

**Article 1. Introductory Provisions**

- 1.1 The below Terms and Conditions of the Provision and Use of Direct Banking (hereinafter the "**Conditions**") represent the Product Terms and Conditions as foreseen by the General Business Terms and Conditions of the Bank (hereinafter the "**General Conditions**"). The Conditions form part of the Contract and the Client is obliged to familiarise himself/herself with them and comply with them.
- 1.2 Terms in the Conditions that begin with a capital letter have the meanings defined in Article 10 hereof.
- 1.3 Transactions made under the payment system via the PB Services shall be governed by the Notice on the Payment System, unless indicated otherwise herein.

**Article 2. Contract and Terms of Provision of Direct Banking**

- 2.1 The Client shall use the Service on the basis of the Contract. The Contract shall be governed by the law of the Czech Republic.
- 2.2 By signing the Contract, the Client confirms to have read the relevant Product Terms and Conditions and undertakes to abide by their provisions and, further, confirms to have read the Decalogue of the Safe Internet Banking and to adhere to the principles contained therein.
- 2.3 The Client shall pay fees for the use of the PB Services as per the Contract and Tariff of Fees, depending on the account from which the fees for the use of the PB Services are to be debited under the Contract.
- 2.4 The Bank shall enter into the Contract with the Client only if the Client has at least one CZK current account kept with the Bank. The Bank shall charge to the Client the fees for the use of the PB Services and other fees as per the Contract and Tariff of Fees, including the fees for the use of PB Services by Users, to the debit of the CZK current account that the Client shall specify in the Contract.
- 2.5 A Client who has entered into the Contract as a Client – Consumer may only use the PB Services to access and operate the Accounts kept for him/her by the Bank as for a Client – Consumer. A Client who has entered into the Contract as a natural person (business) may only use the PB Services to access and operate the Accounts kept for him/her by the Bank as for a natural person (business).
- 2.6 The Client shall use the PB Services through the agency of Users. Only a holder of a Personal Certificate may be a User of the PB Services. Each User shall be obliged to administer his/her Personal Certificate by himself/herself, in particular to see to it that the Personal Certificate is valid and effective. If the Personal Certificate is revoked (cancelled) or suspended or the chip card containing the Personal Certificate is blocked, the User shall not be able to use the PB Services.
- 2.7 If the Contract is cancelled/terminated or Client's access to a PB Service is cancelled, all his/her Users shall be automatically denied access to Client's Accounts via the PB Service.
- 2.8 The Client acknowledges that, within the scope of particular PB Services, a Plenipotentiary and/or Statutory Body shall always have access to information on balances and transactions executed in the Accounts they operate.
- 2.9 If the Bank and the Client have agreed upon the Multiple/Multilevel Authorisation, Users' Signatures must be obtained in accordance with the agreed-upon authorisation before any act falling within the scope of the PB Services can be performed.
- 2.10 The direct banking is accessible round the clock (24 hours a day), 7 days a week, except on Sundays from 01:00 to 04:00 (a.m.) when PB Services cannot be used due to technical reasons on the part of the Bank. The Client acknowledges that certain services may be unavailable for a short time due to technical reasons from 22:00 until 6:00, especially direct debit instruction, Electronic statements, information about contracts, consumer loans, credit cards and building savings.
- 2.11 The Bank reserves the right to block access to the PB Services or to change or suspend the provision of the PB Services for as long as necessary (i) if it is inevitable for serious reasons, in particular of technical or security nature, or (ii) in case of a substantial risk that

the Client may not be able to repay the credit he/she is entitled to draw using the Orders submitted via the PB Services. The Bank shall notify the Client about this fact in advance or, if it is not possible, immediately afterwards by telephone, fax, e-mail or by registered letter, unless such notification contravenes the law. The Bank shall be entitled to block access to the PB Services or suspend the provision thereof in cases envisaged by the Insolvency Act<sup>1</sup>.

- 2.12 The Client may also use, as part of the PB Services and under separate contracts entered into by the Client and the Bank, other Banking Services not specified herein, submit applications/requests, send documents to the Bank, and take other steps, provided that the Client is allowed to do so as part of the PB Services and it is regulated by relevant contracts. Detailed terms and conditions governing all the aforesaid actions and steps are set forth in the relevant contracts. The Bank shall only allow them on the condition that they are taken by the User who, at the same time, is entitled to take such steps in accordance with the terms of the relevant contracts.
- 2.13 The Bank shall not provide *ProfiBanka* PC Banking to Clients – Consumers. However, a Client – natural person (business) or Statutory Body of a Client – legal person, who have arranged for the provision of *ProfiBanka* PB Service, may also access and operate their private Accounts via this PB Service, provided that they have also entered into a Contract as Clients – Consumers.

**Article 3. Direct Banking Services**

- 3.1 The Direct Banking consists of the following PB Services: *MojeBanka* Internet Banking, *ProfiBanka* PC Banking, Guaranteed Payment, and Direct Channel.

**3.2 *MojeBanka* Internet Banking**

The Client may use this PB Service mainly for the following purposes, without limitation to them:

- One-off Order for a payment in CZK and/or a foreign currency;
- Standing Order;
- Payments to the debit/credit of a Term Account;
- Direct debit instruction (permission of a direct debit collection);
- One-off collection Order;
- Foreign payment;
- FX payment;
- SEPA EuroPayment;
- Express payment in CZK;
- *MojePlatba* Service;
- Services related to mobile telephones;
- Batch;
- Consumer credit;
- Credit card;
- Debit card;
- Mortgage credit;
- Building savings;
- Investing;
- Information on contracts;
- Sending single-purpose and regular notices;
- Electronic statements;
- Reports from payment card acceptors;
- Information on rejection of an Order;
- Bank's proposals for changes/amendments to the Product Terms and Conditions, General Conditions, Notices and/or Tariff of Fees;
- Further information provided by the Bank in relation with the Payment Services pursuant to the Payments Act<sup>2</sup>.

The Client may access the PB Service from the Bank's website. *MojeBanka* Internet Banking may only be used by a User who is a

<sup>1</sup> Act No. 182/2006 Coll., On Bankruptcy and Its Resolution (Insolvency Act), as amended.

<sup>2</sup> Act No. 284/2009 Coll., the Payments Act, as amended.

holder of a Personal Certificate stored on a chip card, or Personal Certificate stored in a data file used along with a mobile telephone number (operated by a domestic provider) agreed upon for receiving the Authorisation SMS Messages.

### 3.3 ProfiBanka PC Banking

The Client may use this PB Service mainly for the following purposes, without limitation to them:

- One-off and/or multiple Order for a payment in CZK; one-off Order for a payment in a foreign currency;
- Standing Order;
- Payments to the debit/credit of a Term Account;
- Direct debit instruction;
- One-off and/or multiple collection Order;
- Foreign payments;
- FX payments;
- SEPA EuroPayments;
- Express payments in CZK;
- Batches;
- Debit card;
- Sending single-purpose notices;
- Electronic statements;
- Reports from payment card acceptors;
- Information on rejection of an Order;
- Bank's proposals for changes/amendments to the Product Terms and Conditions, General Conditions, Notices and/or Tariff of Fees;
- Further information provided by the Bank in relation with the Payment Services pursuant to the Payments Act<sup>3</sup>.

The Client may use the PB Service after an appropriate Application is properly installed. The Bank shall supply the Application on an installation CD. *ProfiBanka* PC Banking may only be used by a User who is a holder of a Personal Certificate stored on a chip card.

### 3.4 Direct Channel PB Service

The Client may use this PB Service mainly for the following purposes, without limitation to them:

- Batches;
- Electronic statements;
- Reports from payment card acceptors;
- Information on rejection of an Order;
- Bank's proposals for changes/amendments to the Product Terms and Conditions, General Conditions, Notices and/or Tariff of Fees;
- Further information provided by the Bank in relation with the Payment Services pursuant to the Payments Act.

The Client may use the PB Service after an appropriate Application is properly installed. The Client shall get the Application at the Bank's website. The Bank shall not supply the Application on an installation CD unless the Client arranges for *ProfiBanka* PC Banking to be provided along with the Direct Channel PB Service and *MojeBanka* Internet Banking.

The Direct Channel PB Service may only be used by a User who is a holder of a Personal Certificate stored on a chip card.

The Bank shall only provide the Direct Channel PB Service as part of *MojeBanka* Internet Banking.

### 3.5 Guaranteed Payment PB Service

The Client may use this PB Service mainly for the following purposes, without limitation to them:

- Cashless payments at particular vendors/points of sale.

### 3.6 The Bank shall provide the Guaranteed Payment PB Service either as part of *MojeBanka* Internet Banking and/or *ProfiBanka* PC

Banking, or separately. If the Guaranteed Payment PB Service is provided as part of *MojeBanka* Internet Banking and/or *ProfiBanka* PC Banking, its provision cannot be terminated separately. The Guaranteed Payment PB Service may only be used by a User who is a holder of a Personal Certificate stored on a chip card.

