

GENERAL BUSINESS TERMS AND CONDITIONS OF Equa bank a.s.

1. INTRODUCTORY PROVISIONS

1.1. Scope and changes to the General Business Terms and Conditions

- 1.1.1. These General Business Terms and Conditions (hereinafter "T&C") govern general conditions of all contractual obligations between the Bank and the Client arising from the provision of the Banking Services.
- 1.1.2. Besides T&C, individual Contractual obligations arising from Banking Services also comply with the Product Terms and Conditions issued by the Bank (hereinafter "PTC"), which contain specific rules for individual product types or groups of Banking Services, Price Lists governing the Fees for Banking Services in relation to individual Banking Services or their types (hereinafter "Price List"), and by specific arrangements included in the Contractual Document. Interest rates are announced by the Bank in the Interest Rate List. Exchange rates are announced by the Bank in the Exchange Rate List.
- 1.1.3. The Bank shall notify the Client of any change to the T&C in writing or by e-mail and via Direct Banking Service two months prior to the day on which this change shall become effective, at the latest. If the Client does not reject the change until the day on which it becomes effective, it is assumed that the change has been agreed by the Client. The Bank shall make the Client aware of this consequence in the notice of change of T&C.

1.2. Interpretation and definition of terms

- 1.2.1. If the PTC include a provision whose wording differs from the T&C, this different provision shall prevail over the wording in the T&C. If the Contractual Document contains a provision whose wording differs from the PTC, Price Lists or T&C, this different provision shall prevail over the wording in the PTC, Price Lists or T&C.
- 1.2.2. If not stipulated otherwise in these T&C, capitalized terms contained in these T&C shall have the meaning defined in chapter 19 below, in the PTC or Terms and Conditions of Payment Services.

2. ESTABLISHMENT AND TERMINATION OF CONTRACTUAL RELATIONSHIP

2.1. Conclusion of Agreement

- 2.1.1. The Bank and the Client shall enter into the contractual relationship by concluding the Framework Agreement on Provision of Banking and Payment Services of Equa bank a.s. (hereinafter "Agreement"). The Agreement shall be concluded for an indefinite period of time, unless stipulated otherwise.
- 2.1.2. The Agreement shall be concluded either in writing in paper form or using means of remote communication, especially through Direct Banking Service. The Agreement and its amendments shall be in writing only if stipulated by a general law or if expressly agreed in the Agreement.
- 2.1.3. If the Agreement is concluded in writing and its draft is submitted to the Client by the Bank, the Agreement shall be concluded upon delivery of draft Agreement signed by the Client to the Bank; if the Agreement is concluded using means of remote communication, the Agreement shall be concluded when the Bank receives the Client's consent with the draft Agreement. The Bank shall inform the Client about the receipt of such consent in due course. If the draft Agreement is submitted by the Client, the previous sentence shall apply to a reasonable extent.
- 2.1.4. If the Agreement is concluded otherwise than in writing and if not explicitly stipulated otherwise, the draft Agreement shall be submitted by the Client by means of a request for a certain Banking Service. The Agreement shall be deemed concluded when the Bank notifies the Client of the approval of such request. Notification of request approval shall also be any other act implying that Banking Services listed in the request are available to the Client or may be used by the Client.
- 2.1.5. The Agreement shall become effective on the day of its conclusion, unless a later effective date is stipulated in the Agreement.
- 2.1.6. Brokers, couriers or other third parties, whose services are used by the Bank in connection with the conclusion of the Agreement, shall not be entitled to act on behalf of the Bank or to receive any deliveries or notifications on behalf of the Bank, unless explicitly authorized hereto in writing by the Bank.

2.2. Termination of Agreement

- 2.2.1. The Agreement shall terminate at the end of the period for which it was concluded (if not concluded for an indefinite period of time), by Agreement between the Bank and the Client, by cancellation or withdrawal, unless defined otherwise in the Agreement.
- 2.2.2. Both the Client and the Bank shall be entitled to cancel the Agreement without giving any reason. The period of notice shall commence on the day on which the cancellation is delivered to the other party. Unless the cancellation includes a longer period of notice, the period of notice shall end in one month from the day on which it was delivered to the other party. The Client shall be also entitled to cancel the Agreement without giving any reason pursuant to the rules of the Czech Banking Association governing the mobility of clients from one bank to another (Clients Mobility Code).

- 2.2.3. Unless this option is expressly excluded from the Agreement, the Bank shall be entitled to withdraw from the Agreement if any of Events of Infringement listed occurs.
- 2.2.4. If the Agreement was signed using the means of remote communication (especially via Direct Banking Service), the Client shall be entitled to withdraw from the Agreement without giving any reason within fourteen days from conclusion of the Agreement. If the Client was not provided with information in the scope set by the Civil Code before conclusion of the Agreement, the Client shall be entitled to withdraw from the Agreement within fourteen days from the day on which such information was subsequently provided to the Client by the Bank.
- 2.2.5. The Bank shall also be entitled to withdraw from the Agreement if at a time between the conclusion of the Agreement and the period in which the Agreement was to be fulfilled a major change to circumstances occurred which were relevant for the conclusion of the Agreement and its contents, due to an event which could otherwise be a circumstance excluding the Bank's liability.
- 2.2.6. The respective Agreement shall terminate by withdrawal from the Agreement upon delivery of notice of withdrawal or at a later time set in the notice of withdrawal from the Agreement. Outstanding claims arising from the Agreement shall become due on the first Business Day following the delivery of notice of withdrawal to the other contractual party.
- 2.2.7. Unless agreed otherwise, the Bank and the Client shall be without undue delay obliged to settle mutual obligations existing on the day of Agreement termination after the termination of contractual relationship, especially to pay all due amounts including unpaid loans. The provisions § 351 (2) of the Commercial Code shall not apply. In such a case, the Bank shall return the relative amount of price, the Fee or other payments for Banking Services only if expressly set by a general law or the Agreement. After termination of contractual relationship the Client shall be obliged to return to the Bank all entrusted objects, payment cards, unused checks, check books or other documents and other means which the Bank or a third party provided to the Client in connection with provision of Banking Services within the deadlines set by the Bank.

