

GENERAL BUSINESS TERMS AND CONDITIONS OF ČESKÁ SPORITELNA, a. s.

GENERAL PROVISIONS

1. Fundamental Provisions

1.1 General Principles

These General Business Terms and Conditions of Česká spořitelna, a. s. (hereinafter the "GTC") shall establish the basic rules applicable to any and all relationships between the Bank and the Client pursuant to agreements concluded in connection with any Bank Transactions, and to any acts aimed at concluding any such agreement. Further, these GTC shall specify the terms and conditions of certain Bank Transactions (in particular, payment services) pursuant to agreements concluded by and between the Bank and the Client, and shall supersede all previous business terms and conditions of the Bank for payment services, cash accounts, and the direct banking and payment card services (the foregoing shall not apply to credit and charge cards). These GTC shall also apply accordingly to deposits in saving books, certificates of deposit, and other forms of deposit otherwise covered by the provisions of applicable laws *(1) relating to saving books and certificates of deposit.

1.2 Integral Part of Agreement

These GTC form an integral part of any agreement or other arrangement between the Bank and the Client executed in connection with the applicable Bank Transaction, provided that reference to these GTC is made in such agreement or arrangement and these GTC are attached thereto or known to the Client, as applicable. In addition to these GTC, Bank Transactions may also be governed by Specific Business Terms and Conditions issued by the Bank for specific kinds of products and services. To the extent that the terms of any such applicable agreement, the Specific Business Terms and Conditions, or any other documents which provide for the rights and obligations of the relevant parties thereto differ from or conflict with these GTC, the applicable provisions of any such agreement or the Specific Business Terms and Conditions shall prevail. In the event of any discrepancy between the General Provisions of these GTC and the other provisions of these GTC, the other provisions of these GTC shall prevail.

1.3 Amendments to GTC

In the interest of improvement in the quality of services provided to the Client, following up the development in the existing legal environment and technologies, and also considering its business policy, the Bank shall have the right to amend these GTC and the other Contractual Documents. In such case, the Bank shall propose to the Client any such amendments to the Contractual Documents in the printed form or on another durable data medium not later than two (2) months before the proposed effective date for the amendment to the Contractual Documents. The Client and the Bank agree upon the irrebuttable presumption that the Client has accepted the proposed amendment to the Contractual Documents if the Bank proposed the amendment to the Client within the above time limit, informed in its proposal the Client of his/her right to terminate the agreement pursuant to the following sentence of this Section as well as of the consequences of a failure to reject the proposal within the time limit set forth below, and the Client failed to reject the proposed amendment to the Contractual Documents in writing prior to the amendment to the Contractual Documents becoming effective. In the event that the Client rejects the proposed amendment to the GTC or other Contractual Documents, he/she shall have the right, until such time as the amendment becomes effective, to terminate the relevant payment services agreement with immediate effect and free of any charge.

If, upon the execution of the agreement, the Bank provides the Client with proposed amendments to the Contractual Documents to become effective in future, such amendments shall become part of the relevant agreement as from the date on which they become effective.

The Bank may unilaterally modify the trade name of a product or service provided that it shall inform the Client of any such modification in an appropriate manner and without unnecessary delay. No such modification in the trade name of a product or service shall affect the rights and obligations of the parties under the agreement; accordingly, the parties shall not consider any such modification to modify the agreement on the product or service concerned.

1.4 Bank Information

Basic information:

Česká spořitelna, a. s.

Registered office: Praha 4, Olbrachtova 1929/62, Postcode 140 00

IČ (Id. No.): 45244782

DIČ (Tax Id. No.): CZ 699001261

Registered in the Commercial Register maintained by the City Court in Prague, Section B, File 1171

Contact Data:

Bank's information line: 800207207

E-mail: csas@csas.cz

<http://www.csas.cz>

Telex: 121010 spdb c, 121624 spdb c, 121605 spdb c

Bank's BIC/SWIFT Code: GIBACZPX

Bank's Code for payment purposes: 0800

Reuters: SPOPsp.PR

Supervising Authority:

Česká národní banka (The Czech National Bank)

Registered office: Na Příkopě 28, 115 03 Praha 1

The principal purpose of the Bank shall be to provide banking services. The Bank is the holder of the relevant authorisation to act as a bank pursuant to Act No. 21/1992 Coll., the Banking Act, which authorisation also includes the right to provide investment services under Act No. 256/2004 Coll., on engaging in business in the capital market. The authorisation was issued by the Czech National Bank under Ref. No. 2004/61/520.

1.5 Definitions of Terms

For ease of reference, certain terms used in these GTC are capitalized, and shall have the meanings set forth in Section 45 hereof - Definitions of Terms. The aforementioned Section also contains definitions of other terms used herein.

2. Identification, Authorisation, Representation

2.1 Proof of Identity and Legal Personality

Prior to entering into any Bank Transaction with the Bank, and whenever the Bank so requests in the course of such Bank Transaction, the Client shall supply the Bank with evidence of its incorporation and legal existence or, if there are reasons worthy of particular consideration, also data and information on the purpose of its incorporation (if a legal entity), or establish his/her identity (if an individual), in each case in a form and substance satisfactory to the Bank.

As a rule, an original excerpt from the Commercial Register, which is not older than thirty (30) days, or a notarised copy thereof or any other similar certificate of registration in a public registry applicable to a legal entity, will be satisfactory evidence of its incorporation and legal existence. In case of changes to the data concerning the Client that have not yet been registered in the applicable public registry, the Bank may acknowledge such fact as proved by a notarised document evidencing such changes. Legal entities that are not subject to a registration in the Commercial Registry or other public registry shall prove their legal existence by a certificate of incorporation or by reference to the act pursuant to which they were incorporated. The persons authorised to act for and on behalf of such entities shall be obligated to submit a certificate confirming their authority.

The foregoing provision shall apply accordingly to foreign legal entities. The Bank may request foreign legal entities to submit documents concerning their legal existence issued in accordance with the laws of the jurisdiction of their incorporation, provided with a notarisation (authentication) clause (see Section 5.4 of these GTC) including a certified translation thereof. If a foreign legal entity carries on business in the Czech Republic, such entity shall also provide an excerpt from the Commercial Registry of the Czech Republic. If it does not carry on business in the Czech Republic, the Bank may request from such foreign entity a declaration to that effect.

Foreign individuals who carry on business in the Czech Republic shall submit a proof of identity, a respective foreign authorisation for business accompanied by a certified translation as well as an excerpt from the Commercial Registry of the Czech Republic. The obligation to provide an excerpt from the Commercial Registry of the Czech Republic shall not apply to citizens of the EU Member States or other countries belonging to the European Economic Area.

In the case of a Bank Transaction with a legal entity already founded but not yet registered in the applicable commercial registry, the person acting for and on behalf of such legal entity shall provide the Bank with the documents evidencing the foundation of such entity and any additional documents that the Bank may request. Each person acting for and on behalf of the Client shall provide due evidence of his/her authority to carry out such actions.

A valid identity card (in Czech: *občanský průkaz* or a passport in respect of foreign individuals) shall usually represent satisfactory evidence of the identity of the Client (if an individual). An individual acting for and on behalf of a legal entity shall establish his/her identity in a manner identical to that applied to Clients - individuals. An individual - entrepreneur shall also present a document evidencing his/her authorisation for business or an excerpt from the commercial registry, subject to the conditions equivalent to those applicable to legal entities.

2.2 Mandatory Identification of Clients and Verification of Other Circumstances

The Bank is required to identify the Client and request establishment of identity of a Client or any person(s) acting for it and on its behalf if so required under the generally binding legal regulations. Upon the request or with the consent of the Bank, identification of the Client may be performed by a third party. The Bank shall keep files of any data and information obtained as above to the extent provided for in applicable law. The Bank may request the Client to provide additional information relating to a Bank Transaction, inclusive of the Client's address, telephone and/or facsimile number, e-mail address or any other means of communication used for electronic exchange of Client's data. If the Client fails to provide the requested assistance, the Bank may refuse to execute the Bank Transaction.

2.3 Personal Data

For the purposes of Bank Transactions, the Bank shall ascertain and process the Client's personal data including his/her birth number, if assigned. In the event that the Client refuses to disclose his/her personal data, the Bank shall refuse to effect such transaction. *(2) The Bank shall use the Client's personal data for identification purposes only, and shall treat such data in accordance with any and all obligations set forth in applicable law.

2.4 Acts of Client

In relation to the Bank, the Client acts and takes any legal acts by himself/herself or through a representative (an Authorised Person within the meaning of these GTC, see Section 2.8 and 45 hereof).

2.5 Limited Capacity for Legal Acts

In all legal acts with respect to the Bank, the Client - an individual with limited capacity for legal acts or no capacity at all - shall be represented by his/her legal representative or a duly appointed guardian. The Bank, however, shall not be obligated to verify the extent of the authorisation of such legal representative or guardian.

2.6 Persons Unable to Read or Write

The Client - individual who is unable to read or write shall perform any written legal act vis-à-vis the Bank in the form of an official protocol. Such protocol shall not be required if the Client is able to acquaint himself/herself with the contents of the legal act by means of devices or special aids or through another person that he/she chooses, provided that the Client is able to sign the relevant documents in his/her own hand.

2.7 Power of Attorney

A power of attorney granted by the Client to an attorney-in-fact shall be issued for a special purpose, written, sufficiently specific and signed personally by the Client. The signature of the Client must be notarised or otherwise authenticated in a manner customary for the Bank (e.g., by an employee of the Bank in the process of negotiation of any Bank Transaction, see also Section 5 GTC). The Bank shall establish the identity of the Client's attorney-in-fact in accordance with applicable law. The Client shall be obligated to promptly inform the Bank of any modification to or termination of the power of attorney.

If any doubt exists whether or not the power of attorney is genuine and/or valid, the Bank may refuse to negotiate with the Client's attorney-in-fact who submitted it and request that the Client grant a power of attorney in the presence of a Bank officer. The Bank also may in a Communication stipulate its conditions of acceptance of powers of attorney.

2.8 Authorised Person

An Authorised Person shall be an individual authorised to act for the Client and on his/her behalf with the Bank to the extent specified by the Client in the power of attorney (Specimen Signature Form, special power of attorney), set forth in applicable law or a decision of a competent authority (legal representative, guardian). The Bank shall not be obligated to examine whether the acts performed by the Client's representative correspond to the scope of his/her authorisation granted to him/her by the court, unless the scope of the authorisation granted to the Client's representative is specifically defined in the relevant court statement. For the purposes hereof, an Authorised Person shall not be deemed a person merely delivering to the Bank an instruction (order) completed and signed by an Authorised Person. The Client shall acquaint each Authorised Person with the contents of the relevant agreement.

2.9 Specimen Signature Form

For the purposes of Bank Transactions, the Specimen Signature Form represents a special power of attorney in which the Client may, if permitted by the Bank, specify the persons authorised to act on the Client's behalf vis-à-vis the Bank to the extent defined in the Specimen Signature Form. In addition to such authorised persons, the Client may also indicate himself/herself in the Specimen Signature Form. The Bank may determine certain acts that may not be performed on the basis of the authorisation granted by the Specimen Signature Form, and shall require a special power of attorney. An Authorised Person is required to execute his/her specimen signature on the Bank's form; as a rule, the form is signed in the presence of an authorised employee of the Bank or, if permitted by the Bank, an Authorised Person may execute his/her specimen signature outside of the Branch. In such case, however, the Client shall procure the identification and notarisation or other authentication of such signature. Unless otherwise agreed, the Client may appoint additional Authorised Person(s), or revoke or modify the authorisation granted to any Authorised Person(s) on the Bank's form. No Authorised Person may modify his/her specimen signature independently of the Client without the Bank's consent. Any change of Specimen Signature Form shall become effective and binding on the Bank as of the first Business Day following the day on which such new Specimen Signature Form is delivered to the Branch administering the business relationship with the particular Client, unless agreed otherwise. Upon termination of the relevant Bank Transaction agreement, all authorisations granted in the Specimen Signature Form with respect to such agreement shall be expired.

The specimen signature is a written (graphic) expression of the Authorised Person affixed in person to the Specimen Signature Form and confirmed to the Bank as a specimen signature for the purpose of written orders given to the Bank by the Authorised Person. The specimen signature is intended to prevent unauthorised use, and the Client undertakes to refrain from using it in connection with ordinary matters, and take all reasonable measures necessary to ensure confidentiality and security of the specimen signature. A stamp (seal) may be included in the specimen signature, if permitted by the Bank. In such case, the Bank shall perform only such disposals that are signed in accordance with such complete specimen signature. In order to maintain protection of bank secrecy and personal data as well as for security reasons, the Bank shall not issue to the Client the Specimen Signature Form containing the specimen signatures of Authorised Persons. Each of the Bank and the Authorised Person shall at all times act so as to prevent the data included in the Specimen Signature Form and other protective identification features from being capable of being misused by any third parties.

As to any written documents, communications, notices, orders and instructions from the Client which the Bank and the Client agreed to be signed using the specimen signature contained in the Specimen Signature Form, the Bank shall verify whether the signature affixed to such documents corresponds to the specimen signature. The Bank may refuse to execute an instruction if (i) the signature on such an instruction does not correspond to the specimen signature deposited with the Bank, or (ii) the imprint of the stamp on such an instruction does not correspond to the imprint of the stamp provided by the Client in the Specimen Signature Form or overlaps the signature of the Authorised Person (see also Section 3.3 hereof).

2.10 Change in Client Data

At its own cost, the Client shall promptly notify the Bank in writing of any and all changes in identification and other client data and provide the Bank with documents evidencing such changes and any other information as the Bank may request. A failure to comply with this obligation may be considered by the Bank as the failure by the Client to provide cooperation. Changes and modifications required to be notified shall include, without limitation:

- a) any and all changes in any data and information provided to the Bank in connection with any Bank Transaction;
- b) any change affecting its identity, legal status or signature authorisation;
- c) any facts and changes that may be reasonably expected to substantially affect the Bank Transactions (such as the loss of personal identification documents, loss of payment instruments, etc.);
- d) any changes or events that may be reasonably expected to unfavourably affect the ability of the Client to meet its obligations vis-à-vis the Bank (such as insolvency proceedings, going into liquidation, etc.);
- e) any facts making it a person having a special relationship towards the Bank within the meaning of the provisions of the Banking Act.

Any and all such notified changes shall become effective and binding on the Bank as of the first Business Day following the day on which the notification of change is delivered to the Branch administering the business relationship with the

particular Client, unless otherwise agreed. The Bank shall enter any changes notified as described above in its files and further proceed in accordance therewith.

3. Instructions

3.1 Complete Instructions

The Bank shall execute any instructions of the Client provided that all such instructions and communication given to the Bank by the Client are specific, clear, and complete and satisfy any other conditions stipulated by applicable law and the agreement with the Client. The Bank may otherwise refuse to execute the relevant instruction. The Bank is not obligated to verify the correctness or completeness of any information provided by the Client.

3.2 Form of Instruction

The Bank shall execute the instruction if such instruction is submitted on a designated form or on a form agreed with the Client, or delivered to the Bank through information media or through an approved means of communication. In substantiated cases, the Bank may also execute an instruction, albeit the Client has failed to submit such an instruction on the designated form, provided that the relevant instruction contains any and all pre-requisites stipulated for the given type of instruction.

3.3 Signed Instruction

The Bank shall execute an instruction submitted by the Client provided that (i) his/her signature on such an instruction corresponds to his/her specimen signature contained in the Specimen Signature Form, and (ii) such manner of the signing of instructions was agreed upon between the Bank and the Client. If the specimen signature is not available to the Bank, or the signature does not correspond to the specimen signature, the Bank shall not execute such instruction, unless it is evidenced by any other means that the signature on such an instruction belongs to the respective Authorised Person. Any other instruction of the Client allowing for identification of the Client in a manner agreed with the Bank and consistent with applicable law, such as electronic signature, shall also be regarded as an instruction signed by the Client.

3.4 Notice of Non-Execution

The Bank shall notify the Client in an appropriate manner of any instructions that have not been executed for reasons specified in Sections 3.1 to 3.3 hereof.

3.5 Cancellation and Modification of Instructions

Unless otherwise agreed with the Client, the Bank may not cancel or modify any instruction delivered to the Bank.

3.6 Exceptional Measures

The Bank may delay the execution of the action requested by the Client for a period of time as may be necessary to verify the facts contained in the documents provided by the Client. No legal entitlement to closing a Bank Transaction exists and the Bank may refuse the closing of a Bank Transaction without cause.

The Bank may and is entitled to reject or not to execute an instruction from the Client for operational, technical or other noteworthy reasons. The Bank shall, however, notify the Client of such measure in advance and in an appropriate manner and, to the largest extent possible, observe the interests of its Client.

4. Set-Off and Limitation

4.1 Set-Off

In the event that the Client fails to pay in a due and timely manner any of its obligations towards the Bank, the Bank may at any time set off any of its due monetary claims against the Client against any monetary receivables that the Client may have from the Bank, regardless of whether they were due and irrespective of their currency and legal basis. The Bank may also set off any of its receivables from the Client against a receivable from the Client's account that has not yet fallen due; provided, however, that the consideration (if any) in respect of such premature payment shall be paid by the Client.

