



**General Business Conditions  
Expobank CZ a.s.**



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## GENERAL RULES AND PRINCIPLES

### 1. Scope of Application

1.1 These General Business Conditions ('GBC') define the basic terms and conditions under which Expobank CZ a.s. (identified more specifically under the definition of "Bank" under Article 2 of the GBC) establishes business relationships with Clients, provides banking services to Clients to the extent permitted under the valid banking license and within their framework concludes individual transactions with Clients, and performs all banking operations for Clients.

1.2 The GBC constitute commercial terms and conditions in the sense of Section 1751 (1) of the Civil Code and are an integral part of individual agreements between the Bank and the Client, provided that such an individual agreement contains a reference to the GBC.

1.3 Special terms and conditions and technical terms and conditions issued by the Bank for selected banking services supplement the GBC and constitute a part of individual agreements between the Bank and the Client on the provision of such selected banking services.

1.4 The provisions of an individual agreement prevail over the Special Terms and Conditions, Technical Terms and Conditions or the GBC, if they are different from or contradictory to the conditions contained in the Special Terms and Conditions, Technical Terms and Conditions or the GBC. Any matter not defined in an individual agreement between the Bank and the Client or in the Special Terms and Conditions or Technical Terms and Conditions is subject to these GBC.

### 2. Definitions and Certain Rules of Interpretation

2.1 The terms starting with a capital letter in the GBC have the meaning as defined below:

**Bank** - Expobank CZ a.s. with its registered office at Na strži 2097/63, 140 00 Praha 4, Identification Number: 14893649, incorporated in the Commercial Register administered by the Prague Municipal Court, Section B, File 476.

**Bank Fees** - Fees, commissions, and other charges payable to the Bank and listed in the List of Fees (in the case of credit transactions, Bank Fees include unpaid costs and expenses set out in the applicable loan agreement) and fees, commissions, and other charges charged by any third party in connection with the provision of banking services.

**Current Account** - An account kept by the Bank for a Client, defined more specifically under Article 15 of the GBC.

**Closing Time** - The latest time for delivering a payment order to the Bank displayed at Bank Offices and posted on the Bank's Website.

**CNB** - Czech National Bank with its registered office at Na Příkopě 28, 115 03 Prague 1, the authority supervising activities conducted by the Bank.

**Debit Balance** - A negative balance of funds in an account.

**Value Date** - The reference day for the beginning or end of interest accrued on funds credited to or debited from an account.

**Available Balance** - Current account balance including Credit Balance and Authorized Debit, reduced by the required minimum balance if one has been agreed upon.

**Right of Disposal** - The right to dispose of funds in an account. The Right of Disposal of the Client, as the account holder, is unlimited. The Client may grant, change, or cancel the Right of Disposal to one or more natural persons and set the extent of such a Right of Disposal in accordance with the provisions of the account agreement, or the Direct Banking Agreement,

and the GBC. The right of disposal for a specific account includes the right to issue orders for the opening of term deposits for such an account.

**Small Entrepreneur** - A Small Entrepreneur (natural person or legal entity) in the sense of the Act on Payment System (an entrepreneur with fewer than ten employees and an annual turnover or assets as per annual balance sheet not exceeding the equivalent of EUR 2,000,000).

**EEA** - European Economic Area

**Bank's Website** - [www.expobank.cz](http://www.expobank.cz)

**Information Memorandum** - Detailed information on the processing of personal data, which is available on the Bank's website in the Legal Info section.

**Client** - Natural person or legal entity (including territorial self-governing unit or other public legal entity) that is the holder of an account opened with the Bank or otherwise uses services provided by the Bank.

**Overdraft or Overdraft Credit** - The possibility to overdraw an account up to the Debit Balance approved by the Bank in the agreement with the Client.

**Correspondent Bank** - Financial institution through which the Bank ensures the performance of banking services out of its direct control, particularly the payments.

**Credit Balance** - A positive account balance.

**Exchange Rate Table** - Bank statement on the currency exchange rates declared by the Bank dependent on the market developments, market conventions and potential changes to the legislation, which the Bank publishes at the Bank Office and Bank's Website or by other appropriate method.

**Interest Rate Table** - Bank statement on the interest rates declared by the Bank dependent on the market developments, market conventions and potential changes to the legislation, which the Bank publishes by providing access at the Bank Office and Bank's Website or by other appropriate method.

**Unauthorized Debit** - A Debit Balance for which no overdraft facility has been agreed or whose value exceeds an agreed overdraft facility.

**Civil Code** - Act No. 89/2012 Coll., the Civil Code, as amended.

**Authorized Person** - natural person with the Right of Disposal in scope stated by the Client in the Signature Specimen or in the Direct Banking Agreement (or in the application for activation of direct banking services submitted to the Bank by the Client on the Bank's standard form).

**Personal Data** - the personal data of a Client who is a natural person; the personal data of natural persons who are the statutory representative of a Client, a member of a governing body of a Client or otherwise authorized to act on behalf of a Client who is a legal entity; the personal data of a potential Authorized Person; and the personal data of the beneficial owner within the meaning of the legislation against the legitimization of proceeds from crime which the Bank is obliged or entitled to determine for the unique identification of the Client in connection with the provision of banking services, including the date of birth or birth number of the Client, Authorized Person and other listed persons, permanent or other place of residence and other data listed on the Identification Card or in the application for provision of a specific banking product addressed to the Bank. For the purposes of the GBC, sensitive data within the meaning of the laws and regulations pertaining to the protection of personal data are excluded from the foregoing definition.

**Payment Means** - An ensemble of processes agreed between the Bank and the Client, which are tied to the Client's person and are used by the Client to give payment orders, particularly payment cards issued by the Bank for making cashless payments from an account.



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**Payment Account** - An account designated for carrying out payment transactions within the meaning of the Act on Payment System.

**Signature Specimen** - A bank form which specifies the Client and/or where the Client specifies Authorized Persons as Client proxies within the meaning of Section 2664 of the Civil Code, their sample signatures, and the extent of the Right of Disposal regarding a specific account, or of another power of attorney of Authorized Persons to legal acts on behalf of the Client in connection with a specific agreement concluded between the Bank and Client.

**Authorized Debit** - Debit balance whose value equals or is lower than the agreed overdraft facility.

**Working Day or Banking Working Day** - Any day, except weekends and official holidays, when banks are open for business in the Czech Republic and, if applicable, in any foreign locality decisive for completing a bank operation, including the quoting of interest rates.

**Personal Data Protection Laws and Regulations** – Act No. 101/2000 Coll. On Personal Data Protection, as amended; General Data Protection Regulation 2016/679/EU (GDPR), and any and all in-effect laws and regulations pertaining to the protection or processing of personal data.

**Bank Office** - A public area on the Bank's premises where the administration of the Client's account takes place.

**Identification Card** - A valid official document issued by a government authority, which allows determining the likeness of a person who is to be identified, the person's first name(s) and surname(s), birth registration number or date of birth, nationality, and, if applicable, other identification data.

**Reference Exchange Rate** - The buy and sale exchange rate published by the Bank in the form of an Exchange Rate Table at Bank Offices and on the Bank's Website for the applicable Bank Business Day and used by the Bank for currency translation on the applicable day. The Bank is entitled to change this exchange rate unilaterally without a prior notice depending on the fluctuation of exchange rates on the money market.

**Complaint Rules** - rules published by the Bank for the procedure of handling with Clients' complaints.

**Penalty Interest** - Interest at the interest rate derived from the interest rate for Authorized Debit of an account announced by the Bank separately for every currency in which current accounts are kept and published in a Notice. The Penalty Interest Rate is a default interest in the sense of the applicable legal regulations.

**List of Fees** - The list of Bank Fees and Charges announced by the Bank for various segments of Clients, displayed at Bank Offices and posted on the Bank's Website.

**Notice** - A Bank statement on facts whose current value can vary over time dependent on the market developments, market conventions and potential changes to the legislation, and which the Bank publishes by providing access at the Bank Office and Bank's Website or by other appropriate method, for example through the Exchange Rate Table or Interest Rate Table.

**Special Terms and Conditions** - Special terms and conditions the Bank may issue to supplement the GBC for individual types of banking services, where the provisions of such special terms and conditions take precedence over the GBC.

**Direct Banking Agreement** - An agreement between the Client and the Bank on making it possible to provide banking services via means of electronic communication, e.g. in the form of internet banking.

**SWIFT** - An electronic system for interbank communication operated by the Society for Worldwide Interbank Financial Telecommunication and serving primarily for international payments.

**Technical Terms and Conditions** - special terms and conditions that the Bank can issue for individual types of banking services that govern the operating and technical aspects of providing banking services; for example in connection with account information and

indirect payment order placement services; the Bank publishes the Technical Terms and Conditions at Bank Offices and on the Bank's Website.

**GBC** - These General Business Conditions.

**Banking Act** - Act No. 21/1992 Coll. on Banks, as amended.

**Act on Financial Arbitrator** - Act No. 229/2002 Coll., on Financial Arbitrator, as amended.

**Payment Systems Act** - Act No. 370/2017 Coll., on Payment System, as amended.

**Act on Conducting Business on the Capital Market** - Act No. 256/2004 Coll., on Conducting Business on the Capital Market, as amended.

2.2 For the purposes of these GBC, "account" means a general term for any bank account maintained with the Bank for the Client and includes in particular a Current Account, deposit account, savings account and other accounts maintained with the Bank for the Client based on a written agreement.

2.3 For the purposes of any account agreement being concluded between the Bank and the Client, the Bank is the one who runs the account.

2.4 Unless stated otherwise in these GBC or in the relevant individual agreement with the Client, it shall apply that references to a legal regulation, international agreement or individual provisions thereof shall be interpreted to also refer to the legal regulations, international agreements or individual provisions thereof that alter, amend or replace them.

### 3. Banking Secrecy and Personal Data Protection

3.1 The Bank is obliged to keep banking secrecy regarding all information related to the business relationship between the Bank and the Client, in particular banking operations and banking services, including the Client's bank details, account balances, and the balance of other assets entrusted to the Bank or related to drawn portions of loans. This obligation remains in effect even after the termination of the business relationship. Banking secrecy also applies to the Personal Data of Clients who are natural persons and of other natural persons whose data the Bank obtains in connection with the provision of services to the Client which are protected according to the relevant legislation, in particular laws and regulations pertaining to the protection of personal data, and which the Bank determines for unique identification of the Client or the Client's proxies while providing banking services. Information that is subject to banking secrecy may be disclosed by the Bank to a third party or made public only in accordance with the legal regulations to the extent permitted under the same or based on the Client's prior written consent.

3.2 In providing banking services to Clients, the Bank will process the Personal Data of Clients who are natural persons and of other natural persons whose data the Bank obtains in connection with the provision of services to the Client, including data on the type of Bank services used and the manner in which they are used, within the meaning of the relevant laws and regulations. Detailed information on the processing of personal data is provided in the Information Memorandum. By endorsing the present GBC, the Client certifies to have read the Information Memorandum.

3.3 The bank will process the Client's Personal Data for the period absolutely necessary, i.e. in general for the duration of the contractual relationship with the Client and for the period required by the legal regulations. Detailed information on the period during which personal data are processed is provided in the Information Memorandum, including the Client's rights as a data subject.

3.4 The Bank processes Personal Data the Client has provided to the Bank or will provide to the Bank in the future



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in the framework of interactions or applications for banking services, or while the contractual arrangement lasts.

3.5 The Bank may inform other banks or branches of foreign banks in the Czech Republic of the Client's bank details, identification data, and matters demonstrating the Client's creditworthiness and trustworthiness, using the methods set out under the law.