2.3. Dependence of Agreements

- 2.3.1. An Agreement (dependent Agreement) may be arranged as dependent on another Agreement (main Agreement), and it holds true that a conclusion of a dependent Agreement is conditioned by a conclusion of a main Agreement and that a termination of the main Agreement results in a termination of the dependent Agreement.

2.4. Contract receivables

- 2.4.1. The Client shall not be entitled to assign any receivable under the Agreement to any third parties without a prior written consent of the Bank.

3. BANK SECRECY, PERSONAL DATA PROTECTION AND CLIENT CONSENTS

- 3.1. All Banking Services shall be subject to banking secrecy pursuant to general law. The Bank shall provide information considered a banking secrecy to third parties without the Client's consent only in cases stipulated by general law and in the scope set by general law. The Client agrees that the Bank is entitled to provide information on the amount of secured claim of the Bank to individuals securing such claim.
- 3.2. For provision of Banking Services, the Bank shall be obliged – pursuant to general law – to collect and process Client data including personal data. The Bank shall handle the information provided pursuant to laws and other general law binding for the Bank. As an Administrator of the Client's personal data, the Bank shall store and process personal data pursuant to the Consent received from the Client. The Bank shall maintain confidentiality of the information provided also after termination of a contractual relationship between the Bank and the Client.
- 3.3. The Client agrees that the Bank verify data obtained about the Client, especially at courts, public authorities or the Client's employer, if confidentiality of the information provided is maintained.
- 3.4. Should the Client refuse to provide the Bank with the data which the Bank is obliged to collect about the Client specified in the respective general law provisions; the Bank shall be entitled to reject the provision of the requested Banking Service to the Client.
- 3.5. Client's Consent to the collection and processing of personal data (Act on Personal Data Protection, APDP)**
- 3.5.1. Having signed the Agreement, the Client gave the Bank (hereinafter "Administrator") the consent with the collection and processing of personal data including the use of personal identification number and other data relating to the Client's person (hereinafter "Consent") which shall be communicated by the Client or otherwise obtained pursuant to APDP in accordance with Act No. 21/1992 Coll., on Banks (hereinafter "Act on Banks"), and Act No. 513/1991 Coll., Commercial Code, all as amended, for the following purposes:
- (i) For the purposes to which the Client has given an express Consent;
 - (ii) To protect rights and legally protected interests of the Bank;
 - (iii) For the purposes relating to the banking business and services;

- (iv) For fulfilment of legal obligations of the Bank arising from special regulations;
 - (v) For internal purposes of the Bank, especially for analysis and assessment of potential risks, operations management, strategic planning; or
 - (vi) To inform about new products and services.
- 3.5.2. Unless stipulated otherwise for an individual purpose by effective legal regulations or this consent, the Client's personal data shall be processed for the period of:
- (i) Four years from provision of such personal data for the purposes of negotiation about the contractual relationship with the Bank; or
 - (ii) Duration of the contractual relationship for up to four years from the termination of the contractual relationship with the Bank.
- 3.5.3. The Client's personal data shall be processed in the scope in which they were provided in connection with:
- (i) The request for a contractual or another legal relationship or which the Administrator collected otherwise, and the processing is in accordance with effective legal regulations, or
 - (ii) Any other contractual or legal relationship concluded between an individual for whom the party signing this Consent acts, and the Administrator.
- 3.5.4. Personal data shall be processed directly by the Administrator or another specialized external entity, both in the Czech Republic and abroad (e.g. an individual authorized by the Bank to fulfil the Bank's contractual or legal obligations including the fulfilment of rights from contractual relationships with Clients, an individual with whom the Bank negotiates about the assignment of receivables from the Client or about assumption of liabilities of the Bank to the Client or an individual with whom the Bank negotiates in connection with the provision of banking products to Clients), which also provides sufficient and credible assurances about the technical and organisational security of personal data protection. The processing takes place in technically and physically secure information systems.
- 3.5.5. The Bank shall publish a list of individuals with whom the Bank negotiates in connection with the provision of Banking Services to Clients, always stating the proper purpose for the transfer and processing of personal data as well as a change of such list, at the Points of Sale and on the Homepage of the Bank. The liability of the Bank to Clients in connection with the processing of personal data by third parties listed in this document is hereby not affected. The personal data of Clients may be under certain conditions disclosed to public authorities (courts, police, notaries, tax offices etc. within the exercise of their statutory powers) or the Administrator may provide them directly to other banks in the scope set by a special act or through third parties appointed to manage client registries.
- 3.5.6. The Client also declares:
- (i) To be timely and duly informed by this Consent about the fact that the Bank collects, processes, and verifies the Client's personal data to the extent and for the purposes set above as well as about the fact that this data may be made available to third parties listed above;
 - (ii) To be aware of the fact that provision of personal data is voluntary, and
 - (iii) To be informed about the Client's right to access own personal data collected by the Bank (for a Fee listed on the Homepage of the Bank) as well as other rights stipulated in § 21 of the Act above.