The Client expressly declares and agrees that the Bank may set off any of its due monetary claims against the Client that the Client failed to pay in a due and timely manner, against any receivables of the Client from the Client's account maintained by the Bank. The pre-requisites for a unilateral set-off by the Bank shall apply to the Client accordingly.

An agreement on a respective Bank Transaction between the Client and the Bank may exclude, in view of its purpose, the right of the Bank to set-off its claims against the monetary receivables of the Client towards the Bank.

4.2 Bank Authorisation to Settle

To the extent that the Client is obligated to effect, in connection with the Bank Transactions or other agreements executed between the Client and the Bank or any other of the acts in law effected by the Client, any payment in favour of the Bank, the Bank may debit such payment that has fallen due to any of the Client's accounts and use the funds kept in such account of the Client for the payment of any of its due receivables from the Client. The Bank shall notify the Client of such measure.

4.3 Period of Limitation

Within the meaning of the applicable valid legal regulation *(3), the Client expressly declares that he/she agrees with the extension of the period of limitation during which the Bank may assert against him/her any claims arising from the particular Bank Transactions or other agreements executed between him/her and the Bank, for an aggregate period of time of ten (10) years from the commencement of the period of limitation that shall at all times specifically apply to each such relationship concerned.

5. Communication with the Bank

5.1 Means of Communication

To communicate with one another, the Client and the Bank will use mail or personal delivery unless they agree upon the use of other means of communication such as telephone, facsimile, SWIFT, e-mail or other means of electronic

data exchange. If the Client provides the Bank with his/her data facilitating the use of other means of communication, the Bank may communicate with the Client using same. In the event that the Client and the Bank have agreed upon the provision of the direct banking service, the parties may communicate through direct banking communication channels; technical requirements applicable to the Client's equipment necessary for this type of communication are specified in user manuals for the relevant direct banking service.

5.2 Notices Confirmed in Writing

The Bank may request that certain notices (given in a form other than in writing) be confirmed by a written original to be delivered within three (3) Business Days to the Branch administering the particular Bank Transaction with the Client, unless otherwise determined by the Bank. If the Client fails to provide such confirmation, the Bank may, but shall not be obliged to, proceed in accordance with the notice concerned.

5.3 Recording and Archiving Communication with the Client

The Client expressly agrees and consents that the Bank may record any communication between the Bank and the Client by any technical means available to it and archive any such records as well as copies of any information and documents received from the Client or third parties in connection with any Bank Transaction. The Client agrees that the Bank may record any communication with the Client without prior notice that any such measure is being taken. The foregoing measures, designed to prevent eventual discrepancies that might arise as a result of a misunderstanding or misinterpretation of a specific act or instruction, are intended to protect the interests of both the Client and the Bank.

5.4 Legalization (Notarisation) and Apostillation of Documents

The Bank may require the legalization (notarisation) of the Client's signature that has not been executed in the presence of a Bank's officer. The Bank may further request notarisation or other official authentication of the conformity of any copy of an original document submitted to the Bank with such original document. With respect to all foreign documents submitted by the Client to the Bank, the Bank reserves the right to require such documents to be legalized (superlegalized) or, as appropriate, apostilled pursuant to the Hague Convention Abolishing the Requirement of Legalization for Foreign Public Documents of 1961.

5.5 Communication Language and Certified Translation

All Bank Transaction agreements executed by the Bank shall be in Czech, unless the Bank and the Client agree upon another execution language. The parties shall communicate in Czech, unless the Client and the Bank agree upon another communication language. However, the Bank shall not be obligated to accept any documents executed in a language other than the Czech language, unless stated otherwise in an agreement with the Client. In the other cases the Bank may require the Client to provide the Bank with a certified translation of any document submitted by the Client to the Bank in any language other than Czech.

5.6 Addresses

Any and all notices and documents shall be sent by the Bank to the address of the Client specified in the respective agreement executed between the Client and the Bank (or to an address specified by the Client thereafter). In case the Client and the Bank agree upon a different address for the delivery of documents relating to a specific service, the Bank shall send such documents to the agreed address (mailing address). Should the Client fail to collect the written documents at those addresses, the Bank may also send such documents to another address of the Client available to the Bank. In its own interest and to maintain efficient communication with the Bank, the Client shall also communicate to the Bank his/her telephone and facsimile numbers, e-mail address or the address of any other means of electronic data exchange to which all documents and notices from the Bank to the Client shall be sent, and without undue delay inform the Bank of any changes to such data.

All notices and documents from the Client shall be sent to the appropriate Branch of the Bank currently administering the particular Bank Transaction with the Client, unless otherwise determined by the Bank. The Bank shall inform the Client in sufficient time about any changes in the address of the Branch administering the respective Bank Transaction.

5.7 Presumed Delivery

Any notices mailed by the Bank to the Client by mail, or sent by courier or in a similar manner to the Client's last stated address and returned as undelivered shall be deemed to have been delivered at the time of its return to the Bank.

5.8 Notices Delivered by Courier

Any notices delivered to the Client by courier shall be deemed delivered when received by the Client or any of the Client's authorised employees. Any notices of the Client delivered to the Bank by courier shall be deemed delivered when delivered to the Bank's registered office or received by the designated employee of the Branch administering the relevant Bank Transaction with the Client.

5.9 Notices Collected Personally

In the event that the Client and the Bank agree that the notices addressed to the Client shall be personally collected by the Client at an appropriate Branch, and the Client fails to collect such notice within the agreed term, the Bank may dispatch, at the Client's cost, such notice to the addresses pursuant to Section 5.6 of these GTC. The foregoing shall not apply to statements of the Client's account and other notices relating to the account, which are deposited with the Bank in accordance with Section 10.11 or Section 29.3 of these GTC.

5.10 Discovered Errors

In the event that the Bank or the Client discovers any error in any communication, statement of account, notice or any other information or statement (except for typing errors and errors of similar nature that do not affect the contents thereof), it shall promptly notify the other party thereof. Promptly upon receipt, the Client shall examine and review any and all statements of account, notices and any other communication or information sent to the Client by the Bank, and notify the Bank of any discrepancies it has discovered without unnecessary delay. The Bank shall remove any such discovered error or discrepancy without unnecessary delay. Any errors caused by the Bank shall be removed at the Bank's expense.

5.11 Additional Information Required for Payment Services

For the full term of the agreement on Payment Account executed between the Client and the Bank, the Bank shall be obligated to make available to the Client, at his/her request, the contents of the agreement on Payment Account and other information about the agreement on Payment Account (in particular, any modifications or amendments to that agreement, its term, the Client's right to terminate same, the applicable governing law, court jurisdiction, out-of-court resolution of disputes between the Bank and the Client, and the Client's right to lodge a complaint with the Czech National Bank), as well as information about the Bank, the payment service provided, the manner of communication between the Bank and the Client, any protective measures and remedies used in, and the Bank's liability for, the provision of payment services, all of the above to the extent as stipulated in the Payments Act.

5.12 Additional Information Required in respect of Distance Contracts for Financial Services with Consumers

If the Bank and the Client execute a distance contract for financial services using the means of communication which allow for execution of that contract without the simultaneous physical presence of the Bank and the Client, the Bank shall be obligated to comply with the obligations set forth in the applicable provisions of the Civil Code. *(4)

If the Bank fails to make available to the Client the information stipulated in the Civil Code, the Client shall have the right to terminate the relevant distance contract for financial services within three (3) months of the day on which he/she has learnt about the breach by the Bank of its above obligation. The Client may also terminate a distance contract for financial services without cause and without any sanction within fourteen (14) days of the (i) date of execution of the relevant contract, or (ii) the date on which it received the information pursuant to the applicable provisions of the Civil Code *(5), if the latter date occurs following execution of the relevant contract.

The Client may not terminate distance contracts for financial services whose price depends on fluctuations of prices in financial markets beyond the Bank's control, such as services relating to foreign exchange values and investment instruments. In addition, the Client shall have no termination rights where the contractual obligations under such contracts were fully fulfilled by both parties at the Client's express request prior to exercise by the Client of his/her termination rights.

The Client shall exercise his/her right of termination by demonstrably mailing the relevant notice at the address of the Branch administering the relevant Bank Transaction, unless otherwise agreed; the time limit for exercising the termination rights shall be deemed observed if a written notice of termination is mailed prior to expiry of the above time limit.

In the event of termination by the Client of a distance contract for financial services, the Bank may request the Client to pay, without undue delay, amounts for services actually provided only. The Bank, however, may not request the payment for the service provided to the extent that it commenced the performance of a distance contract prior to expiry of the above time limit without the Client's consent or if it failed to inform the Client of the amount.

6. Liability of Bank

6.1 Liability

The Bank shall be liable for any failure in executing an instruction of the Client or for action performed in accordance with other information provided by the Client to the Bank or for compliance of any other obligations vis-à-vis the Client, unless the Bank proves that such failure or act was not caused, intentionally or by negligence, by the Bank or is not otherwise attributable to the Bank under applicable law, these GTC, the applicable agreement with the Client or general business practices.

6.2 Exclusion of Liability

The Bank shall not be entitled to assess the correctness of the Client's instructions. The Bank shall not be liable for any transaction completed in an incorrect manner or other action taken by it in accordance with the Client's orders.

The Bank shall not be liable for any failure to provide services and for losses caused to the Clients, directly or indirectly, by circumstances beyond the control, capabilities and powers of the Bank, the card companies, or any of their respective partners, including, without limitation, any losses caused by power cuts, machine failures, non-functioning of data processing systems equipment or transmission lines, strikes, etc.).

6.3 Mitigating Measures

If any situation described in this Section occurs, the Bank shall exercise its effort to mitigate any adverse effects to the Client.

7. Prices for Services, Costs, Interest and Foreign Exchange Rates

7.1 Prices

In consideration for the services provided by the Bank, the Client shall pay to the Bank Prices pursuant to the Tariff of Fees and Charges in effect on the date that the applicable service is provided or as may be agreed in the relevant agreement. The Bank may condition the completion of a transaction or the provision of a service upon the payment of the Price or any part thereof. The Bank may from time to time modify or amend the Tariff of Fees and Charges provided, however, that the Bank shall inform the Client of any such modifications and/or amendments in an appropriate manner and make available the actual wording of such Tariff to the public at its Branches. The part of the Tariff of Fees and Charges which relates to payment services may not be modified and/or amended other than using the procedure and within the time limits set in Section 1.3 of these GTC.

7.2 Reimbursement of Costs

In addition to the foregoing, the Client shall reimburse the Bank for any additional and reasonable costs and expenses that the Bank may incur in connection with the Bank Transaction with the Client, including, without limitation, any reasonable costs and expenses incurred in connection with the preparation, execution and dispatching of any documents, instruments and other written documents relating to the preparation of and entering into the Bank Transaction, any amendments thereto, etc.

7.3 Interest

The Client acknowledges and agrees that the Bank may unilaterally modify its interest rates following up the developments in money market, and taking account of its business policy. The Bank shall make available to the public any interest rate modifications at its Branches and on the Bank's Homepage.

7.4 Default Interest

In the event that the Client is in default with the payment of any of its monetary obligations to the Bank deriving from a Bank Transaction, the Bank may request the payment of default interest in respect of the amount in default in an amount determined in the applicable agreement between the Bank and the Client or in the Notice. The amount in default shall bear default interest on a daily basis starting from the first day of the default (including such date) until the day immediately preceding the day on which the amount in default is repaid (including such date). The Bank may account for default interest on an ongoing basis with maturity as of the settlement date. Asserting the claim for default interest shall not affect the right of the Bank to request from the Client the performance of all of his/her obligations vis-à-vis the Bank (e.g. the Prices, regular interest) and compensation for damage, if any.

7.5 Foreign Exchange Rates

For conversion purposes in foreign exchange transactions, the Bank shall apply the rates appearing on its exchange list. The cash or, as applicable, non-cash sell rate is used depending on whether a transaction involving cash (banknotes) of foreign exchange is effected. The Bank may unilaterally modify the exchange rates announced thereby without prior notice.

8. Taxes

8.1 Tax Gross-Up

Any and all payments to be effected pursuant to these GTC or any agreement or other arrangement between the Bank and the Client by the Client in favour of the Bank in connection with any Bank Transaction hereunder shall be made free and clear of and without deduction or withholding for or on account of tax or other obligation, except for such events when the Client is required by law (including any international treaties on the avoidance of double taxation) to make such payment subject to the deduction or withholding of tax. In the event of such required tax deduction or withholding, the sum payable by the Client shall be increased to the extent necessary to ensure that, after the required tax deduction or withholding is effected, the Bank receives a net sum equal to the agreed value eliminating the effects of tax withholding.

8.2 Tax Deductions

The Bank, as taxpayer, makes deductions for or on account of taxes in accordance with applicable laws and regulations that are in effect in the Czech Republic, unless an applicable international treaty on the avoidance of double taxation provides otherwise and the Client submits to the Bank proof of its tax domicile covered by such treaty. Such proof may have a form of an original certificate issued by the appropriate tax authority of the state, in which the registered office or residence of the Client is located. Upon the request of the Client who is subject to the international treaty on the avoidance of double taxation and who submitted the proof of its tax domicile, the Bank shall ensure the certificate evidencing the payment of tax issued by the appropriate tax authority. The Bank may reasonably require the submission of other documents in connection therewith.

PAYMENT ACCOUNTS

9. Fundamental Provisions on Payment Accounts

9.1 Establishment of Payment Account

Under the agreement on Payment Account, the Bank agrees to establish, as of a specific date, for the Client a Payment Account denominated in a specific currency, receive funds in favour of, and/or effect payments and disbursements from, or effect other transactions in favour or to the debit of, the Payment Account established as above. Unless otherwise agreed in the applicable agreement on Payment Account, agreement on Payment Account shall be agreed upon for an indefinite period of time. The establishment and maintenance of a Payment Account shall not be considered a payment service.

9.2 Services Connected with Payment Account Maintenance

The Client may agree with the Bank upon the provision, modification or cancellation of the Services. Upon transition to another type of the Payment Account, the provision of the agreed Service shall not terminate, unless otherwise agreed with the Client. The provision of the Services may be agreed upon, modified or cancelled either pursuant to a separate agreement, and/or pursuant to an ancillary agreement to the agreement on Payment Account (which ancillary agreement may be also implemented through acceptance of the Client's request for the provision, modification or cancellation of the Service; the Bank may also accept the Client's request for the provision of a Service in that it commences, or amends the terms and conditions of, or discontinues, the provision of the Service concerned). Where a Service is provided pursuant to an ancillary agreement (including an ancillary agreement in the form of an accepted request) to the agreement on Payment Account, the provision of that Service may also be discontinued by agreement of the parties (including an ancillary agreement in the form of an accepted request) or pursuant to a notice of termination on the part of the Client or the Bank, and the terms and conditions of the notice of termination in respect of the Service shall be identical to those applicable to the notice of termination of the agreement on Payment Account in its entirety. Where provision of a Service is subject to specific terms and conditions stipulated by the Bank and the Client fails to comply with the same, the consequences described in the Communication will take place.

9.3 Insurance of Claims from Deposits in Payment Account

Any claims that the Client may have against the Bank by reason of deposits in the Payment Account shall be insured on the terms and subject to the conditions of, and to the extent stipulated in, the Banking Act within the insurance system for deposit claims operated by the Deposit Insurance Fund.

10. Payment Account Maintenance

10.1 Disposal of Payment Account

The Payment Account may be disposed of and, in particular, the agreement on Payment Account executed, any amendments to its contents (including the agreement on the provision of a Service) agreed upon, the Specimen Signature Form established and/or modified, the relationship established by the agreement on Payment Account terminated, exclusively by the Client; any other person may only be authorised to dispose of the Payment Account pursuant to a special power of attorney granted by the Client. The Client's signature affixed to such power of attorney must be legalised (notarized; provided that such legalisation or notarization shall not be required where such power of attorney is granted at a Branch in the presence of a Bank's officer).

10.2 Disposal of Funds in Payment Account

Any funds deposited in the Payment Account may be disposed of by the Client and the Disposing Persons. Authorised Persons other than the Disposing Persons may dispose of the funds deposited in a Payment Account only with the Client's consent given in a manner consistent with the nature of the Service provided in connection with the maintenance of the Payment Account, or if such persons are the Client's lawful attorneys-in-fact who will provide to the Bank proof of their authorisation to act on the Client's behalf, or pursuant to a special power of attorney granted by the Client. The Client's signature affixed to such special power of attorney must be legalised (notarized; provided that such legalisation or notarization shall not be required where such power of attorney is granted at a Branch in the presence of a Bank's officer). No special power of attorney granted as above may serve the purpose of repeated disposal of the funds deposited in the Payment Account, *i.e.*, it shall not substitute the authorisations granted in the Specimen Signature Form established in respect of the Payment Account, and the Bank may refuse acceptance of such a power of attorney in case of a repeated disposal of funds.