## Article 4. Special Terms of Direct Banking

### Multiple/Multilevel Authorisation

- 4.1 The Client may apply for a Multiple/Multilevel Authorisation in the Contract. A Multilevel Authorisation can only be arranged for if the Client has, at the same time, arranged for a Multiple Authorisation. The User shall not be entitled to make use of the authorisation unless an appropriate Authorisation Role is pre-set first.
- 4.2 If the Multiple/Multilevel Authorisation has been arranged and the funds in an Account should be handled or an FX payment executed in excess of the User's Account Limit or Individual FX Payment Limit of the given User, the Order should also be authorised (countersigned) by as many Users with the "Authoriser 'A'" Authorisation Role as required by the Contract. If the Multilevel Authorisation has been pre-set, a transaction should also be authorised by at least one User with the "Authoriser 'B'" Authorisation Role. If the Multilevel Authorisation is cancelled, all Authorisers 'B' shall automatically become Authorisers 'A'. If the Multiple Authorisation is cancelled, all Authorisers 'A' shall automatically become Standard Users.

### Administration Order

- 4.3 The Client or another User shall submit an Administration Order in the following manners:

- (i) At the Client's Point of Sale.  
By an Administration Order submitted at the Client's point of sale, it is possible to set, change or cancel all Users and their authorisations for a specific Entity, i.e., in particular the PB Service type, on-line administration, activation of the Client after the installation of an appropriate Application on a PC (personal computer) in case of *ProfiBanka* PC Banking, Authorisation Role, list of Accounts which the Plenipotentiary shall operate, User's Account Limits, Individual FX Payment Limit, and possibly also the Reports from Payment Card Acceptors service. This Administration Order shall always be signed by the Client.
- (ii) Through the on-line administration.  
If a User can make use of the on-line administration, he/she may set, change or cancel individual Users and their authorisations for a specific Entity by an Administration Order given via the *MojeBanka* Internet Banking or *ProfiBanka* PC Banking as follows:

#### ▪ User's Rights Setting

The User, except for a Plenipotentiary, may authorise a third party – Plenipotentiary – and set its authorisation, i.e., the PB Service type, on-line administration, activation of the Client after the installation of an appropriate Application on a PC (personal computer) in case of *ProfiBanka* PC Banking, Authorisation Role, list of Accounts that the Plenipotentiary shall use, and his/her User's Account Limit, Individual FX Payment Limit, and possibly also the Reports from Payment Card Acceptors service.

#### ▪ Access Setting

The User may set, change or cancel, with respect to a certain User (a Plenipotentiary only with respect to himself/herself or another Plenipotentiary), the PB Service type, activation of the Entity after the installation of an appropriate Application on a PC (personal computer) in case of *ProfiBanka* PC Banking, list of Accounts which he/she shall use, and his/her User's Account Limit, Individual FX Payment Limit, and possibly also the Reports from Payment Card Acceptors service.

#### ▪ Roles Setting

The User, except for a Plenipotentiary, may set, change, or cancel with respect to a certain User, the on-line administration authorisation and/or Authorisation Role.

<sup>3</sup> Act No. 284/2009 Coll., the Payments Act, as amended.

- **Cancellation of a User**

The User, except for a Plenipotentiary, may cancel the authorisation of a Plenipotentiary with respect to a specific Entity.

**Rules of the On-Line Administration**

- 4.4 A Client – natural person may set or cancel his/her on-line administration authorisation at any point of sale of the Bank. A Statutory Body of a Client – legal person may be granted the on-line administration authorisation at a point of sale of the Bank or via *MojeBanka* Internet Banking or *ProfiBanka* PC Banking by another Statutory Body of a Client – legal person, provided that such person has already been granted the on-line administration authorisation and may assign it to the Statutory Body of the Client by a roles setting Administration Order.
- 4.5 A User under 18 years of age shall not be permitted to make use of the on-line administration.
- 4.6 If the Multiple/Multilevel Authorisation has been arranged for and the on-line administration is used, Signatures of Administration Orders shall be subject to the Multiple/Multilevel Authorisation, except for the following cases:
- If the Multilevel Authorisation has been pre-set, the agreed-upon types of Authorisation Roles shall not be applied, i.e., only an agreed-upon number of Signatures must be ensured unless specified otherwise below. While performing the on-line administration, a Client – natural person shall always be entitled to sign the Administration Orders on his/her own.
  - In case of a User's rights setting order and/or roles setting order submitted by a Client – legal person, Signatures of a maximum number of Users – Statutory Bodies within the scope of the agreed-upon number of Signatures shall suffice.
  - In case of an access setting order, Signatures of the maximum number of Users within the scope of the agreed-upon number of Signatures shall suffice.
  - In case of an order for the cancellation of a User, a Signature of a single User – Statutory Body shall suffice for a Client – legal person.
- 4.7 If the Multiple/Multilevel Authorisation has been arranged for, on-line Administration Orders dispatched for authorisation must be co-authorised by another User who has the authorising right. The Orders may be authorised within 30 calendar days after they have been dispatched for the authorisation at the latest.

**Article 5. Payment Services Provided Via Direct Banking****A) Orders for Payments in CZK and/or a Foreign Currency**

- 5.1 An Order for a payment made in CZK may be arranged to the debit of a CZK current Account and to the credit of a CZK account kept with the Bank or with another bank in the Czech Republic. The terms and conditions for Orders for payments made in CZK or in a foreign currency to the debit/credit of a term Account are set forth separately in this Section 5, under letter (C).
- 5.2 An Order for a payment made in a foreign currency may be used in case of (i) a payment between accounts kept with the Bank and denominated in the same currency or in different currencies, except for cases where both accounts are CZK accounts, or (ii) a payment made to the debit of a foreign-currency Account and to the credit of an account kept with another bank in the Czech Republic. An Order for a payment made in a foreign currency outside the Bank shall be forwarded to the clearing centre of the Czech National Bank and, therefore, the Bank shall always execute the Order in CZK, regardless of a currency of the Account to the debit of which it has been arranged.
- 5.3 Due dates of payments made pursuant to the Orders for a payment in CZK and/or a foreign currency shall be determined as follows, except for Orders with an advanced due date:
- In case of Orders submitted on a Business Day before 20:30, the due date of the Order shall be identical with the date at which the Order has been submitted;
  - In case of Orders submitted on a Business Day after 20:30, the due date of the Order shall fall on the following Business Day;

- In case of Orders submitted on other days than Business Days, the due date of the Order shall fall on the first following Business Day.

**B) Standing Orders for Payment**

- 5.4 The User may only establish, change or cancel a standing Order for a payment in CZK and to the debit of a CZK current Account, no later than 2 Business Days before the required date of payment (due date).
- 5.5 Establishment or change to a standing Order by the Client – individual and cancellation of a standing Order by any User is not subject to Multiple/Multilevel authorisation.
- 5.6 A standing Order for a payment shall not be not subject to the multiple-round processing.

**C) Payments to the Debit/Credit of a Term Account**

- 5.7 An Order for a payment made in CZK or in a foreign currency (even as part of a Batch) arranged to the credit of a term account kept with the Bank may only be submitted if the term account belongs to the Entity and both accounts between which the transfer is to be made are kept in the same currency. The order shall only be settled (executed) if its due date is identical with the due date (renewal date) of the deposit in the term account.
- 5.8 An Order for a payment made in CZK or in a foreign currency may also be arranged to the debit of a term Account, however, only in case that both accounts belonging to the Entity between which the transfer is to be made are kept with the Bank and denominated in the same currency. The order shall only be settled (executed) if its due date is identical with the due date (renewal date) of the deposit in the term account. The Bank shall reject an order arranged to the debit of a term Account if, after the execution thereof, the balance in the Account would be lower than the minimum agreed balance.
- 5.9 Only a single Order with a required day of payment falling on a due date (renewal date) of a deposit may be arranged to the debit of a term Account, whether such Order is submitted via a PB Service or in another manner. If a cash deposit is made to a term Account as at a due date (renewal date) of a deposit in the term Account and a fee should be charged for such cash deposit as per the Contract and Tariff of Fees, the aforesaid fee shall be deemed a payment to the debit of the term Account and, hence, another Order may not be arranged to the debit thereof.
- 5.10 Due dates of payments made pursuant to the Orders for a payment in CZK and/or a foreign currency arranged to the debit/credit of a term Account shall be determined as follows, except for Orders with an advanced due date:

- In case of Orders submitted on a Business Day before 20:30, the due date of the Order shall be identical with the date at which the Order has been submitted;
- Orders submitted on a Business Day after 20:30 shall be rejected;
- In case of Orders submitted on other days than Business Days before 24:00 (midnight), the due date of the Order shall be identical with the date at which the Order has been submitted. The order shall be settled (executed) on the following Business Day at the latest.

**D) Direct Debit Instruction**

- 5.11 Any user may establish, change or cancel:
- Direct debit instruction (for a current Account in CZK or foreign currency);
  - SIPO direct debit instruction (for a current Account in CZK); and
  - Telefónica O2 direct debit instruction (for a current Account in CZK).

These instructions are not the Orders, i.e., are not payment orders as envisaged by the Payments Act. However, they are authorisations of payment transactions as envisaged therein.

- 5.12 Direct debit instructions are subject to Multiple/Multilevel Authorisation if made by a Client – Statutory body or Plenipotentiary.

5.13 The specific terms and conditions governing a direct debit instruction (permission of a direct debit collection) are included in a relevant Handbook.

