shall not release the Register participant and restricted Register participant from the responsibility for the data processing specified in this Law.

(2) Latvijas Banka shall determine the time limit and lay down the procedures by which the Register participant an restricted Register participant corrects or cancels the Register data.

(3) If the Register participant or restricted Register participant is being liquidated, the data entered in the Register by this Register participant or restricted Register participant shall not be corrected, updated or cancelled starting from the day of completion of the liquidation of the relevant Register participant or restricted Register participant.

(4) The data entered in the Register by the former Register participant shall not be corrected, updated or cancelled, except for the cases referred to in Paragraph five of this Section. Correction or cancellation of the Register data in the cases referred to in Paragraph five of this Section shall not release the former Register participant from the responsibility for the data processing specified in this Law.

(5) Latvijas Banka shall, not later than within five working days, correct or cancel the data which the former Register participant has entered in the Register erroneously if:

1) the former Register participant and the customer or customerʼs guarantor of this former Register participant, or the person who has been erroneously indicated as such in the Register signs, in accordance with the procedures laid down by Latvijas Banka, a mutual certification in person in Latvijas Banka on the correction or cancellation of the data erroneously entered in the Register;

2) Latvijas Banka receives a certification on the correction or cancellation of the data erroneously entered in the Register which has been drawn up in the form of a notarial deed or which has been signed, in accordance with the notarial procedures, by the former Register participant and the customer or customerʼs guarantor of this former Register participant, or the person who has been erroneously indicated as such in the Register;

3) Latvijas Banka receives a court ruling which has entered into lawful effect by which the content of the rights and obligations with regard to the customer or customerʼs guarantor of the former Register participant or the person who has been erroneously indicated as such in the Register has been established as different, in principle, from the data entered in the Register.

[*16 October 2014*]

**Section 25.** (1) For the violation of the procedures for the entry of data which may not be eliminated or which the Register participant, restricted Register participant, or former Register participant has not eliminated and as a result of which material damage has been or may be caused to the interests of the customer or customerʼs guarantor, the person who has been erroneously indicated as such in the Register, another Register participant, restricted Register participant, or former Register participant, consumerʼs creditor or public administration, or for lodging an unjustified request of the Register data, Latvijas Banka shall issue a warning to the Register participant, restricted Register participant, or former Register participant.

(2) For the violation of the procedures for the entry of data which the Register participant, restricted Register participant, or former Register participant has eliminated, if the erroneous Register data has been received by another Register participant, or restricted Register participant, or consumerʼs creditor before it has been corrected or cancelled and material damage has been caused to the interests of the customer or customerʼs guarantor, the person who has been erroneously indicated as such in the Register, another Register participant or restricted Register participant, or consumerʼs creditor, Latvijas Banka shall issue a warning to the Register participant, restricted Register participant, or former Register participant.

(3) For the repeated violation of the procedures for the entry of the data referred to in Paragraph one or two of this Section or for a repeated unjustified request for the Register data, Latvijas Banka shall impose a fine from EUR 1400 to EUR 7000 on the Register participant, restricted Register participant, or former Register participant.

(4) Irrespective of the expression of a warning or imposition of a fine, the Register participant, restricted Register participant and former Register participant shall be obliged to immediately eliminate a violation of the procedures for the entry of data.

[*12 September 2013; 23 September 2021*]

**Section 26.** (1) If a fine is imposed on the Register participant, restricted Register participant, or former Register participant, and Latvijas Banka establishes that prior to the imposition of the fine the Register participant, restricted Register participant, or former Register participant has committed two or more violations of the procedures for the entry of data, the fine shall be imposed for all the relevant violations of the entry of data together within the scope of the fine provided for in Section 25 of this Law.

(2) If a fine is imposed on the Register participant, restricted Register participant, or former Register participant, and Latvijas Banka establishes that before the imposition of the fine the Register participant, restricted Register participant, or former Register participant has lodged an unjustified request for the Register data two or more times, the fine shall be imposed for all the relevant unjustified requests for the Register data together within the scope of the fine provided for in Section 25 of this Law.

[*23 September 2021*]

**Section 27.** (1) For the violation of the procedures for the entry of data, a warning shall be expressed or a fine shall be imposed not later than within six months from the day the violation is established.

(2) For lodging an unjustified Register data request, a warning shall be expressed or a fine shall be imposed not later than within one year after the day of requesting the Register data.

[*16 October 2014*]

**Section 28.** (1) Upon receipt of information on a possible violation referred to in Section 25 of this Law, a member of the Council or employee of Latvijas Banka has the right to request information, which is necessary to take a decision to initiate an administrative case, from the Register participant, restricted Register participant, or former Register participant, customer, customerʼs guarantor, and other persons who might have information at their disposal regarding the possible violation referred to in Section 25 of this Law.