The Bank may dispose of the funds deposited in the Payment Account if so stipulated in applicable law, the relevant agreement on Payment Account, these GTC, or any other contractual arrangement between the Bank and the Client. Without the Client's consent, the Bank may draw on the Client's funds in the following cases:

- a) to set off any and all of its outstanding claims against the Client that have fallen due, and under the settlement authorisation of the Bank pursuant to Section 4.2 of these GTC;
- b) pursuant to a final and enforceable decision of a court having jurisdiction or a competent public authority;
- c) to effect payments in respect of the Prices and costs actually incurred by the Bank in connection with services provided;
- d) to pay any amounts in respect of interest fallen due;
- e) upon failure to comply with the terms and conditions for guarantee payments in case of acceptance of private checks delivered to the Bank by the Client as part of its sale proceeds;
- f) upon presentation of any falsified or altered check;
- g) upon refusal by a domestic or foreign bank to honour a check presented to it provided that the face value thereof has already been credited to the Client, including any amounts charged by such bank, on the condition that the Bank is able to provide evidence of such refusal by domestic or foreign bank to honour the check;
- h) to effect corrective settlement on the terms and subject to the conditions stipulated in applicable law;
- i) upon return of any amounts unjustifiably disbursed in respect of old-age pension credited to the client's Payment Account following his/her death;
- j) upon crediting the announced amount of a payment transaction to the Client's Payment Account, provided that the amount concerned has not been paid to the Bank.

10.3 Number and Name of Payment Account

The Bank assigns to each Payment Account a number which must be specified together with the name of the Payment Account and other data required to be entered in the Bank's forms in each communication between the Client and the Bank. As a rule, the name of the Payment Account consists of the name and surname/business name/name of the Client, and the Bank shall have the right to use this information in connection with the maintenance of the Payment Account. In the event that the number of the Payment Account has been modified, the Bank shall not be liable for, and participate in, the payment of any costs incurred by the Client in connection with any such change in the number of the Payment Account.

10.4 Purpose of Payment Account

Upon establishment of the Payment Account, the Client shall provide the Bank with information as to whether or not the Payment Account shall serve for business purposes and provide it with any and all other information that the Bank may reasonably request for tax or accounting purposes or otherwise to meet its other obligations. The Payment Account shall not be used for any purpose other than that agreed with the Client. The Bank may refuse to establish the Payment Account in the event of the Client's refusal to provide the above information and in the event that the establishment of the Payment Account is inconsistent with the Bank's business policy and interests or where the Bank reasonably believes that the establishment and maintenance of the Payment Account constitutes a violation of the applicable laws or other regulations binding on the Bank.

10.5 Initial Deposit and Minimal Balance of Payment Account

As a prerequisite for the establishment and maintenance of the Payment Account, the Bank may request the Client to deposit in the Payment Account a certain initial deposit and to maintain a minimum credit balance in the Payment Account. The actual amount of the required initial deposit and the minimum credit balance in the Payment Account shall be determined for the particular Payment Accounts and specified in the Communication.

10.6 Sufficient Balance

The Client shall maintain in the Payment Account a balance sufficient for effecting payments to be made in accordance with his/her instructions and to cover all his/her obligations towards the Bank under the agreement on Payment Account, and which concurrently shall not fall under a minimum credit balance in the Payment Account as determined for such Payment Account by the Bank (see Section 10.5 above).

10.7 Drawing on Funds

The Bank shall debit the appropriate Payment Account with amounts of funds pursuant to an instruction received from the Client or for reasons specified in Section 10.2 of these GTC. The Bank shall also debit the Client's Payment Account

with such amounts of funds as correspond to the value of transactions effected through checks issued in respect of the applicable Payment Account, or debited in accordance with the Client's approval to collect. Upon the request of a payment recipient/collection company and in the interests of maintaining a continuous execution of standing payment and collection orders given to the Bank by the Client, the Bank may implement a summary change of the wiring instructions applicable to the recipient's account as well as other identification data for the payment. Unless otherwise agreed, the Bank shall not be obligated to execute the Client's instruction if sufficient funds are not contained in the Payment Account. Should the Bank nevertheless do so, thus creating a debit balance in the Client's Payment Account, the Bank may settle such debit balance by using any funds credited to the Payment Account without any further instruction from the Client. If such debit balance cannot be settled in this way, the Client shall settle such debit balance at the Bank's first demand.

10.8 Currency of Payment Account; Conversion

Any and all Payment Account transactions shall be executed and accounted for in the currency of denomination of the applicable Payment Account. Transactions effected in a currency different from the currency of denomination of the respective Payment Account shall be converted by the Bank into the currency of denomination of the Payment Account (conversion). In foreign exchange transactions involving conversion from one foreign currency into another foreign currency, the Bank shall determine the conversion through the Czech crowns. In consideration for the conversion, the Client shall pay to the Bank a Price pursuant to the Tariff of Fees and Charges effective as of the conversion date. As a rule, the Bank shall not accept foreign currency coins.

The Bank shall complete the conversion applying exchange rates as published by the Bank in its exchange list. The exchange rates published by the Bank are based on reference exchange rates. The Bank may, unilaterally and without prior notice, change the exchange rates published thereby, where such change is based on a change in reference exchange rates. The Bank shall disclose information about any alteration in exchange rates applied thereby on its Homepage upon or prior to such altered exchange rates becoming effective.

In foreign exchange transactions involving conversion from one currency into another, whose equivalent in the Czech currency exceeds the limit set by the Bank in its applicable exchange list, the Bank shall settle the transaction using the exchange rate provided for above-limit conversions. The foregoing shall not apply to Card Transactions and other payment transactions specified in the Communication.

Upon cancellation of a Payment Account denominated in a foreign currency, the Bank may disburse the balance remaining in that Payment Account in a currency other than that in which the Payment Account was denominated to the extent that the Bank's operating conditions do not allow for a disbursement in the denomination currency. The Bank shall pay out the equivalent of the coins in the Czech currency.

Upon termination of the currency in which the Payment Account is denominated, as of the termination date, the Bank shall convert the balance of the Payment Account to the successor currency and shall continue to manage the Payment Account in the successor currency. The Bank shall inform the Client of any such conversion in advance and in an appropriate form.

10.9 Interest Accruing on Payment Account Balance

The Bank shall apply interest to credit balances and debit balances (*i.e.*, overdraft of funds that has not been contractually agreed upon) on the Payment Account if the applicable interest rate is stated in an effective Notice or agreed upon between the Bank and the Client in writing. Interest rates applied in relation to Payment Accounts and/or payment transactions are stated in the Notice or agreed upon with the Client and may be based on reference interest rates. The reference interest rates are set forth in the Notice. The Bank may, unilaterally and without prior notice, change the interest rates published in the Notice, if a change based on a change in the reference interest rates is involved, and shall make available the changed interest rates at its Branches and on the Bank's Homepage in sufficient time prior to such change becoming effective or, as appropriate, without unnecessary delay after such changed interest rate has become effective.

The Bank credits interest to the Payment Account on the dates more particularly agreed upon in these GTC or the applicable agreement on Payment Account. In justified cases, the Bank may reduce the periods agreed for crediting interest. The Bank shall notify the Client of any such reduction. Interest shall accrue on any funds received in favour of the Payment Account from (and including) the day on which such funds were credited to the Payment Account. Interest on any amount of funds with which the Payment Account is debited shall finish accruing on the day immediately preceding the day on which the Payment Account is debited with such amount of funds. Interest is payable on the Business Day following the day on which it is credited to the Payment Account. Upon termination of the applicable agreement on Payment Account and cancellation the Payment Account, interest shall be payable as of the date of such cancellation.

Credit and debit balances of the Payment Account shall bear interest on the basis of the actual number of days and a year of three hundred and sixty (360) days or such other length of a year which may be determined for selected foreign currencies or which is customary for the applicable product of the Bank.

If an overdraft of funds deposited in the Payment Account occurs, which overdraft has not been contractually agreed upon, the resulting negative balance shall bear an interest in the amount specified in the Notice in effect on the day on which such negative balance occurs.

10.10 Settlement of Prices

The Bank shall directly debit the applicable Payment Account of the Client with amounts equivalent to the Prices and the reimbursement of expenses and costs incurred by the Bank. Where the Bank is performing an obligation ensuing for it from applicable law (e.g., enforcement of a decision), it shall postpone debiting the Client's Payment Account with any amounts in respect of the Price and reimbursement of expenses and cost incurred by the Bank until such statutory obligation has been satisfied in full. The Bank shall debit the Prices from the Payment Account even if such reimbursement results in a negative balance in the Payment Account (*i.e.*, an amount not covered by the deposit existing in the Payment Account). The Client shall settle all due amounts, including such negative balance, upon the Bank's first demand.

10.11 Statements of Payment Account

The Bank shall be obligated to inform the Client of the movements on and balance of any funds remaining in the Payment Account during the agreed calendar period in the form of a statement of the Payment Account supplied to the Client in the agreed manner, provided that any movement occurred on the Payment Account during the agreed period. If, due to technical reasons, the Bank fails to include in any such statement of Payment Account movements effected at the end of the agreed period, the Bank shall include such movements in the statement of Payment Account provided in respect of the immediately following period. For the computation of interest accruing on such movements, the Bank shall use the dates on which such movements actually occurred. In addition to an agreed regular statement of account, the Bank shall not be required to prepare a special-purpose statement of Payment Account containing solely the information concerning the balance of the funds remaining on the Payment Account as of the end of the respective calendar year or, as appropriate, as of the end of the period agreed for the crediting of interest. The agreed frequency of the preparation of statements of Payment Accounts may affect the preparation of the statement and/or its technological identification.

The form of a statement of Payment Account shall be in accordance with the technologies commonly used by the Bank. Statements of Payment Account are typically prepared in a printed form. The Client and the Bank may, depending on the type of the respective Payment Account, agree on the preparation and delivery of statements of Payment Account also in electronic form, the fundamental pre-requisite to the collection by the Client of such statements of Payment Account (i.e., downloading of a prepared file containing such statement of Payment Account) being the agreement upon and activation by the Client of the relevant direct banking service in respect of the given Payment Account.

In the event that the Bank and the Client agree upon statements in electronic form or a personal collection of statements of Payment Account at the Branch administering the Payment Account, and provided that such statements of Payment Account have not been collected within three (3) months following the date of their issuance, the Bank may destroy any statements of Payment Account that have not been collected, including any other notices deposited within the meaning of this Section. Besides the Client, statements of Payment Account (including the deposited notices) may also be collected by the Authorised Persons.

If a statement of Payment Account sent to the agreed address is returned to the Bank as undeliverable, the Bank shall no longer be obligated to send that statement of Payment Account to such agreed address and be entitled to unilaterally convert the agreed manner of delivering statements of Payment Account to the personal collection at the Branch administering the Payment Account. The statements of Payment Account deposited in the aforementioned manner shall be subject to the above rules applicable to the collection of statements of Payment Account and their destruction after expiry of a specified term, as well as the pricing in accordance with the Tariff of Fees and Charges.

Throughout the term of the respective agreement on Payment Account, the manner of delivery agreed with respect to statements of Payment Account shall also be applied by the Bank to delivering other notices to the Client, unless otherwise agreed with the Client. Statements of Payment Account or other notices sent by the Bank may also contain other important information including, without limitation, information on amendments to these GTC and the Specific Business Terms and Conditions, the Tariff of Fees and Charges, etc.

At the request of the Client, the Bank shall be obligated to issue duplicates of any statements of Payment Account available to the Bank; in the other cases, the Bank shall as a substitute statement prepare a statement of movements on the Payment Account. In consideration for the preparation of such duplicate statement of Payment Account or statement of movements, the Bank may charge the applicable Price pursuant to the Tariff of Fees and Charges. Should the Client's requirements exceed ordinary practice as to the amount or nature thereof, the Client shall also pay all other costs connected with the issuance of such documents.

If the Client dies, the Bank may restrict dispatching statements of Payment Accounts in order to reduce the costs incurred by the Client's heirs.

11. Termination of Agreement on Payment Account; Death of Client

11.1 Termination of Agreement on Payment Account by Client

The Client may, even without cause, terminate the agreement on Payment Account in writing. The period of notice of the termination shall start to run as of the date on which the notice is delivered to the Bank and shall end on the last day of the calendar month during which it was delivered to the Bank. The Client also may, even without cause, terminate the agreement on Payment Account in writing in accordance with the rules of the Czech Banking Association regulating client transition from one bank to another (the so-called "client mobility").

11.2 Termination of Agreement on Payment Account by Bank

The Bank may, even without cause, terminate the agreement on Payment Account in writing. The period of notice of the termination shall start to run as of the date on which the notice is delivered to the Client and shall end as of the last day of the second calendar month following the month in which the applicable notice of termination was delivered to the Client. The Bank may also terminate the agreement on Payment Account with a longer termination notice period than that specified in the foregoing sentence. The notice of termination shall be sent by the Bank to the Client at the address of his/her usual residence/registered office. In cases worthy of particular consideration, the Bank may also make use of any other address of the Client that may be available to it.

11.3 Agreement

The Client and the Bank may terminate the applicable agreement on Payment Account by a written agreement as of any agreed date.

11.4 Expiration of Term

If the agreement on Payment Account was entered into for a definite period of time, the applicable agreement on Payment Account shall terminate upon the expiration of such period of time. The Client may even terminate an agreement on Payment Account entered into for a definite period of time by delivering a notice of the termination the

notice whose period shall start to run as of the date on which the notice is delivered to the Bank and shall end as of the end of the calendar month during which it was delivered to the Bank.

11.5 Termination

Any agreement on Payment Account may be terminated in case of a substantial breach of contractual obligations. For the purposes hereof, the term "substantial breach of contractual obligations" by the Client shall mean, in particular, a non-permitted overdraft in respect of the Client's Payment Account, or delay by the Client in the payment of Prices. None of the parties shall have the obligation to return any performance received thereby prior to the termination of the agreement on Payment Account. The termination of the agreement on Payment Account shall not affect the right to claim damages for a loss arising from the breach of the agreement on Payment Account, nor a party's obligation to pay other financial liabilities incurred prior to the termination of the agreement on Payment Account (e.g., interest or Prices). In the event of termination of the agreement on Payment Account by the Bank, the termination shall become effective as of the day on which the Bank has got knowledge of the delivery of the relevant notice of termination to the Client.

11.6 Settlement of Mutual Claims

Prior to the termination of the applicable agreement on Payment Account (and, if not practicable, promptly after the termination of the applicable agreement on Payment Account), the Client and the Bank shall settle their mutual claims and obligations thereunder. The foregoing shall be without prejudice to the right of the Bank to require the payment of any outstanding claims arisen during the term of such agreement of which the Bank becomes aware after the termination of the agreement on Payment Account. The Client shall return to the Bank all valid means of payment and forms of checks issued in respect of the Payment Account. The Bank shall cancel any and all Services relating to the Payment Account.

11.7 Non-Specified Manner of Disposal

In the event that no method applicable to the settlement of the balance on the Payment Account has been agreed upon with the Client, and the Client fails to advise the Bank of the required manner of disposal of the Payment Account balance following its cancellation, the Bank shall keep the balance of the Payment Account on file until the end of the applicable statutory limitation period in respect of the disbursement of any funds formerly deposited in the Payment Account, and no interest shall accrue on such balance following the cancellation of the Payment Account. It is agreed and understood that the day on which the contractual relationship terminates shall be deemed the commencement date of such statutory limitation period. The Bank shall be entitled to the reimbursement of costs incurred in connection with the custody of the balance of the funds.

11.8 Death of Client

Except as specified in the second paragraph of this Section, the agreement on Payment Account shall not terminate upon the Client's death. The Bank shall continue to execute payment transactions pursuant to orders given prior to the Client's death. If the Bank reliably learns that the Client died, on the following day, the Bank shall discontinue executing those payment transactions from the account identified by the Client as ones that should not be continued by the Bank following his/her death or, as appropriate, ones to be discontinued as of the next date eligible for cancelling the given type of standing order/consent to collection (e.g., a system for concentrated collection of different types of utility payments from private customers – in Czech, abbr., *S/PO*). The power of attorney to dispose of the funds deposited in the Payment Account granted by the Client through affixing his/her signature to the Specimen Signature Form shall not terminate upon Client's death, unless it follows from its contents that it should not survive the Client's death. In the event that the Bank is provided with a reliable proof of the appointment of an administrator who is authorised to administer the deceased Client's Payment Account, then such administrator shall have the rights a duties of the account holder and the Bank shall comply with his orders. In the event that more than one heir acquire the Client's rights and assume his/her obligations under the agreement on Payment Account, such heirs shall hold, use and dispose of the funds deposited in the Payment Account jointly, unless otherwise agreed upon with the Bank. Upon the Client's death, powers of attorney to dispose of the funds deposited in the Payment Account granted by the Client on or prior to December 31, 2004 shall terminate as of the day following the date on which the Bank has reliably learnt that the Client died, unless the Client had determined that the authorisation granted as above should survive his death. A power of attorney in which the Client authorised more than one person to act on his/her behalf in relation to the Bank to the extent stipulated therein, shall have the nature of a joint power of attorney within the meaning of the Civil Code. *(6)

The agreement on Payment Account shall terminate on the Business Day following after the day:

- on which the Bank credibly learns about the death of the owner of the account, to the extent that the account had a debit or zero balance as at such date; or
- on which a debit or zero balance occurred on the account in respect of which the Bank was provided with credible evidence showing that its owner has deceased.