3.6. Banking and Non-Banking Registry of Client Information (BRCI and NRCI)

- 3.6.1. In connection to the conclusion of the Agreement, the Client agrees that the Bank collects, processes, and stores the Client's personal data including the personal identification number for the purpose below in the manner listed in the Information Memorandum of the Bank Registry of Client Information and Non-Banking Registry of the Client Information (hereinafter "Information Memorandum"), in the scope and under conditions specified in the Information Memorandum, and that the Bank posts a query for the respective loan registry and verifies the creditworthiness of the Client or correctness or accuracy of information given by the Client in connection with the contractual relationship with the Bank.
- 3.6.2. Processing of the Client's personal data based on this Consent aims at safeguarding mutual information of authorized users of Banking Registry of Client Information (hereinafter "BRCI") and Non-Banking Registry of Client Information (hereinafter "NRCI") on the Client's creditworthiness, credibility, and payment morale, and allowing a (repeated) assessment of the Client's creditworthiness, credibility, and payment morale on the part of authorized users of BRCI and NRCI. The manner, scope, and conditions of mutual information of authorized users of BRCI and NRCI are listed in the Information Memorandum.
- 3.6.3. The Client shall grant this Consent for the period of four years from the day of its granting. If an Agreement was or is concluded between the Client and the Bank, the Client shall grant this Consent for the period of its duration and for the period of another 4 years from the fulfilment of all the Client's financial obligations under the concluded Agreement, should these obligations expire by fulfilment or in a manner replacing fulfilment, or from expiration of the Agreement if financial obligations under the Agreement expire otherwise.
- 3.6.4. Before signing this Consent, the Client shall be acquainted with the Information Memorandum, which includes advice on the Client's rights in relation to the processing of personal data in the BRCI and for the purposes of mutual information to users of BRCI and/or NRCI on creditworthiness, credibility, and payment morale of their clients. Before having signed this Consent, the Client was also informed that the current wording of the Information Memorandum might be obtained at any time at the Client Centre of BRCI (www.cbcb.cz; e-mail: klient@cbcb.cz, tel. 222 811 055) or on the Bank's Homepage. Article 3.5.6 above shall be applied similarly in relation to credit registries.

3.7. Association for the Protection of Leasing and Loans to Consumers (SOLUS)

- 3.7.1. The Bank shall be entitled to collect, process, and store personal data of the Client to the extent specified in the Advice on SOLUS Registries (hereinafter "Advice"). The Bank shall be furthermore entitled to provide personal data for further processing to SOLUS, association of legal entities, registration no. 69346925 (also referred to as "SOLUS"), which is the administrator of "SOLUS Positive Registry" (also referred to as "Positive Registry"), SOLUS Registry of Individuals (also referred to as "Registry of Individuals"), and the ID SOLUS Registry (also referred to as "ID Registry") for further collection, processing, and storage in the Positive Registry, Registry of Individuals, and ID Registry. SOLUS shall be entitled to use services of a processor or processors for data processing. The Bank shall be entitled to obtain information on the Client's creditworthiness, payment morale, and credibility from the Positive Registry, Registry of Individuals, and ID Registry.
- 3.7.2. The Bank and SOLUS shall be also entitled to process personal data of the Client contained in the insolvency registry administered under Act No. 182/2006 Coll., Insolvency Act, as amended. SOLUS shall be entitled to use services of processors upon processing personal data of the Client. SOLUS may make the processed personal data including personal identification number available to its members exclusively for the purposes listed above directly or through a processor.
- 3.7.3. SOLUS shall be entitled to create an information file of the Client's personal data from all member companies, possibly containing other publicly available personal data of the Client (e.g. personal data of the Client contained in the Insolvency Registry). Based on this information file of the Client's personal data, SOLUS may conduct statistical analyses of the Client's creditworthiness and credibility.
- 3.7.4. SOLUS shall be entitled to make the Client's personal data (as an information file including the data from statistical analyses of the Client's creditworthiness and credibility) available to all authorized users (SOLUS members) of Positive Registry, Registry of Individuals, and ID Registry as well as the Bank as online queries always to the extent and under conditions specified for each of these Registries in the Advice.
- 3.7.5. The Client shall grant this Consent for the period of six months. If the Client concludes an Agreement with the Bank in this period, the Consent shall be granted for the period of its duration and for another 3 years from the fulfilment of all the Client's obligations to the Bank.
- 3.7.6. The Client expressly declares to have had the opportunity to look into the "ADVICE ON SOLUS Registries" document in great detail before having signed such Consent, containing: (i) the explanation of the term information file, separately for the Positive Registry, Registry of Individuals, and ID Registry, (ii) the definition of other personal data of the Client which may be generated upon processing, (iii) the description of functioning of the Positive Registry, Registry of Individuals, and ID Registry, (iv) the identification of entities or individuals who may have access to the Client's personal data upon their processing, and (v) the advice on the Client's rights (§ 11 and § 12 of Act on Personal Data Protection No. 101/2000, Coll.) and claims (§ 21 of Act No. 101/2000 Coll.) in connection with the processing of the Client's personal data in the SOLUS Positive Registry.
- 3.7.7. The Client furthermore confirms to have been granted access to and provided with the current version of the Advice on the Homepage of the Bank, on the SOLUS information line 840 140 120, and on www.solus.cz.

3.8. Withdrawal of Consent

- 3.8.1. The Client shall be entitled to withdraw the given Consents at any time by a written withdrawal provably delivered to the address of the Bank, listed on the Homepage of the Bank, or by personal delivery of the written withdrawal to the Bank's Point of Sale.
- 3.8.2. The provision of the Client's personal data to the Administrator shall be voluntary. However, due to the fact that the Administrator is obliged to secure and process the Client's personal data for banking business to be done without undue legal and material risks to the Bank, their provision is a necessary condition for making a banking deal or provision of Banking Service. The Client acknowledges that withdrawal of any Consent in this document may prevent the Bank from provision of some of the Banking Services and may be considered a breach of commitments or obligations of the Client to the Bank in connection with a Banking Service.

3.8. Withdrawal of Consent

- 3.8.1. The Client shall be entitled to withdraw the given Consents at any time by a written withdrawal provably delivered to the address of the Bank, listed on the Homepage of the Bank, or by personal delivery of the written withdrawal to the Bank's Point of Sale.
- 3.8.2. The provision of the Client's personal data to the Administrator shall be voluntary. However, due to the fact that the Administrator is obliged to secure and process the Client's personal data for banking business to be done without undue legal and material risks to the Bank, their provision is a necessary condition for making a banking deal or provision of Banking Service. The Client acknowledges that withdrawal of any Consent in this document may prevent the Bank from provision of some of the Banking Services and may be considered a breach of commitments or obligations of the Client to the Bank in connection with a Banking Service.