(2) The information requested in Paragraph one of this Section shall be provided not later than within seven working days after receipt of a request of a member of the Council or employee of Latvijas Banka. If the requested information cannot be provided within such period for objective reasons, a member of the Council or employee of Latvijas Banka may set another period for the provision of information.

(3) Latvijas Banka shall not initiate an administrative case if the information at its disposal does not contain data on a possible offence which has elements of the violation referred to in this Law.

[*23 September 2021*]

**Section 29.**(1) The Council of Latvijas Banka may establish a committee and authorise it to take decisions to impose the sanctions specified in this Law.

(2) The Council of Latvijas Banka shall determine the composition of the committee referred to in Paragraph one of this Section. The committee shall have a quorum if more than half of its members are present at a meeting, and decisions shall be taken by a majority of the votes cast by the participants of a meeting. In the event of a tied vote, the chairperson of the meeting shall have a casting vote. Latvijas Banka shall determine the organisation of work of the committee.

(3) An administrative act issued by the committee referred to in Paragraph one of this Section may be contested to the Council of Latvijas Banka in accordance with the procedures laid down in the Administrative Procedure Law.

(4) In accordance with this Law an administrative act issued by the Council of Latvijas Banka may be appealed before the Regional Administrative Court. The court in the composition of three judges shall examine the case as the court of first instance. A judgement of the Regional Administrative Court may be appealed by submitting a cassation complaint.

[*23 September 2021*]

**Section 30.** The fine paid by the Register participant, restricted Register participant or former Register participant shall be transferred into the State budget.

**Chapter VI**

**Fee for the Use of the Register**

**Section 31.** (1) The Register participant, restricted Register participant and the Financial and Capital Market Commission shall pay to Latvijas Banka a fee for the use of the Register in order to cover the maintenance costs of the Register.

(2) When requesting the Register data, consumerʼs creditor shall each time pay to Latvijas Banka a fee for the use of the Register in order to cover the maintenance costs of the Register associated with the receipt of the Register data.

(3) The fee for the use of the Register shall not be paid by the Register participant and restricted Register participant which have been declared insolvent by a court or with regard to which liquidation proceedings have been initiated.

(4) Latvijas Banka shall determine the amount of the fee for the use of the Register and lay down the procedures for paying thereof.

(5) The fee for the use of the Register shall be transferred into the budget of Latvijas Banka.

**Section 32.** Latvijas Banka has the right to partly cover the maintenance costs of the Register if the fee referred to in Section 31 of this Law does not cover all maintenance costs of the Register.

**Chapter VII**

**Storage of the Register Data**

**Section 33.** Latvijas Banka shall store data on a customer or customerʼs guarantor and general data in the Register for 10 years after the following:

1) the day the obligations of the customer or customerʼs guarantor have ceased;

2) the day when the rights and obligations or the right to claim resulting from the agreement of the customer or customerʼs guarantor are transferred to another person;

3) [16 October 2014].

[*16 October 2014; 21 December 2017* / *See Paragraph 9 of Transitional Provisions*]

**Section 34.** Latvijas Banka shall store periodic data in the Register for three years after the end of a period.

**Section 35.** Latvijas Banka shall store data on violation of the obligations of the customer or customerʼs guarantor in the Register for five years after the following:

1) the day when the violation of the obligations of the customer or customerʼs guarantor is eliminated or the day when the rights and obligations or the right to claim resulting from the agreement of the customer or customerʼs guarantor are transferred to another person, unless the violation of the obligations of the customer or customerʼs guarantor has been eliminated by this day;

2) the day the obligations of the customer or customerʼs guarantor have ceased, unless the circumstances referred to in Clause 1 of this Section have occurred.

[*16 October 2014*]

**Section 36.** Latvijas Banka shall store data on the requests of Register data for one year from the day of requesting thereof.

**Section 37.** Latvijas Banka shall delete the Register data after expiry of the time limit specified for the data storage.

**Chapter VIII**

**Participation of the Treasury in the Register**

[*21 December 2017*]

**Section 38.** (1) The Treasury shall enter in the Register data on the following:

1) its customer, obligations of the customer and violations of the obligations of the customer (including the information characterising such data and the date on which it has been entered or corrected in the Register);

2) its customerʼs guarantor, obligations of the customerʼs guarantor and violations of the obligations of the customerʼs guarantor (including the information characterising such data and the date on which it has been entered or corrected in the Register).

(2) In the case of surety (guarantee) or in the case of assignment of the right to claim resulting from a surety (guarantee), the data referred to in Paragraph one, Clause 1 of this Section shall only be entered in the Register, if the data referred to in Section 8, Paragraph one, Clause 2 of this Law is not to be entered in the Register.