The provisions of the foregoing paragraph shall not apply to the extent that a debit balance on the Payment Account resulted from a bank debit limit (overdraft) provided to an individual – entrepreneur.

CURRENT, DEPOSIT AND CREDIT ACCOUNTS

12. Personal Account of Česká spořitelna

12.1 Description of Personal Account of Česká spořitelna

The personal account of Česká spořitelna (the "Personal Account") is one of the types of Payment Accounts established by the Bank pursuant to an agreement entered into with the Client. The Personal Account is not intended for business purposes.

12.2 Personal Account Options

The Bank offers different options of Personal Account according to age and status of the Client.

Personal Account options may also be changed at the Client's request accepted by the Bank. The Bank may also accept the Client's request in that it commences to maintain for the Client the requested Personal Account option. The Bank may also offer other Personal Account options from the range of commercial products offered by it.

12.3 Services Provided in relation to Personal Account

With the particular Personal Account options, the Client may agree upon the provision of the related Services, some of which are offered exclusively for the relevant Personal Account options. The use of certain Services provided in relation to the Personal Account may be subject to activation of another Service.

The Services, the terms and conditions applicable to, and the manner in which the parties agree upon, the provision thereof are outlined in the Communication. The Bank may amend and modify the Communication provided that any such amendment and/or modification shall come into force and become effective as of the date on which the relevant amendment to the Communication has become effective. In the event that an amendment to the Communication results in a change in the contents of the Bank's contractual relationship with the Client, the Bank shall be required to proceed, *mutatis mutandis*, pursuant to Section 1.3 GTC. Information on the application of Prices to, and the Services provided in relation to, Personal Accounts are specified in Tariff of Fees and Charges. Other the terms and conditions for the provision of certain Services may be specified in a framework agreement between the Bank and the relevant insurance company or another provider of the Service, with the regime of the Service being at all times governed by the last version of the framework agreement.

12.4 Interest Accruing on Personal Account

Interest shall accrue on the funds deposited in the Personal Account (credit balances) at the interest rate *per annum* applicable to the current interest regime, as such rate is determined and announced by the Bank for Personal Accounts in the Notice, unless a special interest regime has been agreed upon with the Client. The Bank agrees to credit in favour of the Personal Account any interest accrued on the funds held in the Personal Account as of the last day of each calendar month.

13. Giro Account

The giro account constitutes one of the types of the Payment Accounts established by the Bank pursuant to the relevant agreement executed with the Client. The giro account is not intended for business purposes.

Each Client who has executed an agreement on giro account other than a Personal Account may request the provision of the Services which are provided exclusively in relation to the Personal Account (see Section 12.3 of these GTC). Upon acceptance of such request by the Bank, the Bank's obligation to perform the previously agreed terms and conditions applicable to the maintenance of giro accounts shall terminate, and such obligation shall be superseded by the obligation to maintain the account in accordance with the terms and conditions applicable to Personal Accounts, including the terms and conditions applicable to interest accruing on the funds held in the Personal Account. If, as of the date of acceptance of the request, a Debit Limit (Overdraft) Option with a yearly periodicity of interest clearing is registered in the giro account then, from and after the date of acceptance of such request, the periodicity of interest clearing in respect of such Debit Limit (Overdraft) Option shall be changed from a yearly to a monthly periodicity, provided that the interest shall be payable as of the last day of each calendar month, and the Bank may credit same to the principal of the relevant Debit Limit (Overdraft) Option on the same day. Where an X Account, Student+ Plan, Beneficial Plan, Complex Plan, Account Senior or the Exclusive Account (in Czech: *X konto, Program Student+, Výhodný program, Komplexní program, účet Senior či Exclusive konto*) have been agreed upon in relation to the giro account, the arrangement shall terminate as of the day immediately preceding the day on which the request was accepted. However, any and all action (disposals in accordance with the Specimen Signature Form, orders given, etc.) and the Services, including the number and currency of the original giro account shall survive.

14. Personal Account and Giro Account with Debit Limit (Overdraft) Option

14.1 Agreement on Debit Limit (Overdraft) Option

Unless expressly agreed otherwise in the agreement on Debit Limit (Overdraft) Option, the following provisions in respect of the Debit Limit (Overdraft) Option shall only apply to Clients who are Consumers, and only in relation to Personal Accounts or giro accounts.

14.2 Change in Amount of Agreed Limit of Debit Limit (Overdraft) Option (Limit Management)

According to the context, the term "limit of the Debit Limit (Overdraft) Option" shall mean the amount of credit agreed in the agreement on Debit Limit (Overdraft) Option or the actual amount of the Debit Limit (Overdraft) Option due to increasing or reducing the limit. To the extent permitted under applicable law, the Bank may at any time modify the agreed amount of the limit of the Debit Limit (Overdraft) Option in the manner and on the terms and conditions set forth hereinbelow; the Client shall at all times be informed of a change in limit in an appropriate manner.

The Bank may in its sole discretion increase at any time the agreed limit of the Debit Limit (Overdraft) Option; provided, however, that the Bank shall effect such increase unless the Client expressly disapproves such increase in writing within twenty (20) days following the delivery of the notice informing it of the increase in the limit by the Bank.

The Bank may in its sole discretion reduce at any time the agreed limit of the Debit Limit (Overdraft) Option (i) due to a breach of the agreement on Debit Limit (Overdraft) Option, if the relevant agreement on Debit Limit (Overdraft) Option allows for such procedure, (ii) if the average amount of the monthly credit turnover on the Payment Account in respect of which the Debit Limit (Overdraft) Option has been agreed calculated for a period of three (3) consecutive calendar months is less than at least fifty (50) percent of the limit of the Debit Limit (Overdraft) Option, and/or (iii) taking account of the actual level of use of the Debit Limit (Overdraft) Option by the Client, even if no breach of the agreement on Debit Limit (Overdraft) Option occurs or the above condition of insufficient credit turnover is met. The above reduction in the agreed Debit Limit (Overdraft) Option shall become effective as of the delivery of the notice informing of that reduction, unless a later effective date for limit reduction is specified in the relevant notice.

Upon the occurrence of any of the situations authorising the Bank to proceed with either a reduction in the agreed Debit Limit (Overdraft) Option and/or the termination of the agreement on Debit Limit (Overdraft) Option in a manner different from that specified therein, in particular, to declare the Debit Limit (Overdraft) Option forthwith payable or terminate the agreement on Debit Limit (Overdraft) Option, the Bank may in its sole discretion elect which of the above specified procedures will be applied.

14.3 Maturity of Interest Accrued on Debit Limit (Overdraft) Option and Prices

Any interest and the Prices that have fallen due shall be included in the limit of the Debit Limit (Overdraft) Option to the extent in which the same have not been paid from the positive balance of the relevant Payment Account in respect of which the Debit Limit (Overdraft) Option is agreed. Where the limit of the Debit Limit (Overdraft) Option is insufficient to clear interest and the Prices, the Bank may clear (set-off) same even if such clearance results in a non-permitted debit balance on the relevant Payment Account in respect of which the Debit Limit (Overdraft) Option has been agreed. Interest accrued on the Debit Limit (Overdraft) Option shall be payable as of the last day of each calendar month, and the Bank agrees to credit same to the principal of the Debit Limit (Overdraft) Option on the same day. The Bank agrees to mutually clear and settle all payments credited and debited to the Payment Account, in respect of which the Debit Limit (Overdraft) Option has been agreed, in a manner identical with that applicable to the Personal Account or giro account, in respect of which no Debit Limit (Overdraft) Option is provided.

14.4 Authorisation to Draw on Debit Limit (Overdraft) Option

The Client shall have the right to draw on the Debit Limit (Overdraft) Option on a continuous basis, and the Client agrees not to exceed the limit of the Debit Limit (Overdraft) Option. The right of the Client to draw on the Debit Limit (Overdraft) Option shall terminate upon the Client's death and shall not pass onto his/her heirs.

14.5 Client's Duty to Inform

For as long as the credit relationship established by the agreement on Debit Limit (Overdraft) Option exists, the Client agrees to notify the Bank of any and all changes concerning the information specified in the agreement on Debit Limit (Overdraft) Option, otherwise he/she shall be liable for any damage that the Bank may suffer as a result of his/her failure to comply with such duty.

14.6 Events of Breach of Agreement on Debit Limit (Overdraft) Option

The following events shall be deemed a breach of the agreement on Debit Limit (Overdraft) Option:

- a) any of the Client's representations contained in the agreement on Debit Limit (Overdraft) Option or in another document delivered to the Bank in connection with the agreement on Debit Limit (Overdraft) Option has been proven to be false or incomplete;
- b) the Client defaults in the payment of any its financial obligations under the agreement on Debit Limit (Overdraft) Option;
- c) non-permitted debit balance exists on the Payment Account, in respect of which the Debit Limit (Overdraft) Option has been agreed.

14.7 Other Serious Circumstances

For the purposes hereof, the term "serious circumstance" shall mean any of the circumstances specified below, regardless of the cause of its existence, to the extent that such circumstance might adversely affect the Client's ability to comply with its obligations under the agreement on Debit Limit (Overdraft) Option:

- a) insolvency proceedings have been instituted, or are threatened, against the Client;
- b) the Bank has received a court resolution, execution order or any similar decision ordering the execution of a decision through the compulsory debiting of the Client's account with a claim;
- c) the Client is in default in the performance of a contractual obligation or duty under applicable law;
- d) the Client is in default in the performance of any of its financial obligations vis-à-vis a third party;
- e) following the execution of the agreement on Debit Limit (Overdraft) Option, the Client's financial situation or the condition of its assets substantially deteriorates which circumstances might in the reasonable opinion of the Bank jeopardize the performance by the Client of its obligations vis-à-vis the Bank under the agreement on Debit Limit (Overdraft) Option.

14.8 Consequences of Breach of Agreement on Debit Limit (Overdraft) Option

In the event that the Bank has ascertained one or more cases of breach of the agreement on Debit Limit (Overdraft) Option pursuant to Section 14.6 of these GTC or another serious circumstance pursuant to Section 14.7 of these GTC then in such case, taking account of the level of their seriousness and the other circumstances, the Bank may in its sole discretion take the measures specified hereinbelow or in Section 14.9 of these GTC, independently or concurrently, at the same time or on a gradual basis; the Bank shall not be liable for any losses that the Client may incur in connection with taking any such measures. For the above purposes, the Bank may, in particular:

- a) suspend or definitively revoke the Client's right to draw on the Debit Limit (Overdraft) Option; the Bank shall inform the Client in writing of taking such measure;
- b) lower the limit of the Debit Limit (Overdraft) Option with effects as from the delivery of the notice informing of such reduction, unless a later effective date for a reduction in the limit is specified in the relevant notice;
- c) declare the Debit Limit (Overdraft) Option and any and all other outstanding claims from the Debit Limit (Overdraft) Option or any part thereof forthwith due and payable; the Bank shall dispatch a notice of the measure on the day on which it is taken at the latest. The Client shall be required to settle all of its obligations that have fallen due within the deadline stipulated by the Bank; should the Client fail to do so, he/she will be deemed to be in default;
- d) terminate the agreement on Debit Limit (Overdraft) Option effective as of the date on which the relevant notice of termination is delivered to the Client. In the event that the notice of termination is returned back to the Bank as undeliverable, the agreement on Debit Limit (Overdraft) Option shall terminate as of the day on which the shipment is returned to the Bank. Unless a later deadline is specified in the Bank's notice of termination, the Client shall be required to pay to the Bank any and all claims under the agreement on Debit Limit (Overdraft) Option not later than on the day on which the notice of termination becomes effective.

14.9 Procedure Applicable to Non-Permitted Debit Balance on Payment Account

A non-permitted debit balance on the Payment Account in respect of which the Debit Limit (Overdraft) Option has been agreed results from exceeding the limit of the Debit Limit (Overdraft) Option or the failure to pay the Debit Limit (Overdraft) Option within the time limit provided therefore. The Bank may charge the Client interest for the non-permitted debit balance in the amount specified in the Notice in force on the date on which the debit balance occurs.

15. Current Account

In accordance with its offer, the Bank may establish current accounts subject to various terms and conditions as the same are specified in agreements on current accounts or, as appropriate, in the Communication or the Specific Business Terms and Conditions. The provisions of these GTC governing Payment Accounts and Payments shall accordingly apply to current accounts other than the Payment Accounts.

16. Deposit Account

In accordance with its offer, the Bank may establish deposit accounts subject to various terms and conditions as the same are specified in agreements on deposit accounts or, as appropriate, in the Communication or the Specific Business Terms and Conditions. The provisions of these GTC governing Payment Accounts and Payments shall accordingly apply to deposit accounts other than the Payment Accounts. For the purposes hereof, no deposit accounts shall also constitute Payment Accounts other than those in respect of which it has been agreed that such accounts shall also serve the purpose of executing payment transactions.

17. Credit Account

Credit accounts maintained by the Bank in connection with a credit granted shall not be deemed to constitute Payment Accounts except for accounts maintained for the purpose of registering credits drawn by means of credit cards.

18. Card Account

A card account is one of the types of the Payment Accounts which the Bank shall establish for the Client at the time when his/her application for the issuance of a pre-paid Card is approved, or pursuant to an application for the issuance of a credit or charge Card at the time when the limit credits are approved. The applicable terms and conditions are specified in the relevant agreements or, as appropriate, in the Specific Business Terms and Conditions.

PAYMENT CARDS

19. Issuance of Card

The Bank may lay down its own terms and conditions for the issuance of a Card; provided, however, that in issuing a Card, the Bank shall be required to follow and comply with the terms and conditions of card companies.

19.1 Card Application

The Bank shall issue Cards in accordance with its actual offer pursuant to an agreement with the Client or application submitted by the Client or, as appropriate, a Disposing Person authorised for that purpose.

19.2 Cardholder

The Client shall be required to cause each Cardholder to become familiar with the terms and conditions and rules applicable to using the Card, including the user's manual which contains other instructions and information relating to the use of the Card. The Client agrees that the Cardholder may by means of the Card dispose of the funds deposited in the Payment Account up to the permitted limit amount not to exceed the balance on the Payment Account, unless otherwise agreed between the Bank and the Cardholder or the Bank and the Client. The user's manual does not form part of the agreement.

19.3 Card Takeover

If the Client or the Cardholder takes over the Card at the Branch, the Bank shall mail the personal identification number (hereinafter the "PIN") to the Cardholder at his/her correspondence address, as specified in the application for the issuance of the Card, by ordinary mail in a special envelope of the Bank. The Bank shall not issue the Card to the Cardholder before the Cardholder receives the PIN and confirms in writing upon takeover of the Card at the Branch he/she elects for taking over the card that he/she received the PIN in an intact envelope. In the event that the Bank also allows the PIN to be delivered in another manner (such as through sending a SMS message), the Bank may issue the Card to the Cardholder prior to receipt of the PIN. In the event of failure by the Client or the Cardholder to take over the Card in the manner chosen thereby within three (3) months following the day on which it was prepared by the Bank for takeover, the Bank may destroy the Card. In such case, the Client shall not be entitled to refund of the price paid in connection with the issuance of the Card.

If the applicant opted in the application for the issuance of a Card for:

- mailing of the Card at a domestic correspondence address, the Bank shall mail the Card to the Cardholder by ordinary mail and the PIN by registered mail to his own hands or in any other manner as may be agreed;
- express issuance of the Card, the Bank shall mail the Card and the PIN through two different courier services;
- mailing the Card to an address abroad, the Bank shall mail the Card by a courier service, the PIN shall be sent by registered mail.

Immediately upon receipt, the Cardholder shall affix his/her signature to the signature strip of the Card so as to guarantee the stability of the signature. The Cardholder shall activate the Card in accordance with the Bank's instruction mailed together with the Card or, as appropriate, communicated through the Bank's information line.

19.4 Discontinuation of Issuance of Certain Type of Card

By reason of discontinuation of the issuance of a certain type of the Card, increase in the number of functions available under the Card, or transition to another type of Card, the Bank may produce for the Cardholder another type of the Card.

20. Use of Card

20.1 Disposal of Funds held In Payment Account through Card

The Client may agree with the Bank upon the disposal of funds held in the Payment Account by the Client and Authorised Persons designated by the Client for that purpose through a Card. In such case, the Client instructs the Bank to debit his/her Payment Account in respect of which the Card has been issued with all justified obligations ensuing from the use of the Card.

20.2 Use of Card

The Card shall be used by the authorised Cardholder during its term of validity and in accordance with the applicable terms and conditions. The Cardholder shall comply with all principles agreed to ensure the security of the Card and the means which facilitate its use, e.g., the PIN or another code. The Client and the Bank have agreed that the means which facilitate the use of the Card and, in connection with the information stored in the Card, constitute unique data (e.g., the PIN or another code) and, if attached to a data message, are deemed to constitute the electronic signature within the meaning of applicable law. *(7) The Cardholder is required to use an international Card in accordance with applicable law of the country in which he/she executes the Card Transaction. Cards issued for business purposes are intended for the payment of business expenses.