4. LIABILITY OF BANK

- 4.1. The Bank shall be liable to the Client for any damage the Client suffers as a result of breach of obligations of the Bank arising from general law or a contractual provision with the Client excluding situations described further herein.

- 4.2. If the Client's actions contributed to damage (e.g. by breach of the Client's obligation under the Agreement), the Bank shall not be liable for the damage to the extent corresponding to the Client's involvement.
- 4.3. If the Bank fulfils its contractual obligations in accordance with the Client's instructions, giving an instruction obtained from the Client to a third party to be fulfilled by this third party in its own name on behalf of the Client, the Bank shall be liable for the damage incurred in connection with actions of such third party to the Client if the Bank did not choose the third party with due care. If the Client chose the third party, the Bank shall not bear any liability.
- 4.4. The Bank's liability for damage shall not arise if it resulted from a circumstance excluding liability pursuant to § 374 of the Commercial Code. Circumstance excluding liability is also an unexpected development in financial markets, defective means of remote communication used by the Client or the Bank (e.g. defective internet connection or software), and failure of any other technological means not caused by the Bank.
- 4.5. The Bank is entitled to refuse provision of a Banking Service if such provision may result in a conflict of interest between the Bank and the Client or between various Clients of the Bank, a breach of legal obligation of the Bank to act prudently or any other breach of general law.
- 4.6. The Bank is entitled to postpone provision of a Banking Service for the time which is necessary to verify data and facts listed in documents submitted by the Client for this purpose.
- 4.7. The Bank shall be liable to the Client for damage resulting from a breach of obligations of the Bank arising from the general law or a contractual provision with the Client. If the Client's actions contributed to damage (e.g. due to failure to provide necessary cooperation), the Bank shall not be liable for the damage to the extent corresponding to the Client's involvement. The Bank shall also not be liable for damage to the extent to which it was not foreseeable, and it holds true that unforeseeable damage is the Client's lost profit or damage which has not directly resulted from a breach of legal obligation of the Bank (consequent damage).
- 4.8. The Bank's liability for damage shall not arise if it resulted from a circumstance which occurred independently of the Bank's will, preventing the Bank from fulfilment of the Bank's obligations, and it cannot be reasonably assumed that the Bank could have foreseen or prevented the circumstance at the time the obligation arose. Such circumstance is also an unexpected development in financial markets, defective means of remote communication used by the Client or the Bank (e.g. defective internet connection or software), and failure of any other technological means not caused by the Bank.
- 4.9. The Bank shall not be liable for any damage to the Client resulting from execution of an instruction submitted by the Client or in connection with acting with confidence in another Client's notice. The Client shall indemnify the Bank for any damage, liability, raised claim or costs (including costs of legal assistance) incurred to the Bank as a result of the Bank's due conduct based on the Client's instruction.
- 4.10. Unless expressly stipulated otherwise, the Bank shall not be liable for any loss incurred to the Client due to movement of exchange rates and interest rates during provision of banking products and services.
- 4.11. The Bank shall not be liable for any loss, damage, cost or expenses incurred to the Client as a result of the fact that the Bank fulfils the instruction submitted using the Client's access features (regardless of the fact whether the instruction was submitted by the Client themselves or whether it was submitted with the Client's consent or authorization or without such consent or authorization). The Client shall indemnify the Bank for any loss, damage, costs, expenses, and fees (including costs of legal representation to the full extent) incurred to the Bank in connection with such instruction; this does not apply to Payment Orders.
- 4.12. If the Bank acts according to an instruction whose nature typically requires that the Bank use services of a third party upon its fulfilment, the Bank shall be liable for damage incurred as a result of such action of the third party to the Client if the Bank did not proceed with due care upon selection of the third party; if the Client chose the third party, the Bank shall bear no liability for the damage incurred. To contribute to a better position of the Client upon recovering damage from the third party, the Bank shall in such a case assign relevant rights towards the third party to the Client.
- 4.13. The Bank shall not be obliged to inform the Client about usual risks connected to the requested banking service or banking product (e.g. about risk of loss) or any other facts which may be relevant for the Client's decision on if or how to request the respective service or product beyond the obligations of the Bank to provide information pursuant to general law and obligations expressly entered into by the Bank in a contract.
- 4.14. Should the Bank find out that any notification or confirmation delivered to the Client was incorrect on its issuance date, the Bank shall inform the Client thereof without undue delay; should this occur after the deadline for information provision to the Client, the Client is entitled to request that such incorrectness be documented by the Bank.

5. ACTIONS OF CLIENT, REPRESENTATION, SIGNING

- 5.1. The Client shall act in relation to the Bank in person or through a Representative or an individual other than the Client and to be duly defined by the Client.
- 5.2. The Representative is obliged to prove their authority to act for the Client by presenting the original power of attorney with

a notarized signature of the Client, a court decision or another document which the Bank considers sufficient; it also applies in relation to the Client's husband/wife.

- 5.3. Power of attorney for the purpose of acting for the Client with the Bank must be individual, written, sufficiently specific, and personally signed by the Client. Signature of the Client or individuals who act on the Client's behalf on the power of attorney shall be notarized or verified by other usual means (e.g. by a Bank employee when requesting a Banking Service). If the power of attorney fails to meet these requirements or if the Bank doubts the existence, authenticity or validity of the power of attorney, the Bank shall be entitled to reject such power of attorney.
- 5.4. If the Representative demonstrated their authority to the Bank to represent the Client, the Bank shall be relieved of any of its obligations to the Client also to perform to the Representative on the Client's account, if the performance corresponds to the extent of their authority; in case of doubt it is assumed that the authority applies to all Banking Services.
- 5.5. The Client is entitled to revoke or change the authority of the Representative at any time. The Client shall immediately inform the Bank about such step by a written notice. The revocation or change to the scope of authority to the Bank shall become effective when the Bank reliably finds out about such change.
- 5.6. If an Agreement is concluded between the Bank and more individuals on the part of Client or collateral provider, and unless expressly stated otherwise in the Agreement, these individuals shall be jointly and severally bound by and entitled under the Agreement. In this case, the Bank shall be also relieved of its obligation to perform if the performance is provided to its full extent to any of these individuals, even if it is a divisible performance; this also applies in relation to any other obligation of the Bank (e.g. notification obligation). The jointly obliged individuals undertake to inform each other without undue delay about all facts relevant for the contractual relationship with the Bank.
- 5.7. The Bank may always require that the signature of the Client or their Representative, which was not made in the presence of a Bank employee, be notarized.
- 5.8. If the Bank concludes an Agreement with the Client using remote communication, the Client shall express the Client's will to conclude this Agreement by means of Authorization under Article 14.3 of T&C. For the purposes of this method of Agreement conclusion the Client expressly agrees with the method of the Client's Authentication and Authorization set out in Article 14.3 herein.