3.6 The Client agrees that in connection with (a) the database of loans granted to legal entities and maintained in the Central Register of Credits administered by the Czech National Bank, (b) the database of loans granted to natural persons and maintained by CBCB-Czech Banking Credit Bureau, a.s., (c) the Non-Bank Register of Client Information maintained by the LLCB, z.s.p.o. association, and, if applicable, in connection with other databases of similar nature, the Bank may provide information in respect of the Client's affairs, including Personal Data necessary for identifying the Client, for the purposes of such registers to entities operating such registers and their authorized sub-contractors (on condition that such entities are required to maintain confidentiality under the law or assume such a duty contractually). The Client has the right to be informed of the Client's data kept in the applicable database and to receive an extract from such a database against the payment of a fee.

3.7 In providing services to the Client, the Bank provides data on the Client to the necessary extent to Correspondent Banks and to auditors, legal, tax, financial, and other consultants or entities that take part in the processing or process some banking operations as part of outsourcing, or the operators of the Bank's information systems, on condition that such persons are required to maintain confidentiality under the law or assume such a duty contractually.

3.8 The Client agrees that the Bank can provide data relating to a banking service provided, including the Personal Data necessary to identify the client, to any entity with which it potentially holds negotiations on the transfer of the rights and obligations of the agreement on that banking service.

3.9. The Client – **legal entity** is aware that the Bank has the right to transfer to the persons specified in the Information Memorandum data that the Client and are a part of banking and/or business secrecy, except for Personal Data of natural persons, which are Client's statutory body, members of Client's statutory body, or otherwise authorized to act on behalf of the Client – legal entity, Personal Data of Authorized Person and Personal Data of the beneficial owner within the meaning of anti-money laundering laws, based on the existence of legitimate interest, the performance of an agreement, or compliance with legal requirements.

3.10 The Bank has the right to transfer to the persons specified in the Information Memorandum the Personal Data of the Client – **natural person** and other data, which concern him/her and are part of banking and/or business secrecy, Personal Data of natural persons, which are statutory body of the Client – legal entity, members of statutory body of the Client – legal entity, or otherwise authorized to act on behalf of the Client – legal entity, Personal Data of Authorized Person and Personal Data of the beneficial owner of the Client – legal entity within the meaning of anti-money laundering laws, based on the existence of legitimate interest, the performance of an agreement, or compliance with legal requirements.

## 4. Client Identification

4.1 Prior to provision of a banking service and any time upon request, the Client must prove to the Bank their identity or the identity of the persons acting on behalf of the Client, in particular during all operations made in person. The Bank may refuse to provide services to persons who are unable or unwilling to prove their identity to the extent deemed satisfactory by the Bank. A Client who is an entrepreneur must inform the Bank upon entering into an account agreement whether it is a Small Entrepreneur in the sense of the Act on Payment Systems.

4.2 If the Client is a **natural person**, the Client must corroborate the Personal Data, gender and nationality by presenting an Identification Card. The identity of a natural person whose legal competence is restricted is proven by their legal representative together with the birth certificate of the represented person and, if applicable, the original or a notarized copy of the document appointing legal guardianship.

4.3 If the Client is a **natural person – sole trader**, the Client must prove, in addition to Personal Data, the commercial name, distinguishing appellation or other designation, and business permit, including identification number, by presenting a certificate of incorporation, a trade license, or another license authorizing the Client to conduct business.

4.4 If the Client is a **legal entity** the Client must prove:

- (a) incorporation;
  - (b) name or commercial name;
  - (c) registered office;
  - (d) identification number;
  - (e) scope of business activity;
- by presenting a certificate of incorporation issued by the Commercial Register or another statutory register and, unless such information is stated in such a certificate, also the following:
- (f) Personal Data of the persons who are the Client's governing body or members of such a governing body;
  - (g) designation of the majority owner or controlling person and the potential beneficial owner within the meaning of the regulations on measures against the legitimization of proceeds from crime (Act No. 253/2008 Coll., as amended);
  - (h) the identification data referred to in Article 4.2 of the GBC with regard to the person acting on behalf of the legal entity in respect of the transaction in question;
  - (i) if the governing body or a member of the governing body is another legal entity, the Client must also prove its name or commercial name, registered office, and identification number and the identification data of the persons who are its governing body or members of such a body.

The same applies to a foreign legal entity that must prove identification data by presenting a certificate of incorporation issued by the register of the country where such a foreign legal entity has its registered office, certifying the incorporation of the legal entity and, if such a registry does not exist, by presenting its memorandum of association or articles of association.

In the event of changes in the Client's data that have not been entered into the Commercial Register or another statutory register, the Bank may deem such changes proven based on other documents demonstrating such changes. If the Client is a legal entity already established but not incorporated in the Commercial Register or another statutory register, the Client proves its identity by means of establishment documents and, if applicable, other documents requested by the Bank.

4.5 Documents used in accordance with the GBC to prove identity (establishment) and the authorization to represent the Client must be presented in the form of the original or an officially certified copy. An extract from the Commercial Register or certificate issued by another statutory domestic or foreign register must be current as of the day it is presented in terms of all information stated



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therein; the final paragraph of Article 4.4 of these GBC shall apply as appropriate.

4.6 The Bank is entitled to request any and all other documents it may deem necessary for identifying the Client.

## 5. Acting on behalf of the Client and Representation

5.1 In relation with the Bank, a Client who is a natural person acts either in person or through a representative (statutory representative, guardian, empowered attorney, or an Authorized Person). On behalf of a Client who is a legal entity, its governing body or governing body member, empowered attorney or Authorized Person acts in relation with the Bank.

5.2 On behalf of a Client who is an underage natural person, their legal guardian acts in relation to the Bank unless the underage person demonstrates that the consent of their legal guardian to certain legal acts has been provided with a notarized signature, or unless the underage person submits a court decision granting them legal competence. A parent may only act on behalf of an underage person if they have received the prior consent of a court in cases where it is required by the legal regulations and that no bankruptcy has been declared on their assets or debt discharge has not been permitted; the Bank may request demonstration of this fact before it accepts the acts of a parent as the legal guardian of an underage person.

5.3 The court-assigned guardian must act on behalf of a Client who is a natural person whose legal competence has been restricted.

5.4 If the Client is a natural person unable to read and write, the Client performs written legal acts in respect of the Bank in the form of an official record. An official record is not required provided that the Client is able to read the content of a legal act with the aid of instruments or special devices or through another person selected by the Client and provided that the Client is able to sign a document in own hand.

5.5 The governing body or the members of the governing body of a Client who is a legal entity prove their identity in accordance with Article 4.2 of the GBC and the authorization to represent the Client by means of a certificate of incorporation issued by the Commercial Register or another statutory register. If the Client is a foreign legal entity, the governing body or its members evidence their authorization to represent the Client by the documents referred to in Article 4.4 and 4.5 of the GBC. If the person who is the governing body or a member of the governing body has not been registered in the Commercial Register or another statutory register, the person evidences their authorization to represent the Client by means of an authentic document demonstrating the origination of such an authorization (for example a decision made by the applicable body of the legal entity appointing/electing the person to the position). If the Bank deems that the Client has failed to evidence such a person's authorization to represent the Client in a sufficient manner, the Bank may refuse to accept such a person as the Client's representative. In such a case, the Bank is not liable for any damage that may be incurred by the Client or a third party in connection with such refusal.

5.6 A power of attorney granted by the Client must be executed in writing, be sufficiently unambiguous, and be signed by the Client (that is by the Client's governing body or member(s) of the governing body if the Client is a legal entity). The signature of all persons acting on behalf of the Client must be officially certified, unless the power of attorney is signed before an employee of the Bank. An empowered attorney must prove their identity in the manner set out in Article 4 of the GBC. The Client must inform the Bank without undue delay of any change, limitation, or expiration of a power of attorney.

5.7 The Client may designate an Authorized Person or persons that hold the Right of Disposal to the extent set out in the Signature Specimen (see Article 11 of the GBC). Unless otherwise stated in the Signature Specimen, the Right of Disposal of an Authorized Person is limited to the disposal of funds in an account. Terminating or amending the account agreement or terminating the business relationship arising under the account agreement by a person other than the Client is only possible based on a special power of attorney granted by the Client in accordance with Article 5.6 of the GBC.

## 6. Client's Cooperation Duty

6.1 The Client must without undue delay inform the Bank in writing of any and all changes that have or may have an effect on the provision of banking services to the Client or the completion of transactions concluded between the Bank and the Client and, depending on the nature of the circumstances, the Client must evidence such changes by the applicable documents (for example an up-to-date certificate of incorporation, tax domicile statement, etc.). Such changes come into effect with regard to the Bank upon the Bank's receipt of the applicable notice. These include but are not limited to:

- (a) changes in identification data, permanent address, registered office, legal status, or authorization to act on behalf of the Client;
- (b) any and all changes in the Client's status regarding foreign exchange or taxation regulations or regulations pertaining to payments (e.g. change of tax domicile, the status of Small Entrepreneur, etc.);
- (c) any and all changes in the data provided to the Bank in connection with a concrete banking service, including information on the Client's mailing address, telephone and fax numbers, and other contact data;
- (d) any facts and changes that may justifiably be expected to have or be liable to have an adverse effect on the existence, value, or enforceability of the Client's obligations to the Bank or to have or be liable to have an adverse effect on the Client's ability to fulfil its obligations to the Bank;
- (e) any facts and changes that may justifiably be expected to have or be liable to have a substantial effect on provision of banking services (in particular any and all changes in the ownership structure of the Client-legal entity),
- (f) facts that establish a special relationship between the Client- natural person and the Bank in the sense of the Banking Act.

The Bank is not liable for any damage or other detriment that may be incurred by the Client as a result of the Client's failure to inform the Bank of changes that must be reported to the Bank in accordance with the GBC or as a result of late information to the Bank of such changes.

6.2 Furthermore, the Client must inform the Bank without undue delay in writing of any fact affecting the Client liable to cause the Bank damage or other detriment or to lead to unjust enrichment on the part of the Client or third parties. A Client who is a natural person must inform the Bank without undue delay of any loss or theft of their Identification Card.

6.3 If the Bank allows the Client to draw a credit facility or loan in any form based on a concluded agreement (including Overdraft or credit card), the Client must provide the Bank, at the Bank's request, with adequate information on the Client's financial situation and must always inform the Bank without undue delay of unfavourable circumstances in the Client's financial situation, including the commencement or risk of commencement of legal (including bankruptcy), arbitration or administrative proceedings against the Client (including court order or enforcement proceedings). Furthermore, a Client that is a legal entity must inform the Bank of a decision to wind up its business and enter into liquidation and of unsettled debts to financial authorities, health insurance companies and social



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insurance institutions that are overdue more than 30 calendar days.

6.4 The Client must provide the Bank with all necessary information the Bank may require as a part of fulfilling the obligations in accordance with applicable legal regulations related to measures against legalization of proceeds from criminal activities (money laundering) and against financing of terrorism. The Client acknowledges that the Bank is under the obligation to assess collected information from the point of view of risks related to money laundering and financing of terrorism and to take measures in accordance with the legal regulations.

6.5 In connection with fulfilling the notification duty, the Client must cooperate with the Bank and take any reasonable measures the Bank deems necessary in connection with verifying facts the Bank learns from the Client or third parties.

6.6 The Client must verify and authenticate the accuracy and completeness of all receipts, confirmations of banking transactions, account statements, and other notices sent by the Bank to the Client and to notify the Bank immediately of any error ascertained to have been made during the execution of the Client's instructions. If the Client fails to notify the Bank in writing of their objections to any confirmation, account statement, or other notice within 30 days of its delivery to the Client, or within a potential shorter deadline following from the legal regulations, all such documents will be deemed accepted, confirmed, and approved by the Client. In the event the Client does not receive a regular account statement from the Bank, the Client must inform the Bank immediately. An omission in the sense of the above provisions of this paragraph shall be considered as insufficient cooperation.