20.3 Card Transaction Limits

The Cardholder shall execute Card Transactions within the permitted standard transaction limits, as the same are specified in the Communication; provided, however, that the value of the transaction concerned shall not exceed the balance of the funds on the Payment Account, unless otherwise agreed between the Bank and the Cardholder, and/or unless otherwise provided in these GTC. The Bank may unilaterally modify the standard transaction limits determined thereby. The Bank shall advise the Client of any such change in the manner set forth in Section 1.3 of these GTC. The Client or the Cardholder who is, at the same time, a Disposing Person, may modify the standard transaction limits by agreement with the Bank.

20.4 Verification of Cardholder's Identity

Any point of sale and/or payment may refuse to execute a Card Transaction in the event of doubt as to whether the person presenting the Card is a cardholder duly authorised to hold the Card. In such case, the point of sale and/or payment may request the Cardholder to produce his/her identity card in order to verify whether or not he/she is a cardholder duly authorised to hold the Card.

20.5 ATM Card Transactions

The Bank may not guarantee to the Cardholder that the amount requested thereby will be disbursed through a single withdrawal from the ATM, and its obligation to pay out the requested amount shall be deemed performed at the time of delivering the requested cash amount through the ATM (the potential selection of the amount for the particular withdrawals and the manner of delivering the cash are affected by the type of the ATM).

If the Card is retained for technical reasons or by reason of an inappropriate ATM treatment by the Cardholder, the Cardholder shall be required to contact the Bank's information line by telephone to follow the instructions from the operator. In the event that the Bank fails to provide the Cardholder with a receipt specifying the reason for the retention of the Card, the cardholder shall also request the Bank to deactivate the Card for technical reasons.

20.6 Special Provisions Regarding Responsibility For Card Transactions

The Bank shall not be responsible for the refusal by the point of sale and/or payment to accept Card for the payment for goods or services or a cash disbursement. The Bank shall not be liable for any damage that the Client may incur in connection with his/her failure to withdraw the money disbursed by the ATM.

The Bank shall not be responsible for defects of goods/services (e.g., the quantity and quality) paid with the Card. The Cardholder shall make these claims and complaints at the relevant point of sale where he made the purchase. In the event that the point of sale recognizes the claim in respect of the goods/services, it may issue a refund document specifying the amount, which amount is credited to the Payment Account in respect of which the Card has been issued.

20.7 Discontinuation of Issuance of Continuation Cards

If the Cardholder is not interested in the issuance of a continuation Card, it shall notify any Branch of its decision not later than two (2) months prior to the expiration of the validity of the Card used thereby.

20.8 Card Use Discontinuation

In the event that the Client cancels the Cardholder's authorisation to use a valid Card or the Cardholder notifies to the Bank that he/she terminates the use of the Card, the Client or the Cardholder shall arrange for delivering the Card to the Branch which maintains the relevant Payment Account, or requests the Bank to block such Card while simultaneously ensuring the destruction of the Card by cutting the Card across the magnetic strip and the chip.

20.9 Duty to Fulfil Obligations

Blocking the use of the Card shall not relieve the Client from its duty to settle all obligations arising from the use of the Card.

21. Card Transaction Clearance

21.1 Rules for Card Transaction Clearance

The Bank shall credit to/debit the Payment Account with all amounts connected with the issuance and use of a Card/Cards issued in respect of the Payment Account. The Bank shall examine whether or not the amounts

credited/debited are correct only if the Client or the Cardholder makes a claim or lodges a complaint. The Bank may debit the Payment Account with amounts of all costs and proven losses that the Bank may incur as a result of breach by the Client or the Cardholder of his/her legal or contractual obligations.

21.2 Deadline for Card Transaction Clearance Through Recipient or at Its Request

As a rule, the Bank shall credit to/debit the Payment Account with amounts of funds within two (2) to forty-five (45) days according to the type and depending on the time limit provided for processing of the Card Transaction concerned.

21.3 Information on Available Card Balance

If requested by the Cardholder, information about "outstanding balance of the Card available for use", is, in view of the latest Card Transactions that have not yet been cleared, of an informative nature only and will not always provide the actual written information about the balance of the Payment Account.

21.4 Currency Card Transaction Clearance

Card Transactions are cleared in the Czech currency. The amount of a cross-border Card Transaction executed in a foreign currency other than EUR shall be converted to EUR *via* USD or, as appropriate, directly to EUR under the rules of card companies. The conversion shall be made using the exchange rate offered by the relevant card company as of the date on which the transaction is processed by such company. The Payment Account is then debited with the Czech currency amount converted from EUR using the exchange rate foreign exchange – sale announced by the Bank as of the date on which the Card Transaction is processed thereby.

22. Card Use Security

22.1 Security Data and Card Protection

The Cardholder shall be required to keep his/her PIN or another security code a secret, not to record same in a form which is easily discernible form, in particular, on the Card itself or on other objects held or carried together with the Card. The Cardholder shall be required to act so as to prevent the Card from being stolen, lost and misused by unauthorised persons, and to protect it from magnetic, mechanic as well as thermal damage. Unintentional breach by the Client of the security rules stipulated for the use of the Card shall be deemed gross negligence.

22.2 Loss, Theft, Misuse of Card and PIN, Card Blocking

The Cardholder shall be required to promptly notify to the Bank any loss and/or theft of the Card, or any suspected misuse of the Card or PIN, or any unauthorised use of the Card, twenty-four (24) hours a day at the number of the Bank's information line or the telephone numbers specified in other information materials of the Bank or, as appropriate, in person at any Branch during the usual business hours. In the event that the notification is made by telephone, during the same call, the Bank will provide the Cardholder with an inhibiting code as a proof of notification of that fact.

The Cardholder shall provide the Bank with any information of the circumstances of such loss, theft, or suspected misuse of the Card or PIN of which he/she has knowledge. In the event of a suspected misuse of the Card, a Cardholder who holds the Card shall be obliged to promptly return the Card to the Bank at its request.

Upon notification of a loss or theft or a suspected misuse of the Card or the PIN, the Bank shall block the Card.

In the event that the Bank has reasonable grounds to suspect that an unauthorised or fraudulent use of the Card occurred, it may block the Card. The Bank shall promptly inform the Client or the Cardholder of such blocking, either prior to or after it.

In the event that the Bank and the Client agree no terms and conditions for the further use of the Card simultaneously with the Bank's information on inhibiting use of the Card or upon notification of a loss, theft, misuse, unauthorised use, or a suspected potential misuse or unauthorised use of the Card, the Bank shall allow the Client the continued use of the Card or issue to the Client a new Card as soon as the reasons for inhibiting the use of the Card have ceased to exist.

DIRECT BANKING

23. Services of Direct Banking

23.1 Definition of Services of Direct Banking

The services of direct banking shall mean and include those services provided by the Bank to the Client by means of which services the Client may, through telephone (e.g., Telebanking, GSM banking) or the Internet (e.g., Internetbanking) or other means of remote communication, give a payment order to the Bank, approve the execution of a payment transaction, obtain information about funds deposited in the account, which is accessible through the relevant service of direct banking. If appropriate, the Client may also choose other related options provided by the Bank in connection with the relevant service of direct banking (as such services including other operations are listed in the user's manual applicable for the relevant service of direct banking, which user's manual may be modified unilaterally by the Bank). Each service of direct banking constitutes a means of payment.

23.2 Information on Other Prerequisites to Using Services of Direct Banking

Other instructions and information necessary to use the services of direct banking, including the forms of communication or, as appropriate, information about the requirements for the Client's technical equipment, and the manner in which the Client gives instructions/requests and asks questions are contained in the user's manuals and similar materials issued by the Bank in respect of the various services of direct banking. User's manuals applicable to direct banking services shall not form part of the agreement. The Client shall cause all Users to become familiar with the above materials.

23.3 Provision of Services of Direct Banking

A precondition for the provision of services of direct banking is the execution of the agreement to establish an account and the agreement on the provision services of direct banking as a Service relating to the maintenance of the account, unless otherwise agreed between the Client and the Bank.

23.4 Availability of Services of Direct Banking

Although the Bank usually provides the services of direct banking twenty-four (24) hours a day, seven (7) days a week (the foregoing shall not affect the definition of the terms "Business Day" or "Working Hours" for the purposes of setting out the time limit for executing a payment transaction, or the determining of the time of the receipt of an instruction/request or a payment order), the Bank does not undertake to provide the services of direct banking on a continuous basis and without interruption. The Client acknowledges and expressly agrees with the above. In substantiated cases, the Bank may suspend the provision of the services of direct banking, including the receipt of payment orders. The Bank will usually inform of the planned suspension of availability of the services of direct banking in advance and, as a rule, through the services of direct banking. In the event of a technical breakdown on the part of the Bank or any third party, the Bank may suspend the provision of the relevant service of direct banking, even without prior notice. The Client shall be required to approach the services of direct banking with the use of technical devices reasonably secured against possible misuse.

23.5 Primary Account

The primary account is a Payment Account designated by the Client intended to serve the purpose of clearing the Prices for the services of direct banking. The identification data specified by the Client in respect of the primary account serve the purpose of identifying other accounts and services of the Bank used by the Client.

23.6 Serviced Accounts

Client accounts intended to be capable of being accessed through services of direct banking need to be assigned to the relevant service of direct banking. For the purposes hereof, the term "assignment" shall mean its availability for the execution of payment transactions, acquisition of information concerning the account and any operations executed, as such assignment is facilitated by the service of direct banking in relation to the relevant account. Certain accounts are automatically assigned to the service of direct banking.

23.7 User of Service of Direct Banking

The services of direct banking may at all times be accessed only by the User. A User different from the Client shall be authorised to use the services of direct banking to the extent of the authorisation granted by the Client to such person. Including the User's signature in the Specimen Signature Form in respect of the relevant account shall be the prerequisite to establishing the authorisation to dispose of funds held in the given account. The authorisation of a User to dispose of funds held in the relevant account is granted by means of the relevant services of direct banking. A user who is identical with the Client or, as applicable, the User specified in the agreement shall be entitled to carry out administrative operations in accordance with the user's manual.

By agreement with the Client, the Bank shall assign to each User Security Data or, as appropriate, Means of Security intended to serve the purpose of Client identification and authentication when using the services of direct banking. In accordance with the Bank's business offer, and depending on the relevant means of remote communication, the User may in using the direct bank services also be identified and authenticated through another unique data or, as appropriate, payment instrument (such as a payment card or the PIN).

If, within one hundred and twenty (120) days, the authorisation to dispose of funds is not granted by the Client to the User by means of service of direct banking, the affected person will lose his/her User status, unless other authorisations have been granted to him/her by the Client in connection with the services of direct banking. Upon expiration of the above period of one hundred and twenty (120) days following the date on which the Security Data assigned to the User have come into force, the User shall lose his/her authorisation if he/she has not logged in to the services of direct banking in the manner described in the user's manual. The authorisation of a User may terminate pursuant to his/her request for cancellation lodged with a Branch of the Bank or, as appropriate, mailed in writing and affixing his/her signature which must be legalised (notarised).

23.8 Transaction Limits for Use of Services of Direct Banking

The Client, acting by agreement with the Bank, may limit the disposal of funds held in accounts capable of being accessed through the services of direct banking, as regards the maximum amount of funds capable of being disposed of or the total amount of funds capable of being disposed of during the course of a determined period of time. The Bank may for security reasons determine other restrictions applicable to using the services of direct banking in the Communication.

In the event that the nature of the relevant service of direct banking allows for such restriction, the Client may also impose limitations on disposal of funds held in the account by a particular User or, as appropriate, determine the manner of joint action by more than one Users in relation to the relevant order or payment order.

23.9 Termination of Effect of Agreement on Provision of Services of Direct Banking

Agreement on the provision of services of direct banking shall cease to be effective as of the day on which the contractual relationship established pursuant to the agreement on Payment Account identified by the Client as the primary account, provided, however, that no other account has been identified as the primary account upon termination his/her aforementioned contractual relationship. The foregoing shall not apply where the provision of the services of direct banking is not subject to executing an agreement on account.

The agreement on the provision of services of direct banking shall cease to be effective upon expiration of a period of one hundred and twenty (120) days following the date on which the Security Data have come into force if a person who is a User has not logged in to the services of direct banking in relation to the relevant agreement on the provision of services of direct banking. An agreement on the provision of services of direct banking shall cease to be effective upon death of the Client and, specifically, as of the date on which the Bank has got reliable knowledge of the Client's

death, or if an event occurs within insolvency proceedings which event results in the termination of the debtor's authorisation to dispose of funds held in the account.

The rules set forth in Sections 11.1 to 11.6 of these GTC shall accordingly apply to the termination of effect of agreements on the provision of services of direct banking. In the event of termination of an agreement on the provision of services of direct banking, it shall further apply that any disposal of the Security Data or Security Means in a manner inconsistent with the agreed rules shall be deemed a substantial breach of contractual obligations.

24. Security upon Use of Service of Direct Banking

24.1 Security Data

Each User shall receive Security Data from the Bank. In the event of correspondence handover of the Security Data, the Bank shall mail same at the address of the User communicated to the Bank. If the Security Data are shipped (e.g., in an envelope), the User shall be required to check whether it is intact, and should the shipment be damaged, to refuse the receipt of the same, request the Post Office the preparation of a record of the damage, and inform the Bank of such circumstance without unnecessary delay in the same manner as that applicable to loss of the Security Data. The User shall be required to protect the Security Data from disclosing to any unauthorised person, loss, theft and any misuse.

The Security Data may be the data intended for recurrent or, as appropriate, one-time use. Each User shall receive the basic Security Data for the relevant service of direct banking, and the Bank and the Client may also agree upon the form and use of additional Security Data. A unique Security Data provided by the Bank to the User may be deemed the User's electronic signature.

24.2 Means of Security

The Client and the Bank may agree upon the compulsory use of the Means of Security in relation to a relevant service of direct banking. The User may request from the Bank the provision of a Means of Security; upon receipt of the request by the Bank, the User and the Bank shall execute an agreement on the use of Means of Security, which agreement shall be governed by the provisions of these GTC, and the User shall be a party to the legal relationship established under the agreement on the use of Means of Security with the Client. The agreement on the use of Means of Security shall terminate upon delivery of a written notice of termination served by the User, provided that his/her signature affixed to such notice must be legalised (notarised), with effects as of the first Business Day following its delivery to the Bank, or upon delivery to the Bank of a written notice of termination mailed by the User, as of the date specified in such notice of termination. The Bank may revoke the authorisation to use the Means of Security if used in a manner inconsistent with the agreed rules. In such case, the agreement on the use of Means of Security shall terminate as of the day on which the Bank has revoked the authorisation to use same. The Bank shall inform the User of such circumstance in writing. The agreement on the use of Means of Security shall terminate upon User's death.

The User shall be required to pay the Price for the Means of Security. The User may request the use of the Means of Security provided thereto in relation to any account maintained by the Bank in respect of which account he/she is the User.

The list of the Means of Security available for the relevant services of direct banking is provided in the list of products currently offered by the Bank. Most importantly, the Means of Security are intended to serve the purpose of strengthening the security of communication with the Bank and allow for establishment of identity of the Means of Security holder. At the same time, the Means of Security may serve the purpose of setting up the electronic signature of an authorised holder of the relevant Means of Security. The Means of Security are used either instead of and/or jointly with the Security Data. The terms and conditions applicable to the potential acquisition and use of the relevant Means of Security are more particularly specified in the user's manual for the relevant service of direct banking or the Means of Security.

The User shall be required to protect the Means of Security from loss, theft, misuse, to prevent the Means of Security from being used by any third party, and to prevent same from being altered or subject to any other form of unauthorised interference that might alter the nature, purpose and character of the Means of Security issued. In the event that the User is provided with any other data intended to prevent any unauthorised persons from accessing the relevant Means of Security (e.g., access password, code), the User shall be required to treat such data in the same manner as it is required in respect of the Means of Security.

The Bank shall provide the Means of Security to the User exclusively in connection with the services of direct banking. The Bank shall not be held responsible to the extent that the Means of Security are used other than in connection with the services of direct banking. Although the Bank usually provides the services of direct banking twenty-four (24) hours a day, seven (7) days a week, the Bank does not undertake to enable the use of the Means of Security on a continuous basis and without interruption. The User acknowledges and expressly agrees with the above.

24.3 Electronic Certificate

Electronic certificate constitutes one of the Means of Security; upon entering into the agreement to use the same, the User agrees to comply with the license terms and conditions applicable to use of the storage medium of the electronic certificate (such as a chip card). The User declares that he/she acquainted himself/herself with such terms and conditions prior to executing the agreement to use electronic certificate (also termed as the "Agreement on Provision of Higher Security Service"); a reference to the actual location of the license terms and conditions is contained in the user's manual.

Promptly after the electronic certificate has been issued, the User shall check its terms; in the event that he/she finds a discrepancy between such terms and the contents of the application seeking the issuance thereof, the User shall advise the Bank of such fact and request the termination of the electronic certificate in the manner specified in the user's manual. Electronic certificate shall be valid for a period of one (1) year following the issuance thereof by the relevant certifying authority; prior to expiration of this period, its validity may be terminated at the User's request.

The Bank may terminate the validity of an issued electronic certificate if:

- such electronic certificate was issued based on false or falsified information, or in the event that the certified information is no longer valid;
- the User has breached any obligation under the agreement to use electronic certificate;
- the User notifies the Bank of the loss, theft, misuse, unauthorised use or a suspected potential misuse or unauthorised use of the electronic certificate;
- the Bank is so required by applicable law or an administrative or judicial decision.