6. COOPERATION OF CLIENT

- 6.1. The Client or their Representative are obliged to prove their identity (if an individual) or provide additional information and documents before conclusion of the Agreement with the Bank and over the duration of the Agreement at any time upon the Bank's request according to the Bank's requirements set out in particular in accordance with Act No. 253/2008 Coll., on Some Measures against Money Laundering and Terrorist Financing. The Bank may in particular request submission of a valid identity card and proof of origin and source of funds or proof of purpose and nature of a transaction to be undertaken or planned.
- 6.2. The Client is obliged to notify the Bank without undue delay of the following facts:
 - (a) Any change of the Client's name, permanent residence or other data provided to the Bank in connection with the Agreement or any change to it or upon provision of any Banking Service;
 - (b) Termination or change of Representative or any authority granted by the Client which may be applied when dealing with the Bank; this obligation also applies to the authority to act on behalf of the Client which has not been entered in the Commercial Register, another public register or a similar foreign register yet;
 - (c) Any facts and changes which may be reasonably assumed to have a significant impact on Banking Services (e.g. loss or theft of personal documents, Means of Payment etc.);
 - (d) Any events or changes which may be reasonably presumed to adversely affect the Client's ability to fulfil obligations to the Bank (e.g. existence of the Client's accounts payable, insolvency proceedings etc.);
 - (e) Any fact which would result in the Client having a special relationship with the Bank pursuant to the Banking Law.
- 6.3. The Client shall always without undue delay become familiar with the contents of each message delivered to the Client by the Bank (including messages sent by Direct Banking Service). In case of bank statements, credit account statements, payment confirmations, and similar messages, the Client shall check the information contained therein as to their correctness and completeness, and shall immediately notify the Bank of identified inconsistencies. The Client shall also notify the Bank without undue delay if a regular Account statement or other similar periodic communication were not delivered within the usual period.
- 6.3.1. The Client is obliged to properly archive all documents, data media and means of communication provided by the Bank, and handle them with due care. If the Client finds an extraordinary event such as loss, theft or abuse of documents, data media or means of communication or their unauthorized use, the Client is obliged to immediately inform the Bank thereof in writing. The Client shall be liable for damage and all other consequences resulting from the unauthorized use of documents, data media or means of communication until the Business Day following the day on which the Bank receives a notification thereof from the Client. The Client shall by no means modify any documents of the Bank provided to the Client electronically without the Bank's consent (except for filling of requested data in specified parts of documents).

7. MUTUAL COMMUNICATION

- 7.1. All instructions, orders and notifications (messages) addressed by the Client to the Bank shall be legible, clearly stating their contents. If the Bank settled specific requirements for certain messages with the Client, these requirements shall be met.
- 7.2. The Client and the Bank shall use the following means of communication for mutual communication: mail delivered by postal service providers, personal delivery, fax, SWIFT, and Direct Banking and Client Centre Services; the Bank shall also use courier services. In the Agreement with the Bank the Client may agree on the use of other appropriate means of communication.
- 7.3. The Bank shall communicate with the Client also by electronic means (including telephone and SMS) to the extent and in the manner specified in the Agreement. To facilitate mutual communication, especially in relation to the provision of information concerning in particular the Client's account balance and Client's liabilities to the Bank, the Bank may request that the Client use authentication features to authenticate the Client (e.g. password, electronic certificate, PIN etc.). Authentication features shall be assigned and subsequently set by the Client using Direct Banking Services. The Client is responsible for protection of authentication features. The Bank shall not be liable for any loss or damage resulting from abuse of assigned authentication features. The Client acknowledges that the communication between the Bank and the Client is not encrypted or otherwise secured against disclosure to third parties, unless stated otherwise in the Agreement. The Client acknowledges and agrees that the Bank shall not be liable and shall not assume liability for any damage incurred as a result of unauthorized access to electronic communications by third parties.
- 7.4. Unless expressly agreed otherwise by the Client and the Bank, the Bank and the Client shall communicate in Czech. In justified cases, the Bank may agree to communicate in another language without prior agreement, but always only to the extent set by the Bank.
- 7.5. The Bank is entitled to request that communications provided by the Client in another form than in writing be confirmed in writing to the Bank to the address specified in Article 8.2 within an additional period. If the Client fails to send a written confirmation to the Bank, the Bank is not obliged to proceed in accordance with such notice.
- 7.6. If a communication provided by the Client fails to meet the requirements for its form or contents stated in the Agreement, the Bank shall not be obliged to proceed in accordance with such communication and may address the Client requesting a proper confirmation or provision of additional information instead; the Bank shall not be liable for damage resulting from the delay occurred hereby.
- 7.7. The Client expressly agrees that the Bank is entitled to contact the Client by telephone from 8 a.m. to 10 p.m. The Client further agrees that the Bank is entitled to record any communication between the Bank and the Client using any available technological means. The Client also agrees that the Bank archive all records of communication made by the Bank for a reasonable period of time, but at least for the duration of any Agreement between the Client and the Bank. The Client further agrees that the Bank record communication with the Client even without prior notice. The Bank is obliged to protect the recorded data against abuse.

