

**TERMS AND CONDITIONS FOR
CARD AND PERSONAL BELONGINGS INSURANCE
FOR CLIENTS OF ČESKÁ SPOŘITELNA, A.S.**

1. INTRODUCTORY PROVISIONS

The relationship between the *Insurer*, *Policy Holder* and the *Insured* with respect to insurance of a payment card and personal belongings is regulated by (1) the Insurance Contract No. 7720277591 concluded between the *Policy Holder* and the *Insurer*, and (2) these Insurance Terms and Conditions.

2. INSURANCE EVENT, SCOPE OF INSURANCE BENEFIT

2.1 If an insurance event defined in these Terms and Conditions occurs the *Insurer* shall provide the *Insured* with an insurance benefit within the scope agreed in these Terms and Conditions and in the *application form*.

2.2 For the purpose of these Insurance Terms and Conditions, the following situations shall be considered insurance events:

- a) debiting of an account, to which the *card* has been issued, as a result of an *unauthorized card transaction* if the *card* was lost or stolen;
- b) theft of cash withdrawn by the *Insured* from the account, to which the *card* has been issued, at the *bank's* branch or from another bank or ATM; the theft of cash must occur within 12 hours after the cash withdrawal; the theft must demonstrably occur during a violent assault or as a result of forced withdrawal done under threat of physical violence;
- c) loss or theft of keys if such loss or theft occurred simultaneously with the loss or theft of *the card*;
- d) loss or theft of *papers* if such loss or theft occurred simultaneously with the loss or theft of *the card*;
- e) theft of a mobile phone together with *the card*; the theft of a mobile phone must demonstrably occur during a violent assault and/or under threat of physical violence (not just petty theft) and the matter must be investigated by the Police of the Czech Republic;
- f) unauthorized use of a mobile phone; expenses that the *Insured* is obliged to pay to the mobile operator (phone charges) and that obviously occurred during the period from loss/theft of the mobile phone until the loss or theft was notified to the operator; including expenses related to the blocking of the SIM card, provided the unauthorized use of the mobile phone was demonstrably as a result of its loss or theft simultaneously with *the card*;
- g) loss or theft of *hand baggage* including a purse if such loss or theft occurred simultaneously with the loss or theft of the *card*;
- h) theft of corrective eye-glasses, *multimedia* player, if the theft occurred simultaneously with the loss or theft of the *card*;
- i) fee for issuance of a new *card* as a replacement for the stolen or lost payment card in the sum based on the *bank's* tariff.

2.3 An insurance event does not include an event caused intentionally by the *Insured*, *card holder* or any other person at the suggestion of the individuals mentioned above.

2.4 *The Insurer* shall compensate *the Insured* under the terms and conditions stipulated in these Insurance Terms and Conditions and in the *Application Form*, for a *net financial loss* suffered as a result of an insurance event. The insurance does not cover any *subsequent losses*.

3. EXCLUSIONS

3.1 The insurance does not cover *unauthorized card transactions*:

- a) that occurred prior to the acceptance of the *card* by *the card holder*;
- b) that occurred after the loss or theft of the *card* was notified to the *bank*;
- c) that occurred at a time the right to use the *card* had been cancelled (after the *card's* expiry date);
- d) under which the *card holder* does not physically present the *card* unless the *card* has been lost or stolen;
- e) carried out fraudulently by the *Insured* or his/her *near relations*.

4. RIGHTS AND OBLIGATIONS OF THE PARTIES TO INSURANCE

- 4.1 Rights and obligations of the *Insurer, Policy Holder and Insured* are regulated by *legal regulations*.
- 4.2 *The Insurer* shall provide an insurance benefit under these Insurance Terms and Conditions provided that *the Insured and the card holder*:
- made all efforts to prevent the insurance benefit from occurring;
 - did not breach legal obligations averting the imminent *insurance event* or reducing the insurance risk; and
 - made all efforts that may be reasonably required of him/her to reduce the detriment that, as a result of the *insurance event*, occurred or could have occurred.
- 4.3 If it is ascertained that the breach of the conditions above affected the occurrence of the insurance event, scope or amount of loss, the *Insurer* may reduce the insurance benefit proportionally to the effect this breach had on the scope of the *Insurer's* obligation to perform.

5. INSURANCE BENEFIT

- 5.1 The insurance benefit provided by the *Insurer* for all insurance events during an *insurance period* is limited with an insurance benefit limit depending on the option selected in the *application form*.