#### **E) Collection Orders**

5.14 The User may only submit an Order for a collection made in CZK or in foreign currency to the credit of the Client's Current Account while the transfer may only be made from CZK accounts kept with the Bank (in CZK or in a foreign currency) or CZK accounts kept with other banks in the Czech Republic. In the case of an Order for a collection in a foreign currency, the payer's and the payee's account must be in the same foreign currency. An Order for a collection from an account kept with the Bank may be submitted at the due date (required date of payment) at the latest; such Order shall be subject to the multiple-round processing. An Order for a collection from accounts kept with other banks in the Czech Republic must be submitted 1 Business Day before the due date by 20.30 on the submission date at the latest; such Order shall not be subject to the multiple-round processing.

5.15 The Bank shall be entitled to subject acceptance of collection Orders to the condition of conclusion of a contract on provision of this service with the Client and performance of each of his/her collection Orders to the condition of meeting the conditions as stipulated by such a contract.

5.16 Due dates of payments made pursuant to the collection Orders from accounts held by the Bank, unless this concerns Orders with an advance due date, shall be determined as follows:

- In case of Orders submitted on a Business Day before 20:30, the due date of the Order shall be identical with the date at which the Order has been submitted;
- In case of Orders submitted on a Business Day after 20:30 or days other than Business Days, the due date of the Order shall fall on the following Business Day.

5.17 Collection Orders shall not be subject to the Multiple/Multilevel Authorisation.

5.18 If a Collection Order should be cancelled, it shall suffice that the Cancellation Order be signed by a single User, regardless of his/her User's Account Limit, even in case that the Multiple/Multilevel Authorisation has been arranged for.

#### **F) Foreign Payments**

5.19 Until 21 November 2009, due dates of Foreign Payments shall be determined as follows, except for Orders with an advanced due date:

- In case of 'Urgent' Orders denominated in CZK or CHF and submitted on a Business Day before 10:00, or denominated in USD, GBP, DKK, SEK, NOK and/or EUR and submitted on a Business Day before 12:00 (noon), the due date of the Order shall be identical with the date at which the Order has been submitted;
- In case of 'Urgent' Orders denominated in CZK or CHF and submitted on a Business Day after 10:00, or denominated in USD, GBP, DKK, SEK, NOK and/or EUR and submitted on a Business Day after 12:00 (noon), the due date of the Order shall fall on the following Business Day;
- In case of 'Express' Orders submitted on a Business Day before 15:00, the due date of the Order shall be identical with the date at which the Order has been submitted;
- In case of 'Express' Orders submitted on a Business Day after 15:00, the due date of the Order shall fall on the following Business Day;
- In case of 'Express' Orders for payments to EEC countries made in EUR submitted on a Business Day before 17:00, the due date of the Order shall be identical with the date at which the Order has been submitted.
- In case of 'Express' Orders for payments to EEC countries made in EUR submitted on a Business Day after 17:00, the due date of the Order shall fall on the following Business Day.
- In case of Orders submitted on other days than Business Days, the due date of the Order shall fall on the first following Business Day.

5.20 Due dates of Foreign Payments arranged to the credit of an account kept with the Bank's Branch shall be determined as follows, except for Orders with an advanced due date:

- In case of 'Urgent' Orders submitted on a Business Day before 14:00, the due date of the Order shall be identical with the date at which the Order has been submitted;
- In case of 'Urgent' Orders submitted on a Business Day after 14:00, the due date of the Order shall fall on the following Business Day;
- In case of Orders submitted on other days than Business Days, the due date of the Order shall fall on the first following Business Day.

The Bank reserves the right to change the above deadlines and currencies. If an Order is submitted on another day than a Business Day, the due date shall fall on the following Business Day.

5.21 The Bank shall be entitled to cancel the preliminary advice of a payment made from abroad to the credit of the Client's Account based on a request of the payer or the payer's bank.

5.22 If a Foreign Payment should be made, the Bank shall choose at its discretion a foreign bank that shall process it, unless agreed upon otherwise between the Bank and the Client. The Client agrees that if the banking link (an account number and bank code) does not exist, the Bank may charge to the Client fees associated with the returned payment.

#### **G) FX Payment**

5.23 Only a User with a pre-set Individual FX Payment Limit shall be entitled to submit an Order for an FX Payment; the amount of such payment must not be in excess of the said Individual FX Payment Limit.

5.24 Provisions governing Orders for payment made in CZK or in a foreign currency, or Foreign Payments shall accordingly apply to FX Payments, depending on a relevant FX Payment type.

#### **H) SEPA EuroPayment**

5.25 Due dates of SEPA EuroPayments shall be determined as follows, except for Orders with an advanced due date:

In case of SEPA EuroPayments submitted on a Business Day before 17:00, the due date of the payment shall be identical with the date at which the Order has been submitted;

- In case of SEPA EuroPayments submitted on a Business Day after 17:00, the due date shall fall on the following Business Day.

If an Order is submitted on another day than a Business Day, the due date shall fall on the following Business Day.

#### **I) Express Payment in CZK (Order for an Express Payment Made in CZK)**

5.26 An Express Payment in CZK may only be made to another bank in the Czech Republic. The order may only be submitted to the debit of a CZK current Account, with or without a confirmation. The confirmation is designed for the payee's bank and is sent via the SWIFT inter-bank system.

5.27 If the payee's bank does not have its own SWIFT(BIC) code or the SWIFT(BIC) code is not active, the Express Payment in CZK with a required confirmation shall be processed by the Bank without a confirmation for the payee's bank. The fee charged for such express payment shall be the same as that for an express payment without a confirmation, and the required confirmation shall not be sent off.

5.28 Due dates (dates of payment) of an Express Payment made in CZK shall be determined as follows, except for Orders with an advanced due date:

- In case of Orders submitted on a Business Day before 13:00, the due date of the Order shall be identical with the date at which the Order has been submitted;
- Orders submitted on a Business Day after 13:00 shall not be executed as the Bank shall reject it.

- In case of Orders submitted on other days than Business Days, the due date of the Order shall fall on the following Business day.
- 5.29 An Order for an express payment arranged to the credit of a CZK account kept with the Bank shall be processed as a standard Order for a payment made in CZK, however only if such Order is delivered by 13:00. In such case, the due date of the Order shall be identical with the date at which the Order has been delivered. If it is delivered after 13:00, it shall be rejected.

#### **J) Orders Made Using the *MojePlatba* Service**

- 5.30 The provisions of these Conditions governing Orders for payments made in CZK shall be accordingly applied to the determining of due dates of payments made based on Orders submitted via this service.
- 5.31 The Client may use this service at vendors that facilitate such payments. A non-authoritative list of the vendors offering the service is available at the Banks website.
- 5.32 Payments processed via *MojePlatba* service shall not be subject to the multiple-round processing.
- 5.33 The Bank shall not be held liable for cases where the service is not accessible via the vendors' websites.

#### **K) Payments for Mobile Services**

- 5.34 The services related to mobile telephones consist in making payments to mobile telephone providers in the Czech Republic. The User may only make a mobile telephone bill payment by one-off payment order arranged to the debit of a CZK current Account.
- 5.35 The services related to mobile telephones can only be used in association with services offered by mobile telephone providers in the Czech Republic and within the following scope:
- Recharging of prepaid SIM cards – Telefónica O2, T-Mobile, and Vodafone;
  - Payment of a mobile telephone bill payment and security deposit to Vodafone.
- 5.36 The services related to mobile telephones shall not be subject to the multiple-round processing.

#### **L) Batch**

- 5.37 Orders may also be submitted in Batches, specifically the following ones:
- Orders for a payment/collection made in CZK;
  - Orders for a payment and collection in a foreign currency;
  - Orders for an express payment made in CZK;
  - Foreign payments;
  - FX payments; and
  - SEPA EuroPayments.
- 5.38 A single Batch may contain the following combinations of Orders: (i) Orders for a payment made in CZK or in a foreign currency, Orders for a collection made in CZK or in a foreign currency, Orders for an express payment made in CZK or SEPA EuroPayments, or (ii) Foreign payments, possibly with FX payments of a corresponding type, or (iii) FX payments in a form of v Orders for a payment in a foreign currency. Further information on possible combinations of various types of payments and data formats are available in a relevant Handbook and at the Bank's website.
- 5.39 Batches containing Foreign Payments or FX payments may only be submitted via *ProfiBanka* PB Service or Direct Channel PB Service.
- 5.40 A single Batch may only contain Orders for transferring funds from Accounts, or FX payments concerning a single Entity. A Batch may only be submitted by a User who has a sufficient User's Account Limit available or, in case of FX Payments, a sufficient Individual FX Payment Limit to settle all Orders in the Batch. If the User's Account Limit or Individual FX Payment Limit is lower, the Batch is filed for further authorisation and must be authorised by another User with a sufficient User's Account Limit or, in case of FX

Payments, sufficient Individual FX Payment Limit. In case of the Multiple/Multilevel Authorisation, the Batch must be signed by the appropriate number of authorised Users.

- 5.41 Orders for payments to be made in foreign currencies (in case that the payer's Account and payee's account are kept in different currencies), FX Payments, Foreign Payments, SEPA EuroPayments, express payments made in CZK, and/or Orders for payments to the debit/credit of a term account submitted in a continuous Batch or batch-type Batch shall always be processed as an on-line Batch. These orders shall be subject to the multiple-round processing.