8. DELIVERY

8.1. Delivery to the Client

- 8.1.1. The Bank shall send all notices and documents via Direct Banking Service or to the address of the Client provided in the respective Agreement (or the address subsequently notified by the Client in accordance with paragraph 8.1.2).
- 8.1.2. The Client may agree with the Bank that the Bank's notices and other documents be sent to the Client to an address different from the address specified in the Agreement. If the Client fails to take over the documents at these addresses, the Bank is entitled to use the address specified in the Agreement or another address of the Client available to the Bank for the delivery.
- 8.1.3. When generally common, the Bank is entitled to replace the signature of individuals authorized to act for the Bank by mechanical means, especially in case of a mass correspondence with Clients or in case of correspondence which is automatically generated by the Bank (e.g. Account statements, Card statements, reminders, notices of failure to conduct order, calls for the Client).
- 8.1.4. The Bank is entitled to send notices and documents to the Client also by fax, e-mail or other technological means.

8.2. Delivery to the Bank

- 8.2.1. The Client shall send the Bank all notices and documents in a provable manner by registered mail to the address of the Bank specified on the Homepage of the Bank or by e-mail or by personal delivery to the Point of Sale of the Bank, unless specified otherwise in the Agreement.

8.3. Moment of Delivery

- 8.3.1. Shipments are deemed to be delivered when the addressee may dispose of them:
- (a) Unless the contrary is proven or agreed otherwise, written communications in paper form delivered by postal services licence holder (post office) shall be deemed delivered on the third Business Day after the dispatch date in case of a domestic shipment, on the tenth Business Day after the dispatch date in case of a shipment to European states, on

the fifteenth Business Day after the dispatch date in case of a shipment to non-European countries; this also applies to shipments which are returned as undeliverable;

- (b) Unless the contrary is proven or agreed otherwise, written communications in paper form delivered by another carrier (courier service) or employee of the Bank shall be deemed delivered at the moment of acceptance or unjustified rejection of the shipment;
- (c) If delivery to the Point of Sale was agreed with the Client, the mail shall be deemed delivered at the moment of its deposition at the Point of Sale;
- (d) A communication of the Bank sent electronically by the Direct Banking Service shall be considered delivered upon insertion of the message into the inbox of the Client intended for communication;
- (e) A communication of the Bank sent by SMS or another data message shall be deemed delivered upon receipt of notification that such message was accepted, generated by a communication services device or provider of the recipient.

8.3.2. For the sake of communication with the Bank, the Client is obliged to secure a full functionality of all technological means of communication and e-mail addresses as well as visibly highlight their name in the mailing address for the whole duration of the Agreement.

9. SUBMISSION AND STORAGE OF DOCUMENTS

- 9.1. Where the Agreement, Contractual Document, T&C, PTC, Terms and Conditions of Payment Services or another arrangements between the Bank and the Client request that the Client submit a certain document to the Bank, the Bank shall not be obliged to accept a document in another than the Czech language, unless agreed otherwise in the Agreement. In other cases, the Bank is entitled to request that, upon submission of a document in another than the Czech language, the Client also submit a certified translation of such document into Czech.
- 9.2. The Bank is furthermore entitled to request that any copy of the original document submitted to the Bank along with its original be notarized.
- 9.3. The Bank reserves the right to make copies of the submitted documents for its own needs in accordance with general law and store them in accordance with general law.
- 9.4. If the Client submits to the Bank any documents issued abroad, the Bank reserves the right to request that these documents be provided with a higher authentication (superlegalization) or Apostille (under the Hague Convention Abolishing the Requirement of Legalisation for Foreign Public Documents, 1961), and/or be officially translated into Czech at the expense of the Client.
- 9.5. In case of doubt, the Client and the Bank shall assume that records and documents held by the Bank and generated in usual operation upon provision of Banking Services are crucial for determination of mutual rights and obligations and have a decisive evidentiary value; this does not apply if their inaccuracy was clearly proven to the Bank.
- 9.6. The Bank is entitled (but not obliged) upon its discretion to record or otherwise take down all the Client's instructions. The Client agrees that the Bank is entitled to use these records or transcripts made for whichever reason by the Bank, including their transcripts, for purposes deemed appropriate, also as evidence in proceedings against the Client or any other individual.

10. SET-OFF AND LIMITATION OF RIGHTS

- 10.1. The Client hereby agrees that the Bank is entitled to set off its due and undue receivables from the Client at any time, regardless of the currency in which they are denominated and the legal relationship from which they arise, against any claims of the Client to the Bank, whether they are due or not, maintained by the Bank on any of the Accounts of the Client. The Bank shall notify the Client about such action in due course. Unless expressly agreed otherwise, the Client is not entitled to unilaterally set off the Client's receivables from the Bank against any of the Client's due amounts to the Bank.
- 10.2. The Client and the Bank shall extend the limitation period in which they are entitled to mutually set off claims arising from the Agreement, T&C, PTC, Terms and Conditions of Payment Services or another arrangement between the Client and the Bank to a cumulative period of ten years from the beginning of the limitation period. The extended limitation period always refers to each individual case.

11. FEES AND EXPENSES

- 11.1. The Client is obliged to pay Fees for Banking Services subject to a fee according to Price Lists effective on the day of provision of a Banking Service, unless the Price List or Agreement define another effective day for setting the Fee and other contractual fees.
- 11.2. In addition to Fees the Client is also obliged to pay to the Bank:
 - (a) Costs of Assessment,
 - (b) All costs and expenses incurred in connection with any breach of obligation arising from the Agreement on the part of individuals other than the Bank and/or
 - (c) Any extraordinary costs and expenses reasonably generated to the Bank in connection with provision of a Banking Service and incurred by the Client.