6.7 The Client must confirm the accuracy of the account balance as at the last day of a year by 31 January of the following year or raise objections by the same date. For the purposes of taking inventory of assets and liabilities, if the Client does not confirm or raise objections by the said deadline, the Client will be deemed to have approved the account balance as correct. Such non-confirmation, however, has not affected the Client's right to request the Bank to carry out a corrective settlement in accordance with the applicable provisions of the GBC.

6.8 The Client must allow the debiting of their account by the Bank without the Client's approval in the cases set out under the law or contractually agreed between the Bank and the Client, including the cases referred to in Article 23.3 of the GBC.

6.9 The Client must keep confidential Signature Specimens and any passwords or codes agreed for communication with the Bank and to inform immediately the Bank of their loss or misuse.

6.10 A client that is a foreign national with a residency permit in the Czech Republic must demonstrate to the Bank that their residency permit has been renewed sufficiently in advance before their residency permit expires (no more than 15 days).

## 7. Communication with the Bank

7.1 For communication with the Bank, the Client may use mail, a messenger or forwarding service, telephone, fax, or other electronic means (in particular e-mail, Internet or SWIFT), while the Bank will accept orders given by the Client, Authorized Persons, or otherwise empowered persons by means other than mail or a service with personal delivery only based on a special agreement on electronic communication (whether in the form of a separate agreement or as part of another contractual document). The Bank may require that the Client's communication with the Bank have a particular form.

7.2 The Bank reserves the right, but is not under the obligation, to request from the Client at the expense of the

same a written confirmation of any order given by the Client which the Bank has received by telephone, fax or other electronic means, including a confirmation of a transaction completed with the Client by telephone, fax or other electronic means. Based on such a request, the Client must confirm to the Bank the accuracy of such an order or confirm such a transaction immediately or within three Working Days in the case of request for delivery of the paper original of an order or a confirmation. If a risk of delay exists during the execution of the Client's order or the completion of a transaction with the Client, the Bank has the right, but is not under the obligation, to proceed in accordance with the Client's order or an agreement pertaining to the relevant transaction without receiving such a confirmation requested from the Client.

7.3 The Client expressly agrees that the Bank has the right to record any communication between the Bank and the Client related to Client orders to the Bank or the conclusion of trades with the Bank via technical means, where such recordings may be used as evidence of such communication. In the case of telephone communication, the Bank is obliged to inform the Client in advance of any potential recording of the conversation. Furthermore, the Client acknowledges that all records and documents pertaining to the provided banking services must be archived by the Bank in accordance with the applicable legal regulations.

7.4 Orders by the Client to the Bank of any kind must be explicit, understandable, and unambiguous; otherwise, the Bank has the right to refuse an order. Changes, confirmations, or recurrent orders must be designated as such.

7.5 The Bank only accepts orders from the Client, Authorized Persons or persons duly empowered by the Client, and the beneficiary of direct debit approved by the Client, and orders verified by an agreed password or code. Cancellation or any change of such an authorization, approval, password, or code is not binding for the Bank until the Bank receives the Client's written notice informing the Bank of such a cancellation or change.

7.6 Written documents must be submitted by the Client to the Bank in the form of the original or an officially certified copy. Documents in a language other than Czech, Slovak, or English must be presented by the Client together with an official translation into Czech, unless otherwise agreed between the Bank and the Client. As to documents and materials issued abroad, the Client must procure an Apostille for such a document or have the same superlegalized, if such a degree of verification is required for the recognition of a document's authenticity in the Czech Republic.

7.7 Forms, data carriers, or communication means the Bank has provided or licensed to the Client must be maintained and handled with proper care. The Client must inform the Bank in writing immediately of any defect in forms, data carriers, or communication means, in particular in the event of loss, theft, or misuse. The Client is liable for the consequences of any such defect until the Bank is duly informed of the same.

7.8 The Client is liable for any violation of copyrights or misuse of software licensed to the Client by the Bank. Any and all unused forms, data carriers, and communication means that the Bank has provided or licensed to the Client must be returned to the Bank without undue delay as soon as the business relationship between the Client and the Bank expires.

7.9 The Client agrees that if they provide the bank with data for the use of electronic means of communication (e-mail, fax, telephone, etc.), the Bank shall be entitled to communicate with them using these means. The Client furthermore explicitly agrees that the Bank may contact them by telephone on any Working Day between 8:00 and 19:00 and in urgent cases also outside these hours.



## 8. Delivery

8.1 Documents, including account statements, are delivered to the address of the Bank Office if addressed to the Bank, and, if addressed to the Client, to the address of the Client's permanent residence, place of residence, place of business, or registered office which the Client last reported to the Bank. The Bank can agree in writing with the Client on delivery to a different mailing address or on a different method of delivery, e.g. to a data mailbox or by other electronic method; an electronic delivery method may also be agreed upon as part of a special agreement on electronic communication within the meaning of Article 7.1 of the GBC. A notice announcing a change of the delivery address comes into effect in respect of the recipient on the day following the day on which such a notice is delivered to the recipient. The same applies to telephone or fax numbers and other data allowing communication between the Bank and the Client.

8.2 In relation to Clients to whom the Bank has provided access to the internet banking application via assigned access codes, the Bank and Client have agreed that important information, messages and notifications, including information on changes to the GBC, Special Terms and Conditions, Technical Terms and Conditions, List of Fees, interest rates declared by the Bank for Current Accounts (including the interest rates for interest charged to Authorized Debit when providing Overdraft) and deposit and savings accounts (including term deposits), the Penalty Interest or Complaint Rules, can be sent to the Client by the Bank in the form of an electronic notification in the internet banking application. The Client is responsible for regularly checking the electronic mailbox in the internet banking application so as to become acquainted with information sent by the Bank.

8.3 Notices delivered in person or by courier come into effect upon receipt or, if it is agreed that the Client will collect documents personally at a Bank Office, on the next Working Day after documents are prepared at the Bank Office for collection by the Client. Delivery in person at the Bank Office is possible during business hours. Notices sent by fax are considered delivered upon their successful sending. Notices sent by e-mail or to a data mailbox are considered delivered at the moment when the e-mail or data message is actually delivered to the recipient; if the Client can prove to the Bank that they were not objectively able to acquaint themselves with a notice sent by e-mail or data message at the given moment, the notice shall be considered delivered at the moment when the Client was objectively able to acquaint themselves with it, at the latest 10 days after the e-mail was delivered to the recipient or the data message was delivered to the recipient's data mailbox. Notices sent by electronic notification in the internet banking application will be considered delivered at the moment the Client first logs in to the internet banking application after the message is sent; at the latest, however, 15 days after the electronic notification is deposited in the Client's internet banking application.

8.4 Notices sent by registered post will be considered delivered five working days after they are given to the Post Office for delivery unless the Client can demonstrate that they were not objectively able to acquaint themselves with such a notice. If the Client refuses to accept a document or if a document cannot be delivered to the Client due to the fact that the Client did not notify the Bank of a change of address, the document is deemed delivered on the day when the Post Office or another forwarder (in particular, a forwarding or courier service) returns the document in question to the Bank, regardless of whether the Client has learned of the document or not. Notices returned to the Bank as undeliverable will be kept by the Bank until they are claimed by the Client, but for no more than one year after their return to the Bank. After the elapsing of one year, stored documents not claimed by the Client will be discarded. The Client acknowledges and agrees that in the case of repeated return of a letter due to being

non-deliverable, the Bank is entitled to change the method of delivery and proceed according to the preceding provisions concerning the depositing of returned letters at the Bank.

8.5 If permitted by operating conditions, the Bank and the Client may agree in writing on the delivery of account statements, confirmations, and other correspondence sent by the Bank to the Client through the Client's mailbox at the Bank Office. In such a case, notices will be deemed delivered on the following Working Day after they are deposited in the Client's mailbox.

8.6 The Bank's information and communications intended for all Clients may be delivered to Clients by making the same available at Bank Offices and by posting the same on the Bank's Website, or, if applicable, using also another suitable method.

8.7 The Bank confirms the receipt of all physically received documents from the Client by affixing on the same a stamp for received mail bearing the date of receipt or in another suitable manner, including, if applicable, the stating of the time of receipt. For the Bank, this date and time, if indicated, is the moment when all orders, notices, and instructions of the Client so received come into effect. For orders received by telephone or in the internet banking application, the order is received at the moment it is given to the Bank.

8.8 The Bank sends cash or other valuables to the Client or a third party in good faith, whether insured or not, at the Client's risk. Unless otherwise agreed, the delivery method is determined by the Bank, taking into account the Client's needs. Bills of exchange, agreements and documents demonstrating the fulfilment of conditions for realizing documentary payments (documentary credits and documentary debits) and bank guarantees can be sent by standard or registered letter or as valuables, or by courier service, in accordance with the valid postal regulations of the Czech Republic.

8.9 The Bank is not liable for damages or other detriments incurred as a result of delay, transmission defect, misunderstanding, or another error caused by the use of postal, telephone or fax services or other transmission, transport, or telecommunication means (including e-mail and internet) not caused by the Bank.

## 9. Liability of the Bank

9.1 The Bank provides general information on the scope, conditions, and deadlines related to the banking services provided by the Bank. Unless otherwise agreed and excluding cases so stipulated by the legal regulations for certain types of products or services or in relation to negotiations on the conclusion of an agreement in general, the Bank has no obligation to provide further information to the Client. In particular, the Bank is under no obligation other than in the above cases to inform the Client of the potential consequences of changes in market conditions, including, without limitation, the consequences of changes in interest rates, currency exchange rates, real estate prices, or the value of securities or other assets held by the Client and entrusted to or administered by the Bank.

9.2 The Bank is not liable for damage or loss incurred as a result of an interruption in the Bank's operation caused by an act of God, insurrection, war, or natural disaster or any other event that is beyond the Bank's control. Furthermore, the Bank is not liable for loss or damage caused by the Bank's inactivity or non-performance that is due to the Client's actions or the Client's insufficient cooperation with the Bank, including non-compliance or late compliance with the GBC.

9.3 If any of the events referred to in Article 9.2 occurs, the Bank will take measures that may be reasonably expected to alleviate any subsequent unfavourable effects that such events may have on the Client.





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9.4 The Bank is not liable for damage incurred as a result of complying with legal regulations by the Bank, in particular regulations setting out measures against money laundering and financing terrorism, with the exception of damage caused by omission or gross negligence on the part of the Bank.

9.5 If the Bank is under the obligation to make a payment based on submitted documents or release certain documents to a third party, the Bank's liability is limited to verifying the conformity of the external formal appearance of such documents with the Client's order or the conditions of the applicable transaction. The Bank does not examine other facts and does not assume liability for aspects that include, without limitation, the form, adequacy, accuracy, completeness, genuineness, or validity of such documents and signatures on the same as well as the authorization and powers of the bodies that issued the same, unless otherwise agreed with the Client.

9.6 The Bank is not liable for delays in the provision of services or the execution of orders, if the Bank is provided with documents in a language other than Czech, Slovak, English, or German without the applicable translation, which the Client must secure at their own expense.

## ACCOUNTS

### 10. Account Opening

10.1 The Bank opens and keeps an account for the Client based on a written account agreement on condition that the Client consents to compliance with the GBC in writing. Unless otherwise agreed or unless it follows from the purpose for which an account is opened, accounts are opened for an indefinite period. Unless otherwise agreed, an account is opened on the day the account agreement takes effect.

10.2 The Bank opens accounts in the Czech currency and in main foreign currencies. The Bank may set a certain minimum required deposit as a prerequisite for opening and keeping an account.

10.3 The Bank only opens an account after the Client or a person acting on behalf of a Client who is a legal entity demonstrates his/her identity in accordance with Article 4 of the GBC. The Bank may request any and all additional documents it deems necessary. The Bank does not open anonymous accounts.