- 5.42 The types of the Batch processing are following:

- **On-Line** – a processing mode applied to Batches submitted via *MojeBanka* Internet Banking or *ProfiBanka* PC Banking PB Services. Orders submitted in a Batch by 18:30 shall be subject to the multiple-round processing. After the last round of the multiple-round processing takes place, i.e. at 18:30, all hitherto unsettled orders from the Batch shall be refused and shall not be processed any more. An on-line Batch may be submitted until 20:30.
- **Continuous** – a processing mode applied to Batches submitted via *MojeBanka* Internet Banking or *ProfiBanka* PC Banking PB Services. These Orders are not subject to the multiple-round processing. The Orders shall be sent for settlement at their due date. In case they are not settled at their due date by 18:00, the Orders shall be sent repeatedly for settlement at their due date at 18:00. If they still remain unsettled, they may be settled on the following Business Day provided that there are sufficient funds.
- **Batch-Type** – a processing mode applied to Batches submitted via *MojeBanka* Internet Banking, *ProfiBanka* PC Banking PB Services or Direct Channel PB Services. These orders are not subject to the multiple-round processing. They shall be sent for settlement at their due date at 18:00 and, if they remain unsettled, may be settled on the following Business Day if there are sufficient funds.

- 5.43 The Bank shall settle Orders contained in a Batch at their due dates, depending on respective Batch processing modes.

Due dates of payments made pursuant to the Orders contained in a Batch shall be determined as follows, if the required date of payment is the same as the date of submission of the Batch:

- In case of continuous Batches or batch-type Batches submitted on a Business Day between 0:00 (midnight) and 18:00 or on-line Batches submitted on a Business Day between 0:00 (midnight) and 20:30, the due date of the relevant Order contained in the Batch shall be identical with the date at which the batch has been submitted;
- In case of continuous Batches or batch-type Batches submitted on a Business Day between 18:00 and 20:30, the due date of the relevant Order contained in the Batch shall be identical with the date at which the batch has been submitted. The Orders in a Batch processed only in the on-line mode shall be settled at their due date, the other Orders on the following Business Day den;
- In case of on-line Batches, continuous Batches or batch-type Batches submitted on a Business Day after 20:30, the due date of the relevant Order contained in the Batch shall fall on the following Business Day;
- In case of Batches submitted on other days than Business Days, the due date of the relevant Order contained in the Batch shall fall on the following Business Day.

#### **M) Cancellation of Orders**

- 5.44 To cancel Orders, a Signature of one authorised User shall suffice, regardless of his/her User's Account Limit or Individual FX Payment Limit, even if the Multiple/Multilevel Authorisation has been arranged. In case of Orders contained in a Batch, this rule shall apply both to the cancellation of some Orders and to the cancellation of the whole Batch.
- 5.45 Submitted Orders already settled by the Bank cannot be cancelled via a PB Service or at the Client's Point of Sale, either.
- 5.46 If a Batch is cancelled, only those Orders shall be cancelled that have not been settled by that time. Each Batch may be cancelled

by submitting another Batch consisting exclusively instructions to cancel particular Orders. Any PB Service may only be used to cancel a Batch that has been submitted via the same PB Service in the BEST or EDI BEST format. If a Batch has been submitted in another format via any PB Service, Orders contained in the Batch may only be cancelled via *MojeBanka* Internet Banking or *ProfiBanka* PC Banking PB Services.

- 5.47 Separate Orders contained in a continuous or batch-type Batch, which shall have remained unsettled by the Bank at their due date by 18:00, may only be cancelled at the Client's Point of Sale, however, not earlier than on the Business Day following their due date and on the condition that they have not been settled or rejected by that time.
- 5.48 If a Batch is cancelled on the same day on which it has been authorised by the same User who has authorised it, such User's Account Limit (or Individual FX Payment Limit) and Entity's Limit shall be increased by an aggregate sum of the cancelled payments. In case that a Batch is cancelled by another User or has been authorised in accordance with the rules of Multiple/Multilevel Authorisation, only the Entity's Limit shall be increased by an aggregate sum of the cancelled payments as a result of the cancellation of the Batch.
- 5.49 The Bank shall be entitled to reject a submitted Order in cases envisaged by the Insolvency Act.

#### **N) Joint Provisions on Terms of Executing the Orders**

- 5.50 The Moment of Effectiveness of an Order submitted using the Service shall fall on the required date of payment (due date) or on another date set forth in these Conditions, provided that all prerequisites required by the Contract and by law for the execution of the Order have been fulfilled by that time, including sufficient funds available in the Account. Failing this, the Bank shall either reject the Order or, if agreed upon with the Client, the Moment of Effectiveness of the Order shall not occur before the day on which all prerequisites required for the execution of the Order shall be fulfilled.
- 5.51 An Order to the debit of an Account may only be submitted by a User who has a sufficient User's Account Limit or, in case of FX Payments, Individual FX Payment Limit; the payment transaction to be executed based on the Order shall be deemed authorised as soon as such User attaches his/her Signature to it. If an amount of a submitted Order is in excess of the aforesaid limits, such Order shall be automatically placed on the list of Orders to be authorised. If the Multiple/Multilevel Authorisation has been arranged, an Order in excess of the User's Account Limit or Individual FX Payment Limit shall be placed on the list of Orders to be authorised. The Bank shall not settle such Order unless it is (countersigned) by all authorised Users in accordance with the Multiple/Multilevel Authorisation rules.
- 5.52 Submitted Orders whose amounts are in excess of the Entity's Limit (except for Orders not included in the Entity's Limit) shall be automatically placed on the list of Orders to be authorised. It is necessary to prearrange a sufficiently high Entity's Limit so that such Orders can be authorised.
- 5.53 Orders placed on the list of Orders to be authorised must be authorised by a User with a sufficient User's Account Limit or Individual FX Payment Limit (in case of FX Payments) or, in case of a Multiple/Multilevel Authorisation, by a User or a required number of Users authorised to perform the authorisation, within 30 calendar days of their being placed on the list. The Signature of the Order shall be considered as its authorisation.
- 5.54 Payments with an advanced due date may be submitted up to 364 days before the required date of payment. An advanced due date of an Order must not fall on a day that is not a Business Day, except in case of Orders associated with term accounts.
- 5.55 Upon a submission of an Order, the Bank shall check its formal particulars, especially the format of the payer's account number and payee's bank Unique Identifier; make sure whether the amount of the Order is not in excess of relevant limits at the moment the order is being submitted; and verify the legitimacy of the User's Signature attached to the Order.
- 5.56 The Client is aware of the fact that the payment sent off by the Bank in a currency different from the currency in which the payee's account is denominated does not have to be credited to the

payee's account by the payee's bank if this concerns a bank in a country, which is not a member of the European Economic Area, due to the difference between the currencies. The Bank shall not be held liable for any possible damage suffered by the Client as a result of non-execution of a payment transaction on part of the payee's bank for the aforesaid reason. In such a case, the Bank shall not be held liable for any unauthorised or erroneously performed transaction.

- 5.57 The Bank shall not be held liable for the succession in which Orders are settled.
- 5.58 The Client shall be informed about settled Orders by settlement reports.
- 5.59 In case of insufficient funds at the Moment of Effectiveness of an Order, such Order shall be transferred to the multiple-round processing mode. All types of Orders shall be subject to the multiple-round processing, unless stipulated otherwise herein or in the Manuals.
- 5.60 Orders whose due dates fall on a Business Day following a day that is not a Business Day may be processed by the Bank even on other days than Business Days immediately preceding the due date of the Order. The due date of such Order shall remain unaltered. The orders processed in this manner cannot be cancelled via the PB Service.
- 5.61 If the Entity's Account is taken over by another entity for whatever reason (e.g., as a result of a merger, sale of the company, assignment of rights or assumption of obligations and liabilities), the Entity hereby agrees that the new entity shall have the right to access information on payment transactions executed in the Account before it has been taken over. Such consent shall remain in force even after the discharge/termination of the Contract. Submitted Orders with advanced due dates shall remain unaffected by the takeover of the Account.
- 5.62 The multiple-round processing shall take place on Business Days at 8:00, 8:50, 9:50, 10:50, 11:50, 12:50, 13:50, 14:50, 15:50, 16:00, 16:50, 17:30 and 18:30, unless set forth otherwise in the Manuals for particular types of Orders. If available funds are insufficient to settle an Order even after the last round of the processing, the Order shall be rejected and shall not be processed any longer. An FX Payment shall be kept being sent off for settlement repeatedly until 16:00 and then, if available funds are insufficient to settle the Payment, rejected and not processed any longer.
- 5.63 If the User executes a Conversion Transaction, the Bank shall apply to it an Exchange Rate effective as at the Moment of Effectiveness of the Order.
- 5.64 Conversion Transactions shall be subject to the multiple-round processing.
- 5.65 The Bank reserves the right to modify the time at which Orders for payments made in CZK and/or Foreign Payments are settled.