12. INTEREST RATES

- 12.1. The Bank shall announce the actual interest rates by publishing the Interest Rate List. The Bank is entitled to unilaterally change the announced interest rates reflecting the development on financial markets and with regard to its business policy. The change of interest rates becomes effective on the date published in the Interest Rate List. Unless stated otherwise, the newly published Interest Rate List shall replace all the previously published. The Bank shall notify the Client of changes to interest rates in due course.
- 12.2. If the Client defaults in any regular due payments to the Bank, the Client shall pay a default interest in the amount set in the Price List, otherwise in the amount under the general law.
- 12.3. The Bank's calculation of interests is based on the calendar year assuming a convention of three hundred sixty-five (365) days and the actual number of days. For some of the asset products or deposit products, the interest is calculated based on the convention of calendar year of three hundred sixty (360) days or the number of days in a month – thirty (30) – and the number of months in a year – twelve (12).
- 12.4. Unless stipulated otherwise in the Agreement, the interest is continuously calculated by the Bank and credited at the end of the respective interest period.

13. CURRENCY RATES

- 13.1. Currency exchange rates are made available to Clients in the Exchange Rate List. The Client shall be informed about the exchange rate also on the Account statement. The Bank shall unilaterally set the amount and changes of exchange rates without prior notice to the Client reflecting the situation on financial markets. Unless agreed otherwise, the following rules shall apply for conversion:
- (a) For a conversion from a foreign currency into the Czech currency, the Bank shall use its "FX non-cash buy" spot rate;
 - (b) For a conversion from the Czech currency into a foreign currency, the Bank shall use its "FX non-cash sell" spot rate;
 - (c) For a conversion of funds from a foreign currency into another (buy or sell cash/non-cash foreign currency), the Bank shall use its spot exchange rates for currencies defined in provisions a) and b) hereof or an individual rate;
 - (d) Spot rate is a rate specified in the Bank's Exchange Rate List effective at the time of Payment Transaction;
 - (e) Rules for a Payment Transaction using a Card are defined in the PTC;
 - (f) An individual rate may be arranged with the Bank for higher amounts to be converted using the above mentioned conversion methods. This rate shall be based on current market conditions for the respective currency in financial markets where the currency is quoted.

14. DIRECT BANKING SERVICES

14.1. GENERAL PROVISIONS

- 14.1.1. Direct Banking Services have been established and are provided under the Agreement concluded between the Bank and the Client.
- 14.1.2. The Client shall pay Fees for the usage of Direct Banking Services according to the Price List. Fees for the use of Direct Banking Services shall be charged by the Bank against a current Account in CZK or another Account opened by the Client at the Bank if the Client has not opened a current Account in CZK.
- 14.1.3. Direct Banking Services may be requested only by the Client.
- 14.1.4. The Direct Banking Service shall be automatically cancelled or blocked in case of Agreement termination, cancellation of access or blocking of Direct Banking Services of the Client.
- 14.1.5. Upon provision of Direct Banking Services, the Bank shall proceed in accordance with relevant legislation, in particular the Payment Services Act. All matters not stipulated by the Agreement, T&C, PTC, and Terms and Conditions of Payment Services shall be governed by the provisions of this Act.

14.2. USE OF DIRECT BANKING SERVICES

- 14.2.1. Direct Banking Services are available to Clients 24 hours a day, 7 days a week. The Bank reserves the right to block access to the Direct Banking Services or modify or suspend the provision of Direct Banking Services for the period strictly necessary, if needed especially for security or technical reasons. The Bank is also authorized to suspend the provision of Direct Banking Services in the event of insolvency proceedings relating to the assets of the Client, indefinitely for the duration of the insolvency proceedings.
- 14.2.2. The language used for the operation of Direct Banking Services shall be Czech or English, based on the Client's request.
- 14.2.3. To grant a safe access to Direct Banking Services, the Bank shall use in particular identity verification of every Client by means

of Client's signature to ensure data consistency. The Bank shall furthermore evaluate in particular the access of each Client to the Direct Banking Services.

- 14.2.4. The Client is obliged to authorize some instructions using a one-off Authorization SMS Code, generated by the Bank upon the Client's request. The Authorization SMS Code has limited time validity and is bound to a Client specific mobile phone number.
- 14.2.5. The Client acknowledges and agrees that Authorization SMS Codes be sent as regular unencrypted SMS messages.
- 14.2.6. The Bank shall not be liable for cases in which Direct Banking Services cannot be used for reasons beyond the control of the Bank or its partners (e.g. due to interruption of power supply, disconnection of the Bank from the public internet network, failures on the part of mobile provider, strike etc.).
- 14.2.7. Electronic communications networks used for communication between the Bank and the Client under these T&C are not directly controlled by the Bank. The Bank shall not be liable for damage caused to the Client by their potential abuse. Protection of these networks and credibility of messages sent thereby shall be safeguarded by relevant providers of electronic communications (especially pursuant to Act No. 127/2005 Coll., on Electronic Communications, as amended).
- 14.2.8. The Bank shall establish a point of customer support for Clients (hereinafter "Client Centre") which may be contacted by telephone or e-mail. Current contacts are listed on the Bank's Homepage.
- 14.2.9. The language used in the Client Centre shall be Czech or English, based on the Client's request.
- 14.2.10. The Bank is obliged to ensure provision of Direct Banking Services in accordance with the Agreement and wording of the T&C. The Bank undertakes to provide the Client with personalized security features in a way that this data may only be used by the respective Client.
- 14.2.11. Means of communication for Direct Banking Services pursuant to the T&C are:
- Signature,
 - Personal computer meeting minimum technical requirements specified in the Direct Banking Services Handbook and on the Bank's Homepage,
 - Mobile phone activated in the network of any provider in the Czech Republic.
- 14.2.12. The Client is obliged to use Direct Banking Services in accordance with the Agreement, Direct Banking Services Handbook, and any other instructions of the Bank. The Bank shall be responsible for the functionality of Direct Banking Services assumed that the Agreement, Terms and Conditions of Payment Services, Direct Banking Services Handbook, and any other instructions of the Bank are complied with.
- 14.2.13. The Client is obliged to continuously check whether notifications of executed instructions entered by means of Direct Banking Services are identical with the orders entered and whether the orders entered were executed or rejected by the Bank.
- 14.2.14. The Client is obliged to immediately notify the Bank of any inconsistencies and defects in payment execution. Late notification may result in a denial of Client's claim for indemnity.
- 14.2.15. The Client is obliged to immediately inform the Bank in case of any suspected programming error of Direct Banking Services or error, loss, theft or abuse with respect to personalized security features of the Direct Banking Services (e.g. destruction, loss, theft of a mobile phone) and/or with respect to sending or receiving Payment Transactions. The Client shall make such notification at the Bank's Point of Sale and/or using the Client Centre. The Bank is entitled to block the usage of Direct Banking Services after any such notice. The Client is further obliged to effectively cooperate with the Bank upon implementation of corrective measures proposed by the Bank.
- 14.2.16. The Bank shall be responsible only for the data received and confirmed by the Bank. The Bank shall not be liable for any damage caused by incorrect or duplicate data entry (instructions to execute a Payment Transaction).
- 14.2.17. All information about the Direct Banking system and Direct Banking Services and their usage is confidential. The Client undertakes not to use it in conflict with the purpose for which it was provided.
- 14.2.18. The Client is obliged to protect the personalized security features of Direct Banking Services (in particular the Client Identification Number, Access Password for Direct Banking, and SMS Authorization Code) from loss, theft or abuse.
- 14.2.19. The Client shall further take all other measures to avoid abuse of Direct Banking Services.
- 14.3. AUTHORIZATION AND AUTHENTICATION OF CLIENT IN DIRECT BANKING SERVICES**
- 14.3.1. Authentication is a clear verification and confirmation of the Client's identity in Direct Banking Services. The Authentication differs depending on whether the Client uses Internet Banking (hereinafter "IB"), Telephone Banking (hereinafter "TB") or Mobile Banking (hereinafter "MB") or whether the Client uses IB at a Point of Sale.
- 14.3.2. To authenticate access to IB, the Bank requests entry of the User number and Password to access IB or one-off Authorization SMS Code. The Client is entitled to change their Username and Password in IB.