10.4 The Bank has the right to refuse a demand for opening an account without stating a reason.

10.5 Only the Client has the right to open and close an account kept in the Client's name, to change instructions regarding the keeping of an account, and to grant and revoke the Right of disposal for an account. All instructions related to the keeping of an account must be given to the Bank in writing, be signed in accordance with the Signature Specimen, and be accompanied, if applicable, by other necessary or required documents (for example an up-to-date certificate of incorporation, etc.). The Client may empower a third party to open an account by issuing a special power of attorney bearing the Client's officially certified signature or signed by the Client in the presence of a designated employee of the Bank.

10.6 When opening an account, the Client must give the Bank information on whether the account is to be used for business or other purposes as well as any and all other information the Bank may reasonably demand for taxation and/or accounting purposes and/or the fulfilment of its other obligations.

10.7 As to the opening of an account for a branch, spin-off enterprise or other organizational unit of a legal entity or natural person-entrepreneur, the Client is the applicable legal entity or natural person-entrepreneur, and the Client is only authorized to use the account for the purposes of operating the applicable branch, spin-off enterprise or other organizational unit. The head of the

branch, spin-off enterprise or other organizational unit registered in the Commercial Register proves their identity and authorization to act on behalf of the Client in accordance with Article 4 of the GBC.

10.8 Funds deposited in an account may only be used in accordance with the account agreement, another related written arrangement between the Bank and the Client and the legal regulations. The Bank reserves the right to refuse to complete transactions that do not conform to the purpose of an account, unless otherwise specified in the account agreement.

10.9 Based on an agreement executed in writing, the Bank may open one joint account for several persons. Each of the persons for whom a joint account is opened has the status of the account holder. Unless otherwise agreed upon in the account agreement, the share of each person in the funds in the account is the same. The holders of a joint account enter into, amend, and cancel the account agreement jointly, unless they agree otherwise with the Bank in the account agreement. The holders of a joint account are jointly and severally liable for all obligations arising in connection with the joint account.

10.10 The Bank assigns to every account a number that must be specified together with other data prescribed in the Bank's forms for communication between the Client and the Bank. The Bank has the right to change an account number due to serious operations-related reasons; in such a case, the Bank must inform the Client by means of a written Notice sent no later than 60 calendar days prior to such a change. The Bank is not liable for and does not assume any expenses incurred by the Client in connection with a change of the account number.

10.11 The Client must compensate the Bank for any loss incurred by the Bank, if the Bank is not fully informed, without being at fault, of restrictions in the competence to perform legal acts of the Client or the Client's statutory representative or guardian.

### 11. Signature Specimen

11.1 Together with the account agreement, the Client must submit a duly and properly filled out Signature Specimen, which must be signed by the Client in the manner the Client will always sign all documents authorizing the disposal of funds in the Client's account, where the Client's signature must be inimitable. The Client's signature on the Signature Specimen form must be written in the presence of an assigned employee of the Bank or be officially certified.

11.2 If the use of a stamp or passcode is determined by the Client as a required part of the Signature Specimen, the imprint of the stamp or the passcode must be included in all cases when a document is signed in accordance with the Signature Specimen. If the text of the stamp or the passcode that is a part of the Signature Specimen changes, the Client must change the applicable Signature Specimen without undue delay. Until such a change is made, the Signature Specimen containing the original information applies.

11.3 In the Signature Specimen, the Client may designate one or several Authorized Persons and set the scope of their Right of Disposal with regard to funds in the account. The Signature Specimen must also contain the powers of attorney of the Authorized Persons to perform legal acts on behalf of the Client in connection with a specific agreement concluded between the Bank and the Client and represent a power of attorney within the meaning of Article 5.6 of the GBC.

11.4 The signature of an Authorized Person in the Signature Specimen must be written in the presence of a designated employee of the Bank or be officially certified. The Client must validate the authenticity of all signatures of the Client and/or Authorized Persons in the Signature Specimen by signing the Signature Specimen.



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11.5 If any information stated in the Signature Specimen changes, in particular the sample signature of the Client, the sample signature of an Authorized Person, or the scope of an Authorized Person's authorization to dispose of funds in the account), the Client must fill out a new Signature Specimen.

11.6 The Signature Specimen comes into effect in respect of the Bank on the day immediately following the day on which the Signature Specimen is presented to the Bank.

11.7 The Client must act so as to ensure that the data stated in the Signature Specimen and other agreed protective identification elements cannot be misused by third parties. The Client and the Bank may agree on another method for protecting funds in connection with the keeping of the Client's account.

11.8 The Bank is not liable for damage incurred as a result of an imitated or forged signature, which is otherwise identical with the Signature Specimen, and the Bank is unable to prevent such damage by exercising maximum care.

11.9 The Signature Specimen for a Current Account is also valid for a deposit or savings account and other accounts where their opening is conditional on the existence of a Current Account. Based on an agreement between the Bank and the Client, one Signature Specimen may be used for several accounts of the Client.

11.10 As regards the use of electronic banking services, the Signature Specimen means the access password and codes agreed between the Bank and the Client.

## 12. Account Disposal

12.1 Disposal of funds in an account may have the form of cash or cashless transactions as part of which the Client may use, based on individual agreements or Special Terms and Conditions, Payment Means or direct banking services having the form of electronic exchange of data.

12.2 All account transactions are carried out and settled in the currency in which the applicable account is kept. If the currency in which an account is kept ceases to exist, the Bank will convert the account balance on the date the applicable currency ceases to exist into its successor currency, and it will thereafter keep the account in the successor currency, where the Bank must inform the Client of such a change in advance using a suitable form.

12.3 The Client, as the account holder, is authorized to dispose of the account and funds in the account up to the Available Balance in accordance with the GBC without limitation. The Client may designate an Authorized Person to dispose of funds in the account who is specified in the Signature Specimen for the account.

12.4 An Authorized Person designated by the Client in the Signature Specimen has the right to independently dispose of funds in the account to the extent of the Right of disposal granted to them, unless otherwise specified by the Client in the Signature Specimen. If no limit is set for the disposal of funds in an account, an Authorized Person has the right to dispose of funds in the account without limitation.

12.5 The Client must inform the Bank without undue delay in writing if the authorization of any Authorized Person and such a person's Signature Specimen for any account opened for the Client are cancelled. Until the Bank receives such information, the Bank may proceed in accordance with an existing authorization or Right of Disposal.

12.6 If the Client is a juvenile person, funds in the account may be disposed of based on a written order given by one of the Client's statutory representatives. On the day the Client reaches legal age, the Client's statutory representatives cease to be authorized to dispose of the account and the funds in the account on behalf of the Client.

The Client must without undue delay inform the Bank of their intentions regarding the future keeping of the account, the designation of the same, etc. and sign a new Signature Specimen.

12.7 The Right of Disposal of an Authorized Person expires upon being terminated by the Client or cancelled by the Authorized Person. The termination or cancellation of a Right of Disposal must be executed in writing, and it comes into effect with regard to the Bank on delivery to the Bank in case of delivery in person or on the Working Day following the day of its delivery to the Bank in case of delivery by mail.

12.8 The account agreement does not expire upon the death of the Client – natural person, and the Bank continues accepting funds in the account and making payments from the account based on orders given by the Client or Authorized Persons, with the exception of cash pay-outs and transfers of funds from the account where the Client has expressly stated that they are to cease after the Client's death.

12.9 Furthermore, the Right of disposal of Authorized Persons does not expire upon the death of the Client, unless it follows from the scope of the authorization in the Signature Specimen that the Right of disposal is to remain in effect only while the Client is alive. In the event an administrator of inheritance is appointed who is authorized to administer the Current Account of a deceased Client, the Bank follows the orders of the administrator of inheritance.

12.10 In the event of insolvency proceedings against the Client or a decision for winding-up or liquidation of a Client which is a legal entity, the Bank will only allow disposing of the account to persons whose authorization in such a case originates under the applicable legal regulations.

12.11 The Client must maintain an account balance sufficient for making payments in accordance with the Client's orders and for paying the debts the Client has to the Bank under the account agreement. The Bank may refuse to execute an order given by the Client, if (a) the account balance is not sufficient, (b) the Bank has an unpaid due receivable from the Client, including Unauthorized Debit Balance on any account of the Client at the Bank, or (c) if it is stipulated by a legal regulation.

12.12 The Bank may dispose of funds in the account without an order of the Client or an Authorized Person only if it is stipulated in a legal regulation, the GBC, or a written contractual agreement between the Bank and the Client.

12.13 The Bank debit Bank Fees directly from the Client's applicable account on the dates referred to in clause 19.5 of the GBC. The Bank also carried out settlement of Bank Fees, if the account has a Debit Balance, without prejudice to any consequences such settlement may have for the Client under the applicable account agreement and the GBC. Unless otherwise agreed, the Client must settle a Debit Balance without undue delay.

12.14 The Bank is obligated and authorized to correct any and all accounting errors and inaccuracies in any account without the Client's approval by debiting or crediting the account in accordance with the provisions of the GBC, which define corrective settlement.

12.15 If the Bank receives from the bank of a payer a demand for the return of a sum the Client receives based on its direct debit order, the Bank reserves the right to debit the Client's account for such a sum and to return it to the payer's bank.

## 13. Account Statements

13.1 The Bank provides the Client with information on the completion of individual transactions, the balance, and movement of funds in any of the Client's Payment Accounts during an agreed period by means of account or transaction statements. Payment Account statements are provided to the Client at least once a month in electronic form free of charge; additional statements from Payment Accounts and



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statements from accounts other than Payment Accounts are subject to a fee according to the List of Fees unless otherwise agreed upon in the account agreement. The Bank provides statements from accounts other than Payment Accounts at least once a month under the condition that in the given month a deposit or withdrawal of funds or transfer thereof took place. Following the end of the calendar year the Bank provides the Client with information on the remainder of funds in an account other than a Payment Account.

13.2 Based on a mutual agreement, account statements may have the form of a printed document or another permanent data carrier, including electronic form allowing data storage and reproduction in unchanged form. Information on the account balance and transactions is provided by the Bank at the Client's request by telephone only after stating an agreed password.

13.3 If the Bank due to technical reasons does not state in an account statement transactions completed at the end of an agreed period, such transactions are stated in the account statement for the following period, and interest on such transactions is calculated based on the dates on which they were actually completed (Value Date).

13.4 A contractual agreement on the method for delivering account statements and other notices of the Bank at a Bank Office (personal pickup) must contain information on the Client and, if applicable, the name, address, and Identification Card number of persons who are authorized to collect the said documents.

13.5 At the Client's request, the Bank must issue duplicates of account statements the Bank has available. The Client must pay the applicable Bank Fee for the issue of a duplicate. If the Bank deems, at its discretion, that the Client's requests for duplicates exceed a normal extent in light of the nature of the matter or the quantity of such duplicates, the Client must compensate the Bank for additional expenses incurred in connection with the issue of duplicates.

13.6 As to loan drawing or a situation where a Current Account is overdrawn, the applicable account statement constitutes explicit evidence of the existence of the Bank's receivables from the Client, unless the Client presents written evidence demonstrating the contrary.

## 14. Account Closing

14.1 Unless otherwise agreed in the account agreement, an account may be closed at any time either by the Client or by the Bank using a written cancellation notice that may be served without stating a reason. Upon cancellation of the account agreement, the Client must return to the Bank issued Payment Means and electronic data exchange equipment for direct banking, unless the Client becomes the owner of such equipment.

14.2 If the Client terminates the contract by sending a notice of termination, the Account Agreement shall terminate upon expiry of the notice period, which shall be one month from the date of delivery of the notice to the Bank. The Client's right to change Payment Account pursuant to Section 203 et seq. of the Payments Systems Act shall not be affected. If the Bank terminates the contract by sending a notice of termination, the Account Agreement shall terminate upon expiry of the two-month notice period from the date of delivery of the notice to the Client. However, in case of withdrawal from the Account Agreement by the Bank due to a substantial violation of these GBC or other contractual or legal obligations by the Client, the Account Agreement shall terminate on the day of delivery of the withdrawal notice to the Client..

