

BUSINESS TERMS AND CONDITIONS OF

Česká spořitelna, a.s.

**for the Provision of
Loans (Credit and
Charge Cards)**

**Business and
Corporate Clients**

CONTENTS

BASIC PROVISIONS

1. Introductory Provisions	3
2. Rules of Mutual Communication	4
3. Conclusion and Duration of Contracts	4
4. Change to Business Terms and Conditions and Other Changes	5
5. Termination of the Contractual (Loan) Relationship	5
6. Other General Terms and Conditions	6

LOAN

7. Loan Limit	6
8. Drawdown of the Loan	7
9. Card Account, Records on the Loan and Loan Receivables	7

CARDS

10. Types of Cards	8
11. Card Issuance, including Changes	8
12. Card Use, Security, Transaction Limits	9

SUPPLEMENTARY SERVICES

13. General Information on Services	9
14. Introduction, Changes and Cancellation of Services	9

REPAYMENT

15. Loan Receivables, General Rules for Repayment	10
16. Due Date of Individual Payments and Manner of Payment	11
17. Loan Interest	12

BREACH OF TERMS AND CONDITIONS GOVERNING LOAN RELATIONSHIP AND OTHER SERIOUS MATTERS, CONSEQUENCES

18. Breach of Loan Relationship	12
19. Other Serious Matters	13
20. Consequences of Breach of Loan Relationship and Other Serious Matters	13

JOINT PROVISIONS

21. Substitute Terms, Substitute Arrangements	14
22. Method of Calculating Interest and Prices	14
23. Form and Contents of Documents Handed Over	14
24. Introduction of EUR Currency	14
25. Danger of Change of Circumstances and Force Majeure	14
26. CONFIRMATION OF ACCEPTANCE OF IMPORTANT CONDITIONS GOVERNING THE LOAN RELATIONSHIP	15

FINAL PROVISIONS

27. Effect	16
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BASIC PROVISIONS

1. INTRODUCTORY PROVISIONS

1.1 Specification of Basic Terms

These Business Terms and Conditions are issued by Česká spořitelna, a.s., registered office in Prague 4, Olbrachtova 1929/62, ZIP Code 140 00, Identification No.: 45244782 (hereinafter referred to as the “Bank”).

These Business Terms and Conditions regulate certain basic rules governing the contractual relations between the Bank and its Clients who are entrepreneurs and legal entities (including Clients from the public and non-profit sector) (hereinafter referred to as the “Client”) arising on the basis of contracts concluded in connection with the provision of loans relating to a service credit card or a service charge card (card). These Business Terms and Conditions also apply to the conduct resulting from conclusion of a loan contract (contract).

Where these Business Terms and Conditions or a contract uses the term Client, it shall mean the card account owner. The Bank shall consider the Client a small entrepreneur only if the Client meets the criteria for small entrepreneurs according to the Payment System Act, No. 284/2009 Coll., informs the Bank accordingly, and documents such fact to the Bank.

Unless stipulated otherwise in these Business Terms and Conditions, a card or cards shall jointly mean service credit cards and service charge cards.

The loan shall mean the Bank’s obligation to provide funds or, depending on the context, funds to be provided to or already provided to and withdrawn by the Client, under the agreed terms and conditions.

1.2 General Business Terms and Conditions of the Bank

These Business Terms and Conditions represent special provisions in relation to the General Business Terms and Conditions of Česká spořitelna, a.s., Business and Corporate Clients (GBTCs).

The GBTCs regulate the basic rules and conditions governing banking services on the basis of the contracts concluded between the Bank and the Client. In relation to credit and charge cards, the GBTCs regulate, in particular, security of the data and funds, reporting duties and cooperation, as well as the basic conditions applying to the issue and use of the cards, clearing of transactions, security and protection during use of the card and PIN, procedure for filing claims, and electronic and telephone banking. The current GBTCs are available on the Bank’s website and at its points of sale.

1.3 Loan Relationship

Loan relationship shall mean all terms and conditions regulating relations between the Bank and the Client arising in connection with the provision of a loan, the issue and use of a card, as well as the opening and maintenance of a card account by the Bank. The loan relationship shall be governed primarily by the contract and relevant legal regulations.

Unless the contract stipulates otherwise, the following shall further apply to the loan relationship between the Bank and the Client:

- a) these Business Terms and Conditions;
- b) the GBTCs;
- c) the Bank’s valid price list containing prices and interest rates;
- d) Special conditions concerning the selected supplementary services (in particular insurance conditions).

If the contract regulates any of the terms and conditions differently from these Business Terms and Conditions, the GBTCs or the price list, the provision of the contract shall prevail. If these Business Terms and Conditions regulate any of the terms and conditions differently from the GBTCs, the provision of these Business Terms and Conditions shall prevail.

Interest rates and prices of services are stipulated in the price list. Unless the contract stipulates otherwise, the interest rate or the price stated in the price list valid at the time the services were provided or when a relevant act or conduct was executed shall apply. The current price list is available on the Bank’s website and at its points of sale.

The application for the card shall also constitute a part of the loan relationship.

1.4 User Manual for Cards

The Client is obliged to familiarise itself and to ensure that each card holder familiarises itself with the user manual containing additional instructions and information related to using the card. The user manual is available on the Bank's website.

2. RULES OF MUTUAL COMMUNICATION

General communication rules are provided in the GBTCs.