In the event of an early termination of the validity of the electronic certificate at the User's request or by the Bank, the User shall not be entitled to receive compensation for the balance of the regular period for which the electronic certificate would have otherwise remained valid.

24.4 Loss, Theft or Misuse of Security Data or Means of Security

The Client or the User shall be required to promptly notify to the Bank any loss, theft, misuse, unauthorised use or a suspected potential misuse or unauthorised use of the Security data or Means of Security facilitating the use of the services of direct banking, twenty-four (24) hours a day at the number of the Bank's information line or the telephone numbers specified in other information materials of the Bank or, as appropriate, in person at any Branch during the usual business hours. In the event that the notification is made by telephone, the Bank will provide the User, at his/her request, with a certification as a proof of notification of that fact. The Client or the User shall communicate to the Bank all information of which it has knowledge including information about the User who is an authorised holder of the relevant Security Data or Means of Security, circumstances surrounding the loss, theft or a suspected misuse of the Security Data or Means of Security concerned. Upon notification of the loss or theft or suspected misuse of the Security Data or Means of Security, the Bank shall take any and all reasonable measures aimed at preventing such Security Data or Means of Security from being used. Unintentional breach by the Client of the security rules stipulated for the use of the services of direct banking and, in particular, the rules governing the treatment by the Client of the Security Data a Security Means shall be deemed gross negligence.

24.5 Blocking Services of Direct Banking

The Bank may block the use of the services of direct banking upon the occurrence of any of the following:

- the Client or the User notifies or suspects the occurrence of a loss, theft, misuse, unauthorised use of the Security Data or Means of Security;
- there is a reason to believe that a suspected unauthorised or fraudulent use of the services of direct banking occurred – the blocking may also be made in relation to a particular User;
- certain circumstances occur which lead to the conclusion on a substantial rise in the risk that the Client will not be able to repay the credit granted.

The Bank shall inform the Client, in an appropriate manner, that it has blocked at its own discretion the services of direct banking. Such information shall be given prior to or, as appropriate, promptly following such blocking.

24.6 De-Blocking Services of Direct Banking

In the event that the Bank and the Client agree upon no terms and conditions for the further use of the services of direct banking simultaneously with the Bank's information on preventing access to the services of direct banking or with the notification of a loss, theft, misuse, unauthorised use or a suspected potential misuse or unauthorised use of the Security Data or Means of Security, the Bank shall permit the further use by the Client of the services of direct banking as soon as the reasons to prevent access to the relevant services of direct banking have ceased to exist. Following notification pursuant to Section 24.4 of these GTC, the Client may also request, in the manner described in the user's manual, restoration of his/her access to the services of direct banking.

25. Direct Banking and Distance Contracts for Financial Services

25.1 Use of Services of Direct Banking in Negotiating Contracts

The Client consents to the use of the relevant agreed services of direct banking as a means of remote communication between the Client and the Bank for the purposes of negotiating distance contracts for financial services (including any amendments thereto).

The Bank and the Client have agreed that the Client's declaration of will which declaration may take the form of making a request, submitting a draft agreement to the Bank, or accepting the draft agreement of the Bank, in each case in the form of a data message, may affix the electronic signature the Client. A draft agreement or the accepting of a draft agreement which must be agreed in the written form in accordance with applicable law as in effect at the time when the draft agreement was submitted, or pursuant to an understanding between the Bank and the Client, must affix electronic signature at all times. Security Data constitute an electronic signature which, as a general rule, usually is unique and intended for one-time use. The electronic signature may also be set up by means of other Means of Security intended for use with the services of direct banking (in particular, the Client Certificate). The electronic signature of a person authorised to act on the Bank's behalf shall be generated with the use of data intended for the generation of electronic signature pursuant to a certificate issued by the bank's internal certification authority. Clients may examine the list of invalidated certificates on the Bank's Homepage. The Bank and the Client have agreed that the electronic signatures described in the preceding sentences shall be deemed to constitute electronic signatures within the meaning of the Electronic Signature Act.

In relation to the entering into their contractual relationship by means of the services of direct banking, the Bank and the Client have agreed upon the possible delivery of the draft agreement to the Client, and/or the acceptance of the draft agreement, in the environment of the relevant application or the installation of the services of direct banking. For the purposes hereof, the environment of the relevant application or the installation of the services of direct banking shall be deemed to constitute a correspondence address of the Client. The draft agreement or its acceptance shall be deemed delivered at the time when the Client has been afforded the opportunity to become familiar with such draft in the environment of the relevant application or the installation of services of direct banking.

An agreement executed by means of the services of direct banking shall be kept in the Bank's archives and the Client may be provided with the wording thereof at his/her request.

25.2 Business Communication

The Bank may use the services of direct banking to offer products and services in the form of business communications. The User may refuse the provision of business communications through any Branch of the Bank or, as appropriate, by means of the services of direct banking supporting such declaration of refusal.

26. SERVIS 24

26.1 Scope and Manner of Use of SERVIS 24 Service

The SERVIS 24 direct banking service is supported by several service modes including the Internet, telephone and mobile telephone according to the range of products currently offered by the Bank, while simultaneously serving the purpose of providing access to the services provided by the Bank in connection with the SERVIS 24 service. The scope of operations that the Client may execute using the various service modes supporting the SERVIS 24 service differs (for further details see the user's manual).

26.2 E-faktura (Electronic Invoicing Service)

Under the e-faktura service, the Bank enables the Client to agree upon receiving, in the electronic form, of fiscal (tax) documents from its issuer or the person authorised to act on such issuer's behalf, providing that they are included in the list available upon activation of the e-faktura service in the SERVIS 24 Internetbanking application.

Through activation of the e-faktura service, as from the service activation date, the Client agrees with the delivery by the designated issuer to it of fiscal (tax) documents for any taxable performance provided, in the electronic form through the Bank. The Client empowers the Bank to deliver through the activation of the e-faktura service, the declaration of its consent to its designated issuer of fiscal (tax) documents.

The respective responsibilities of each of the Bank and the Client shall be the following:

- a) The Client shall verify whether or not the electronic sign or electronic signature based on a qualified certificate within the meaning of the Electronic Signature Act is affixed to the fiscal (tax) document delivered to it. The Client acknowledges that the electronic sign or electronic signature in accordance with the preceding sentence may be affixed to the fiscal (tax) document by an entity other than the issuer of the fiscal (tax) document. If the electronic sign and/or electronic signature are missing, or if the same are generated based on an invalid certificate, the Client shall contact the Bank with such finding.
- b) The Bank shall not be responsible for the fulfilment or non-fulfilment by the issuer of all requirements stipulated in applicable law for fiscal (tax) documents issued in the electronic form. The Bank shall be neither required nor authorised to examine or verify whether or not the contents of any fiscal (tax) documents delivered comply with the applicable requirements.
- c) The Bank shall guarantee to the Client that the fiscal (tax) document was delivered by the issuer or the person authorized to act on such issuer's behalf and, at the same time, that the fiscal (tax) document delivered in the electronic form has not changed since the electronic sign or electronic signature based on a qualified certificate within the meaning of the Electronic Signature Act has been affixed thereto.
- d) If a claim is made due to incorrect contents or a formal defect of a fiscal (tax) document delivered, the Client shall contact the issuer of the fiscal (tax) document claimed.

27. SERVIS 24 – Start

The SERVIS 24 – Start service shall be governed by the provisions of Section 26.1 of these GTC. The provision of the SERVIS 24 - Start service shall not be conditional upon the maintenance of a Payment Account or any other account by the Bank.

28. BUSINESS 24

28.1 Terms and Conditions of Use of BUSINESS 24 Service

The prerequisite to an active use of the BUSINESS 24 service is the use of the relevant Means of Security which serve the purpose of logging in and confirming orders or payment orders addressed through the BUSINESS 24 service to the Bank.

28.2 BUSINESS 24 Databanking Service

The BUSINESS 24 Databanking service (hereinafter the "Databanking") forms part of the BUSINESS 24 service and any and all settings which are valid for the BUSINESS 24 service are also valid for the Databanking service. The Databanking service may be used by no person other than a Client whose BUSINESS 24 service is activated while simultaneously using the accounting or other system supporting the Databanking service. The list of accounting systems is available on the Bank's Homepage. The Bank may unilaterally extend the aforementioned list.

The Bank shall provide for the Databanking service through the relevant data interface required for running the services taking into account the system of the Client and the BUSINESS 24 service. The Bank shall not provide for the operation of the Client's accounting or other system and other equipment necessary to access the data interface of the Databanking service. The Bank shall provide to the Client the Databanking service for his/her accounts maintained by the Bank to the extent specified in the user's manual for the BUSINESS 24 service.

The Bank agrees to execute orders or payment orders given through the Databanking service based on instructions from the User of the BUSINESS 24 service to the extent that the same were prepared in accordance with the terms and conditions agreed for giving those instructions. The User may give orders or payment orders through his/her accounting or other system and the data interface of the Databanking service in accordance with the instructions from the supplier of the accounting or other system. Orders or payment orders given through the Databanking service which do not require the cooperation of more than one User for the declaration of consent to their execution are provided with data generated directly by the accounting or other system of the Client using the Means of Security.

In the event that the declaration of consent to executing an order or a payment order requires the cooperation by more than one User, it is necessary that the consent to executing such order or payment order given through the accounting or other system and the Databanking service is given directly in the manner agreed under the BUSINESS 24 service. The foregoing shall also apply where the consent to executing an order or payment order given by the User should be given directly through the BUSINESS 24 service due to the technical solution of the Databanking service employed.

The Bank shall not guarantee, or be responsible to the Client for the non-availability of the Databanking service caused by an error, defect, or failure of any equipment used by the Client for connecting to the data interface of the Databanking service, in particular, any error, defect, or failure of the used (e.g., accounting) system the Client. The Bank shall not provide support to the Client in the event of non-function of his/her accounting or other system on which the data interface is implemented. In such case the Client must contact the supplier of the accounting or, as appropriate, other system.

PAYMENTS

29. Execution of Payment Transactions

29.1 Rules Governing Execution of Payment Transactions

This Section of the GTC contains general rules applicable to the execution of payment transactions by the Bank and their settlement on the Payment Accounts of the Clients maintained by the Bank. Specific rules are provided for in the Communication, particularly definitions of the pre-requisites of payment orders, definition of the Working Hours intended for payment transactions, etc.

29.2 Deadlines for Execution of Payment Transactions

On the terms and subject to the conditions set forth in the Communication, the Bank shall settle each effective payment order delivered in an appropriate fashion including the maturity date therefor as specified by the Client thereon.

29.3 Information on Payment Transactions

The Bank shall be required to inform the Client of any payment transactions executed during the preceding calendar month. The Bank shall disclose the above information to the Client at his/her request at the Branch free of any charge.

29.4 Refusal to Execute Payment Order of Client

The Bank may refuse the execution of a payment order from the Client in the event that the terms and conditions agreed for its execution are not complied with, or if the execution of such payment order is contrary to applicable law. The Bank shall make available the information with respect to the refusal of the payment order to the Client in the manner set forth in the Communication. If the items agreed with the Client also include the provision of this information, the Bank may charge the Price in accordance with the Tariff of Fees and Charges (provided, however, that such information will not be dispatched if the payment order is rejected due to the lack of funds on the Payment Account, because the Client informed of such fact through the statement of his/her Payment Account).

In particular, the Bank may refuse to execute the payment order where the following conditions of its execution are not complied with:

- a) the payment order delivered to it is not definite, intelligible, and complete;
- b) the payment order delivered lacks all stipulated requirements;
- c) the funds available in the Payment Account are insufficient for the execution of the payment order; should the Bank be delivered a collective payment order all of whose amounts cannot be paid due to lack of funds, the Bank may execute only a part of such collective payment order, determine the order of succession of the particular payment transactions, and refuse the remaining payment transactions; if a larger number of payment orders exists which orders may potentially be accepted at the same time, the Bank may by reason of lacking funds for the execution of all such payment orders determine which payment orders it will execute and in what order of succession while rejecting the remaining orders;
- d) the Client has failed to declare his/her consent to the payment transactions concerned (e.g., an unauthorised transaction), unless otherwise provided in the agreement between the Bank and the Client or in these GTC;
- e) the amount of the payment transaction to be executed pursuant to the payment order exceeds the upper limit of funds (payment order limit) which may be set by the Bank.

29.5 Additional costs

If, in connection with the execution of a payment transaction, the Bank incurs additional costs as a result of fees or expenses charged by another provider of payment services, the Bank may charge those additional costs to the Client. The foregoing shall not apply where such additional costs resulted from a payment transaction executed in an incorrect fashion for which the Bank is responsible.

29.6 Deductions from Amounts Transferred

The Bank, as provider for the recipient, may deduct its Price from the amount transferred prior to the crediting thereof to the Client's Payment Account.

30. Deposits and Withdrawals of Cash

30.1 Types of Cash Operations

The Client may execute the cash operations listed in the Communication. The Client may execute such operations only in those currencies for which exchange rates are determined by the Bank.

30.2 Withdrawals Limits

The Bank may make the withdrawal of funds in cash exceeding a certain amount (so-called limit) contingent upon compliance with a notice period within which the Client shall inform the Bank in advance of its intended withdrawal. The limit and the notice period shall be determined by the Bank on the basis of local conditions in the Communication

or by another appropriate means. The Client may order above-limit cash withdrawals from the Bank solely by means of a duly completed note of advice of an above-limit withdrawal, or in another manner agreed in advance. Upon the fruitless expiration of the day scheduled for the cash withdrawal, the Bank shall no longer be obligated to maintain the required amount for immediate disposal by the Client. The Bank shall also be entitled to charge the Client a Price for the unrealized withdrawal in accordance with the Tariff of Fees and Charges.

30.3 Substitute Currency

If the Client fails to notify the Bank in advance of its intended cash withdrawal and the Bank lacks sufficient funds in a specific foreign currency (so-called foreign exchange), the Bank may disburse the amount requested by such Client in a substitute currency.

31. General Rules for Non-Cash Payments

31.1 Characteristics of Non-Cash Payments

Non-cash payments allow for transfers of cash through debiting the payer's account with amounts of cash (or receiving funds in cash) and crediting same to the recipient's account.

31.2 Payment Orders and Consent to Collection

Formal requirements of payment orders in making payments, both mandatory and non-mandatory, are laid down in the Communication. The Bank shall be required to execute payment orders from the Client on the condition that any and all orders delivered by the Client to the Bank have been definite, intelligible, complete, and correct and complied with the other terms and conditions stipulated by applicable law and the agreement with the Client. Otherwise the Bank may refuse the execution of the payment order; the bank shall advise the Client of such fact in accordance with Section 29.4 of these GTC. The Bank shall not be required to verify whether any information, the provision of which is the responsibility of the Client, is correct, accurate and complete.

The Client shall at all times be required to grant his/her consent to collection, the consent to collection granted by the Client to the recipient or the provider of the recipient shall have no effect vis-à-vis the Bank. Unless otherwise agreed between the Bank and the Client, each consent to collection granted by the Client must contain the determination of the limits, *i.e.*, the determination of the maximum amount that the Client expects his/her Payment Account will be debited with during the set period (e.g., a calendar month) based on his/her consent to collection.

31.3 Types of Payment Orders

In effecting non-cash payments, the Client may, depending on the range of products offered by the bank and the type of payment, place the following types of payment orders including, without limitation:

- one-time payment order (either individual or collective);
- one-time collection order (either individual or collective);
- standing cash payment order (for example, the recipient receives the cash by means of a B-type postal order);
- standing payment or collection order or balance control order (so-called sweep);
- one-time payment order for payments to foreign countries;
- standing payment order for payments to foreign countries;
- cash payment order (for example, the recipient shall obtain cash by means of a B-type postal order or through an ATM).

31.4 Manner of Placing Payment Orders

The Client may place with the Bank payment orders as follows:

- a) in writing on the Bank's forms or on blank forms (postal or tax orders) which contain the mandatory requirements for payment orders, and are completed in accordance with the relevant printed forms. (The Bank shall execute payment orders in the form of postal orders solely in accordance with the recipient's settlement data appearing on the front page, and the payer's settlement data appearing on the reverse side of the relevant postal order). The Client may place its written orders at the Branches, or, as appropriate, send such orders via mail service providers, unless such manner of delivering a certain payment order is excluded;
- b) in the form of a compatible data medium;
- c) using payment instruments; or
- d) using other methods agreed upon between the Bank and the Client in the Communication.

The Bank and the Client may agree upon a cap on payment transaction(s) executed pursuant to payment order(s) given to the Bank in one of the agreed manners. Such cap shall be agreed upon through the Communication.

31.5 Payment Order Acceptance

The payment order shall be deemed accepted by the Bank upon the receipt thereof by the Bank directly from the payer or at the recipient's instance. In the event that the Bank may not execute the payment order until certain conditions has been complied with or a certain period of time expired (deferred maturity of payment order), the deadline determined as above shall be deemed the time of acceptance of the payment order.