14.3 The Client and the Bank may also terminate an account agreement as of an agreed date in writing. If an account agreement is agreed for a definite period, the account agreement expires upon the elapsing of the agreed period. This shall not affect the right of the Client under the

conditions of Article 14.2 above to serve at any time a cancellation notice on the obligation from an account agreement concluded for a fixed period.

14.4 The Bank may close any account effective immediately by serving a written notice to the Client, if an account has a zero balance and no transaction has taken place in the past six months (with the exception of transactions completed at the Bank's initiative).

14.5 On the day on which an account agreement expires, the Bank closes the account in question. If Payment Means have been issued for an account, the Client must return them to the Bank by a deadline set by the Bank.

14.6 Furthermore, an account may only be closed after the settlement of all the Client's obligations to the Bank. If after closing an account, the Bank is subsequently charged for payments made using Payment Means, the Bank will have the right to claim compensation for such payments from the Client.

14.7 The Bank will handle the account balance in accordance with the Client's written instruction and in accordance with an instruction given by the applicable party charged with settling the Client's inheritance upon the Client's death, that being after deducting account administration fees and fees for completing the last transactions on the account. Unless the Bank receives from the Client an instruction regarding the handling of the account balance, the Bank will close the account and keep the proceeds from the closed account in its records during the statutory prescription period with no further accrual of interest.

14.8 The Bank will confirm to the Client the date of closing an account and the manner in which the account balance was used by sending a written notice to the Client's last known address.

14.9 Along with the termination of the account agreement, all other contracts concluded between the Bank and the Client directly related to the account in question, in particular contracts for the use of Internet banking services, payment card issuance agreements and commission brokerage agreements, shall automatically terminate. In the event that such contracts are directly linked to more than one Client's account with the Bank, they shall be terminated only to the extent of the terminated accounts. Agreements that are not directly bound with the respective account, in particular loan agreements (including mortgages and consumer loans), security agreements (e.g. pledge agreements), as well as other collaterals, are not terminated upon the account agreement termination.

## 15. Current Account

15.1 A Current Account is the basic instrument for payment transactions and monetary deposits. Funds in a Current Account have the nature of deposits payable at sight. A Current Account may be linked to other products and services of the Bank. Unless otherwise stipulated in the applicable account agreement, a Current Account is a Payment Account and the account agreement is at the same time a master agreement on payment services (i.e. completion of payment transactions not specified individually in the agreement) pursuant to the Act on Payment System.

15.2 Payments in a currency other than the currency in which the Bank keeps an account based on a written agreement with the Client are converted by the Bank to the currency in which the Current Account is kept. The Client must pay the Bank a Bank Fee for a conversion of funds in accordance with the List of Fees in effect on the day the conversion is effectuated. The Bank is under no obligation to accept a payment in foreign currency coins.

15.3 The Bank executes a payment order involving a conversion of one currency into another currency only using



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the Bank's Reference Exchange Rate in effect at the time the conversion is completed, unless the Bank and the Client agree on using an individual exchange rate for the applicable payment transaction.

15.4 Upon closing a foreign currency Current Account, the Bank must pay out the balance in banknotes of the foreign currency of the account up to the sum that can be thus paid. The Bank may pay the countervalue of foreign currency coins in the Czech currency according to the current Reference Exchange Rate of the Bank.

15.5 A Current Account may only be closed after the closing of all other related accounts the Client has with the Bank, unless otherwise agreed between the Bank and the Client.

15.6 Based on the Client's demand and the Bank's current offer of products, the Bank may issue Payment Means to the Client for a Current Account and provide services related to them (disposal of funds in an account and provision of information on an account through electronic exchange of data, in particular by telephone, fax, or the Internet), and, if applicable, other services. The rules for providing and using the said services are set out in the applicable agreement or Special Terms and Conditions.

## 16. Deposit and Savings Accounts

16.1 For depositing Clients' funds at higher interest rates, the Bank opens deposit and savings accounts of various types in accordance with the Bank's current offer of deposit and savings products, which is available at Bank Offices and posted on the Bank's Website. The specific conditions for opening and keeping individual types of deposit and savings accounts are set out in the applicable agreement on such an account. The account agreement stipulates whether a deposit or savings account is a Payment Account (Section 2669 of the Civil Code) and whether the account agreement is also a framework agreement on payment services for the deposit or savings account (i.e. for carrying out payment transactions not individually listed in the agreement) within the meaning of the Act on Payment Systems, or whether the deposit or savings account is an account other than a Payment Account (Section 2670 and following of the Civil Code).

16.2 A deposit account can be a term deposit with a specific maturity (term accounts) or a different deposit with an open-ended maturity (including savings and similar accounts), or with the possibility of the deposit being paid out at sight, even in instalments. A client may be required to have a Current Account at the Bank in the applicable currency as a precondition for opening a type of deposit or savings account. To open a term deposit, the Client must always have a Current Account in the applicable currency with the Bank. The conditions of the agreement on a deposit or savings account state whether it is an obligation from the account agreement (Section 2662 and following of the Civil Code) or from an agreement on a one-time deposit (Section 2682 and following of the Civil Code).

16.3 Based on an agreement with the Bank, term deposits may be either one-time deposits or revolving deposits for a certain period according to the Bank's current offer. A prerequisite for making a term deposit is an agreement on the currency, sum, interest rate, and maturity of the term deposit and, if applicable, other conditions the Client and the Bank may consider important, for example the conditions for renewing the deposit. The Client is informed of the establishment of a deposit in the applicable account statement.

16.4 Unless otherwise agreed by the Client and the Bank, the Bank renews term deposits using the currently valid interest rate announced by the Bank for term deposits with a similar value and for the same period. The Client may cancel a deposit renewal agreement no later than one Working Day prior to the maturity date of the deposit in question.

16.5 If the Client demands the cancellation of a term deposit before its maturity date or requests a payment from a savings account prior to the elapsing of the agreed notice period, the Client's right to the interest accrued on the deposited sum expires, unless otherwise agreed.

16.6 Unless otherwise agreed or stipulated by a legal regulation, interest on term deposits is payable on the maturity date of such term deposits and interest on deposits for an indefinite period is payable no later than at the end of every calendar year. As to deposits with a maturity period exceeding one year, the Bank must pay interest after the elapsing of one calendar year at the Client's request.

## 17. Basic Capital Account

17.1 The Bank may open a special account (registered capital account) for a corporation that has its registered office in the Czech Republic, where the founders are subject to the statutory duty to deposit basic capital prior to applying for the incorporation of the corporation in the Commercial Register. Such an account can only be opened after the submission of the originals or officially certified copies of the founding documents of the corporation (for example memorandum of association, articles of association), which clearly show the exact amount and currency of the registered capital, the method for paying the registered capital, and the person designated as the administrator of contributions. After prior agreement with the founders, the Bank may be designated as the administrator of contributions. After receiving payments for the registered capital from founders, the Bank will issue a receipt of payment.

17.2 With the exception of a designated administrator of contributions, no person may dispose of funds deposited in a registered capital account until the corporation is incorporated in the Commercial Register. Until such time, the Bank will not accept for such an account any signature specimens of the governing body/bodies, representative(s), or Authorized Persons. If a corporation is not incorporated in the Commercial Register, this fact must be evidenced to the Bank by the submission of the enforceable decision of the applicable court rejecting the application or halting proceedings, or by the submission of a confirmation of withdrawing an application for the incorporation of the corporation in the Commercial Register. Subsequently, the Bank will return the funds to the administrator of the deposited registered capital or to the founders and close the account.

17.3 After incorporation in the Commercial Register, a corporation must without undue delay present to the Bank a certificate of incorporation demonstrating its incorporation. Subsequently, the Bank will either open for such an incorporated corporation a Current Account and accept Signature Specimens from the Client and Authorized Persons or pay out or transfer the funds from the registered capital account in accordance with instructions given by the corporation's governing body.

## 18. Special Types of Accounts

To meet the specific needs of Clients or to perform specific transactions, the Bank may open special accounts based on individual agreements with Clients. Such accounts may be subject to Special Terms and Conditions, if the same are issued by the Bank for such specific services or transactions.

## 19. Interest Rates, Bank Fees, Costs

19.1 The current interest rates for interest on the account balance (including the interest rate for charging interest on Authorized Debit under Overdraft and the Penalty Interest Rate) and for term deposits and individual currencies, as well as changes thereto and the day they take effect, are declared by the Bank and published on the Interest Rate Table. The Client acknowledges and agrees that the Bank is entitled to unilaterally adjust the interest rates for interest on the account balance (including the



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interest rate for charging interest on Authorized Debit under Overdraft and the Penalty Interest Rate) at any time in connection to developments on the monetary market and with regard for its business policy under the conditions of Articles 44.2 through 44.5 of the GBC.

19.2 The method of determining interest rates for credit transactions is set out in individual agreements between the Bank and the Client. The agreement with the Client on the provision of Overdraft may state that the current interest rate for charging interest on the Authorized Debit is declared on the Interest Rate Table, with regard for the conditions of Articles 44.2 through 44.5 of the GBC.

19.3 Unless otherwise agreed upon, Bank Fees are charged in accordance with the current List of Fees, which is published at Bank Offices and on the Bank's Website. The List of Fees only contains Bank Fees payable between the Bank and the Client and does not include fees, commissions, and other charges payable to any third party. The Bank reserves the right to modify and change the List of Fees at any time based on a change in the market situation, taking into account its business policy, under the conditions of Articles 44.2 through 44.5 of the GBC.

19.4 If the Bank and the Client do not enter into a special agreement and the applicable interest rate has not been declared by the Bank or the applicable Bank Fee is not stated in the List of Fees, such an interest rate or Bank Fee is set taking into account the conditions in the marketplace and the usual business practices that apply to the transaction in question.

19.5 Unless otherwise agreed and with the exception of currencies where calculations are based on a different number of days, interest rates and Bank Fees set as per annum rates are calculated based on a year lasting 360 days and the applicable number of days (including the first and excluding the last day) of the period for which such interest and Bank Fees are payable.

19.6 Interest and Bank Fees will be charged in favour or to the debit of the Client's account as at the last day of an interest period or on their due date and as at the day on which an account is closed. Unless otherwise follows from GBC, Special Terms and Conditions or a written agreement, Bank Fees are payable on the day the applicable banking services are provided or the applicable transaction is completed. The Interest period corresponds to a calendar month, unless otherwise agreed. The Bank will debit an account even if the balance of funds in the account is insufficient and such debit results in a Debit Balance.

19.7 If the Client, contrary to the account agreement or the GBC, overdraws an account in excess of the Authorized Debit, is late with paying its due debts to the Bank, or its account shows Unauthorized Debit for another reason, the Bank may charge the Client the Penalty Interest, which will accrue on all outstanding sums (with the exception of amounts from already due and still unpaid Penalty Interest) starting on the due date (inclusive) until they are paid in full. The parties agree that the Penalty Interest will also accrue on the amounts of interest owed within the meaning of Section 1806 of the Civil Code. If the Penalty Interest Rate changes, the Bank may charge the same at its new rate starting on the day such a change comes into effect.

19.8 Interest accrued in the Client's account may be subject to the withholding tax that will be calculated by the Bank and deducted on the day interest is paid in accordance with applicable Czech tax laws and, if applicable, with the applicable international agreements.

19.9 Unless otherwise agreed, the Bank and the Client bear their respective cost of entering into an agreement. The cost of an amendment to an agreement initiated by the Client is borne by the Client.

19.10 The Client agrees to compensate the Bank upon request for all costs and direct expenses incurred by the Bank in connection with the provision of banking services and actions the Bank would not be obligated to carry out according to the agreement with the Client, in particular the payment of taxes, insurance premium, postal and telecommunication charges, the cost of legal, tax, and financial consulting, as well as the cost of the Bank's legal representation in cases of disputes between the Bank and a third party in connection with a banking service or trade concluded at the Client's order. The Client authorizes the Bank to debit any of their accounts for all such costs.