2.1 Communication Means and Addresses

The Client and the Bank use post or personal delivery for mutual communication, unless they agree on other means of communication (telephone, fax, e-mail or other means used for electronic data exchange). If the Client provides its data to the Bank for using other means of communication, the Bank is authorized to communicate with the Client using such means. If the Client agrees with the Bank on electronic and telephone banking, the parties may communicate via the electronic and telephone banking communication channels. Unless the Client provides another correspondence address, the Bank shall send notifications and documents in printed form to the address stated in the relevant contract. If necessary, the Bank may also use another known postal address for deliveries to the Client. The Client may sign documents by electronic or biometric signature in cases where the Bank offers such possibility or if the Client agrees thereon with the Bank.

Card holders who did not conclude a contract with the Bank, i.e. they are not the card account owners, may also use communication via the information line.

2.2 Informing the Client

If the Bank's obligation is agreed to inform the Client or to send it a notification, such information duty shall be complied with upon inclusion of the information in the card account statement.

In cases where legal regulations so require, the Bank shall inform the Client in writing, either in printed form (e.g. by a letter), or in electronic form (e.g. a file in PDF format) on a permanent data carrier (e.g. media CD, DVD, flash disk).

If the Client intentionally refuses delivery of a written document, it shall apply that such document was duly delivered to him.

2.3 Password Protection

In the case that a password for remote communication with the Bank was agreed under a loan relationship or was provided by the Bank to the card account owner or holder, the card account owner is obliged to keep this password secret under the same conditions as applicable to the protection of the security data (PIN) and the card. The card account owner is further obliged to ensure that the holder keeps the password secret as well under the same conditions as applicable to the protection of the security data (PIN) and the card. If necessary, the password may be changed.

3. CONCLUSION AND DURATION OF CONTRACTS

3.1 Manner of Conclusion and Contents of the Contract

Contracts are usually concluded at points of sale. In cases where the Bank offers a contract to the Client or agrees so with the Client, some contracts may be concluded via internet, telephone, ATM, messenger, its business representative or via other correspondence.

The above shall also apply in the case of a change to the Client's contract. A change to a contract may also be effected in the form of an application submitted by the Client and subsequent notification of acceptance by the Bank of the required change.

Conditions for the provision of a loan, the issue and use of a card, as well as the conditions for opening and maintaining a card account by the Bank are agreed in the contract. The contract may not be concluded until all approval processes according to the Bank's internal rules are completed in the Bank. No legal entitlement to the conclusion of a contract and the issue of a card exists and the Bank is not obliged to provide reasons for its possible refusal.

3.2 Duration of the Contract and Automatic Renewal

Unless agreed otherwise, the contract is concluded for an unlimited period of time.

In the case that a contract is concluded for a fixed period of time with automatic renewal and the follow-up card is issued to the Client and the Client fails to request the Bank in writing to terminate the contract within five calendar days prior to the last day of the duration of the contract at the latest, the duration of the contract shall be automatically extended for the next period, even repeatedly.

4. CHANGE TO BUSINESS TERMS AND CONDITIONS AND OTHER CHANGES

4.1 Change to Business Terms and Conditions

If laws and other regulations or conditions on financial service markets change or if there are changes to technologies or organisational processes, and taking into account the Bank's business policy, the Bank may amend these Business Terms and Conditions by issuing new business terms and conditions.

The Client shall be notified by the Bank about any changes to these Business Terms and Conditions at a personal meeting, by post, electronic banking or a special website, whose address the Bank shall communicate to the Client in due time.

The Bank shall inform Clients that are small entrepreneurs about any change to these Business Terms and Conditions at least two months prior to the effective date, and the Bank shall inform Clients that are not small entrepreneurs at least one month prior to the effective date. Unless the Client refuses the proposed change to these Business Terms and Conditions in writing by the effective date of such change, the new wording shall be binding for both parties.

If the Client disagrees with these Business Terms and Conditions, it may send a written notice of termination prior to the effective date of the change. In such case, effects of the notice of termination of the contract shall come into force immediately at the moment of delivery to the Bank.

4.2 Change of Other Contractual Terms and Conditions

In addition to changes to these Business Terms and Conditions, the Bank is entitled to change supplementary services and their conditions (Article 14.2) and the length of the interest-free period (Article 15.5) in the manner stated in Article 4.1 above.

The Bank may further change the type or functionality of the cards (Article 10.3) and the card limits (Article 12.2) unilaterally.

The Bank is also entitled to change the amount of the loan limit using the procedure stated in Article 7.3.

The Bank is further entitled to change the level of interest rates and prices. With regard to the requirements arising from the legal regulations, the conditions governing such change are agreed directly in the contract.

4.3 Other Changes

The Bank is entitled to change the commercial name of a product or service, to change designation, forms, operations of its points of sale or to execute other changes that have no influence on the mutual rights and obligations of the Bank and the Client, and in such case it will not be considered a change of the contract or these Business Terms and Conditions. The Bank shall inform the Client about any such changes.

5. TERMINATION OF THE CONTRACTUAL (LOAN) RELATIONSHIP

5.1 Termination of the Contractual Relationship

Contractual relationship between the Bank and the Client may be terminated on the basis of a mutual agreement.

5.2 Termination by the Client

The Client is entitled to withdraw from the contract on the grounds stipulated by the law or the contract. The Client's withdrawal shall become effective on the date of delivery of the notice of withdrawal to the Bank. The Client's right to draw the loan shall expire on the effective date of the withdrawal from the contract.

