

**Article 1. Introductory Provisions**

- 1.1 The below Terms and Conditions of the Provision of the Direct Channel and its Use by Vendors Without a CZK Current Account, Who Accept Payment Cards (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 8 hereof.

Article 2. Contract and Terms of Provision of the Direct Channel

- 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 only be entitled to use the Service in case that he/she has not a CZK current account with the Bank and, at the same time, has entered into a separate contract with the Bank governing the acceptance of payment cards,
- 2.4 The Client may only use the Service having downloaded from the Bank's web site and properly installed the Application.
- 2.5 The Client shall be entitled to use the Service provided that he/she has been issued with a Company Certificate. The Client cannot use the Service in case that the Company Certificate has been revoked (cancelled) or suspended.
- 2.6 The Service is accessible from the Bank's web site round the clock (24 hours a day), 7 days a week, except on Sundays from 01:00 to 04:00 (a.m.) when the Service cannot be used due to technical reasons on the part of the Bank. The Bank reserves the right to block access to the Service or to change or suspend the provision of the Service for as long as necessary if it is inevitable for serious reasons, in particular of technical or security nature.
- 2.7 Access to the Service shall be automatically disabled upon the cancellation/termination of the Contract.

Article 3. Direct Channel

- 3.1 The Client may only download Electronic Statements and Reviews via the Service.
- 3.2 Electronic Statements and Reviews shall be available in the following formats:
- KB Card Format, or
 - Portable Document Format (PDF).
- The above formats are described on the Bank's web site.
- 3.3 The Client may download the Electronic Statements and Reviews within 31 days from the date the Bank has made them available via the Service. After the lapse of the above deadline, the Electronic Statements and Reviews shall only be available for another 31 days upon previous arrangement at the telephone number 800 152 152 or at the Client's Point of sale.
- 3.4 The Bank shall make the Electronic Statements available to the Client for downloading:
- Daily – every Business Day;
 - Weekly – each Wednesday;
 - Bi-weekly – every other Wednesday;
 - Monthly – on the first Business Day of a month.
- 3.5 The Electronic Statements for Saturdays, Sundays and Mondays shall always be made available to the Client for downloading on Mondays at 18:30 at the earliest. The Electronic Statements for

other days from Tuesday to Friday be made available for downloading on the respective day at 16:00 at the earliest.

- 3.6 The Reviews shall always be made available to the Client for downloading on the 11th day of a month.
- 3.7 If any of the days referred to above in Articles 3.4, 3.5 and/or 3.6 hereof falls on a day that is not a Business Day, the Electronic Statements and/or Reviews shall be made available to the Client for downloading on the following Business Day.

Article 4. Complaints

- 4.1 The Client may lodge the Complaints concerning the Service at the telephone number 800 152 152 or at the electronic address mojebanka@kb.cz.
- 4.2 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 code of the complaint, or other agreed-upon information.
- 4.3 The Client agrees that every call made over the aforesaid telephone line when the Service is being used shall be voice recorded by the Bank. The record shall serve as evidence and/or may be used in case of complaints.

Article 5. Security of the Direct Channel

- 5.1 In order to ensure safe access to the Service, the Bank uses the public key infrastructure (PKI) that meets all requirements concerning security by using asymmetric encryption, verifying the Client's identity by a Company Certificate, and signing by the Client's Signature.
- 5.2 The Bank shall not be held liable for cases where the Service 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.).
- 5.3 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 6. Client's Obligations

- 6.1 The Client shall be obliged to use the Service in accordance with the Technical Terms and Conditions. The Bank shall be held liable for the functionality of the Service, provided that the Client abides by the Contract, Technical Terms and Conditions 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 Internet banking are defined. The Bank recommends that the Client should always consult the Decalogue of the Safe Internet Banking before using the Service.
- 6.2 The Client shall be obliged to inform the Bank immediately, whenever he/she suspects an Application software error. The Bank shall subsequently be entitled to disable Client's use of the Service. The Client undertakes to render to the Bank all necessary assistance to ensure effective implementation of the corrective measures suggested by the Bank.
- 6.3 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 Service 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 not be held liable, either, for the malfunction of any software other



than the Application installed on a computer used by the Client resulting from the use of the Application by the Client.