(3) The Treasury shall update the Register data in case of changes (except for periodic data). When correcting and updating the data entered in the Register, the previous data entered in the Register shall be deleted.

(4) Data on the requests of Register data which have been made by the Treasury shall be entered in the Register automatically.

(5) Latvijas Banka shall determine the content and scope of the data to be included in the Register by the Treasury, as well as the time limits and procedures for entering data in the Register.

[*21 December 2017*]

**Section 39.** (1) The Treasury has the right to receive the Register data which refers to the following person:

1) the customer of the Treasury;

2) the customerʼs guarantor of the Treasury;

3) the potential customer of the Treasury;

4) the potential customerʼs guarantor of the Treasury;

5) the person who has a qualifying holding in a commercial company which is the customer, customerʼs guarantor, potential customer or potential customerʼs guarantor of the Treasury;

51) the person who is a beneficiary of the customer, customerʼs guarantor, potential customer or potential customerʼs guarantor of the Treasury within the meaning of the Law on the Prevention of Money Laundering and Terrorism and Proliferation Financing, and it is supported by data or documents registered in the information system of the Republic of Latvia or a foreign country;

6) the commercial company which is a subsidiary of the customer, customerʼs guarantor, potential customer or potential customerʼs guarantor of the Treasury, and each following subsidiary of such subsidiary;

7) the commercial company in which the customer, customerʼs guarantor, potential customer or potential customerʼs guarantor of the Treasury has a qualifying holding;

8) the member of the council (if the council has been established) and the member of the board of the customer, customerʼs guarantor, potential customer or potential customerʼs guarantor of the Treasury.

(2) If the Treasury refuses to enter into the agreement of the customer or customerʼs guarantor or refuses to take over the rights and obligations or the right to claim resulting from the agreement of the customer or customerʼs guarantor, the Treasury no longer has the right to receive the Register data which refers to the person referred to in Paragraph one of this Section.

(3) The Treasury does not have the right to receive the following:

1) data on the supervision of financial market participants and macroeconomic analysis entered in the Register;

2) data which allows to identify the Register participant or restricted Register participant which has entered in the Register the data referred to in Paragraph one of this Section;

3) data on the requests of Register data which has been made by the Register participant, restricted Register participant, customer, customerʼs guarantor, consumerʼs creditor or another person.

(4) Latvijas Banka shall determine the scope of the Register data which is to be provided to the Treasury, as well as the time limits and procedures for data provision.

[*21 December 2017; 30 January 2020*]

**Section 40.** (1) The Treasury shall be responsible for the following:

1) entering in the Register data which is fundamentally consistent with the agreement of the customer and customerʼs guarantor;

2) entering in the Register all the data specified in the laws and regulations governing operation of the Register in accordance with the procedures laid down in these laws and regulations;

3) requesting the Register data in the cases specified in this Law.

(2) Latvijas Banka shall be responsible for the conformity of the Register data with the data entered by the Treasury.

(3) In case of an error, the Treasury shall correct or cancel the data entered in the Register within the time limit and in accordance with the procedures laid down by Latvijas Banka.

[*21 December 2017*]

**Section 41.** The Treasury shall be obliged to, within one month, examine a submission of the customer, customerʼs guarantor, potential customer or potential customerʼs guarantor and provide a reply to it with regard to the following:

1) conformity of the data entered in the Register by the Treasury with the agreement of the relevant customer or customerʼs guarantor;

2) entry in the Register of the data made by the Treasury in accordance with the procedures laid down by the laws and regulations governing its operation;

3) the request for the Register data of the Treasury which refers to the relevant customer, customerʼs guarantor, potential customer or potential customerʼs guarantor.

[*21 December 2017*]

**Section 42.** For the purpose of fulfilment of the tasks specified in laws and regulations, the subjects referred to in Section 20 of this Law have the right to, in accordance with the procedures laid down in Section 21 of this Law, receive the Register data on the Treasury if it has entered in the Register data on the customer, customerʼs guarantor and the date of the obligations of the relevant customer and customerʼs guarantor taking effect and their end date.

[*21 December 2017*]

**Section 43.** The time periods and the procedures laid down in Chapter VII of this Law shall be applicable to the storage of the data entered in the Register by the Treasury.

[*21 December 2017*]

**Transitional Provisions**

1. Latvijas Banka shall, within one month after the day of coming into force of this Law, delete the Register data the time period for the storage of which has expired in accordance with this Law.

2. The Law shall not be applicable to a credit institution and a credit union which is to be liquidated or has become bankrupt until 1 June 2003.