The Client is entitled to give a written notice of termination with regard to the contract in the following cases:

- a) without providing a reason, such notice is effective on the last day of the relevant accounting period according to Article 9.2 in which the notice was delivered to the Bank; or
- b) in the case of disapproval with these Business Terms and Conditions or the GBTCs, if such change concerns cards, such notice is effective on the date of notice delivery to the Bank.

On the effective date of the notice of termination of the contract, the Client's entitlement to draw the loan shall expire. In the case that the Client's notice of termination is not delivered to the Bank together with all cards issued for the relevant card account, the Client is responsible for destroying the cards that were not handed over at least by the effective date of the notice, as well as for possible damage caused as a consequence of failure to comply with this obligation. If the Client's notice of termination is not given at a point of sale, the Client is liable for all possible damage caused until delivery of the notice to the Bank.

Section 1978, par. 2 of the Civil Code shall not apply to loan relationships, i.e. the vain lapse of the additional time limit shall not result in automatic withdrawal from the contract.

LOAN

5.3 Termination by the Bank

Except for cases of unilateral termination of a contract as stated in Article 20.1 and remedial measures as a consequence of a breach of the loan relationship, the Bank is entitled to give a two-month written notice of termination of the contract without providing reasons. On the effective date of the notice, the Client's entitlement to draw the loan shall expire.

5.4 Cancellation of Automatic Exchange of the Card

Unless the Bank and the Client agree otherwise, cancellation of the automatic exchange or cancellation of all cards issued for the relevant card account shall not result in termination of the effectiveness of the contract and termination of the card account.

5.5. Client's Obligations in Connection with Termination of the Contractual Relationship

Unless agreed otherwise, the Client is obliged to pay all loan receivables to the Bank on the date of termination of the effectiveness of the contract, at the latest. The Client's obligation to pay all loan receivables to the Bank shall not expire by expiry of the contract.

6. OTHER GENERAL TERMS AND CONDITIONS

6.1 Assignment of Rights and Obligations from the Contract

If the Bank grants its prior written consent to the Client, the Client is entitled to pledge its receivables arising from the contract or to assign its receivables or the whole contract and transfer the rights arising from the loan relationship to other persons, however only jointly with all related debts and under further conditions communicated to the Client by the Bank in advance.

The Bank is entitled to pledge its receivables arising from the contract or to assign the receivables or the whole contract and transfer the rights from the loan relationship to third persons even without the Client's approval.

LOAN

7. LOAN LIMIT

7.1 Total Loan Limit

The total loan limit shall mean the amount of the loan agreed in the contract, i.e. the amount up to which the Client may repeatedly draw and repay the loan. This limit may be changed in the course of the loan relationship.

7.2 Exceeding the Total Loan Limit and Its Consequences

Due to technical reasons (e.g. longer time for settlement of unauthorized offline transactions) or, as a consequence of the inclusion of prices of services and due interest into the total loan limit, the total loan limit may be exceeded.

If the total loan limit may be exceeded, the Bank is entitled to apply remedial measures according to Articles 20.1 and 20.2. When drawing the loan, the Client is obliged to proceed prudently and to take account of the risk of possibly exceeding the limit.

7.3 Changes to the Total Loan Limit

The Bank is entitled to offer an increase of the total loan limit to the Client. The Bank will send its proposal to increase the total loan limit to the Client at least 20 days prior to the proposed effective date of the increase. Unless the Client refuses this proposal prior to the proposed effective date of such change, the proposal shall be considered accepted and the Bank shall increase the Client's limit in compliance with the sent proposal.

The Bank may reduce the total loan limit with immediate effect:

- a) as a consequence of a breach of the loan relationship or of another serious matter according to Articles 18 and 19; or
- b) should the Bank's statutory obligation to proceed with due care so require.

In the case of an increase or reduction, a new total loan limit shall be provided in the next card account statement.

A change of the amount of the total loan limit may be also executed on the basis of an agreement between the Bank and the Client.

8. DRAWDOWN OF THE LOAN

8.1 Drawdown of the Loan

The Bank shall provide the loan to the Client mainly for the purposes of non-cash payments for goods and services. The Bank, at its discretion, may enable the Client to drawdown the loan in another manner, for instance in the form of a cash withdrawal (from an ATM or at a branch), including cash back transactions (cash withdrawal at merchants concurrently when paying by the card), cash advance (withdrawal by the card at the Bank and in exchange bureaus) or quasi cash (transactions representing the sale of merchant's products – such as game tokens, opening of an account or money orders – that can be directly exchanged for cash). The Bank may charge a price on such manner of drawdown, using a relevant price, and thus the drawn loan or a part thereof may be subject to a special interest rate; the amount of the price and interest rate is stipulated in the price list.

Drawdown of the loan from the card account may be realized on the basis of the Client's instructions for transfer of funds to the account in the Czech Republic as determined by the Client by telephone or possibly by using another remote means of communication (e.g. via electronic banking application or ATM). The Bank may charge the relevant price according to the price list for such manner of drawing and thus the drawn loan or a part thereof may be subject to a special interest rate.

8.2 Procedure in the Case of Death of the Card Account Owner

If the Bank learns in a reliable manner about the death of the card account owner (a physical person), the Bank shall be entitled to suspend immediately the right to draw the loan, to block the cards issued for the card account and to transfer its loan receivables to the registration account for the purposes of probate proceedings.