Option	<i>Unauthorized card transactions</i> - limit on card in CZK	Cash withdrawn in case of a robbery – limit on card in CZK	Aggregate limit for personal belongings* – limit on card in CZK
P 10	10,000	10,000	20,000
P 30	30,000	10,000	25,000
P 60	60,000	10,000	30,000

*) The aggregate limit covers the following risks

- *papers, keys, purse, hand baggage, corrective eye-glasses, multimedia player, misuse of a mobile phone, fee for blocking a SIM card, theft of a mobile phone, fee for issuing a new card.*

- 5.2. The insurance benefit for *unauthorized card transactions* (unauthorized card use) is restricted by the insurance benefit limit of EUR 150 for all options. This restriction does not apply to *unauthorized card transactions* during which the *card holder* is identified with a personal identification number (PIN); in such a case the insurance benefit limits for the selected option shall apply - P10, P30 or P60.
- 5.3 The insurance benefit for violent theft of a mobile phone shall be provided if the conditions below are all met:
- The stolen mobile phone may not be older than two years from date of purchase.
 - The newly purchased mobile phone must be identical or similar in terms of functions, quality and price to the stolen mobile phone.
 - If the condition under Clause b) may not be met and the stolen mobile phone may not be replaced with a mobile phone of the same type, the *Insured* may purchase a new mobile phone with a higher level of functions, quality and price; however, in such a case the insurance benefit is limited by the price of the stolen mobile phone and insurance benefit limit.
- 5.4 The insurance benefit shall be due within 15 days after the investigation necessary to determine the reason and scope of the *Insurer* to pay has been completed. The insurance benefit is paid in Czech currency. To convert foreign currencies to the Czech currency the centre exchange rate for non-cash transactions announced by the Czech National Bank on the day of the insurance event shall be used.
- 5.5 *The Insurer* shall provide the insurance benefit through a direct transfer of money to the account

to which the *card* has been issued.

- 5.6 If the *Insurer*, being limited by the insurance benefit limit, covered only a part of the *net financial loss* to the *Insured* and subsequently the *unauthorized card transaction* was successfully settled through a complaint procedure, the *bank* shall pay the *Insured* the difference between the already paid insurance benefit and the *net financial loss*. The *bank* shall pay the remaining part of the settled amount to the *Insurer* pursuant to the provisions of *legal regulations* on transfer of right to indemnity.

6. EXERCISING CLAIMS FOR INSURANCE BENEFIT

6.1 The *Insurer* shall provide an insurance benefit if *the account's owner* or *card holder*:

- a) immediately notifies the loss or theft of *card* and pursuant to the *commercial terms* of the *bank* applies for a *block on the card*;
- b) immediately notifies the municipal office authorized to manage registries or a registry of the loss of papers and applies for the issuance of certificate regarding this fact;
- c) immediately presents or sends, to the address of the *Insurer*, the properly completed document "Report on Occurrence of Loss" with the following appendices:
 - (i) copy of a police record on notification of *card* theft or copy of a complaint received by the criminal authorities if an *unauthorized card transaction* occurred as a result of loss or theft of the *card* or if physical violence was used to steal cash or violence applied to steal a mobile phone;
If the incident happened abroad the *card holder* shall notify the nearest official authority of the event.
 - (ii) for *unauthorized card transaction* a copy of transactions confirmed by the *bank*;
 - (iii) for *unauthorized card transaction* a copy of account statements or statements of all card transactions for the previous three months;
 - (iv) for *unauthorized card transaction* a copy of a complaint record;
 - (v) for loss or theft of *papers* a certificate on issuance of new *papers* together with a receipt and a copy of new *papers*;
 - (vi) invoice or bill for expenses incurred in relation with the compensation for lost or stolen keys together with a certificate on professional replacement of the lock cylinder; invoice or bill for expenses for professional replacement of *keys* and locks of a private car by an authorized car garage; certificate issued by an employer on issuance of a new *card* for entry;
 - (vii) bill issued by a mobile phone operator with highlighted phone calls under claim and a certificate of the operator on the blocking of the mobile phone, incl. the amount of the blocking fee;
 - (viii) invoice or receipt for a newly purchased mobile phone;
 - (ix) invoice or receipt for the purchase of the stolen mobile phone;
 - (x) invoice or receipt for the purchase of the stolen corrective eye-glasses;
 - (xi) invoice or receipt for newly purchased corrective eye-glasses;
 - (xii) invoice or receipt for a newly purchased *multimedia player*
 - (xiii) invoice or receipt for the purchase of a new transit pass for urban/suburban transport;
 - (xiv) invoice or receipt for the purchase of new *hand baggage*
 - (xv) invoice or receipt for the purchase of a new *purse*

6.2 During the investigation of the occurrence of loss the *Insurer* is entitled to ask the *Insured* to present other documents directly related to this event.