## CASH TRANSACTIONS

### 20. Cash Deposits and Withdrawals

20.1 The Bank accepts cash deposits to an account kept by the Bank based on a deposit slip submitted at a Bank Office counter, or, if agreed, delivered by a special delivery service. Cash is credited to an account immediately after its receipt by the Bank. The Client acknowledges that according to the legal regulations the Bank is obliged to confiscate any false banknotes potentially received from the Client without compensation.

20.2 The Client or an Authorized Person may withdraw cash at a Bank Office counter by presenting a withdrawal slip up to the Available Balance in the account. As to a onetime withdrawal of a sum exceeding CZK 500,000, a one-time withdrawal a foreign currency sum having the countervalue of CZK 100,000, or a concurrent withdrawal of sums that in total exceed the said values, the Client, an empowered person, or an Authorized Person must inform the Bank of the intended withdrawal no later than at 12:00 two Working Days prior to the withdrawal. A different period or sum may be set by a branch of the Bank in an individual case. The confirmation of receipt of cash having the form of the Client's or the Authorized Person's signature on the cash withdrawal slip constitutes conclusive evidence of every such withdrawal.

### 21. Purchase and Sale of Foreign Cash and Cheques

21.1 The Bank may purchase and sell cash and cheques in the foreign currencies listed in the Bank's Exchange Rate Table in accordance with the foreign exchange regulations and the customary banking practices. The Bank issues to the Client a confirmation of completing purchase or sale. Travel cheques may only be purchased by the Bank in accordance with the conditions set by the issuer of such cheques.

21.2 Cash and cheques in currencies other than those listed in the Exchange Rate Table or whose authenticity is doubtful and highly damaged banknotes are not purchased by the Bank; however, the Bank may accept the same for collection. The Bank does not purchase coins in foreign currency.

### 22. Cash Transaction Identification

In respect of cash transactions exceeding the equivalent of the amount of EUR 1,000 in the currency of the respective transaction the Bank is obliged to perform the identification of the Client in accordance with the applicable legal regulations. After such identification, when carrying on subsequent transactions done by the Client or on its behalf, the Bank checks the identity of acting individuals. In case of transactions amounting to EUR 15,000 or more or to equivalent of such amount in other currency and in case of transaction with a politically exposed person, the Bank further performs the due diligence of the Client in accordance with relevant legal regulations while the Client is obliged to submit to the Bank the information, including relevant documents, which are necessary for such due diligence.



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## CASHLESS TRANSACTIONS (TRANSFERS)

### 23. Rules for Disposal of Funds

23.1 Transfers of funds from the Client's account are executed by the Bank based on the Client's payment orders or the Bank's payment cards.

23.2 If the Bank issues at the Client's request and on the Client's account a bank guarantee or a letter of credit or otherwise agrees to perform for the Client in favour of a third person (beneficiary), the Bank will make the applicable payment after the conditions for the Bank's performance are fulfilled. In such a case, the Client must without undue delay compensate the Bank for all sums paid by the Bank under such a guarantee, letter of credit, or other performance for the Client together with all costs and expenses incurred by the Bank in connection with such a payment.

23.3 The Bank may debit the Client's account without the Client's permission only in the following cases:

- (a) settlement of a due receivable the Bank has from the Client;
- (b) mutual settlement of receivables and obligations prior to closing the account;
- (c) payment of due debit interest charged to the account;
- (d) payment of Bank Fees and other expenses incurred by the Bank, including fees charged by other banks for banking services provided to the Client;
- (e) the Bank's receivables related to a payment made under an issued bank guarantee, letter of credit, collateral, or another debt of the Bank to pay for the Client or related to a cashed bill of exchange;
- (f) settlement of payments made by payment cards;
- (g) a corrective settlement;
- (h) payments made based on an enforceable decision of the applicable authority ordering the enforcement of a ruling or execution;
- (i) deduction of the withholding tax;
- (j) direct debit payments approved by the Client;
- (k) any other reasons set out in the legal regulations, specified in the GBC or otherwise agreed in an agreement with the Client.

23.4 Making payment in relation to Clients is defined in detail in the Technical Terms and Conditions or Special Terms and Conditions.

### 24. Payment Orders

24.1 The Client presents payment orders to the Bank either in writing or, if requested by the Bank, using a designated form or a form agreed with the Client, and/or using a data carrier or another communication means approved by the Bank or through an application of an authorized provider of the indirect payment order placement service (this method may be used to submit a payment order to the Bank only if the Client's account is accessible via the Internet). Payment orders must be signed by the Client or an Authorized Person (if applicable, they must bear a stamp or show the corporation name) in accordance with Signature Specimens given to the Bank and/or in accordance with agreed verification codes. A signature on a written payment order may not be substituted by mechanical means.

24.2 Every individual item of a summary payment order is considered a payment order. Furthermore, a payment order is a payment order initiated by the beneficiary of a payment approved by the Client as the payer in the form of approving direct debit.

24.3 On the day it is presented, a payment order must not be older than 30 calendar days, unless otherwise agreed between the Bank and the Client or unless otherwise specified in the GBC.

24.4 The Client must inform the Bank of a payment order that needs to be executed in a rapid manner. Such information must always be provided in writing. If the Bank

is not informed of such a necessity, the Bank, excepting gross negligence on the Bank's part, is not liable for damage that may be incurred by the Client as a result of the payment being made in a standard manner in accordance with the applicable provisions of the GBC.

24.5 The Client is liable for the completeness and accuracy of the data stated in a payment order, in particular data important for the correct execution of the payment order. As to domestic payments, such data include mainly the account numbers and the bank codes of the payer and the payee, the sum and currency, a signature written in accordance with the Signature Specimen, and, if applicable, the due date; as to foreign or foreign currency payments, also the IBAN, if the same is required as the account number of the payee. The Bank may refuse to execute a payment order that is not duly signed, is incomplete, is filled out by pencil, or contains deletions, overwritings, or any other corrections.

24.6 For repeated payments and transfers to the same beneficiary, the Client may agree with the Bank on a recurring payment order or give consent to direct debit. Any change or cancellation of recurring orders or direct debit consents may be received by the Bank in writing by the deadlines and closing times for making payments specified in the Special Terms and Conditions, but not less than one business day in advance or through Internet Banking. In the consent to direct debit, the Client must specify the approved direct debit sum or set a limit for payments initiated by the beneficiary, where the Bank and the Client agree that in such a case, the Bank does not refund a sum paid by means of direct debit.

24.7 Based on legal regulations, the Bank may demand the submission of documents demonstrating the grounds for the origination of debts and receivables in respect of payments to and from foreign countries.

24.8 In case the Client demands the cancellation or a change of an order with a deferred due date prior to its acceptance pursuant to Article 26.2 of the GBC or in case the Bank rejects, retains, or cancels an order due to the Client's failure to comply with contractual obligations, the Client must compensate the Bank for all related costs and fees according to the List of Fees.

### 25. Foreign Payments and Foreign Exchange Transactions

25.1 The Bank makes foreign payments and completes foreign exchange transactions in accordance with the foreign exchange regulations and other applicable legal regulations, which may be amended from time to time.

25.2 Unless expressly agreed otherwise, the Bank is not liable for any loss incurred by the Client as a result of exchange rate fluctuations during the making of foreign payments and completion of foreign exchange transactions for the Client.

### 26. Execution of Payment Orders

26.1 A payment order must be delivered to the Bank no later than at the Closing Time on the due date of the payment order. Information on the Closing Time is available at Bank Offices and posted on the Bank's Website. If no due date is specified in a payment order or if the Bank receives an order after the Closing Time, the Bank makes the applicable payment no later than on the Working Day following the receipt of the payment order. The due date is the day determined by the Client for money being withdrawn from the account.

26.2 A payment order accepted by the Bank cannot be revoked. The time of acceptance of a payment order is the time when the Bank receives the payment order or a direct debit order approved by the Client. In case of deferred due date, the time of acceptance is the time specified as the due date.



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26.3 Cashless domestic payments in the Czech currency or within the EES member states in the national currencies of EES member states received in favour of the Client are credited to the Client's account immediately after the Bank receives the funds and an authorization to dispose of such funds and obtains all the necessary information for crediting such payments to the Client.

26.4 As to transactions or payments from foreign countries other than EES member states denominated in currencies other than the national currencies of such states, cashless payments received in favour of the Client are credited to the Client's account no later than on the Working Day following the day on which the Bank receives funds and an authorization to dispose of such funds as well as all information necessary for crediting the payment to the Client.

26.5 The Client must secure a sufficient balance of funds fully covering submitted payment orders.

26.6 Bank may refuse to execute a payment order, if (a) the balance in the Client's account is not sufficient or in case of outstanding overdue claim(s) of the Bank against the Client, including Unauthorized Debit in any Client's account with the Bank, (b) the order does not meet the applicable requirements or is damaged or illegible, or (c) the payment is liable to violate the legal regulations. Furthermore, a payment order placed through an indirect payment order placement service may be rejected by the Bank a) in case of suspected unauthorized or fraudulent use of the Client's payment means or personal security features or b) in case of the indirect placement of a payment order through a person who is not authorized to provide the indirect payment order placement service or c) in case that the provider of the indirect payment order placement service fails to identify itself to the Bank.

26.7 The Bank does not perform partial execution of payment orders with the exception of the cases referred to in Article 23.3(h) of the GBC.

26.8 As to payment orders with the same due date and/or in cases where the Available Balance is insufficient for executing all payment orders, the Bank does not guarantee the execution of orders in a certain order. The Bank subsequently executes payment orders, and payment orders for which there is an insufficient balance will not be executed. The Bank will inform the Client of such a situation and shall not be liable for damage that may be incurred as a result of such non-execution of orders/collections. The Bank does not return non-executed orders to the Client.

26.9 Unless otherwise agreed upon with the Client, the Bank may determine the method for executing orders and use a Correspondent Bank at its discretion. The Bank assumes no liability for the time and manner of executing orders by the beneficiary's bank or any intermediary bank.

## 27. Corrective Settlement

27.1 In the event the Bank does not perform a payment in the Czech currency in the Czech Republic in accordance with an order of the Client and thus causes an error in the settlement of the sum or in the bank details, the Bank corrects such an error by means of a corrective settlement.

27.2 The Bank may also carry out a corrective settlement at the request of another bank, if the Client is the unauthorized recipient of a payment incorrectly executed by the requesting bank. As to a corrective settlement requested by another bank, the Bank may debit the Client's account for the sum of the corrective settlement without the Client's permission retroactively as of the Value Date on which such an erroneous payment was credited. A demand for a corrective settlement may be made until three months after the date of the incorrect execution of a payment.

27.3 When correcting its own erroneous settlement, the Bank compensates the Client for loss consisting of interest that would have accrued on funds in an account during the

period for which such funds were not available to the Client. Conversely, the Bank is entitled to debit the Client's account for interest accrued on the sum of a corrective settlement during the period for which such a sum was available to the Client in an unauthorized manner.

27.4 The Bank informs the Client of the performance of a corrective settlement in an account statement.

27.5 The Bank does not carry out a corrective settlement, if an error is caused by the correct settlement of an order erroneously given by the Client.

## OTHER BANKING SERVICES

### 28. Payment Cards

Based on the Client's application, the Bank may at its discretion issue to the Client, for the Client's account, a payment or credit card or cards or broker the issue of such cards. The issue of a card is subject to an individual agreement between the Bank and the Client and the Special Terms and Conditions that regulate the issue and use of the Bank's payment cards. The Bank is under no lawful obligation to issue a card to the Client.