#### **O) Limits**

- 5.66 The Entity's Limit, User's Account Limit and Individual FX Payment Limit shall be reduced as from the moment of submission of an Order, and renewed on every Business Day at 20:30. Amounts of Orders submitted on a Business Day after 20:30 and Orders submitted on other days than Business Days shall be deducted from the respective limits on the immediately following Business Day.
- 5.67 Amounts of submitted Orders shall be added in the Entity's Limit and User's Account Limit or, in case of FX Payments, in the Entity's Limit and Individual FX Payment Limit. However, Orders for transfers of funds between the Entity's accounts kept with the Bank shall not be added in the Entity's Limit or curbed by the amount of the Entity's Limit, either. Orders to purchase collective investment securities of different Funds shall not be added in the Entity's Limit, provided that such Orders are related to the Client's Collective Investment Contract. Furthermore, standing Orders shall not be added in the User's Account Limit and into the Entity's Limit.
- 5.68 Orders to the credit of a third party's account submitted under the Multiple/Multilevel Authorisation rule shall only reduce the Entity's Limit, while the User's Account Limit and Individual FX Payment Limit shall remain unaffected.

- 5.69 A User may only submit a standing payment Order up to the User's Account Limit and Entity's Limit.
- 5.70 A User may only submit a direct debit instruction (permission of a direct debit collection), SIPO direct debit instruction and Telefónica 02 direct debit instruction up to the Entity's Limit. The Entity's Limit shall not be reduced by such Order.
- 5.71 Any User may submit a Collection Order, regardless of his/her User's Account Limit. Amounts of submitted Collection Orders shall not be added in the Entity's Limit or curbed by the amount of the Entity's Limit, either.
- 5.72 A User may only make payments for services related to mobile telephones up to the User's Account Limit and Entity's Limit.
- 5.73 In case of Orders for payments in a foreign currency, Foreign Payments and FX Payments, an equivalent of a respective amount in a foreign currency expressed in CZK at the moment of the submission of such Orders shall be added in the limits. A KB mean Exchange Rate shall be used.
- 5.74 Orders submitted via EDI and MultiCash Bank's services provided to the Client based on individual contracts shall also be added in the Entity's Limit.
- 5.75 Amounts of the respective limits shall be reduced by amounts of payments with advanced due dates at the moment of submission of an Order.
- 5.76 The User's Account Limit shall always be set as unlimited for a User – Client (natural person).
- 5.77 An FX Payment Order may only be submitted if the Client has entered into a separate contract with the Bank covering the trading in financial markets. Only a User with an Individual FX Payment Limit prearranged shall be entitled to submit an FX Payment via PB Services. The Bank shall set the Individual FX Payment Limit for Users who make FX Payments automatically, according to the following rules:
- For a User – Client (natural person), the Individual FX Payment Limit shall be prearranged automatically at the amount of the Entity's Limit. This setting may neither be changed nor cancelled.
  - For a User – Statutory Body of a Client (legal person), the Individual FX Payment Limit shall be prearranged automatically at the amount of the Entity's Limit. This setting may be changed or cancelled by an Administration Order.
  - For Users – Plenipotentiaries, the Individual FX Payment Limit shall not be prearranged. An authorised User may set, change, or cancel it for the Plenipotentiary by an Administration Order.
- 5.78 When arranging the Multiple/Multilevel Authorisation for a Client – legal person who already uses the PB Services, the Bank shall automatically set the User's Account Limit and Individual FX Payment Limit arranged for a User – Statutory Body of a Client at zero. When the Multiple Authorisation is cancelled, the User's Account Limit and Individual FX Payment Limit arranged for a User – Statutory Body of a Client – legal person shall be automatically set at the current amount of the Entity's Limit. When arranging or cancelling the Multiple Authorisation, the Bank shall not change the currently set User's Account Limit arranged for Plenipotentiaries.

## **Article 6. Other Services Provided via Direct Banking**

### **A) Consumer loan**

- 6.1 This service may only be used by a User over 18 years of age who is at the same time the Client – Consumer. The User may only use this service provided that the Bank has offered him/her the credit, including a maximum amount of the credit facility, via the PB Service.
- 6.2 As part of this service, the User may enter into a Credit Contract of the kind the Bank allows to enter into via a particular PB Service.
- 6.3 The User shall complete and send to the Bank via the PB Service a request for a consumer credit with required particulars and information filled in.
- 6.4 If the Bank approves the request, it shall send to the Client a draft of a Credit Contract. The Credit Contract shall be executed and
- come into effect at the moment the Bank shall accept and sign the draft of the Credit Contract, to which the User's Signature has been attached and which has been sent to the Bank via the PB Service, and shall send it back to the Client via the PB Service.
- 6.5 The Credit Contract shall be available to the Client via the PB Service (at least) throughout the entire period of its duration.
- 6.6 Detailed terms and conditions of the consumer credit can be found in the relevant Product Terms and Conditions.

### **B) Credit Card**

- 6.7 This service may only be used by a User over 18 years of age who is at the same time the Client – Consumer. The User may only use this service provided that the Bank has offered him/her the credit card, including a maximum amount of the credit facility, via the PB Service.
- 6.8 The User shall complete and send to the Bank via the PB Service a request for a credit card with required particulars and information filled in.
- 6.9 If the Bank approves the request, the User shall execute the credit card contract at the Client's Point of Sale. The credit card and envelope with a PIN shall be subsequently handed over to the holder specified in the credit card contract.
- 6.10 Detailed terms and conditions of the issue and use of a credit card can be found in the relevant Product Terms and Conditions.
- 6.11 The User may use the PB Service to ask for drawing (disbursement) of the credit from the credit card. Detailed terms and conditions governing the drawing (disbursement) of the credit are set forth in a relevant credit card contract entered into by the Bank and the Client, and Product Terms and Conditions. The Bank shall only accept the request for the drawing (disbursement) of the credit if the User's Signature is attached to it and the User is at the same time entitled to ask for drawing (disbursement) of the credit pursuant to the relevant credit card contract.

### **C) Debit Card**

- 6.12 The User who is, at the same time, a Client over 18 years of age may do the following as part of this Service (without limitation to it):
- View summaries of blocked debit card transactions,
  - Change the pre-set limit
  - Set the manner of using the debit card at the Internet.
- 6.13 The User who is, at the same time, a holder of a relevant debit card may do the following as part of this Service (without limitation to it):
- View summaries of blocked debit card transactions,
  - Request repeated sending of the PIN.
- 6.14 Detailed terms and conditions of the issue and use of a debit card can be found in the relevant Product Terms and Conditions.

### **D) Mortgage Credit**

- 6.15 This service may only be used by a User over 18 years of age who is at the same time the Client (natural person) – Consumer.
- 6.16 The User shall complete and send to the Bank via the PB Service a request for a mortgage credit with required particulars and information filled in.
- 6.17 The Bank shall be entitled to contact the User in association with a further processing of the request. If the Bank approves the request, the User shall execute the mortgage credit contract at the Client's Point of Sale.
- 6.18 Detailed terms and conditions of the mortgage credit can be found in the relevant Product Terms and Conditions.

### **E) Building Savings**

- 6.19 This service may only be used by a User over 18 years of age who is at the same time the Client – Consumer.

- 6.20 As part of this PB Service, the User may enter into a building savings agreement with *Modrá pyramida* building savings bank, on behalf of which the Bank is entitled to act.
- 6.21 The User shall fill in required information in a draft of the building savings agreement with *Modrá pyramida* using the PB Service, attach his/her Signature, and send it to the Bank via the PB Service. The Bank shall forward the draft to *Modrá pyramida*, by which the building savings agreement shall be executed.
- 6.22 The Bank shall inform the Client on the execution of the building savings agreement in an agreed-upon manner via the PB Service. The Client shall subsequently receive the same information from *Modrá pyramida*.

#### **F) Investing**

- 6.23 Any User over 18 years of age who is a Client (natural person) – Consumer may use this service, unless specified otherwise in a Handbook and herein. As part of investing, the User may, without limitation, enter into a Collective Investment Contract; ask for the redemption (resale) of collective investment securities or transfer between different Funds.

#### **Collective Investment Contract**

- 6.24 The User may enter into such Collective Investment Contracts that the Bank allows him/her to execute via a relevant PB Service. The Bank shall be entitled to suspend entering into the Collective Investment Contracts temporarily or permanently.
- 6.25 The Collective Investment Contract shall be entered into at the Moment the User attaches his/her Signature to the relevant Collective Investment Contract and sends it to the Bank via the PB Service.

#### **Funds; Collective Investment Securities**

- 6.26 The User shall have access to a list of collective investment securities of different Funds he/she owns.
- 6.27 If the Client – Consumer has entered into a relevant Collective Investment Contract, the User shall be entitled to ask for the redemption (resale) of collective investment securities or transfer between different Funds, however, only in case of book-entered (dematerialised) collective investment securities. The redemption (resale) of collective investment securities or transfer between different Funds upon Client's request shall be made in accordance with terms and conditions contained in statutes of the Funds. Transactions referred to in this Article 5.86 must always be settled through a current Account. The Bank shall be entitled to suspend or terminate the purchase or redemption (resale) of collective investment securities or transfer between different Funds temporarily or permanently.
- 6.28 A User – Statutory Body of the Client – legal person shall also have access to a list of collective investment securities of different Funds, provided that these are units of different Funds owned by the Client – legal person.