If the Bank receives a payment order for whose execution it lacks sufficient funds during the Working Hours when delivered to the Bank, it applies that the payment order shall be deemed accepted as soon as the Bank has available to it the funds necessary to execute same, provided, however, that the Bank shall have available to it the funds necessary to execute such payment order within the time limit set forth in the Communication. Upon lapse of the above time limit, the execution of the relevant payment order shall become refused.

In relation to the various methods applicable to the placing or delivering payment orders thereto as well as in relation to the particular forms of the specific terms and conditions for completing payment transactions, the Bank establishes the definition of the term "Working Hours" which is intended to determine the period of time during which the Client may deliver the payment order to the Bank.

In the event that the acceptance of payment order occurs outside the Working Hours, it shall apply that the payment order is accepted at the beginning of the immediately next Working Hours. The Bank and the Client have agreed that

payment orders delivered after the time limit set therefor at the end of the designated Working Hours (cut-off time) shall be deemed accepted with at the beginning of the immediately next Working Hours. The applicable terms and conditions are more particularly specified in the Communication.

The Bank may determine the method of effecting the payment, including the involvement of agents.

31.6 Consent to Execute Payment Transactions

The Bank shall execute only such payment transactions as will be consented to by the Client prior to the placement, and in no case later than upon the delivery, of the relevant payment order. Such payment transaction shall be deemed an authorised payment transaction. In substantiated cases another time limit for granting consent to execute a payment transaction may also be agreed upon. The granting by the Client of his/her consent to a payment transaction shall be a precondition to executing same.

The Client may grant to the Bank his/her consent to execute a payment order as follows:

- a) where the Client's consent is given in writing, the Bank shall be required to execute payment order to which such consent relates on the condition that the signature of the Disposing Person granting consent is confirmed matches the specimen signature affixed to the Specimen Signature Form, and such manner of signing is agreed upon between the Bank and the Client. If the specimen signature is not available to the Bank or the signature of the Disposing Person fails to match the specimen signature, the Bank will not execute the payment order concerned, unless it is proven in another manner that such signature is the signature of the Disposing Person. As a rule, Client's consent in writing is granted simultaneously with the relevant payment order, unless a payment transaction initiated at the instance of, or through, the recipient is involved;
- b) where the payment order is generated with the use of a service of direct banking, the Client declares his/her consent to execute the relevant payment transaction based on such payment order by using or, as appropriate, communicating the Security Data together with the appropriate identification of the acting User or, as appropriate, using also the Means of Security in generating and delivering the payment order to the Bank. By means of the Security Data or, as appropriate, the Means of Security intended to serve the purposes of using the services of direct banking, the Client may also declare his/her consent with the execution of a payment transaction the payment order in respect of which was placed with the Bank in a manner other than through the relevant service of direct banking (e.g., at the instance of, or through, the recipient); in the event that the Client utilizes a service of direct banking through telephone contact with the Bank, a verbal declaration of consent by the Client or, as appropriate, confirmation of the digit dialled in automatic voice service shall be deemed the grant of the consent to execute the relevant payment transaction;
- c) if a Card is used, the point of payment or sale shall upon execution of a Card Transaction issue a certificate on which the Cardholder will declare his/her consent to execute the Card Transaction by affixing his/her signature, or grant his/her consent to execute the Card Transaction by entering the PIN or both. With certain Card Transactions within the limits fixed by the Bank or the card companies, the declaration of consent occurs through the proper use of the Card in the relevant technical equipment;
- d) with payment transactions executed by means of an ATM, the Cardholder will declare his/her consent to execute the payment transaction through entering his/her PIN;
- e) in case of a Card Transaction executed using data contained in the Card through a website, the Cardholder shall give his/her consent to the execution thereof by entering the data contained in the Card in the relevant website which serves as the means to procure the order for executing the Card Transaction; in the event that the Cardholder is also required to enter a single-use information, entering of the relevant data contained in the Card together with such single-use information shall constitute the consent to execute the Card Transaction;
- f) in case of a Card Transaction executed at the recipient's instance, where the Cardholder orders services or goods and the recipient requests the payment of the price for the service or goods through a Card Transaction, the Cardholder consents to the payment of the price, and thus to the execution of the Card Transaction, by communicating the relevant data contained in the Card to the recipient for the purposes of procuring the payment order.

31.7 Revocation of Payment Order and Consent of Client

The Client may not revoke a payment order and his/her consent to its execution as soon it is accepted and, if deferred maturity of payment order is agreed upon, no revocation is permissible after the end of the Working Hours which precede the acceptance.

In the event that the payment order is placed with the Bank at the instance of, or through, the recipient of the payment under the payment transaction, the Client, who is the payer, may not revoke his/her consent to execute such payment transaction after the end of the Working Hours preceding to the day scheduled for debiting the Payment Account with the relevant cash amount, or after it has delivered the payment order to the recipient.

However, in case of standing payment or collection orders or standing consents to execute collection, the Client may revoke his/her payment order or consent to execute a payment transaction in relation to outstanding payment transactions despite the acceptance by the Bank of such payment order. However, the Client may not revoke a standing payment or collection order, or a standing consent to execute collection in relation to already executed payment transactions and in relation to payment transaction still to be executed, it may not do so after the end of the Business Day which precedes the day scheduled for the execution of the relevant payment order.

In the event of revocation by the Client of his/her payment order or consent to the execution thereof after the expiration of the time limit for its potential revocation pursuant to this Section of the GTC, and the Bank permits such revocation, the Client shall be required to pay the Prices and expenses of the Bank, and expenses that the other providers of payment services may incur in connection with the return of the payments and/or, as appropriate, any expenses eventually arising out of exchange rate differences. If the cancellation of the payment order is contingent upon return of the funds, such funds shall be returned to the Client after their receipt by the Bank. The Bank reserves the right to dishonour the Client's request seeking the revocation of the payment order or the consent to its execution in accordance with this paragraph.

31.8 Return of Amount of Authorised Payment Transaction Executed through Recipient or at Its Instance

Within eight (8) weeks of the date on which his/her Payment Account was debited with the relevant funds amount, the Client, who is the payer, may request the return of the amount of an authorised payment transaction executed at the instance of or through the recipient to the extent that the exact amount of the payment transaction has not been fixed at the time of the authorisation, and the amount of the payment transaction exceeds the amount that may have been reasonably expected by the Client with regard to all circumstances; however, the foregoing shall not apply to cases involving changes in exchange rate if the reference exchange rate agreed between the Client and the Bank has been applied. The Client and the Bank have agreed that the foregoing rule shall not be applicable if the consent to the payment transaction was granted by the Client directly to the Bank and, at the same time, where the information about the exact amount of the payment transaction was provided or disclosed by the provider or the recipient to the Client in the agreed manner not less than four (4) weeks prior to acceptance of the payment order. The Client shall be required to make the request in person at the Branch which maintains the relevant Payment Account, and to provide the Bank with information and evidence proving that the above specified terms and conditions have been complied with. Within ten (10) Business Days following the receipt of the Client's request, the Bank will return the payment transaction amount or will refuse to return same, and will advise the Client of the reasons for such refusal. Reasons for the Bank's refusal to return the payment transaction amount may also include the Client's failure to provide the requested information and evidence or the Bank's failure to receive from the recipient or the recipient's provider, within the aforementioned time limit, the amount of the payment transaction requested by the Client.

The Client, who is a recipient, to whose Payment Account funds were credited under a payment transaction executed at the instance of or through the recipient, shall be required to provide the Bank, upon its request, with information and materials that may be required to assess the question as to whether or not the terms and conditions for the return of the amount under this Section have been complied with. The Client, who is a recipient, to whose Payment Account funds were credited under a payment transaction executed at the instance of or through the recipient, consents to debiting by the Bank that Payment Account or any of his/her other Payment Accounts with such amount of funds that the Bank has returned or desires to return to the payer or the payer's provider. In the event that none of the Client's Payment Accounts contains sufficient funds, the Bank will call upon the Client to deposit the lacking funds within a reasonable period of time. If the Client fails to do so, the Bank may debit the Client's Payment even if such clearance (settlement) results in a debit balance on the Client's Payment Account. Such debit balance constitutes an impermissible debit balance on the Payment Account, and the Bank may charge to the Client interest in the amount specified in the Notice in force on the date on which the debit balance comes into existence.

32. Responsibility for Payment Transactions

32.1 Bank Responsibility for Incorrectly Executed Payment Transaction

The Bank shall be liable to the Client, who is the payer, for any incorrectly executed payment transaction unless the Bank furnishes to the Client proof that the amount of the incorrectly executed payment transaction has been credited, in a due and timely fashion, to the account of the recipient's provider of payment services. Further, the Bank shall be liable to the Client, who is the recipient, for any payment transaction executed in an incorrect fashion to the extent that such liability does not lie with the payer's provider of payment services.

If, during a provision of a payment service to the Client who is the payer, the Bank is liable to the Client for an incorrectly executed payment transaction, and the Client notifies the Bank of his/her non-insistence on executing the concerned payment transaction, the Bank shall promptly restore the payment account to which the payment transaction amount was debited to the condition existing but for the incorrectly executed payment transaction, or, where the restoration of the Payment Account to such condition is not possible, the Bank shall make the amount of the incorrectly executed payment transaction available to the Client. This approach shall only apply in relation to the amount of the incorrectly executed payment transaction which had not been credited to the account of the recipient's provider before the Client, as payer, notified the Bank, as his/her provider, of his/her non-insistence on executing the payment transaction, and subject to the provision of evidence of such crediting by the Bank to the Client and, where appropriate, also to the recipient's provider.

If, during a provision of a payment service to the Client who is the payer, the Bank is liable to the Client for an incorrectly executed payment transaction, and the Client fails to notify the Bank of his/her non-insistence on executing the payment transaction, the Bank shall promptly cause the amount of the incorrectly executed payment transaction to be credited to the account of the recipient's provider.

If, during a provision of a payment service to the Client who is the recipient, the Bank is liable to the Client for an incorrectly executed payment transaction, the Bank shall promptly restore the payment account of the Client, as recipient, to the condition existing but for the incorrectly executed payment transaction or, where the restoration of the Payment Account to such condition is not possible, the Bank shall make the amount of the incorrectly executed payment transaction available to the Client, as recipient.

The covenants pursuant to this Section shall not apply to payment transactions executed at the instance of or through the recipient, if the recipient's provider of payment services failed to comply with its obligation to give, in a due and timely fashion, the relevant payment order to the payer's provider of payment services, whereas the recipient's provider of payment services shall, at the recipient's request, attest whether it has complied with this obligation.

32.2 Payment Transaction Complaints

The Client shall be required to lodge his/her complaint vis-à-vis the Bank for an unauthorised or incorrectly executed payment transactions without unnecessary delay after he/she has got knowledge thereof, in each case not later than thirteen (13) months of the date on which his/her Payment Account has been debited with the relevant amount of funds, otherwise the claim that the Client may have vis-à-vis the Bank in connection with such unauthorised or incorrectly executed payment transaction shall terminate.

Upon lodging the complaint, the Client shall be required to provide the Bank with cooperation necessary to address the existing situation and submit any available documents relating to the claimed payment transaction and testifying to his/her complaint.

If the payment transaction complained of at the Client's instance (whether acting as the payer or the recipient) was executed in an incorrect fashion, the Bank, regardless of whether it is liable for such incorrectly executed transaction or not, shall use, at the Client's request, any and all of its practicable best efforts with the objective to identify the relevant payment transaction or, as appropriate, to ascertain the manner in which it was processed. The Bank shall inform the Client of the results of its investigation.

32.3 Responsibility for Unauthorised Payment Transaction

If an unauthorised payment transaction has been executed, the Bank shall settle such unauthorised transaction in favour of the Client's account without unnecessary delay after having been advised thereof by the Client or, as appropriate, where such settlement is not possible, disburse the amount of such unauthorised payment transaction to the Client. The foregoing shall not apply if the loss resulting from such unauthorised payment transaction is borne by the Client.

The Client shall bear the loss from unauthorised payment transactions up to the amount of the equivalent of one hundred and fifty (150) EUR, if the loss was caused through the use of a lost or stolen payment instrument, or through the misuse of a payment instrument to the extent that the Client failed to provide for the protection of his/her unique security elements. In relation to these services, the Bank may determine that the Client shall bear no loss from unauthorised transactions in the above cases.

The Client shall bear the loss from an unauthorised payment transaction to the full extent thereof if the loss was caused by his/her fraudulent conduct or wilful or grossly negligent conduct that resulted in the breach of any of his/her obligations under Section 22 and Section 24 of these GTC.

The Client shall bear no loss from an unauthorised payment transaction if the Client did not act in a fraudulent fashion, and the loss arose only after the Client had notified the loss, theft or misuse of a payment instrument to the Bank, or the Bank had failed to ensure the making available to the Client of appropriate means that would enable it to notify at any time the loss, theft, misuse or unauthorised use of a payment instrument.

In the event that the Client bears the loss from an unauthorised payment transaction up to an amount equivalent to one hundred and fifty (150) EUR, the Bank shall debit such loss to the Client's account at the Czech National Bank exchange rate – middle (*deviza – stred*) valid on the date on which the claim in respect of this unauthorised payment transaction is settled.

32.4 Incorrect Unique Identifier of Recipient

As regards the person of the payment recipient, any payment transaction shall be deemed executed correctly, if it is executed in accordance with the unique identifier of the recipient. The foregoing shall apply also if the payer or the recipient specifies additional data about the recipient. If the payer or the recipient specified an incorrect unique identifier for the recipient, the Bank shall use its best efforts to ensure the return of the funds from the incorrectly executed payment transaction to Client. The Bank may charge a fee for the return of the funds.

32.5 Bank's Obligation to Furnish Proof

In the event that the Client notifies to the Bank that he/she has not authorised a payment transaction executed or that a payment transaction has been executed in an incorrect fashion, the Bank shall be required furnish proof of the payment order having been placed, and the payment transaction registered and cleared in a correct fashion. In this case, the Bank shall furnish proof of the relevant payment transaction not having been affected by a technical failure or another defect.

32.6 Corrective Settlement for Wire Transfers in the Czech Currency within the Czech Republic

If the Bank fails to settle the amount or fails to use the wiring instructions in accordance with the Client's order and thereby causes a settlement error, the Bank shall be obligated to remedy such error by a corrective settlement in order to achieve consistence of the settlement with the Client's order.

33. Special Rules for Foreign Payments

In case of payment transactions executed within the foreign payment regime, the parties make use of the statutory right to agree upon special rules for such types of payment transactions. In view of the above, the Bank does not provide information on the maximum time limit for the execution of a payment order, and shall not be required to disclose information about the total amount of consideration for the execution of a payment transaction. The Client may elect any fee charging method customary for charging of prices and fees in foreign payments. With respect to certain payment transactions, this means that, in view of the selected fee charging method, it is not necessary to observe the rule that mandates the transfer of the entire payment transaction amount, and the Prices or fees payable to other banks may be deducted from the relevant payment transaction amount.

The second through the fifth paragraphs of Section 32.1 and the first paragraph of Section 32.3 of these GTC shall not apply to liability in the foreign payments regime.

34. Specific Terms and Conditions for Clients other than Consumers or Small Entrepreneurs

The Bank and Clients other than Consumers or Small Entrepreneurs have agreed as follows :

- Section 1.3 of these GTC shall not apply to any changes in these GTC and the other Contractual Documents in relation to Clients other than Consumers or Small Entrepreneurs. The Bank shall be required to advise Clients on an individual basis, in an appropriate manner and not less than one (1) month in advance of such changes or, as appropriate, modifications and the date scheduled for such changes and/or modifications becoming effective and, at the same time, disclose the new or, as appropriate, modified wording of these GTC or the other Contractual Documents in the publicly accessible premises of its Branches and on the Bank's Homepage. In the event of failure by the Client to declare his/her disapproval to any such change in writing by the date on which it becomes effective, the change shall be deemed accepted by the Client.