6.3 *The Insured* is obliged, upon learning of *unauthorized card transactions*, to immediately apply for initiation of the complaint procedure at the *bank's* branch.

6.4 *The Policy Holder* and *the Insured* shall co-operate with the *Insurer* and provide necessary assistance with respect to investigation of the occurrence of loss.

7. INSURANCE PREMIUM

7.1 An insurance premium is a regular insurance premium the amount of which for the *insurance period* is stipulated in the *bank's* tariff.

- 7.2 If the insurance becomes effective after the *card* is accepted by the *card holder* the amount of the regular insurance premium equals the insurance premium for the entire *insurance period*. If the insurance expires before the end of the insurance period the *Insurer* is entitled to receive an insurance premium until the end of this *insurance period*.
- 7.3 If *the Insured* is in default with paying the insurance premium he/she shall pay a punitive interest to the *Policy Holder* in the statutory amount.
- 7.4 The insurance coverage is not suspended if payment of the insurance premium is in default.

8. BEGINNING, DURATION AND END OF INSURANCE

- 8.1 The insurance contract is concluded between the *Policy Holder* and *Insurer* pursuant to general provisions of the *legal regulations*. The insurance contract is concluded for an indefinite period of time.
- 8.2 The insurance of a particular *account's owner* begins upon signing the *application form* or in any other manner agreed between the *Policy Holder* and the *Insured*, and lasts for the period of the *current year of the card*. If the *account's owner* signed the *application form* or took out the insurance in any other manner agreed between him/her and the *Policy Holder* and the premium was paid before the *card* was accepted, the insurance begins upon the acceptance of the *card* and lasts for the period of the *current year of the card*.
- 8.3 If the *account's owner* signs the *application form* for insurance after accepting the *card* or took out the insurance in any other manner agreed between him/her and the *Policy Holder*, the insurance is effective as of the following calendar day (from 00:00) after signing the *application form* for insurance or conclusion of insurance in any other manner agreed between him/her and the *Policy Holder* and lasts for the *current year of the card*.
- 8.4 The insurance expires upon the loss or theft of the *card* unless these Insurance Terms and Conditions say otherwise and in cases regulated by *legal regulations*.
- 8.5 If the insurance expires before the end of the *current year of the card* the *Insurer* does not refund any paid insurance premium.
- 8.6 If the *card holder* is issued a replacement *card* within the term of the insurance, even with a new *card* number, the insurance of the original *card* does not expire and covers this replacement *card*. Regarding the fact this is just a *card* to replace the original one the *Insured* does not repeatedly pay the already paid insurance premium. The insurance then lasts for the period of the *current year of the card*.

9. NOTICES

- 9.1 Any notices or other types of communication shall be delivered to the address of the *Insured*.
- 9.2 Any notices or other types of communication to be delivered to the *Insured* shall be considered delivered at the moment when the addressee actually received this notice or communication or at the moment this receipt was refused or prevented (e.g. by not providing a current address).

10. TERRITORIAL SCOPE

- 10.1 The insurance covers insurance events that occurred anywhere in the world unless the insurance contract says otherwise.
An exception concerns the theft of a mobile phone; the place of insurance is only the territory of the Czech Republic.

11. MISCELLANEOUS

- 11.1 The insurance is taken out as a claim insurance.
- 11.2 The titles of clauses and articles are only informational and they are not intended to affect the meaning or contents of the provisions they introduce in any way.
- 11.3. The insurance is taken out as co-insurance between *the Policy Holder* and more insurers, concerning Kooperativa pojišťovna, a.s., Vienna Insurance Group, and CHARTIS EUROPE, S.A., branch for the Czech Republic. Kooperativa pojišťovna, a.s., Vienna Insurance Group acts as the lead insurer for this insurance.
The insurance company in charge of settlement of insurance events is CHARTIS EUROPE, S.A., branch for the Czech Republic.