9. CARD ACCOUNT, RECORDS ON THE LOAN AND LOAN RECEIVABLES

9.1 Card Account

The Bank shall open a card account for the Client on the basis of the application for the card. The card account is stipulated for drawing down the loan and for payments of the loan receivables and it is maintained in Czech currency. If the card account number is not stated in the contract, the Bank shall inform the Client about the number, at the latest, upon takeover of the card. The Bank shall also state this number in each card account statement.

9.2 Card Account Statements

The Client is informed regularly about the balance available for drawdown and about realized transactions via monthly card account statements. However, the Bank shall send these statements to the Client only if movements on the card account occurred during the relevant accounting period, or if the account shows an outstanding amount on the date of the end of the relevant accounting period.

The accounting period is one current month and its beginning and end are stated in the information letter received by the Client together with the card. If the card account statement or another document uses the abbreviation EOM (End of Month) in connection with the accounting period, it shall mean the last day of the calendar month.

Balance for drawdown is the amount up to which the Client is entitled to drawdown the loan and it represents the total loan limit reduced by amounts of cleared transactions, by amounts of prices, posted interest and amounts of authorized transactions (i.e. transactions not yet cleared) during the accounting period, and increased by the credited payments.

Individual transactions are, among other things, identified by the date of transaction realization and the date of transaction clearing; the date of transaction clearing may be a later date than the date of realization, depending on the procedure for processing the transaction used by the relevant merchant, the Bank or the relevant card association. According to the Client's choice, the account statement is sent to the Client by standard post or is prepared for takeover at the point of sale. According to its technical possibilities, the Bank may also agree with the Client on another manner of delivering the account statement, for instance via the electronic banking application.

Depending on the Bank's instructions, the Client may also be informed about the balance determined for drawdown in another manner, e.g. via ATM, electronic banking application or SMS; provision of such information may be subject to a charge.

Information about the balance available for drawdown is for orientation only in view of the last non-posted transactions and it does not always provide the most up-to-date written information on the balance of the funds in the card account.

CARDS

10. TYPES OF CARDS

10.1 Information on Cards

The Bank publishes the current offer of cards in its information materials, which are available at all points of sale and also on the Bank's website. Further, the telephone information line providing service to the Clients is available to the Clients and the card holders.

10.2 Types of Cards

The Bank issues service credit cards and service charge cards for physical persons-entrepreneurs and legal entities. A credit card and a charge card are payment cards enabling drawdown of a loan; in the case of a charge card, the Client is obliged to repay the full amount of the loan for each accounting period.

According to its current business offer and technical possibilities, the Bank may also issue other types of cards. The Bank may issue other business terms and conditions governing the use of such cards.

10.3 Technical and Functional Changes of Cards

In relation to development of its business and technical possibilities, the Bank is entitled to change unilaterally the type and/or the functionality of the cards, including already-issued cards. The Bank shall inform the Client of such change in advance.

11. CARD ISSUANCE, INCLUDING CHANGES

11.1 Card Issuance

The card is issued to the Client usually on the basis of a contract or on the basis of the Client's special request.

11.2 Card Account Owner, Holder

The card account owner is the Client with whom the Bank concluded a contract and for whom the Bank opened and maintains a card account.

The holder is a physical person to whom the card was issued for use. The name and surname of the card holder are marked on the card. The Bank shall issue the card to the Client or to the holder whom the Client by provision of the card authorizes to drawdown the loan. The Client is obliged to ensure that the card holder complies with all rules for using the card, in particular security rules, as well as, in the adequate scope, other rules stipulated in these Business Terms and Conditions or in the GBTCs. The Client is liable for the holder's conduct and shall cover possible damage caused by the holder.

The Client is entitled to ask the Bank to issue the cards to the holder anytime during the loan relationship. The Bank is not obliged to satisfy such request.

All notifications, including the card account statement, shall be sent or handed over to the card account owner in compliance with these Business Terms and Conditions and the contract. All notifications sent or handed over to the card account owner or the card holder are considered dispatched or handed over to both of them. The Client agrees that it shall be bound by all instructions and requirements submitted by the holder in relation to the card.

The total loan limit is always common for the card account owner and all card holders in relation to the same card account. The card account owner is entitled to limit the drawdown limits for individual cards.

The card account owner authorizes the Bank to provide, at its discretion, necessary data about the owner or the card account to the holders of the cards for the card account when exercising their rights in compliance with these Business Terms and Conditions.

The card account owner is entitled to cancel the holder's card issued for its card account. The card holder is entitled to cancel its card. Relevant obligations of the card account owner and holders of the cards issued for the relevant card account arising from the loan relationship shall survive regardless whether the relevant card was cancelled.

SUPPLEMENTARY SERVICES

11.3 Delivery and Takeover of the Card and PIN

Relevant provisions of the GBTCs on payment cards shall apply to delivery and takeover of the card and PIN.

11.4 Automatic Renewal, Follow-up Card

Should automatic renewal of the card be agreed and the Client duly complies with the conditions stipulated for the loan relationship, the Bank shall issue a new card with the validity following up the previous validity (follow-up card) prior to the end of the validity of the current card.

In the case of automatic renewal of the card or issue of a substitute card (issued for instance in the case of loss or theft of the original card), the Bank may issue another type of card, or a card with a new function, e.g. with contactless payment technology.

If the card is included in the list of cards the use of which is prohibited for payment transactions (stoplisting of a card), the Bank shall not issue a follow-up card.