### 29. Bills of Exchange, Direct Debit Orders

29.1 If the Bank credits the Client's account – prior to receiving a payment for the same – for the countervalue of bills of exchange, or other documents submitted by the Client for collection from a debtor or if the Bank discounts bills of exchange, such a credit note is conditional on the Bank's receipt of the sum of such documents in full, even if such documents are payable at the Bank itself. If bills of exchange or other documents are not paid at all or are not paid in full, or if they are payable in a foreign country and the right to receive a payment based on such documents is limited by legal regulations or administrative measures in effect in such a country, the Bank will debit the Client's account for such an unpaid amount.

29.2 A bill of exchange or another document submitted to or discounted by the Bank may be settled by the Bank to the debit of the Client's account before such a document comes due, if (a) the Bank does not receive information it deems fully satisfactory in respect of the party liable to pay for such a bill of exchange (b) other bills of exchange of such a party have been protested due to non-payment or non-acceptance, or (c) there has been a significant unfavourable change in the financial position of such a liable party.

29.3 If the Bank receives a payment in a currency other than the currency stated on the applicable bill of exchange or other document, the Client must compensate the Bank for any loss incurred as a result of the difference in exchange rates, and the Bank may charge such a loss to the debit of the Client's account.

29.4 The Bank only pays a bill of exchange submitted to it for payment on condition that it receives from the Client a sufficiently detailed written instruction in respect of such a matter, and on condition that the Client has a sufficient Available Balance in their account allowing the Bank to make a timely payment for such a bill of exchange.

### 30. Investment Services

30.1 The Bank provides its Clients with investment services to the extent of its valid banking license and securities trading permit.

30.2 The Client acknowledges that transactions involving investment instruments are a risky activity that may be loss making for the investor. The Client must therefore duly assess every investment decision and the



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content of a specific transaction and, if applicable, discuss it with their specialized advisors to ensure that, prior to closing a transaction, they have understood the nature of the applicable transaction and duly considered all financial and legal risks of such a transaction.

30.3 As far as transactions involving investment instruments, the Bank may request the Client to provide information on the Client's financial situation, experience with investing into investment instruments, and the objectives to be accomplished by the applicable service. If the Client does not provide the Bank with requested information, the Bank may refuse to provide requested services.

30.4 If the Bank, as a securities trader, is unable to fulfil its obligations to the Client due to reasons directly related to the Bank's financial situation, the Client is entitled, under the conditions set out under the Act on Conducting Business on the Capital Market, to compensation from the Guarantee Fund of Securities Traders in the amount set out under the said act. The conditions for claiming compensation from the Guarantee Fund of Securities Traders are available to Clients at Bank Offices and on the Bank's Website.

## 31. Credit Transactions

The Bank offers various types of credit products that are provided to the Client based on an application, an individual assessment of the Client's credit standing, entering into the applicable agreement, and provision of appropriate collateral. The Bank may issue Special Terms and Conditions for credit trades.

## 32. Other Services

Based on individual requirements and entering into the applicable agreement, the Bank may provide Clients with other services, on condition that providing such services is in conformity with the Bank's valid banking license.

32.1 If Client has access to Internet Banking, the Client can (i) view the overview of accounts, which contains information on accounts maintained by the Bank, and (ii) determine the balance of accounts maintained by the Bank, (iii) obtain information on the transaction history of accounts maintained by the Bank, where all of the foregoing can be obtained using the payment account information service, which is provided by an entity other than the Bank.

## COMMON AND FINAL PROVISIONS

### 33. Due Days and Payment of Client Debts to the Bank

33.1 In addition to the reasons for which the Client's receivables come due under the law and potential other reasons agreed upon in the agreement, the Bank may declare in a written notice to the Client any and all receivables the Bank has from the Client payable effective immediately, if:

- (a) the Client is late with paying a monetary debt to the Bank; or
- (b) the Client has breached an obligation to which the Client is subject under an agreement or the legal regulations and fails to rectify the breach within a reasonable period set by the Bank and the breach of this obligation could have an effect on their ability to fulfil their obligations to the Bank; or
- (c) a decision is made to wind up the Client (legal entity) or if the Client (natural person – sole trader) terminates their business activity or a decision is issued terminating their business activity; or
- (d) the Client uses funds provided to the Client by the Bank contrary to the agreed purpose or the use of funds in

accordance with an agreed purpose is no longer possible.

33.2 If the Client is under the obligation to make a payment to the Bank or if the Client is late with paying multiple monetary debts and a payment made by the Client is insufficient for covering all such debts, payments to be made by the Client are set off, i.e. the Bank may collect funds from the Client's account to satisfy its receivables, in the following order:

- (a) contractual fines levied under any agreement entered into between the Bank and the Client;
- (b) compensation for damages;
- (c) Bank Fees;
- (d) default interest;
- (e) due contractual interest;
- (f) due principal of a loan;
- (g) unfair enrichment;
- (h) other debt.

33.3 If the Client is to fulfil several debts of the same kind to the Bank, a payment is first credited toward the debt that comes due first.

33.4 If on the due date of any payment the Client does not have a sufficient balance of funds in their account, the Bank may, but is under no obligation to, collect funds from any other account the Client has with the Bank up to the amount of the due payment, and for this purpose, the Bank may convert sums in any currency from any account to any other currency using the Bank's currently valid Reference Exchange Rate. If the Client does not have a sufficient balance of funds in a designated account on the due date of any payment to be made by the Client, the Client hereby expressly agrees that the Bank may debit such an account even if the balance of funds in such an account is insufficient. If as a result of direct debit an account is overdrawn in an unauthorized manner, the Bank may apply the agreed Penalty Interest Rate on the Unauthorized Debit. The fact that the Bank does not debit a designated account or any other account the Client has with the Bank, the fact that there is an insufficient balance of funds in all such accounts, or collection of funds by the Bank resulting in Unauthorized Debit in an account does not release the Client from the Client's obligations to the Bank, which last until all such obligations are fulfilled in accordance with the Bank's accounting records.

## 34. Set-off

34.1 The Client agrees that the Bank may, but is under no obligation to, set off at any time any and all (individually and as a whole) its due receivables from the Client under the mutual business relationship against any and all receivables of the Client from the Bank under the mutual business relationship, including the balance in all accounts kept by the Bank for the Client or any collateral securing the Client's obligations to the Bank, that being regardless of the place of payment or the currency in which such receivables are denominated. Furthermore, the Bank may set off its receivable against the Client's receivable that has expired or has not come due. The Bank's act leading to a set-off is debiting the offset sum from the Client's account. The Bank informs the Client of a set-off in a suitable manner.

34.2 If a set-off requires converting one currency into another, such a currency conversion is completed using the current Reference Exchange Rate.

34.3 The Bank's set-off right may be exercised independently of any other legal recourse the Bank may have.

## 35. Collateral

35.1 The Bank may at any time demand from the Client adequate collateral or addition to collateral securing all the Bank's monetary and non-monetary, due and non-due, existing, future, or conditional receivables from the Client in





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connection with such a transaction, including conclusion of relevant security agreements. The Client must provide the Bank with such collateral or addition to such collateral upon request at their own expense without undue delay, that being in the form and amount required by the Bank. The Bank is entitled to appraise the value of collateral at any time, and, in this regard, the Client must cooperate with the Bank to the maximum necessary extent. At the Bank's request, the Client must procure without undue delay at their own expense an expert appraisal of collateral performed by an expert approved by the Bank in advance.

35.2 The quality of collateral securing the Client's obligations provided to the Bank must not be worse than the quality of collateral securing the Client's obligations to other creditors ("pari passu"), unless expressly agreed otherwise.

35.3 At the Bank's request, the Client must without undue delay enter into an agreement with the Bank at their own expense under which they acknowledge their obligations to the Bank by means of a notarial deed containing the Client's consent to the execution of the same, unless the Bank considers the existing security of its receivables from the Client sufficient and in the Bank's opinion there is no danger that the Client could default on its debts to the Bank.

35.4 The Client must keep collateral in good condition, protect the same from damage or destruction and, if allowed in light of the nature of collateral, insure collateral with an insurance company accepted by the Bank. Without the Bank's prior written permission, the Client may not encumber collateral by third party rights or otherwise dispose of the same.

35.5 The Client's receivables from the Bank consisting of deposits on accounts with the Bank, securities, physical objects, claims, rights, and any other items or material values the Client has entrusted to the Bank into deposit or which the Bank is authorized to dispose of may be seized as collateral securing the payment of all due and non-due, existing, future, and conditional debts of the Client to the Bank.

35.6 Collateral provided by the Client or a third party also secures the Bank's claims related to withdrawal from the agreement under which a secured receivable has originated.

35.7 The Client must without undue delay inform the Bank of all facts liable to have a direct or indirect effect on the Bank's ability to realize collateral instruments provided for the purpose of securing the Client's debts to the Bank.

35.8 If the Client fails to fulfil their monetary debts to the Bank in a proper and timely manner, the Bank is authorized to realize any collateral provided to the Bank, that being in an order established by the Bank. The Bank is under no obligation to inform the Client that it is to realize collateral or to conform to any deadlines, unless otherwise stipulated under legal regulations.

35.9 If the Client's obligations are secured by assigned or pledged Client receivables, the Client must collect such receivables for the Bank at the Bank's request. As to such receivables, the Bank is authorized to take any and all steps the Bank deems necessary for the realization of collateral.

35.10 The Bank may waive any collateral at any time, if the Bank no longer deems such collateral useful.

35.11 The Client bears all costs incurred by the Bank in the realization of collateral securing the Client's obligations to the Bank.

35.12 The guarantor or other third party giving the Bank a security for fulfilment of Client's obligations shall be considered as the Client pursuant to these GBC, while provisions of the GBC and the Special Terms and Conditions valid for the respective transactions shall apply

to those persons mutatis mutandis, as long as the agreement between the Bank and such a guarantor or other third party providing the Bank a security refers to the GBC or Special Terms and Conditions as an integral part thereof.

## 36. Taxes

36.1 Any and all payments the Client is under the obligation to make to the Bank in connection with any banking service or transaction must be free of any deduction of tax or other liabilities, with the exception of cases where the Client must deduct or withhold a sum under the applicable legal regulations and international agreements preventing double taxation. If such a duty to deduct or withhold a sum exists, the sum payable by the Client must be increased so that the Bank receives a payment in the net agreed value, i.e. excluding any tax liability.

36.2 The Bank deducts the applicable taxes in accordance with the Czech legal regulations and international agreements to avoid double taxation. In the case of application of an international agreement to avoid double taxation, the Client must, even without the Bank so requesting, present to the Bank a confirmation of tax domicile issued by a taxation authority from the country where the Client's registered office or permanent address is located. The client must automatically submit a confirmation of tax domicile when opening an account, deposit or other banking product, and is furthermore obliged to submit a new confirmation of tax domicile (valid for a further 12 months) at the latest within 12 months of the last submitted confirmation of tax domicile if it wishes to take advantage of the potential advantage of a lower tax deduction rate according to the applicable agreement to restrict double taxation. The Client must also provide a confirmation of their tax domicile whenever the Bank requests it. In this regard, the Bank may request the Client to submit other documents to a reasonable extent.

## 37. Claims

The Bank provides its services to Clients using professional care. Any complaints made by Clients with regard to the quality of provided services are processed by the Bank in accordance with valid Complaint Rules of the Bank, which are available to Clients at Bank Offices and posted on the Bank's Website. The provisions of Articles 44.2 and 44.4 of the GBC shall apply to changes of the Complaint Rules as appropriate.

## 38. Deposit Insurance

Deposits in accounts Clients have with the Bank are insured in accordance with the applicable provisions of the Banking Act, which may be changed from time to time. The conditions for making claims to and receiving compensation from the Deposit Insurance Fund are available to Clients at Bank Offices and posted on the Bank's Website.

## 39. Indemnity

The Client shall indemnify the Bank for any damage or costs incurred by the Bank as a result of the Bank's activities carried out based on any order, notice or instruction the Bank receives from the Client if the Bank alerted the Client in advance of the possible damage that could arise from such actions.