- The Bank shall not be required to provide the Client with, or disclose thereto, all information required to be provided in accordance with the Payments Act, but it will furnish the Client, in the agreed manner, with the above information where provision thereof has been agreed upon between the Client and the Bank or, as appropriate, where such information are furnished by the Bank both to Clients other than Consumers or Small Entrepreneurs, and to Clients who are Consumers or Small Entrepreneurs. The Bank shall not be required to inform, in the manner provided for in the Payments Act, of modifications other than those which form part of the Contractual Documents; the Bank shall advise the Client of any modification of such information in an appropriate manner and sufficiently in advance.
- The Bank shall not be required to provide the Client with, or disclose thereto, information on any payment transactions executed under to Section 29.3 of these GTC. The Client shall receive information on payment transactions through statements of account supplied by the Bank by agreement with the Client.
- The Client and the Bank have agreed that the Bank may also charge the Prices for the performance of any of the Bank's obligations under the Payments Act.
- The Client may request the revocation of a payment order within the time limits stipulated in the relevant Contractual Documents (e.g., in the Communication).
- The Client is not entitled to the refund of the amount of an authorised payment transaction executed at the instance of the recipient.
- The Client shall bear the loss from an unauthorised payment transaction to the full extent thereof even if the loss has been caused through the use of a lost or stolen payment instrument or misuse of a payment instrument to the extent that the Client failed to ensure the protection of its unique security elements, until such time as the Client shall have informed the Bank of such fact. With respect to Card Transactions, however, the Client's liability for Card Transactions, losses and costs resulting from the misuse of a lost/stolen payment instrument within the time period of forty-eight (48) hours immediately preceding the notification of such circumstance to the Bank is limited to a maximum amount of one hundred and fifty (150) EUR. In the event of misuse of a Card involving the use of the PIN, or in the event that the Client has acted in a fraudulent fashion or in a manner which is inconsistent with the contractual agreements or the generally binding legal regulations, the Client shall be liable for all Card Transactions, damage and costs.
- In the event that a complaint is lodged in connection with a payment transaction, the Client shall be required to assert his/her claim vis-à-vis the Bank by reason of an unauthorised or incorrectly executed payment transaction without unnecessary delay after he/she has got knowledge thereof, in each case within seventy-five (75) days of the date on which his/her Payment Account was debited with the relevant amount of funds, and in case of Card Transactions within seventy-five (75) days of the date on which the Card was used, otherwise the rights of the Client vis-à-vis the Bank connected with such unauthorised or incorrectly executed payment transactions shall terminate. Upon lodging the complaint, the Client shall be required to furnish the documents relating to the complained payment transaction and testifying to his/her contention.
- In the event that the Client communicates that he/she has not authorised a payment transaction or that a payment transaction has been executed in an incorrect fashion, the Bank shall not be required to furnish proof of the payment order having been placed, and the payment transaction having been correctly recorded, cleared, and unaffected by any technical failure or other defect. In such case, the Bank may request the Client to furnish all materials proving the communication.
- The Bank's liability for a payment transaction executed in an incorrect fashion shall be governed by the rules laid down in Section 6 of these GTC.
- The Client may terminate the agreement on Payment Account in writing, even without cause. The agreement on the Payment Account shall cease to be effective on or prior to the Business Day immediately following the Business Day on which the relevant notice of termination was delivered to the Branch which maintains the relevant the Payment Account. The Bank may terminate the agreement on Payment Account upon a written notice of termination; in such case, the agreement on the Payment Account shall cease to be effective on the last day of the month during which the relevant notice of termination was delivered to the Client or, as appropriate, on the day specified therein. In the event that notice of termination is given by the Client, the rule of pro-rating the charged Prices paid for a specific period of time shall not apply to settlement of Prices paid for services provided.

FINAL PROVISIONS

35. Client Groups

The Bank may classify the Client into an appropriate group of Clients in accordance with the criteria set by the Bank. The Clients that belong to a group of Clients shall be provided with services subject to the conditions prescribed for such group by the Bank. The Client's classification into an appropriate group of Clients follows from the classification of Clients laid down in the Communication.

36. Time Concerns of Services Provision (Working Hours)

The Bank provides its services on Business Days. The Bank may, taking account of the local habitual practice and the manner of the provision of its services specify certain other days on which its services will not be provided or, on the contrary, during which its services will be provided beyond the scope of the providing of the customary working hours. The Bank will inform its Clients of such other days in sufficient time by a notice displayed at its Branches. Should a date for which the Bank's performance in favour of the Client is scheduled fall on a day on which the Bank does not provide its services, the Bank shall perform on the immediately following Business Day provided that it shall not apply interest to the proceeds that have fallen due but have not yet been disbursed. The foregoing shall not affect the definition of the term "Working Hours" for the purposes of payment order acceptance.

37. Place of Performance

The place of performance in respect of any obligations under the Bank Transactions between the Client and the Bank shall be the Branches.

38. Refusal to Execute Bank Transaction

The Bank may refuse to execute a Bank Transaction or to provide services relating thereto, particularly if doing so might trigger a conflict of interests between the Bank and the Client or among various Clients of the Bank. The foregoing shall be without prejudice to Section 3.6 of these GTC concerning the right of the Bank to refuse the execution of a Bank Transaction, and Section 29.4 of these GTC concerning the refusal to execute a payment order.

39. Governing Law; Language Versions

Any legal relationships between the Client and the Bank regulated by these GTC shall be governed by the laws of the Czech Republic. In the event that these GTC, the Specific Business Terms and Conditions or the agreement are prepared, in addition to the Czech language version, in another language version or simultaneously in two different language versions, the version prepared in the Czech language shall at all times prevail. By affixing its signature to the relevant Bank Transaction agreement, the Client acknowledges that it understands the wording and contents of such agreement and these GTC.

40. Severability

If any provision of these GTC, the Specific Business Terms and Conditions or applicable agreement is, becomes or is determined to be invalid or unenforceable, such invalidity or unenforceability shall not (to the maximum extent permitted by applicable law) invalidate or render unenforceable the remaining provisions of these GTC, the Specific Business Terms and Conditions or applicable agreement. In such an event, the Bank and the Client hereby agree to replace the invalid or unenforceable provision with a valid and enforceable provision which will achieve, to the maximum extent permitted by law, the same result and effect as contemplated by the provision to be replaced.

41. Continuity

To the extent that the Client and the Bank, or such other bank whose legal successor is the Bank, agreed prior to the effect thereof that their mutual relationships should be governed by the general business terms and conditions, or the conditions applicable to payments and account keeping (whatever they may be called), such documents shall be superseded, as from the effective date hereof, by these GTC.

42. Actual Information

Any and all information regarding products and services offered by the Bank, including the actual version of these GTC, the Specific Business Terms and Conditions, the Notice, the Communication, and the Tariff of Fees and Charges intended for the Client are disclosed in the public premises of the Branches, on the Bank's Homepage, or otherwise.

43. Litigation and Out-Of-Court Settlement of Disputes

The courts of the Czech Republic shall have jurisdiction over any disputes between the Client and the Bank arising from or in connection with any agreements on Business Transactions. In the event of any dispute between the Client and the Bank arising from or in connection with the provision of payment services or in disbursement and backward exchange of electronic cash, the Client may approach a financial arbiter that is competent on the basis of the Financial Arbiter Act, with a proposal for the resolution of such dispute. The Client may also approach the Czech National Bank with his/her complaint concerning the services provided by the Bank.

44. Force and Effect

These GTC came into force and became effective on July 15, 2002. This consolidated version, based on its amendments effective as of August 1, 2003, July 1, 2004, July 1, 2007, October 31, 2009 and April 1, 2011, respectively, is promulgated as of April 1, 2011.

45. Definition of Terms

ATM (Automated Teller Machine) – shall mean the automated teller machine, *i.e.*, a self-service device intended to disburse or receive to the holders of those types of cards whose trademark is displayed on the ATM (cash deposit is influenced by the type of the ATM) cash amounts in the local currency, and provides other services according to the range of products offered by the ATM and type of cards. Cardholders intending to use the ATM shall be required to enter their PIN.

Authorised Person – shall mean an individual authorised to act for and on behalf of the Client with the Bank to the extent specified by the Client in a power of attorney (Specimen Signature, special power of attorney), set forth in applicable law, or a decision of an appropriate authority (statutory representative, guardian).

Bank – shall mean Česká spořitelna, a. s. within the meaning of Section 1.4 of these GTC.

Bank's Homepage – shall mean the Bank's website, *i.e.*, www.csas.cz

Bank Transactions – shall mean any and all transactions under agreements entered into by and between the Bank and the Client in connection with the provision of bank services and products and in connection with the provision of investment services of the Bank as a securities dealer.

Banking Act – shall mean Act No. 21/1992 Coll., the Banking Act.

BIC/SWIFT (Bank Identification Code) - shall mean a unique code by which the financial institution concerned is identified in the international financial world.

Branch – shall mean any branch, commercial or mortgage centre or other organizational unit of the Bank that enters into and administers the Bank Transactions. The Payment Account is administered by the Branch whose address is specified in the relevant statement of account.

Business Day – shall mean a day on which the Bank and other banks in the Czech Republic are generally open for business and interbank transactions are settled, unless otherwise specified in the Communication. In the event that such reference relates to a date for the payment in a currency other than Czech Crowns, a Business Day shall mean any day on which banks are generally open for business and foreign exchange transactions are settled in the Czech Republic and in the principal financial centre in respect of the currency in which such sums payable are executed. For the purpose hereof, the term „principal financial centre“ shall mean the marketplace on which interest rates are primarily listed for, and transactions primarily settled in, such currency.

Card – shall mean the payment card issued by the Bank, which is a payment instrument; the issuance of a Card is a Service.

Card Transaction – shall mean a payment transaction that was executed pursuant to a payment order placed through the Card.

Cardholder – shall mean a Client or an Authorised Person to whom the Bank issued a Card.

Cash Acceptance Regulation - shall mean Regulation No. 37/1994 Coll., which sets forth the procedure in connection with the acceptance of cash and disposal therewith, and the provision of replacements for incomplete and damaged bank notes and coins.

Civil Code – shall mean Act No. 40/1964 Coll., the Civil Code.

Client – shall mean any individual or legal entity opening business negotiations with the Bank for the purpose of, or in connection with, the entering into a Bank Transaction, or that entered into a Bank Transaction with the Bank, as applicable, and notwithstanding whether the person concerned is named as the Client or otherwise in the relevant Bank Transaction agreement. For the avoidance of doubt, it is agreed and understood that the Client shall also mean a municipality or region as a legal entity (a corporation under public law) pursuant to applicable law, as well as the state as a legal entity.

Commercial Code – shall mean Act No. 513/1991 Coll., the Commercial Code.

Communication – shall mean the communication made to the Clients of Česká spořitelna, a. s. (in Czech: „*Sdělení klientům České spořitelny, a. s.*“) or, as appropriate, any part thereof relevant to the Bank Transaction concerned, as referred to by these GTC, or another communication of the Bank, however labelled, of a similar nature and content.

Consumer – shall mean, for the purposes of the provisions on payment services, each individual entering into an agreement with the Bank, or otherwise engages in negotiations with the Bank beyond the scope of his/her entrepreneurial activities and/or the scope of performance of his/her independent profession.

Contractual Document – shall mean a contractual document concerning the payment services.

Debit Limit (Overdraft) Option – shall mean a credit in respect of the Payment Account provided by the Bank to the Client whereby the Client is permitted to effect payments up to the agreed amount as if the funds on his/her Payment Account were his/her own.

Disposing Person - shall mean any person that is authorised under the Specimen Signature Form to dispose of the funds held in the account.

EEA – shall mean the European Economic Area or the countries comprising the same.

Electronic Signature Act – shall mean Act No. 227/2000 Coll., on the electronic signature.

EU – shall mean the European Union.

Financial Arbiter Act – shall mean Act No. 229/2002 Coll., the Financial Arbiter Act.

Means of Security – shall mean the unique security elements assigned by the Bank to the User for the purposes of his/her identification and which serve the purpose of accessing the service of direct banking by the User using strengthened security communication with the Bank (e.g., the electronic certificate).

Notice – shall mean the Notice of Česká spořitelna, a. s. (in Czech: „*Oznámení České spořitelny, a. s.*“) concerning the interest rates or, as appropriate, any part thereof relevant to the given Bank Transaction, or another notice of the Bank, however labelled, of a similar nature concerning the interest rates.

Payment Account – shall mean an account established and maintained by the Bank for the Client in accordance with the Commercial Code intended to serve the purpose of executing payment transactions by agreement of the Bank and the Client.

Payments Act – shall mean Act No. 284/2009 Coll., the Payments Act.

PIN (Personal Identification Number) – shall mean a unique security element assigned by the Bank to the Cardholder in respect of the Card.

Prices – shall mean the prices, fees and other charges for services provided by the Bank whose amount and method of determination are specified in the Tariff of Fees and Charges.

Security Data – shall mean the unique security elements assigned by the Bank to the User for the purposes of his/her identification and which serve the purpose of accessing the service of direct banking by the User.

Services – shall mean the special terms and conditions applicable to maintaining the Payment Account or executing payment transactions (e.g., use of the Cards or instruments of direct banking for the purpose of disposing of the funds held in the Payment Account) or other services relating to the Payment Account, as agreed between the Bank and the Client.

Small Entrepreneur – shall mean a Client, who is a small entrepreneur pursuant to the Payments Act, or in respect of whom such status has been recognized by the Bank. *(8)

SMS (Short Message Service) – shall mean a short text message delivered by means of a mobile phone.

Specific Business Terms and Conditions – shall mean the specific business terms and conditions issued by the Bank for its particular services and products.

Specimen Signature Form – shall mean the Bank's form or set of forms which list each of the Client's Authorised Persons (the Client may also include himself/herself among the Authorised Persons), shows his/her respective specimen signature, and/or specifies the extent of their respective authorisation.

Tariff of Fees and Charges – shall mean the Tariff of Fees and Charges of Česká spořitelna, a. s. for Bank Transactions (in Czech: „Sazebník České spořitelny, a. s. pro bankovní obchody“) or, as appropriate, any part thereof relevant to the Bank Transaction concerned.

User - shall mean an individual who may utilise the service of direct banking; the Client (if an individual) or an individual empowered by the Client to utilise the service of direct banking on his/her behalf to the extent stipulated by the Client in accordance with terms and conditions of the Bank, may be the User.

Working Hours – shall mean that part of a Business Day during which the Bank performs the activities necessary for the execution of payment transactions. Working Hours for the particular types of payment transactions are specified in the Communication.

Other Terms Used:

agreements on financial services – shall mean agreements in respect of banking, payment, credit, and insurance services, additional pension insurance, the provision of investment services or trades on the market for investment instruments;

appropriate manner of notification – shall mean, for example, a notification by a written notice, e-mail (electronic mail), statement of account, display in public premises of the Bank, etc.;

authorised payment transaction – shall mean a payment transaction consented to by the payer;

available balance of funds – shall mean the free funds on the Payment Account of the Client (including the permitted Debit Limit (Overdraft) Option), i.e., the funds, the use of which is not precluded by, for example, the obligations of the Client towards the Bank (e.g., the obligation to maintain a minimum credit balance in the Payment Account), or limitations stipulated by applicable laws (e.g., on the basis of an enforcement title, a pledge notified to the Bank);

collection – shall mean, for the purposes of the provision concerning payment services, a payment transaction executed at the recipient's instance based on the consent granted by the payer to his/her Bank;

collective payment order – shall mean such a one-time order to the Bank which contains a set of particular payment orders;

compatible medium – shall mean a durable medium in the form of magnetic tape, floppy disk, CD, DVD, flash disk, etc.;

data message – shall mean data capable of being transmitted by means of electronic communication and held on recording media used in processing and transmitting data in the electronic form;

durable data medium – shall mean any object which enables the Client to save information intended for his/her proper person in order for him/her to be capable of using such information during a period of time which is commensurate with the purpose thereof, and which makes possible a repeated use of such information in an unchanged form;

electronic certificate – shall mean a data message issued by the certifying authority to the Client or the Authorised Person, which message is intended to serve the purpose of generating an electronic signature for the purposes of, in particular, identification and verification of identity of the acting Client or Authorised Person;

foreign exchange transaction – shall mean a transaction involving currency exchange;

foreign payments – shall mean non-cash payments involving the provision by the payer's provider of payment services or the recipient's provider of payment services of their payment services in a country other than a EEA Member State, or which involve payment transactions in a currency other than a currency of a EEA Member State;

means of electronic data exchange – shall mean electronic communication means enabling the recording, preservation, processing and transmission of data from the Client to the Bank and *vice versa*;

payer – shall mean, for the purposes of the provision on payment services, the person whose Payment Account is to be debited with the amount of, or who makes available, the funds necessary to execute the relevant payment transaction;

payment – shall mean, for the purpose of the provision on payment services, a payment transaction executed on the basis of a payment order placed by the payer to his/her provider of payment services for the purpose of transferring funds in favour of the recipient's Payment Account;

payment instrument – shall mean a device or set of procedures agreed upon between the Bank and the Client, which relate to the person of the Client or the Authorised Person and by means of which the Client or the Authorised Person place the payment order;

payment order – shall mean an instruction to the bank under which the payer or the recipient requests the execution of a payment transaction;

payment transaction - shall mean the deposition of funds in the Payment Account, withdrawal or transfer of funds from the Payment Account;

provider of payment services – shall mean a person authorised to provide payment services pursuant to the Payments Act;

recipient – shall mean, for the purposes of the provision on payment services, the person to whose Payment Account funds are to be credited, or to whom funds are to be made available, in each case in accordance with the relevant payment order;

special power of attorney – shall mean a power of attorney which determines in detail the purpose for which it is issued, and the extent of representation of the principal by the attorney;

time of acceptance of payment order – shall mean the moment in time when the payer's bank receives the relevant payment order directly from the payer or at the instance of the recipient;

unauthorised payment transaction – shall mean payment transaction which has not been consented to by the payer;

unique identifier of recipient – shall mean the number of the recipient's payment account and the identification code of his/her payment services provider.

*(1) The Civil Code

*(2) Provision of Section 37 of the Banking Act

*(3) Section 401 of the Commercial Code

*(4) Provision of Section 54a *et seq.* of the Civil Code

*(5) Provision of Section 54b(8) or (9) of the Civil Code

*(6) Provision of Section 31(3) of the Civil Code

*(7) The Electronic Signature Act

*(8) Provision of Section 75(3) of the Payments Act