#### **G) Information on Contracts**

- 6.29 As part of this service, the Client may view information on certain contracts entered into by the Client and the Bank, Bank's Financial Group Members and/or Bank's partners.
- 6.30 Viewed information is indicative only.

#### **H) Bank's Notices**

- 6.31 The User may prearrange non-recurring sending of notices of Orders (except for Batches). Notices may be sent to up to five addresses in the form of a fax, SMS message (on the territory of the Czech Republic), or e-mail.
- 6.32 The User, except for a Plenipotentiary, may prearrange the sending of regular notices related to the Client's Accounts (e.g., the balance, movements in the Account, transactions executed using a payment card issued with the Account, due date of a deposit, etc.) or sending of regular notices not directly related to the Client's Accounts (e.g., rates of Funds, exchange rates, etc.).
- 6.33 Notices sent to the addressee shall be considered sent off if they have been:

- Demonstrably sent to a mobile telephone network provider (for notices sent by SMS);
- Demonstrably sent at a specified fax number (for notices sent by fax);
- Sent at a given e-mail address (for notices sent by e-mail).

- 6.34 Notices in the form of SMS messages may only be sent at telephone numbers of clients of domestic mobile telephone network providers (Telefónica O2, T-Mobile, Vodafone).

- 6.35 The Bank shall only charge fees for notices that have been demonstrably sent off. The Bank shall not be held liable for any non-delivery or late delivery resulting from circumstances beyond its control, especially those caused by a mobile telephone network provider, public telephone lines or the Internet network. The Bank shall not be responsible, either, for the activation and functionality of the service via which the addressee received the SMS messages on his/her mobile phone.

- 6.36 If the Client had also used another service, which can be used for setting parameters of a notice, before the specific PB Service was cancelled and is going to use such service thereafter, the set rules for sending the notices shall remain in force and may only be changed and/or cancelled via the aforesaid service.

#### **I) Reports from Payment card Acceptors**

- 6.37 The User may use this service automatically on the condition that the Client has entered into a separate contract for acceptance of payment cards with the Bank. A Plenipotentiary may use this service provided that he/she has been granted an authorisation to do so, based on an Administration Order.

#### **J) Electronic Statements**

- 6.38 This service allows for arranging for Electronic Statements of those Accounts to which Electronic Statements can be made out and for their downloading via a specific PB Service.
- 6.39 A Client – natural person may arrange for the Electronic Statements via a specific PB Service or at the Client's Point of Sale. A Client – legal person may arrange for the Electronic Statements at the Client's Point of Sale.
- 6.40 The manner and frequency of sending the Electronic Statements of Accounts, or paper statements of Accounts, shall be arranged via a PB Service Internet Banking by an amendment to the relevant contract for opening and maintaining the Account for which the statements are arranged. The amendment shall be executed and shall come into effect at the moment at which the Client – natural person shall attach his/her Signature to the amendment and send it to the Bank via a PB Service.
- 6.41 The agreed-upon Electronic Statements shall be delivered to the Client at the moment the Bank shall make them available for download via the PB Service.
- 6.42 Any User may download the Electronic Statements in the following manner, depending on their frequency:
- Within 30 days from their availability, in case of daily Electronic Statements generated after each transaction affecting the Account (movement in the Account) and, weekly, bi-weekly or monthly statements;
  - Within 60 days from their availability, in case of quarterly, semi-annual and annual Electronic Statements and monthly turnover statements.
- After the lapse of the above deadlines, the Electronic Statements shall only be available as archived Electronic Statements.
- 6.43 The User may ask for an archived Electronic Statement via a PB Service.

#### **Article 7. Complaints**

- 7.1 The Client may lodge complaints concerning the PB Services at the telephone number 800 152 152 or at another telephone number communicated by the Bank, or at the electronic addresses [mojebanka@kb.cz](mailto:mojebanka@kb.cz) or [profibanka@kb.cz](mailto:profibanka@kb.cz).
- 7.2 While the Client is lodging a complaint over the telephone, the Bank may give him/her, upon his/her request, the information

about the date, time and number of the complaint, or other agreed-upon information.

- 7.3 The Client agrees that every call made over the aforesaid telephone line shall be voice recorded by the Bank. The record shall serve as evidence in case of any complaints.
- 7.4 Any complaints lodged by the Client related to the Guaranteed Payment shall be attended and investigated by the Payment provider, i.e., the vendor at which the particular payments have been made as part of the Guaranteed Payment PB Service. The foregoing clause shall not apply to cases of the erroneous administration of the Client on the part of the Bank where the Client cannot use the Guaranteed Payment PB Service in a standard manner. In such case, the Client shall proceed according to Article 6.1.
- 7.5 If a dispute arises under the payment system, the Client may approach a financial arbitrator under the terms and conditions set forth by applicable law.<sup>4</sup>
- 7.6 Any User may lodge complaints on behalf of the Client.

#### **Article 8. Direct Banking Security**

- 8.1 In order to ensure safe access to the PB Services, the Bank uses, without limitation to it, the public key infrastructure (PKI) that meets all requirements concerning security by using asymmetric encryption, verifying the Client's identity by a Personal Certificate, and using the Signature as proof of data indisputability and integrity. In order to ensure safe access to the PB Services, the Bank shall be entitled to use additional security elements (e.g., SMS Login Code) and further collect and evaluate information associated with Users' access to the PB Services. Acts and deeds signed with a Signature of an authorised User are binding for the Client. The Bank shall be entitled to make the use of the Signature dependent on other security features (e.g., Authorisation SMS Message).
- 8.2 The Bank shall not be held liable for cases where the PB Services cannot be used due to circumstances beyond control of the Bank and/or its partners (e.g., power failure, interruption to the connection with the Bank via a public telephone/Internet network, strike etc.).
- 8.3 Electronic communications networks (public telephone lines, mobile network lines, e-mail and fax) used for the communication between the Bank and the Client pursuant to these Conditions are beyond the Bank's direct control; the Bank is therefore not liable for any damage caused to the Client by their potential misuse. The relevant providers of electronic communications services are obliged to secure the protection of these networks and the confidentiality of messages sent via the networks, as envisaged particularly in Act No. 127/2005 Coll., on Electronic Communications, as amended.

#### **Article 9. Client's Obligations**

- 9.1 The Client shall be obliged to use the PB Services in accordance with the Technical Terms and Conditions. The Bank shall be held liable for the functionality of the PB Services, provided that the Client abides by the Contract, Technical Terms and Conditions, Handbooks and, as the case may be, other instructions of the Bank. The Client shall be further obliged to abide by the Decalogue of the Safe Internet Banking, in which some elementary principles of safe use of the PB Services are defined. The Bank recommends that the Client should always consult the Decalogue of the Safe Internet Banking before using a PB Service.
- 9.2 The Client shall be obliged to check continuously whether the settlement messages correspond to the submitted Orders and whether the Bank has executed or rejected the submitted Orders. The Client shall be obliged to notify the Bank, without any unnecessary delay, of any ascertained faults in the settlement of the Orders and/or faults and other discrepancies associated with the keeping of the Accounts. Belated notification may result in denial of Client's (or User's) claim for damages or titles arising from an unauthorised or erroneously performed payment transactions pursuant to the General Conditions.

- 9.3 The Client shall be obliged to inform the Bank without any unnecessary delay whenever he/she suspects that a fault has occurred in software or the process of the sending or receiving payments, password or encrypting key has failed or has been misused. Following such notification, the Bank shall be entitled to suspend the use of PB Services. The Client undertakes to co-operate with the Bank in implementing corrective measures proposed by the Bank. Belated notification may result in denial of Client's (or User's) claim for damages or titles arising from an unauthorised or erroneously performed payment transactions pursuant to the General Conditions.
- 9.4 The Bank shall not be held liable for the malfunction of the Application installed on a computer used by the Client or malfunction of the PB Services caused by a third party (e.g., software manufactured by another vendor/supplier; computer virus infection; workstation hardware fault etc.) or by *force majeure*. The Bank shall charge fees as per the Contract and Tariff of Fees for the resumption of the Application on the Client's side.
- 9.5 The Bank shall only be liable for data received and confirmed by the Bank. The Bank shall not be held liable for any possible damage resulting from an erroneous or duplicated input of the data (submission of Orders) via the PB Services.
- 9.6 Any and all information related to the Technical Solution, Service and their use is confidential and the Client must not use them contrary to purpose for which it has been provided.
- 9.7 The Client shall be obliged to protect his/her security data, in particular the Personal Certificate, password and, as the case may be, PIN and PUK from possible loss, disclosure, theft or unauthorised use etc. The Client is further obliged to protect his/her own computer system and component parts thereof from misuse.
- 9.8 The Client shall take necessary steps to protect the direct banking from any misuse by third parties.
- 9.9 The Client shall be obliged to notify the Bank on the Client Line of any threatened misuse of the PB Service without any unnecessary delay and ask the Bank to block the access to the PB Service. The Bank shall consequently block access to PB Services or change or suspend provision of PB Services. The entitlement of the Client to request blocking of access to the PB Service at the Client's Point of Sale is not affected. A Client – individual or Statutory Body is entitled to request blocking of access to the PB Service for individual Users, a Plenipotentiary is only entitled to request blocking of his access to the PB Service.
- 9.10 The Client may only use the Application for the agreed-upon purpose and must not distribute, modify or copy the Application without prior written consent of the Bank.
- 9.11 The Client shall stop using the Application as soon as the Contract ceases to be effective and, subsequently, shall uninstall the Application from the personal computer; delete any and all copies of the Application he/she has at his/her disposal; and prevent third parties from using the Application.
- 9.12 The Client shall ensure that all Users are familiar with the Contract, Technical terms and Conditions and relevant Handbooks and abide by the provisions thereof. The Client shall further see to it that the Users shall read the Decalogue of the Safe Internet Banking and to adhere to the principles contained therein.
- 9.13 The Client shall discharge his/her duty to inform the Bank as required by these Conditions, particularly under Article 8 hereof, at the Client's Point of Sale, via the Client Line, or at another telephone number communicated by the Bank. Should the Client fail to fulfil the duty to inform the Bank within three Business Days from the day on which such duty has arisen without being prevented from doing so by particularly serious reasons, he/she shall be deemed to fail to notify the Bank without any unnecessary delay.
- 9.14 The Client shall be held liable for any damage suffered by the Bank as a result of the Client breaching his/her obligations set forth under this Article 8.
- 9.15 The Bank shall not be held liable for any unauthorised or erroneously performed payment transactions as envisaged in the General Conditions, for any damage suffered by the Client as a result of a breach of his/her obligations set forth under this Article 8, or for any loss or damage resulting from an incorrect