- 6.4 The Client is further obliged to protect his/her own computer system and component parts thereof from misuse.
- 6.5 The Client shall be obliged to protect his/her security data, in particular the Company Certificate and password, from possible loss, disclosure, theft or unauthorised use etc. The Client shall be obliged to inform the Bank about any disclosure, theft or threatened misuse of the security data without any unnecessary delay.
- 6.6 The Client shall take necessary steps to protect the Service from any misuse by third parties.
- 6.7 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.
- 6.8 The Client shall stop using the Application as soon as the Contract ceases to be effective and, subsequently, shall uninstall the Application from the computer he/she uses; delete any and all copies of the Application he/she has at his/her disposal; and prevent third parties from using the Application.
- 6.9 The Client shall be obliged to check continuously whether the settlement messages correspond to the facts. The Client shall be obliged to notify the Bank, without any unnecessary delay, of any ascertained faults in the settlement and/or faults and discrepancies associated with the Service. 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.
- 6.10 The Client shall discharge his/her duty to inform the Bank as required by these Conditions, particularly under Article 6 hereof, at the Client's Point of Sale, over the telephone at the number reserved for the use of the Service, or at another 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.
- 6.11 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 6.
- 6.12 The Bank shall not be held liable for any unauthorised or erroneously performed payment transactions, for any damage suffered by the Client as a result of a breach of his/her obligations set forth under this Article 6, or for any loss or damage resulting from an incorrect authorisation or non-execution of a transaction due to reasons caused by the Client or a payee.
- 6.13 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 through the mediation of the Service pursuant to the Payments Act.¹.

Article 7. Termination of the Contractual Relationship

- 7.1 The Contract shall expire/be terminated:
- a) 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;
- b) As at the Conclusive Date;

- c) Upon the execution of a contract under which the Bank shall open a CZK business account (current account) for the Client;
- d) By arranging a change of the manner in which the Client is informed about transactions made using payment cards, specifically, the replacement of the Electronic Statements by paper-based (printed) statements; or
- e) Upon the termination/cancellation of the separate contract governing the acceptance of payment cards.

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

Article 8. Definition of Terms

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

"Application" shall mean a software application supporting the provision of the Service.

"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.

"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.

"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.

"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.

"Client" shall mean a natural person (business) or legal person that has entered into the Contract with the Bank.

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

"Company Certificate" shall mean a company certificate issued by the Bank under the Contract for the Issue and Use of a Company Certificate.

"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 the contract under which the Bank undertakes to provide the Client with the Service.

"Electronic Statements" shall be electronic statements containing a history of transactions made using payment cards via the equipment used by the Client for payment cards processing based on a separate contract governing the acceptance of payment cards entered into by the Client and Bank.

"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 document, without limitation to it, is not a Notice: the Decalogue of the Safe Internet Banking.

"Payment Services" shall be Banking Services falling within the scope of payment services as envisaged by the Payments Act (e.g., transfers of funds, issuing of payment instruments and withdrawing/depositing cash).

¹ Act No. 284/2009 Coll., the Payments Act, as amended.



KB

Terms and Conditions of the Provision of the Direct Channel and its Use by Vendors Without a CZK Current Account Who Accept Payment Cards

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

“**Reviews**” shall be monthly summaries of turnover of payment cards processed on the equipment used by the Client for payment cards processing based on a separate contract governing the acceptance of payment cards entered into by the Client and Bank.

“**Service**” shall mean the *Direct Channel* service provided to vendors without a CZK current account, who accept payment cards, used by the Client on the basis of the Contract with a use of the Application.

“**Signature**” shall mean an electronic signature as envisaged in the Contract for the Issue and Use of a Company Certificate.

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

Article 9. Final Provisions

- 9.1 Any reference to Bank's web sites shall mean a reference to www.mojebanka.cz, or other web addresses the Bank currently uses or shall use in association with providing the Service.
- 9.2 The Bank shall be entitled to amend these Conditions on an ongoing basis in the manner set forth in the General Conditions.
- 9.3 These Conditions repeal and replace the Terms and Conditions of the Provision and Use of Terms and Conditions of the Provision of the Direct Channel and its Use by Vendors Without a CZK Current Account, Who Accept Payment Cards issued by Komerční banka, a.s. and effective as of 24 October 2005.
- 9.4 These Conditions come into effect as of 1 November 2009.