12. CARD USE, SECURITY, TRANSACTION LIMITS

12.1 Use of the Card and Its Security

Rules stipulated in the GBTCs shall apply to card use and ensuring its security.

12.2. Card Limits

The Bank shall set the card limits for drawing down the loan automatically in the amounts stated in the application for the card. The Bank may change unilaterally and automatically the set limits to an appropriate scope anytime, in particular in connection with the development of the legal environment, development of technologies and also taking account the Bank's business policy. The Client may change the limits during the loan relationship anytime, either personally or via other means of remote communication, if the Bank enables the Client to do so.

SUPPLEMENTARY SERVICES

13. GENERAL INFORMATION ON SERVICES

13.1 Supplementary Services

The Bank shall provide to the Client – for the card account or the card – supplementary services according to its current offer, including paid services.

14. INTRODUCTION, CHANGES AND CANCELLATION OF SERVICES

14.1 Introduction of New Services

The Bank is entitled to introduce new supplementary services anytime and shall inform the Client thereof.

14.2 Change of Services

The Client, according to the Bank's instructions, and the holder in relation to its card, are entitled to change the set-up of services at will, if the nature of the service so enables and unless agreed otherwise.

The Bank is entitled to change unilaterally the conditions governing the provision and scope of supplementary services, in particular in the manner stipulated in Article 4.1. If the Client disagrees with such change, it has the right to give notice of termination of the contract in the manner according to Article 4.1 with the consequences stated in the relevant provision.

REPAYMENT

Unless stipulated otherwise, the Bank shall set up the relevant change of service for the Client on the following business day after agreeing on such service.

The Bank may change or cancel the services provided to the Client free of charge anytime. The Bank shall inform the Client about the change or cancellation of the service in advance.

14.3 Expiry of the Service Depending on Other Matters

In the case that a service provided to the Client is dependent on another matter and the service cannot be provided due to non-existence or expiry of such fact, or possibly due to incorrect information provided by the Client, the Bank is entitled to terminate provision of this service unilaterally. In the case that the Bank terminates the provision of the service unilaterally, it does not deprive the Client of the possibility to contract such service again in the future after complying with relevant conditions. The Client's obligation to pay the price for such service, in particular until the time of its cancellation, shall not be affected by this provision.

REPAYMENT

15. LOAN RECEIVABLES, GENERAL RULES FOR REPAYMENT

15.1 Loan Receivables

Loan receivables are all the Bank's receivables from the Client originated within the loan relationship and in connection therewith, in particular the due amount of the loan, loan interest, default interest, prices relating to the loan and the credit or charge card, contractual fines, damage compensation, receivables arisen from termination or in connection with termination of the loan relationship or receivables arisen from another contractual relationship within the loan relationship or receivables arisen in connection therewith.

Loan receivables further include the Bank's receivables from the Client for the surrender of possible unjust enrichment, if provided by the Bank for the benefit of the Client or on behalf of the Client, and for compensation of costs incurred in connection with recovery of such receivables.

15.2 Total Minimum Payment

The total minimum payment shall apply to the credit cards and it represents the amount the Client is required to pay after the end of each accounting period. As for the charge cards, the total payment according to Article 15.3 below shall apply.

The amount of the total minimum payment for the credit cards is calculated as the sum of 5% of the amount of the drawn and not yet repaid loan and all loan interest and prices charged by the Bank for the relevant accounting period, unless the contract stipulates otherwise. The amount of payment is always stated in the card account statement.

The Client shall not pay the total minimum payment, if:

- a) it arranges for automatic set-up of 100% direct debit of the drawn amount and pays the total payment; or
- b) the amount of the calculated total minimum payment does not achieve the limit stated in the price list.

However, these exceptions shall not apply if the Client is in default with payment of any loan receivable.

If the Client intends to use the interest-free period according to Article 15.5, it is obliged to pay the total drawn amount in such a manner that it is credited to the card account by the due date (including such date).

15.3 Total Payment

The total payment shall apply to the charge cards and in cases when the Client has arranged for automatic set-up of 100% collection of the total drawn amount. The total payment means the amount the Client is obliged to pay after the end of each accounting period. The amount of the total payment is equal to the amount of the drawn loan, including all loan interests and prices for relevant accounting period, and the amount of possible excess over the total loan limit or the outstanding loan receivables from the previous accounting periods. The amount of the total payment is always provided in the card account statement.

15.4 Total Drawn Amount

The total drawn amount (also designated as the drawn amount total, in particular in the card account statement) is the amount corresponding to the current amount of drawn and not yet repaid loan on the last day of the relevant accounting period that is provided in the card account statement.

15.5 Interest-free Period

Interest-free period is the period for which no loan interest shall be charged to the Client. This period always starts to run on the first day of the accounting period. The length of the interest-free period depends on the type of the card issued to the Client. The Bank may unilaterally change the length of the interest-free period to the adequate scope in compliance with Article 4.1. The Bank may also change the length of the interest-free period on the basis of the Client's request for a new type of card. The Bank shall send a notice in this respect to the Client.

The interest-free period shall apply if the Client pays the total drawn amount for the relevant accounting period in such a manner that the total drawn amount is credited to the Client's card account by the due date (including such date). Should the Client fail to pay the total drawn amount by the due date (including such date), interest is paid on the drawn loan or a part thereof as of the date of realization of the transaction.

16. DUE DATE OF INDIVIDUAL PAYMENTS AND MANNER OF PAYMENT

16.1 Due Date

The Client is obliged to pay the total minimum payment, or the total payment, by the stipulated due date.