<sup>4</sup> Act No. 229/2002 Coll. On Financial Arbitrator, as amended.

authorisation or non-execution of a transaction due to reasons caused by the Client or a payee.

- 9.16 If the Client ascertains that access to the Service has been blocked, he/she shall be obliged to take all necessary steps to unblock or regain access to the Service without any unnecessary delay, so that he/she can access information about the Payment Services the Bank provides to him/her pursuant to the Payments Act.

## **Article 10. Termination of the Contractual Relationship**

10.1 The Contract shall expire/be terminated:

- a) At the date of the expiry/termination of a contract for opening and maintaining the Account from which the Bank is entitled to settle the fees for the provision of the PB Services;
- b) In case of a change of the person for whom the Bank keeps the Account from which the Bank is entitled to settle the fees for the provision of the PB Services, as from the date at which the Bank learns of such change;
- c) By a notice of termination from any of the contracting parties. The Client and the Bank shall be entitled to terminate the Contract in writing at any time. The notice of termination shall become effective at 8:00 on the Business Day following the date of delivery thereof to the other contracting party, except in cases where the Bank terminates a Contract with a Qualified Client, in which cases the Bank shall be entitled to terminate the Contract in accordance with the General Conditions; or
- d) As at the Conclusive Date.

10.2 The Bank's right to cancel the Contract in accordance with the General Conditions shall not be prejudiced by this provision.

## **Article 11. Definition of Terms**

11.1 Terms in the Conditions that begin with a capital letter have the following meanings:

**"Account"** shall mean any of Client's current accounts, deposit accounts (including term accounts) or credit accounts kept with the Bank and accessed via a PB Service.

**"Administration Order"** shall mean a power of attorney by which the Client authorises the User to use a particular PB Service to the extent set forth by the Administration Order and Contract. By an Administration Order a Client – natural person at the same time sets his/her User authorisation to the extent set forth by the Administration Order and Contract. An extent of authorisation of a Client's statutory agent (proxy) may also be set by an Administration Order, in which case the statutory agent (proxy) shall be considered a Plenipotentiary for the purpose of the Contract.

**"Application"** shall mean a software application provided by the Bank to the Client and supporting the PB Services *ProfiBanka* PC Banking and Direct Channel.

**"Authorisation Role"** shall mean a scope and extent to which a particular Use is authorised. A User may be granted one of the following Authorisation Roles:

**"Standard User"** is a User who may independently handle (dispose of) the funds in the Account and execute FX Payments up to his/her User's Account Limit or Individual FX Payment Limit, even in case that the Multiple/Multilevel Authorisation has been arranged. If the Multiple/Multilevel Authorisation is arranged, a Standard User may only forward an Order whose amount is in excess of his/her User's Account Limit or Individual FX Payment Limit for further authorisation to meet the agreed-upon number of Signatures. A Client – natural person shall always be a Standard User.

**"Authoriser 'A'"** is a User who may, if the Multiple/Multilevel Authorisation has been arranged, independently handle (dispose of) the funds in the Account and make FX Payments up to his/her User's Account Limit or Individual FX Payment Limit. As for amounts over these limits, he/she only may sign an Order and forward it for further authorisation to meet the agreed-upon number of Signatures of Authorisers A or, in case of the

Multilevel Authorisation, also of Authorisers B or, if he/she is the last User to attach his/her Signature, he/she may submit the Order by attaching the Signature.

**"Authoriser 'B'"** is a User who may, if the Multilevel Authorisation has been arranged, independently handle (dispose of) the funds in the Account and make FX Payments up to his/her User's Account Limit or Individual FX Payment Limit. As for amounts over these limits, he/she only may sign an Order and forward it for further authorisation to meet the agreed-upon number of Signatures of Authorisers A or, as the case may be, also of Authorisers B or, if he/she is the last User to attach his/her Signature, he/she may submit the Order by attaching the Signature.

**"Authorisation SMS Message"** shall be a message sent by the Bank to the User at an agreed-upon GSM mobile telephone number operated by a Czech provider, by which the User shall receive an SMS authorisation code. The SMS authorisation code shall be used for identifying the User while using the *MojeBanka* direct banking service, whereby the verification is made by a Personal Certificate stored in a data file.

**"Bank"** shall mean Komerční banka, a.s., registered office at Praha 1, Na Příkopě 33/969, Postal Code: 114 07, IČ (Company ID): 45317054, entered in the Commercial Register kept at the Municipal Court in Prague, section B, insert 1360.

**"Bank's Branch"** shall mean Komerční banka, registered office at Praha 1, Na Příkopě 33/969, Postal Code: 114 07, Czech Republic, IČ (Company ID): 45317054, entered into the Commercial Register kept by the Municipal Court in Prague, Section B, Insert 1360, acting through its organisational unit: Komerční banka, a.s., a foreign bank's branch, registered office at Hodžovo náměstí 1A, Postal Code: 811 06, Bratislava, IČO (Company ID): 47 231 564, Slovak Republic, entered into the Commercial Register kept by the District Court in Bratislava I., Section: Po, Insert No. 1914/B.

**"Bank's Financial Group Member"** shall be Komerční pojišťovna, a.s., Company ID: 63998017; Investiční kapitálová společnost KB, a.s., Company ID: 60196769; Modrá pyramida stavební spořitelna, a.s., Company ID: 60192852; IKS; Penzijní fond Komerční banky a.s., Company ID: 61860018; ESSOX s.r.o., Company ID: 26764652, and other entities in which the Bank has or shall acquire an ownership interest consisting in a direct or indirect share in their registered capital.

**"Banking Services"** shall mean any banking deals, products and services provided by the Bank based upon its banking licence, including investment services provided by the Bank acting as a security broker/dealer.

**"Batch"** shall mean a number of Orders in a form of a file (e.g., generated by the Client's accounting system) in a certain format.

**"Business Day"** shall mean a day that does not fall on a Saturday, a Sunday, a public holiday or other holidays within the meaning of the applicable law, on which the Bank is open for the provision of Banking Services and on which other institutions that take part in the provision of Banking Services, or on which the provision of the Banking Services depends, are open and provide the relevant services.

**"Client"** or **"Entity"** shall mean a legal or natural person, owner of the Account, which has entered into the Contract.

**"Client – Consumer"** shall mean a natural person who executes and performs the Contract for purposes not associated with his/her business or job activities, or a person requesting a provision of a Banking Service.

**"Client Line"** shall mean the "Customer Service KB" round-the-clock telephone hotline at the number **800 152 152**. The telephone number is available at Bank's points of sale and at its website. The Bank shall notify the Client of a possible change of the telephone number well in advance.

**"Client's Point of Sale"** shall mean the Bank's point of sale at which the Client has executed the Contract.

**"Collective Investment Contract"** shall be a contract with an investment company or the Bank, which allows the Client purchase and/or resale and assignment/transmission/devolution of collective investment securities of different Funds and transfer between funds.

**"Conclusive Date"** shall be a day on which the Bank learns, in a trustworthy manner, about the death of a Client, i.e., a day on which conclusive documents of the fact that the Client died or was declared dead are delivered to the Client's Point of Sale (these documents can be, e.g., death certificate, a court or notary memorandum of performing the inheritance proceedings, decision of the court with a legal power clause concerning the declaration of the Client's death).

**“Contract”** shall mean a contract under which the Bank undertakes to provide the Client with direct banking services.

**“Conversion Transaction”** shall mean any transaction necessitating a currency conversion.

**“Credit Contract”** shall mean a contract for a consumer credit entered into by the Client and Bank via a PB Service.

**“Decalogue of the Safe Internet Banking”** is a document in which basic principles of safe use of the Internet banking are defined, which the Bank is entitled to amend. The Bank has made The Decalogue of the Safe Internet Banking public on its website. It is also available at the Bank's points of sale. This document is not a Notice as envisaged in the General Conditions.