12. DEFINITIONS

Unless the wording of these Insurance Terms and Conditions say otherwise, the terms below, written

in *italics* in the text, have the following meaning:

Bank means Česká spořitelna, a.s., registered in the Business Register maintained by the Municipal Court in Prague, Section B, Insert 1171; ID: 45244782; Olbrachtova 1929/62, 140 00 Prague 4, Czech Republic;

Current year is a recurring period from the moment of issuance of the *card* until its expiration in the length of 12 months;

Net Financial Loss is a loss concerning:

- a) debiting the account to which the *card* has been issued as a result of *unauthorized card transaction*;
- b) compensation of stolen cash;
- c) compensation of the cost of new keys;
- d) compensation of the cost of new *papers*;
- e) compensation of the cost of a new mobile phone;
- f) compensation of costs incurred as a result of unauthorized use of mobile phone (phone charges), incl. the fee for blocking the SIM card;
- g) compensation of the cost of new *hand baggage* including a *purse*;
- h) compensation of the cost of new corrective eye-glasses, *multimedia player*;
- i) compensation of the fee for repeated issuance of a new *card*;

Paper means personal identification card, passport, driving licence, ID card to access the workplace; certificate of vehicle registration, part I. (the so called certificate of roadworthiness); monthly/quarterly/annual transit pass for urban/suburban transport (e.g. ROPID, MHD – urban public transport).

Card holder means an individual to whom the *card* was issued, upon his/her request or upon an approval of the *account's owner*, and who undertook to observe the *commercial terms*.

Card is an electronic payment facility of a monetary value issued by the *bank* under the *commercial terms*.

Keys means keys and lock cylinders to permanent or temporary place of residence, keys and lock cylinders to a private car, keys and lock cylinder to the gear lever lock system for a private car.

Account's owner is an individual or a corporate body in the name of whom or which the account specified in the *application form* is maintained and to which the electronic payment facility is issued.

Multimedia player means a MP 3/4 portable player, or a walkman-type or discman-type portable player. A mobile phone or a mobile phone combined with MP 3 player is not a multimedia player.

Subsequent loss means damage to an object, life or health, financial loss or any other detriment, including lost profit, resulting directly or indirectly from the loss covered by this insurance.

Unauthorized card transaction means unauthorized use of a lost or stolen *card* by a person different from the *Insured* without his/her knowledge and approval.

Commercial terms mean commercial terms and conditions for the issuance and use of *cards* related to the account maintained by the *bank*.

Near relation is a direct relative of the *Insured*, sibling or spouse of *the Insured*, another person with family ties or similar (a partner) is considered as a *near relation* if the loss suffered by one of them that the other would reasonably feel as his/her own loss.

Purse means a wallet or a purse for keeping and carrying money, possibly also *papers of the Insured*.

Insurance period means a *current year* of the *card* validity for which a regular insurance premium is paid, unless otherwise agreed with the *card holder*.

Insured means a person stipulated in the *application form* covered by this insurance; pursuant to this insurance, the *Insured* is the *account's owner*.

Insurer means Kooperativa pojišťovna, a.s., Vienna Insurance Group, registered in the Business Register maintained by the Municipal Court in Prague, Section B, Insert 1897, ID: 471 16 617, Templová 747, Prague 1, Czech Republic (lead insurer).

CHARTIS EUROPE S.A., branch for the Czech Republic, registered in the Business Register maintained by the Municipal Court in Prague, Section A, Insert 56494, ID: 276 55 385, Prague 1, V Celnici 1031/4, postcode 110 00, Czech Republic (co-insurer).

Policy holder means a person who concluded the insurance contract with *the Insurer* and who shall pay the insurance premium; the *policy holder* is the *bank*.

Application form is a request for issuance and use of a debit card or request for issuance of a credit/charge card or a change form specifying the respective type of insurance.

Hand baggage means closable baggage with a firm bottom, in particular a handbag, backpack, or a sports bag.

Block on a card means *frozen card* by adding the *card* to a stop list or by any other action in order to prevent the unauthorized use of the *card*.

Legal regulations mean the Act No. 40/1964 Coll., Civil Code, Act No. 37/2004 Coll., on Insurance Contract, and other legal regulations related to insurance.

These Insurance Terms and Conditions become effective on 1 November 2009.

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