

CLIENT IDENTIFICATION IN RELATION TO MEASURES INSTITUTED BY EXPOBANK A.S. TO PREVENT THE LEGITIMIZATION OF PROCEEDS OF CRIME AND FINANCING OF TERRORISM.

This document contains rules that Bank employees and other persons authorized by the Bank must observe and apply when identifying clients to prevent the legitimization of proceeds of crime and financing of terrorism pursuant to Act No. 253/2008 Coll., on Certain Measures to Prevent the Legitimization of Proceeds of Crime and Financing of Terrorism, as subsequently amended, and related current regulations (especially Act No. 69/2006 Coll., on the Implementation of International Sanctions and CNB Decree No. 281/2008 Coll., on certain requirements for the system of internal rules, procedures and control measures to prevent the legitimization of proceeds from crime and financing of terrorism, since 1. 10. 2018 replaced by CNB Decree No. 67/2018 Coll.). According to this law, as a financial institution the Bank is an obligated subject and must comply with the standards and processes set forth in current regulations to prevent money laundering and financing of terrorism. The Bank may hire third parties (outsourcing) to perform certain activities to prevent money laundering and financing of terrorism.

What is client identification?

Identification is the first act that precedes the establishment of a business relationship (e.g. opening a current account or providing another bank product or service). This involves determining, recording and verifying the identification information of individuals and legal entities. Identification of individuals requires presentation of proof of identity.

When and how are clients identified?

In addition to other instances specified by law, clients are identified **before establishing a business relationship**, i.e. before opening a current account.

This initial identification of clients is carried out by the Bank or person authorized by the Bank **in the physical presence** of the person being identified (i.e. in person).

The Bank or person authorized by the Bank is required to request that the client furnish proof of identity (a valid official document issued by a government body enabling verification of the person's appearance, name and surname, birth ID number or date of birth and citizenship – e.g. an identity card or passport) and to record and verify for individuals all names and surname, birth ID number (if one has not been assigned then date of birth), place of birth, gender, permanent or other residence (if listed) and citizenship.

Then the physical appearance of the person being identified must be checked to make sure it matches the photograph in the identity document and the number and expiration date of the



identity document must be verified and recorded, along with the authority or country that issued it.

For the purposes of client identification, the Bank or person authorized by the Bank will make a copy of the client's identity document. If the Client does not wish his/her identity document to be copied, the Bank or person authorized by the Bank will fill in a Client Identification Card that will serve as a copy of the client's identity document.

The Bank may not establish a business relationship with the client and may not provide Bank products or services if the client refuses to be identified or fails to provide the necessary cooperation. Likewise, the Bank is not obliged to establish a business relationship with the client if it doubts the authenticity of the information provided or the identity document furnished.