## 40. Termination of the Business Relationship

40.1 The entire business relationship or a part of the business relationship (for example the use of payment cards) between the Bank and the Client may be unilaterally terminated by the Client or the Bank at their discretion, unless mutually agreed otherwise. In the absence of another agreement between the parties, the entire business relationship between the Client and the Bank terminates



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upon the closing of all accounts the Client has with the Bank.

40.2 The Client may terminate the entire business relationship or a part of the business relationship by serving a written notice only if such a relationship is not time-limited and/or another deadline or other conditions for the termination thereof have been agreed in an agreement. Such cancellation comes into effect on the day on which it is delivered to the Bank. The business relationship may be terminated by the Client only after the settlement of the Client's obligations to the Bank arising under such a terminated business relationship.

40.3 If it is expressly agreed within the agreement with the Client, the Client may terminate a business relationship by withdrawing on the grounds of a serious violation or repeated breach of the individual conditions of such a business relationship or the provisions of the GBC by the Bank.

40.4 The entire business relationship or a part of the business relationship with the Client may be terminated by the Bank at any time by means of a written cancellation notice with a 30-day notice period, unless otherwise stipulated in the agreement on the applicable transaction or banking services or the applicable Special Terms and Conditions.

40.5 The entire business relationship or a part of the business relationship may be terminated by the Bank effective immediately, if the Client substantially violates or repeatedly breaches the individual conditions of such a business relationship or the provisions of the GBC, or if there are reasonable grounds that make it unacceptable for the Bank to remain in a business relationship with the Client. Such grounds arise in particular if the Client is late with the fulfilment of monetary debts, if the Client makes inaccurate or false statements, if such statements have a substantial effect on decisions made by the Bank in connection with transactions where the Bank is exposed to risks, if the Client's financial situation worsens or could worsen substantially to an extent jeopardizing the fulfilment of the Client's debts to the Bank, or if the Client, in connection to a request made by the Bank, fails to provide collateral under the conditions of Article 35 of the GBC or to increase the value of existing collateral, or if the Client fails to fulfil agreed conditions pertaining to collateral despite the Bank's written notice.

40.6 Upon the termination of a business relationship, the Bank's and the Client's receivable arising under such a relationship become payable effective immediately, unless otherwise agreed in writing. Subsequently, after the termination of the business relationship, the Bank may exercise immediately all its rights arising under the provisions of the GBC and any other agreement between the Client and the Bank without sending a prior notice to the Client. The Client must release the Bank from all existing conditional debts assumed by the Bank for the Client under a terminated business relationship; until such release from a conditional debt or until the expiration of the same, the Client must provide the Bank with adequate security for such debts, unless the Client has already provided such security to the Bank.

40.7 The GBC remain in effect after the termination of the business relationship between the Client and the Bank, that being until the day of the final settlement of all receivables and disputes between the Bank and the Client.

## 41. Governing Law

41.1 The GBC and the entire business relationship between the Bank and the Client shall be governed by the law of the Czech Republic, in particular by provisions of the Civil Code.

41.2 The place for the payment and fulfilment of debts arising under business relationships between the Client and

the Bank is the Bank Office that manages the Client's account in the Czech Republic or provides other banking services to the Client.

41.3 Furthermore, business transactions and the relationship between the Client and the Bank are subject to international agreements that the Czech Republic is bound by and which it enacts and customary business practices that apply to banking operations and are not contrary to the law of the Czech Republic. In the event of contradiction with the GBC, such international agreements shall prevail.

## 42. Settlement of Disputes

42.1 The Client and the Bank agree to strive to settle any and all disputes that may arise in connection with their business relationship in an amiable manner and to avoid legal disputes.

In the event of a dispute arising from the provision of payment services in accordance with the Payment System Act, and a dispute during the offer, provision or mediation of a loan and other services set out under Act No. 229/2002 Coll. on Financial Arbitrator, the Client (consumer) may request that such a dispute be settled by a financial arbitrator. The Financial Arbitrator is a non-judicial authority established by government competent to decide certain disputes at the financial market. More information at: [www.finarbitr.cz](http://www.finarbitr.cz).

42.2 For the settlement of disputes arising from an agreement of which the GBC is a part, or in connection therewith, that the Client is leading against the Bank, the appropriate court shall be (i) the Municipal Court in Prague if the matter of the dispute is in the jurisdiction of regional courts, or (ii) the District Court for Prague 5, if the matter of the dispute is in the jurisdiction of district courts, unless the exclusive jurisdiction is laid down otherwise by the legal regulations or if no other agreement has been made.

42.3 In an individual case, the Client and the Bank may agree to settle a dispute before an arbitration court.

## 43. Severability

If any provision of the GBC or the appropriate individual contract with the Client becomes within a single jurisdiction putative, invalid, ineffective, or unenforceable, the effect of the same will only apply to the provision in question to the extent of such putativity, invalidity, ineffectiveness, or unenforceability without cancelling the validity of other provisions of the GBC or appropriate individual contract with the Client or the validity, effectiveness, or enforceability of the provision in question in any other jurisdiction where it may apply. The contracting parties undertake to replace such a putative, invalid, ineffective or unenforceable provisions with a valid provision of the same or at least similar meaning so as to preserve the intention of the contracting parties.

## 44. Publication and Changes of the GBC

44.1 The Client shall generally receive the GBC along with an agreement it has concluded with the Bank and which refers to the GBC. The current GBC are available to every Client at Bank Offices during regular business hours and in electronic form on the Bank's Website.

44.2 The Bank reserves the right to amend and modify the GBC to a reasonable extent, particularly in order to improve the quality of services provided, fulfil the Bank's obligations of provident performance of activities stipulated by the legal regulations, or due to the development and amendment of legal regulations and development of the business policy of the Bank; the possibility of making modifications according to the preceding sentence does not affect the Client's and other natural persons' consent to processing of personal data according to Article 3 of the GBC unless a newly adopted legal regulation requires



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changes to the parameters of consent. By concluding an agreement of which the GBC are a part, the Client counts on the possibility of the GBC being amended in the given scope. The Client will be informed of each such amendment before the change takes effect via publication on the Bank's Website, notification in the account statement and/or through other appropriate means, including electronic notification in the internet banking application after signing in with the Client's allocated log-in data, in accordance with Article 8 of the GBC, at least within the time limit starting the date the change is announced to the Client and ending the proposed date the change is to take effect, with a length:

- (a) of 2 months before the date the changes are to take effect – applies to amendments and modifications relating to the agreement governing the conditions for providing payment services in connection with the running of a Payment Account (unless the Act on Payment Systems allows for certain conditions for providing payment systems to be changed based on market indicators without prior notification of Clients); or
- (b) sufficient so that the Client could potential arrange for performance (services) similar to the performance (services) of the agreement affected by changes to the GBC from another supplier – applies to any other agreements of which the GBC could be part of in relation to the given Client.

If no written objection from the Client is delivered to the Bank prior to the day on which a change comes into effect, the Client will be deemed to agree with such a change.

44.3 Should the Client deliver the Bank a written rejection of the amendment of the GBC by the day it is to take effect at the latest, the rules stipulated in this Article 44.3 shall be applied. The Client's rejection of the amendment to the GBC shall be considered a cancellation notice to each agreement between the Bank and the Client that is affected by the proposed amendment of the GBC, as well as to each agreement between the Bank and the Client whose existence is dependent on an agreement affected by the GBC amendment, effective as of the proposed date the GBC changes are to take effect, with the result of bringing about the maturity of all Client debts caused by the terminated agreement and-or in connection therewith as of the proposed date for the GBC changes to come into effect. In each individual case the Client and Bank may agree in writing that the rejection of the GBC amendment by the Client does not represent a cancellation notice to an agreement affected by the GBC amendment nor to the obligations from the contracts dependent on such an agreement and that for the Client the existing wording of the GBC shall apply to such an agreement. Other legal relations between the Client and the Bank remain unaffected by the Client's rejection of the changes to the GBC. Cancellation notice according to this Article 44.3 shall not affect the ongoing nature of potential Client obligations to the Bank in relation to financial instruments (in particular letters of credit and bank guarantees) that were made out by the Bank at the order of the Client according to the terminated agreement before the cancellation notice takes effect, nor to the existence – for the period necessary to settle payments – of an account kept by the Bank for the Client (including the appropriate Signature Specimens) via which payments related to such a financial instrument are to be realized, nor to the continuation of other similar conditional Client debts, including the securing of all such debts and obligations.

44.4 The rules stated in Articles 44.2 and 44.3 above for changes to the GBC shall also apply as appropriate to amendments to the Special Terms and Conditions, the List of Fees, the interest rates for interest on account balances, including charging interest on Authorized Debit under Overdraft and Penalty Interest, and the Complaint Rules (with the exceptions of where the Act on Payment Systems allow for certain conditions for providing payment services to be altered based on market indicators without prior notification of Clients), with the reasons for amending or

making other changes to the List of Fees and interest rates for interest on account balances, including charging interest on Authorized Debit under Overdraft and Penalty Interest, generally including the development of market conditions, in addition to the reasons stated under Article 44.2. It is also decisive for changes to documents according to the preceding sentence whether the change affects (a) agreements governing the conditions for running a Payment Account or (b) another agreement within the meaning of Article 44.2 above. It shall apply that the Client is entitled to reject, within the meaning of Article 44.3 above, only such changes to the List of Fees as directly affect a specific agreement concluded between the Client and the Bank.

44.5 The procedure under Articles 44.2 through 44.4 of the GBC do not apply in relation to petty changes, to changes that benefit the Client and to changes of a mechanical or administrative nature (including changes to the Technical Terms and Conditions and changes that take into account changes to the legal regulations). With the acceptance of the GBC, the Client counts on such potential changes according to the preceding sentence and agrees with them in advance.

## 45. Assignment

45.1 The Client is not entitled to assign, transfer or in any way burden their rights or receivables from the GBC or from an applicable individual agreement with the Client or in connection therewith without the prior written consent of the Bank.

45.2 The Bank is entitled to assign, at its own expense, the receivables it has from the Client or to transfer its rights according to the GBC or an appropriate individual agreement with the Client or to assign an appropriate individual agreement, including the GBC, to a third party without any restriction, to which the Client hereby provides their consent. The Client will be informed of such an assignment or transfer without delay by the Bank.

## 46. Final Provisions

46.1 These GBC apply to legal relationships that originate after the GBC come into effect. The origination of an agreement with the Client and the rights arising under the same, which comes into effect prior to the date of the effectiveness of the GBC, are subject to the prior version of the GBC, unless it follows otherwise from Article 44.

46.2 Deadlines that derive from dates that come before the date on which the GBC come into effect are regarded until their passing in accordance with the applicable agreement with the Client and the prior version of the GBC.

46.3 The contracting parties agree, within the meaning of the provisions of Section 630 (1) of the Civil Code, to a prescription period of 15 years in relation to the Bank's receivables toward the Client, including any future Bank receivables. This provision shall not be applied in relation to a Client that is a consumer.

46.4 The Client must maintain confidential the content of any agreement, unless the law or a decision of the applicable government authority stipulates otherwise. Without the Bank's prior permission, the Client may only disclose information on any agreement with the Bank to their auditor and, furthermore, their legal and financial advisors, provided that such advisors are required to maintain confidentiality under the law or assume such an obligation under a contractual agreement.

46.5 The Bank may refuse to complete a banking transaction or provide services related to the same, in particular in cases where completing a Banking Transaction or providing services would be contrary to the Bank's interests or business policy.



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46.6 If the Client fulfils their debts through a third party, the Client remains liable as if the Client fulfilled the debt themselves.

## **47. Effectiveness**

This version of GBC entered into effect on 9 December 2019 ("publication date") and into force on the publication date in relation to new Clients. In relation to the Bank's existing Clients who entered into a contractual agreement with the Bank prior to the publication date, this version of the GBC will enter into force on 11 February 2020, whereupon it will replace and supersede the current version of the GBC.