**“EEA”** shall stand for the European Economic Area.

**“Electronic Statements”** shall mean settlement reports (account statements) in the Portable Document Format (PDF) in which the Bank informs the Client about executed transactions and the balance in a relevant Account, delivered to the Client via a PB Service.

**“Entity's Limit”** shall mean a maximum aggregate daily amount of funds to be handled in all current Accounts and/or term Accounts by all Users associated with a given Entity.

**“Exchange Rate”** or **“Rate”** shall mean an exchange rate published by the Bank.

**“Foreign Payment”** shall mean an Order for a payment that may be used (i) for a payment made in a foreign currency or in CZK sent to a bank abroad or (ii) for a payment made in a foreign currency in the Czech Republic, outside the Bank. A Foreign Payment may be made to the debit of a CZK current Account or a foreign currency current Account. The payments shall be settled through reciprocal accounts of the payer and payee's banks or, as the case may be, correspondent banks.

**“Funds”** shall mean collective investment funds within the scope and to the extent offered as part of a particular PB Service (e.g., unit trusts administered by IKS, sub-funds of SGAM Fund, or other collective investment funds).

**“FX Payment”** shall mean a payment made on a basis of an Order to transfer, from an internal account of the Bank, the funds purchased at an agreed-upon exchange rate under a separate contract covering the trading in financial markets entered into by the Bank and the Client.

**“Handbooks”** shall mean PB Services manuals issued by the Bank, which the Bank shall be entitled to change, namely: *ProfiBanka* PC Banking Handbook, Handbook for Users of *MojeBanka* Internet Banking Application, and Handbook for Users of the Direct Channel Application. The Bank makes the Handbooks public on its website. The Handbooks are not Notices as envisaged in the General Conditions.

**“IKS”** shall mean Investiční kapitálová společnost KB, a.s., registered office at Praha 1, Dlouhá 713/34, Postal Code: 110 15, IČ (Company ID): 60196769, entered in the Commercial Register kept at the Municipal Court in Prague, section B, Insert 2524.

**“Individual FX Payment Limit”** shall mean a maximum allowed daily amount of funds to be handled (disposed of) using an FX Payment.

**“Modrá pyramida”** shall mean Modrá pyramida stavební spořitelna, a.s., a building savings bank, registered office at Praha 2, Bělehradská 222/128, Postal Code: 12021, IČ (Company ID): 60192852, entered in the Commercial Register kept at the Municipal Court in Prague, section B, Insert 2281.

**“MojePlatba”** shall mean a service that makes it possible to execute Orders to the debit of an Account in association with payments for goods and services offered for sale on Internet sites (web pages) of selected vendors.

**“Moment of Effectiveness”** shall mean the moment at which an Order is accepted as envisaged by the Payments Act, determined in accordance with these Conditions, the Notice on the Payment System and the Contract, at which all prerequisites shall be met as set forth by the Contract or by Law for (i) the acceptance of cash and an Order by the Bank (in case of depositing cash) or (ii) the debiting of funds from an Account (in case of cash withdrawal and other Orders), i.e., the moment at which the Bank shall (or should) receive or debit the funds.

**“Multilevel Authorisation”** shall mean a setting under which a given number of Users' Signatures is required on two different levels so that PB Services can be used, in particular for handling the funds in the Account

in excess of the User's Account Limit or, as the case may be, of the Individual FX Payment Limit. Actually, at least one Signature of an Authoriser 'A' and one of an Authoriser 'B' is required.

**“Multiple Authorisation”** shall mean a setting under which a given number of Users' Signatures (between 2 and 5) is required so that PB Services can be used, in particular for handling the funds in the Account in excess of the User's Account Limit or, as the case may be, of the Individual FX Payment Limit.

**“Notices”** shall mean communications in which further conditions and technical features of providing the Banking Services are specified in accordance with the General Conditions or relevant Product Terms and Conditions. The following documents, without limitation to them, are not a Notice: the Decalogue of the Safe Internet Banking and Handbooks.

**“Order”** shall mean a payment order, i.e., an instruction in which the Client asks the Bank to execute a payment transaction (for example includes Payment Order, Standing Order, Collection Order).

**“Payment Services”** shall mean Banking Services falling within the scope of payment services as envisaged by the Payments Act (e.g., money transfers, issuing of payment instruments and cash depositing/withdrawing).

**“PB Service”** or **“Direct Banking Service”** shall mean any of direct banking (PB) services, i.e., *MojeBanka* Internet Banking, *ProfiBanka* PC Banking, Guaranteed Payment or Direct Channel used by the Client to access his/her Accounts.

**“Personal Certificate”** shall mean a personal certificate issued by the Bank under the Contract for the Issue and Use of a Personal Certificate.

**“Plenipotentiary”** shall be a natural person, except for a Statutory Body and the Client – natural person, who is a Personal Certificate holder entitled to use PB Services to the extent set forth in the Administration Order and Contract.

**“Qualified Client”** shall be a Client – Micro-enterprise as envisaged in the General Conditions or Client – Consumer with respect to the provision of Payment Services.

**“Reports from Payment-Card Acceptors”** shall mean a service enabling the Client (except for a Client – Consumer) to receive via PB Services (other than the Guaranteed Payment PB Service), electronic reports (statements) on transactions made using payment cards on the equipment used by the Client to accept payment cards based on a separate contract on accepting payment cards entered into by the Client and the Bank.

**“SEPA EuroPayment”** is a cashless transfer in EUR, the level of which is not limited. The account of the payer and the payee, which may be held in any currency, must be held in a member country of the European Union or in a country constituting the EEA (or also Switzerland, French Guiana, Guadeloupe, Martinique, Réunion and Gibraltar) and the bank of the payer and the payee must also be participants in the SEPA system. If the payee's bank is not a participant in the SEPA system, after specification of instructions by the Client, the payment is implemented as a different type of foreign payment. Costs relating to transfer are settled in part by the payer and in part by the payee (fee type “SLEV”). The Order will be implemented as “Express”. Additional data from the payer is transferred to the payee.

**“SGAM Fund”** shall mean SGAM Fund, an investment company with variable capital (SICAV) incorporated under the Luxembourg law, as defined in its statutes of June 2005 (as amended), whose sub-funds and their securities are publicly offered by the Bank in the Czech Republic.

**“Signature”** shall mean an electronic signature as envisaged in the Contract for the Issue and Use of a Personal Certificate. Its use may depend on other security features.

**“SMS Login Code”** shall mean a single-use code used for the identification of a User while logging in a PB Service, which the Bank is entitled to send to the User at the GSM mobile telephone number agreed-upon for sending an Authorisation SMS Message.

**“Statutory Body”** shall mean, regardless of the manner in which they act externally on behalf of the Client – legal person, a natural person – statutory body of the legal person; a member of a statutory body of the legal person; or another natural person in a position similar to that of a statutory body of similar legal person, authorised by the Client – legal person by an Administration Order to use a PB Service.

“**Tariff of Fees**” shall mean a list of all charges, other fees and payments for the Banking Services and operations associated with the Banking Services.

“**Technical Terms and Conditions**” shall mean a document in which the Bank sets technical terms of the provision of direct banking. The Technical Terms and Conditions are a Notice as envisaged by the General Conditions.

“**Telefónica O2**” shall mean Telefónica O2 Czech Republic, a.s., registered office at Praha 3, Olšanská 55/5, Postal Code: 130 34, IČ (Company ID): 60193336, entered in the Commercial Register kept at the Municipal Court in Prague, section B, Insert 2322.

“**T-Mobile**” shall mean T-Mobile Czech Republic a.s., registered office at Praha 4, Tomičkova 2144/1, Postal Code: 149 00, IČ (Company ID): 64949681, entered in the Commercial Register kept at the Municipal Court in Prague, section B, Insert 3787.

“**Unique Identifier**” shall mean a banking link expressed by IBAN and BIC (or an account number) or, in case of domestic payments, by an account number and bank code.

“**User**” shall be a holder of a Personal Certificate entitled to use a PB Service, specifically, a Client – natural person, Statutory Body or Plenipotentiary.

“**User's Account Limit**” shall mean a maximum allowed daily amount of funds to be handled by the User himself/herself in all current Accounts and/or term Account operated by a User.

“**Vodafone**” shall mean Vodafone Czech Republic a.s., registered office at Praha 10, Vinohradská 167, Postal Code: 100 00, IČ (Company ID): 25788001, entered in the Commercial Register kept at the Municipal Court in Prague, section B, Insert 6064.

11.2 Submitting a request under these Conditions shall mean sending the request to the Bank for processing via a relevant PB Service.

11.3 Any reference to Bank's web sites shall mean a reference to [www.kb.cz](http://www.kb.cz) or [www.mojebanka.cz](http://www.mojebanka.cz), or other web addresses the Bank currently uses or shall use in association with providing the PB Services.

## **Article 12. Final Provisions**

12.1 The Bank shall be entitled to amend these Conditions on an ongoing basis in the manner set forth in the General Conditions.

12.2 These Conditions repeal and replace the Terms and Conditions of the Provision and Use of Direct Banking issued by Komerční banka, a.s. and effective as of 25 July 2011.

12.3 These Conditions come into effect as of 7 November 2011