3. If liquidation of the Register participant has been commenced within the period between 2 June 2003 and 31 December 2007, the Register participant shall enter, correct, update or cancel the Register data which this Register participant has included in the Debtor Register within the time period specified in this Paragraph.

4. The Law shall be applicable to the restricted Register participant which has obtained the status of the restricted Register participant after the day of coming into force of this Law.

5. Until the day the Development Finance Institution becomes the Register participant, *valsts akciju sabiedrība “Latvijas Attīstības Finanšu Institūcija “Altum””* [State joint stock company Latvian Development Finance Institution Altum] shall be deemed as the Register participant. The Development Finance Institution shall become the Register participant on the day when it takes over from *valsts akciju sabiedrība “Latvijas Attīstības Finanšu Institūcija “Altum””* [State joint stock company Latvian Development Finance Institution Altum] the rights and obligations or the right to claim resulting from the agreement of the customer or customerʼs guarantor.

[*30 January 2014*]

6. Amendments to Section 15, Paragraph five of this Law related to the provision of the Register data to the Register participants and restricted Register participants via intermediation of credit bureaus shall come into force on 1 July 2015.

[*16 October 2014*]

7. Data which refers to the customer and customerʼs guarantor of the Register participant and restricted Register participant as at 31 March 2018, provided that this customer or customerʼs guarantor is a credit union, electronic money institution, money market fund within the meaning of the Law on Investment Management Companies or an initial legal person governed by public law, and which refers to their obligations and violations shall be entered in the Register by 31 May 2018. If during the time period up to 31 May 2018 a violation of obligations of the customer or customerʼs guarantor has been committed, the data on the relevant customer or customerʼs guarantor, his or her obligations and violations shall be included in the Register within the time limit and in accordance with the procedures laid down by Latvijas Banka in accordance with Section 13 of this Law.

[*21 December 2017*]

8. In relation to the requirement specified in Section 8.1 of this Law to enter in the Register the data which refers to the provision of the financial service involving credit risk not only in Latvia but also in other European Union Member States, data on customers and customer guarantors in the European Union Member States as at 31 March 2018 and their obligations and violations shall be entered in the Register by 31 May 2018. If during the time period up to 31 May 2018 a violation of obligations of the customer or customerʼs guarantor has been committed, the data on the relevant customer or customerʼs guarantor, his or her obligations and violations shall be included in the Register within the time limit and in accordance with the procedures laid down by Latvijas Banka in accordance with Section 13 of this Law.

[*21 December 2017*]

9. In applying the amendment to Section 33 of this Law (with regard to the shortening of the time limit for the storage of data to 10 years), Latvijas Banka shall, by 30 April 2018, delete the data entered in the Register for the storage of which the 10-year period expires on 1 April 2018.

[*21 December 2017*]

10. The Treasury shall commence participation in the Register on 1 October 2018.

[*21 December 2017*]

11. The requirement to enter in the Register data resulting from the amendments to Section 1, Clause 1 of this Law (with regard to the letter of credit service and a surety (guarantee) provided to the buyer) shall be applicable starting from 1 April 2019. The data referred to in the first sentence of this Paragraph regarding customers and customer guarantors as at 31 March 2019, their obligations and violations shall be entered in the Register by 30 June 2019. If during the period up to 30 June 2019 a violation of obligations of such customer or customerʼs guarantor has been committed, the data on the relevant customer or customerʼs guarantor, his or her obligations and violations shall be entered in the Register within the period and in accordance with the procedures laid down by Latvijas Banka in accordance with Section 13 and Section 38, Paragraph five of this Law.

[*21 December 2017*]

12. The new wording of Section 2, Clause 1, Sub-clause “c” of this Law, amendment to Section 2 regarding the deletion of Sub-clauses “d” and “e” of Clause 1, the new wording of Paragraph six of Section 4, amendment to Paragraph one of Section 5 and the new wording of Paragraph two of Section 5, Section 15.1, amendment regarding the deletion of Paragraphs one and three of Section 18, and amendment to Paragraph one of Section 31 shall come into force concurrently with the Law on Latvijas Banka.

[*23 September 2021 /* *The abovementioned amendments shall be included in the wording of the Law as of 1 January 2023.*]

**Informative Reference to European Union Directives**

[*9 February 2017*]

This Law contains norms arising from:

1) Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC;

2) Directive 2014/17/EU of the European Parliament and of the Council of 4 February 2014 on credit agreements for consumers relating to residential immovable property and amending Directives 2008/48/EC and 2013/36/EU and Regulation (EU) No 1093/2010 (Text with EEA relevance).

This Law shall come into force on 1 December 2012.

This Law has been adopted by the *Saeima* on 24 May 2012.

President A. Bērziņš