Due date of the relevant payment is set:

- a) for credit cards by the 20th day of the end of each accounting period; and
- b) for charge cards by the 5th day of the end of each accounting period.

The due date is always provided in the card account statement, according to the Bank's instructions, also in the electronic banking application. The Bank shall also inform the Client about the due date on the basis of a telephone request by the Client.

The fact that the Client has not received a card account statement does not influence the Client's obligation to pay the total minimum payment, or possibly the total payment by the due date.

16.2 Manner of Payment

The Client is obliged to pay loan receivables to the card account; the loan receivable is considered paid when credited to the card account. The Client is obliged to pay all loan receivables in Czech crowns.

The Bank has no obligation to accept payment of any of the Client's debts from a person other than the Client.

16.3 Collection Account

Collection account is the bank account determined by the Client for payment of the loan receivables. Unless these Business Terms and Conditions or the relevant contract stipulates otherwise, or unless the Client and the Bank agree otherwise, the Client is not entitled to cancel the collection account for the entire duration of the loan relationship and is obliged to maintain sufficient funds in such account for payment of the loan receivables.

The collection account may be maintained by the Bank or possibly by another financial institution in the Czech Republic and the Bank will preferentially collect from it total minimum payments, or possibly total payments in cases when the Client fails to comply with its obligation to pay in another manner.

In the case that the Client arranges for automatic set-up of 100% collection of the total drawn amount, determination of the collection account is the condition for provision of this service.

In this connection, the Client acknowledges that the direct debit from the account may be established only by the collection account owner or a person entitled to handle the collection account.

16.4 Regular Direct Debit

If the Client arranges for direct debit of the collection account by the Bank for the purposes of paying the loan receivables, it concurrently expresses its approval with the fact that the Bank shall withdraw the loan receivables from the collection account until their full repayment, in particular without the Client's order and its previous notification.

For the purposes of paying the loan receivables, the Bank shall establish, without further steps, the direct debit for the Client when signing the contract in the case that the collection account is maintained by the Bank. If the collection account is maintained by

BREACH OF TERMS AND CONDITIONS GOVERNING THE LOAN RELATIONSHIP AND OTHER SERIOUS MATTERS, CONSEQUENCES

another financial institution, the Client is obliged to ensure direct debit for such collection account and it expressly agrees with payment of the loan receivables in the form of collection.

The Bank's entitlement to the set-off and collection from another of the Client's accounts maintained by the Bank under the GBTCs shall not be affected by this provision. If the Bank is unable (in particular due to insufficient funds in the account, non-existence of the account, etc.) to effect collection, the Bank is entitled to assert remedial measures according to Article 20.1.

16.5 Change of Collection Account

In the case of a change to the collection account, the Client is required to inform the Bank about the new number of the collection account and about the new bank connection. All the Client's obligations and the Bank's entitlements stated in this Article 16, including the Client's obligation to arrange for direct debit for the benefit of the Bank, shall apply to the changed account. The Client is obliged to arrange for this change sufficiently in advance prior to the due date of the next loan receivable.

16.6 Concurrence of Payments

If the outstanding amount is paid to the card account by the Client and concurrently by collection, the Bank is not required to return the amount exceeding the required total minimum payment, or possibly the total payment, and it will increase the balance for drawdown by this amount.

16.7 Sequence of Payments

If the balance for drawing down the loan together with other of the Client's funds are insufficient for payment of all the Client's debts arising from the loan, the Bank is entitled to use the funds in the card account to satisfy its receivables in the following sequence: Bank's costs related to recovery of the receivables or to the Client's breach, default interest, regular loan interest, other prices and, finally, the principal.

17. LOAN INTEREST

17.1 Loan Interest

As of the day on which the Client commences to drawdown the loan or a part thereof (including such day), the Client is required to pay the loan interest. The Client's obligation to pay the loan interest shall last until the last day immediately preceding the day on which the Client repays the loan to the Bank (including such day). Loan interest shall be charged to the Client for each accounting period and the Bank shall withdraw such interest from the card account. The Bank shall inform the Client of the amount of the interest for the relevant accounting period in the card account statement.

However, depending on the type of card, the interest-free period may apply for which the Bank will charge no loan interest; this period shall always commence on the first day of the accounting period.

The amount of the interest rate is stated as the annual interest (p. a., per annum). The amount of the interest rate is agreed in the contract, and is possibly stated in the price list.

BREACH OF TERMS AND CONDITIONS GOVERNING THE LOAN RELATIONSHIP AND OTHER SERIOUS MATTERS, CONSEQUENCES

18. BREACH OF LOAN RELATIONSHIP

The following matters shall be considered a breach of the loan relationship:

- a) Client's representation in the contract or in another document handed over to the Bank in connection with the loan relationship proved to be untrue or significantly incomplete;

- b) The Client is in default with performance of its monetary obligations arising from the loan relationship, in particular with payment of the total minimum payment, or possibly the total payment; and
- c) The Client is in default with performance of some important non-monetary obligations towards the Bank.

19. OTHER SERIOUS MATTERS

Another serious matter shall be, regardless of the cause of its origin, any of the below stated matters, if it can unfavourably influence – taking into account the obligation of the Bank to proceed with due care – the Client's ability to perform obligations arising from the loan relationship:

- a) the Bank determines that the Client is threatened by insolvency proceedings or such proceedings are conducted against it, unless the application for commencement of insolvency proceedings is absolutely clearly harassing;
- b) the Client is bankrupt or there is a threat that it will become bankrupt;
- c) the Bank shall receive a resolution of a court on a receivable order, execution order or another decision with similar effects;
- d) the Client is in default with performance of the contractual obligation or the obligation ensuing from the legal regulation that influences the Bank's position or concerns the contract between the Client and the Bank;
- e) after conclusion of the contract the financial or property situation of the Client deteriorates in such a manner that it can unfavourably influence the Client's ability to repay the loan.

20. CONSEQUENCES OF BREACH OF LOAN RELATIONSHIP AND OTHER SERIOUS MATTERS

20.1 Remedial Measures

If the Bank determines that one or several breaches of the loan relationship or another serious matter has occurred, as specified in Articles 18 and 19 above, it is entitled to apply the following measures at its own discretion:

- a) immediately suspend the Client's right to draw the loan;
- b) block (enter into the ban list) all cards issued for the card account;
- c) reduce the total loan limit;
- d) declare all loan receivables or a part thereof immediately payable and request the Client to repay them;
- e) terminate the contract with immediate effect on the day on which the notice of termination is delivered to the Client; and
- f) withdraw from the contract.

The Bank shall inform the Client about each such measure. The Bank is entitled to use more measures concurrently, if it is, according to its professional opinion, necessary for limiting its risks.

In the cases above, the Bank may also ask the Client for compensation of damage caused in connection with the Client's breach of its obligations or in connection with another serious matter. Notification of breach of the legal obligation and notice about possible consequences of breach does not release the Client from the obligation to compensate the Bank for the damage caused by such breach in the full amount.

If the Bank declares all loan receivables or a part thereof immediately payable, the Client is required to pay them within the term stipulated by the Bank. If the Client fails to do so, it will be in default with payment of the total amount that the Bank declared immediately payable.

20.2 Procedure in the Case of Exceeding the Total Loan Limit

If the total loan limit is exceeded, the Bank is entitled to apply any of the measures stated in the Article 20.1 above. The Bank is also entitled to add the full amount corresponding to the exceeded amount to the total minimum payment, or to include this amount into the total drawn amount or the total payment. The Bank is entitled to proceed similarly in the case of the existence of outstanding loan receivables that are overdue from the previous accounting periods.

20.3 Default Interest and Other Consequences of Breach of Monetary Obligations (Debts)

In the case of a default in payment of a loan receivable, the Client is required to pay the default interest to the Bank on the amount in default, in particular for the period from the first day in default (including such day) until the day preceding the day of repayment of the outstanding amount (including such day). Unless the contract stipulates otherwise, the default interest stated in the price list shall apply.

In such cases the Bank is further entitled to require payment of prices related to the management of the loan in default and related to the possible recovery of the loan, in particular in the amount according to the price list valid at the time of clearing the prices for the carried-out act or conduct.

The Bank is entitled to settle the default interest continuously, always with the due date on the day of posting. Claims of default interest shall not affect the Bank's entitlement to request payment of regular loan interest together with the default interest.

JOINT PROVISIONS

Regardless of the default interest, the Bank is entitled to request all costs incurred as a consequence of the Client's default, for instance costs related to recovering the receivable from the Client, including costs of legal representation.

JOINT PROVISIONS

21. SUBSTITUTE TERMS, SUBSTITUTE ARRANGEMENTS

21.1 Substitute Terms

If the day stipulated for a certain matter or execution of an action or an act within the loan relationship falls on a day other than a business day, the Bank shall, in justified cases, consider the last business day preceding this day as the stipulated day. Similarly, if the last day of the determined period falls on a day other than a business day and the change is justified, the period shall be shortened and it shall end on the last business day preceding this day. The next period shall end on the usual date, as if the preceding period had not been shortened. In justified cases, the Bank is also entitled to stipulate another irregular length of the period. The Bank shall inform the Client about such measure.

21.2 Substitute Arrangements

If any provision of the loan relationship is found invalid or unenforceable, and such provision is severable from other contents of the loan relationship, only such provision shall be invalid, if it is possible to anticipate that the loan relationship would have been concluded even without such provision. Such invalid or unenforceable provision shall be replaced by a provision whose effects are as close as possible to the objective intended in the original provision.

22. METHOD OF CALCULATING INTEREST AND PRICES

When calculating interest and prices, the Bank shall base the calculation on the actual number of days and year consisting of 360 days. Due to organizational, technical and operational reasons or due to a change in legal regulations or a change in their prevailing interpretation, the Bank is entitled to change the manner of calculation of interest and prices. The Bank shall inform the Client about such change and the reasons of such change in writing.

23. FORM AND CONTENTS OF DOCUMENTS HANDED OVER

If, within the frame of its obligations, the Client submits any documents, they must correspond to the Bank's requirements with regard to their contents, form and scope. Unless these Business Terms and Conditions or the contract stipulate whether a certain document is to be submitted to the Bank in the original or in another form, the Client shall submit to the Bank the original of the document or an officially certified copy, unless the Bank accepts a plain copy in the specific case.

24. INTRODUCTION OF EUR CURRENCY

If Czech currency in the Czech Republic is replaced by EUR currency, the Bank shall further maintain the account so far maintained in Czech currency in EUR currency, and the account will be subject to interest and the Client shall pay in EUR currency. The Bank shall convert the drawn and, at the relevant time, yet unpaid amount of the loan according to the mandatory stipulated coefficients, or in another mandatory manner stipulated for such case.

25. DANGER OF CHANGE OF CIRCUMSTANCES AND FORCE MAJEURE

25.1 Danger of Change of Circumstances

If circumstances change after conclusion of the contract in such a manner that the performance by the Client according to the contract will be more difficult, e.g. deterioration of the Client's situation or change of the situation on financial markets, the Client

assumes the danger of such change of circumstances and such change shall not influence the Client's debts and obligations arising from the contract and the Client's obligation to pay debts and comply with the obligations according to the contract.

25.2 Force Majeure

The Bank shall not be liable for failure to provide services and for damage caused to the Client directly or indirectly by circumstances outside the control, possibilities and competence of the Bank, card associations or any of its partners, in particular by interrupted delivery of energy, defects of machinery, non-functioning equipment of the data processing system or transmission lines, strikes, etc. The Bank shall not be liable for rejection of the point of sale or point of disbursement to accept the card for payment for goods or services or for execution of cash withdrawal.

26. CONFIRMATION OF ACCEPTANCE OF IMPORTANT CONDITIONS GOVERNING THE LOAN RELATIONSHIP

The Bank hereby expressly calls the Client's attention to the following provisions contained in these Business Terms and Conditions that the Bank considers important and that may take the Client by surprise:

- a) Conditions for automatic renewal of the contract for the fixed period of time and possibilities of termination of the automatic renewal of the contract (Article 3.2);
- b) Entitlement of the Bank to change unilaterally some parameters of the loan relationship (Article 4.2):
 - These Business Terms and Conditions as the whole (Article 4.1);
 - Type and functionality of the cards (Article 10.3);
 - Card limits (Article 12.2);
 - Supplementary services or their conditions (Article 14.2);
 - Length of interest-free period (Article 15.5);
- c) Cancellation of automatic exchange, or cancellation of all cards issued for the card account does not result in termination of the contract or cancellation of the card account (Article 5.4);
- d) The Client's entitlement to pledge or assign its receivables from the contract or to assign the whole contract to a third person is subject to the Bank's prior written approval (Article 6.1);
- e) The Bank's entitlement to pledge or assign receivables from the contract or to assign the whole contract to a third person even without the approval of the Client (Article 6.1);
- f) Situations when the total loan limit could be exceeded and the Bank's entitlement to apply remedial measures in such a case (Article 7.2);
- g) Procedure for increasing the total loan limit (Article 7.3);
- h) Obligation of the Client – the card account owner – to ensure that the card holder complies with all rules governing use of the card, in particular the security rules, and in the adequate scope also other rules stipulated in these Business Terms and Conditions or in the GBTCs, and the responsibility of the Client for damage caused by the card holder (Article 11.2);
- i) The Client's obligation to pay the relevant outstanding amount by the stipulated due date even in the case that the Client does not receive the card account statement (Article 16.1);
- j) The Bank's entitlement to refuse acceptance of the loan receivable payment from a person other than the Client (Article 16.2);
- k) The Bank's entitlement to set-off and/or withhold its loan receivable by debiting the Client's accounts other than that stipulated for collection, if the Bank maintains such accounts for the Client (Article 16.4);
- l) The Bank's entitlement to apply remedial measures in the situation where the Client is threatened by insolvency proceedings or other serious matters occur, even without the fault of the Client (Article 20.1);
- m) Notification of the Client sent to the Bank with regard to breach of legal obligation and bringing attention to possible consequences of breach does not relieve the Client of its obligation to pay the full amount of damage caused by such breach to the Bank (Article 20.1);
- n) The Bank's entitlement to add the whole amount corresponding to the exceeding of the total loan limit to the total minimum payment in the full amount, or to include this amount into the total payment, and to proceed in the same manner also in the case of the existence of outstanding overdue loan receivables from previous accounting periods (Article 20.2);
- o) The Client's obligation to execute debts and obligations arising from the contract even in the case that circumstances change after conclusion of the contract in such a manner that the performance according to the contract will become more difficult for the Client (Article 25.1);
- p) Rights and obligations ensuing from all loan contracts to which these Business Terms and Conditions apply shall be governed by the Civil Code, No. 89/2012 Coll. as of 1. 1. 2014 (Article 27).

FINAL PROVISIONS

27. EFFECT

These Business Terms and Conditions shall come into force on 1 January 2014 and in relation to the Client's being an entrepreneur or a legal entity they replace all business terms and conditions applying to the credit and charge cards issued previously by the Bank. As for the loan relationship between the Bank and the Client, these Business Terms and Conditions are binding as of the day of conclusion of the contract until termination of the loan relationship and full settlement of the loan receivables.

The Client and the Bank have agreed that the rights and obligations arising from the loan contracts to which these Business Terms and Conditions apply are governed by the Civil Code, No. 89/2012 Coll., as of 1 January 2014.

INFORMATION ABOUT THE BANK

Česká spořitelna, a.s.

registered office at Prague 4, Olbrachtova 1929/62, PCN: 140 00
registered in the Commercial Register administered
by the Municipal Court in Prague, Section B, File 1171
ID: 45244782
VAT No: CZ 699001261

Contact information:

Bank information line: 800 207 207
for calls from abroad +420 956 777 956
E-mail: csas@csas.cz
Website: www.csas.cz; www.erstecorporatebanking.cz

Ombudsman of the Česká spořitelna Finance Group:

Olbrachtova 1929/62, 140 00 Prague 4
ombudsman@csas.cz, phone 956 717 718