- 14.3.3. To authenticate access to TB, the Bank requests entry of the Identification Number (ID) and selected positions of Password to access TB or answering of control questions. To be able to fully use TB, the Client is obliged to enable Account Usage through IB in accordance with respective provisions of PTC.
- 14.3.4. To authenticate access to MB, the Bank requests entry of a User number and Password to access MB.
- 14.3.5. Authorization means consent of the Client with the transaction entered in IB, MB or TB. The Client's transaction and its Authorization are archived by the Bank.
- 14.3.6. Authorization in IB is done by entering the Authorization SMS and/or confirmation of the transaction by pressing "Yes"/"I agree".
- 14.3.7. Authorization in TB is done by entering the confirmation PIN code to be set in IB by the Client.
- 14.3.8. Authorization in MB is done by entering the confirmation PIN code.
- 14.3.9. Authorization at a Point of Sale is done by entering the Authorization SMS.

15. DEBITING AND CREDITING OF FUNDS

15.1. Execution of Payments

- 15.1.1. The Bank's obligation to make any payment to the Client shall be met by crediting the respective amount to the Client's Account maintained by the Bank, unless expressly agreed otherwise in the Agreement.
- 15.1.2. The Client's obligation to make any payments to the Bank shall be met by debiting the respective amount of funds from the Client's Account maintained by the Bank, unless expressly agreed otherwise in the Agreement.
- 15.1.3. Unless agreed otherwise in the Agreement, the Bank shall credit/debit amounts to/from the Client's account also on days other than Business Days. The Client is obliged to ensure that the Account has a sufficient balance for payment of debt (if applicable) as of the due date, assumed the debt is to be paid by debiting from the Client's Account.

15.2. No Deductions

- 15.2.1. The Client shall make all payments in full and without any deductions (including tax deductions) pursuant to the Agreement, unless such deductions are required under general law. If the Client makes any deduction due to such legal obligation, the Client's debt shall increase for the Bank to receive an amount equalling to the original value, thus excluding the impact of tax deduction.
- 15.2.2. All payments to be made to the Bank by the Client pursuant to the Agreement are VAT free. If the Bank is obliged to pay VAT in connection with any payment under the Agreement (including payments designed to compensate costs or damage incurred to the Bank), the Client shall be obliged to make the respective payment to the Bank along with a corresponding VAT amount.
- 15.2.3. As a taxpayer, the Bank shall make tax deductions (including tax deductions from interest income from Banking Services) in accordance with applicable laws and other general law applicable in the Czech Republic, except where the relevant international treaty on avoidance of double taxation states otherwise.

15.3. Sequence of Claim Settlement

- 15.3.1. If the Bank has more due receivables to the Client, the funds which the Bank shall receive or collect from the Client or any third party or which the Bank shall receive as proceeds from a collateral shall be used to cover due receivables of the Bank to the Client in the manner and order specified by the Bank.

16. OTHER RIGHTS OF THE BANK

- 16.1. With regard to its legal obligation to proceed with caution upon provision of Banking Services, the Bank is authorized to conduct an Evaluation before conclusion of the Agreement as well as at any time during the contractual relationship. The Client undertakes to provide the Bank with all the assistance, which will be required, especially to communicate information and provide documents required by the Bank or otherwise make necessary information and documents accessible to the Bank.
- 16.2. The provision of certain Banking Services, their extent or other conditions of mutual obligations between the Bank and the Client may be conditioned by a certain amount of Credit Income of one or more accounts of the Client maintained by the Bank. If this condition is not met, the Bank shall be entitled to limit or stop provision of relevant Banking Services.
- 16.3. The Client agrees that the Bank is entitled in the event of a dispute with the Client to use any records, recordings, and copies of documents made in accordance with the Agreement as evidence.

17. EVENTS OF INFRINGEMENT AND CONSEQUENCES OF EVENTS OF INFRINGEMENT

- 17.1. In the Event of Infringement, the Bank, unless it decides to use its authority to withdraw from the Agreement or prior to such step, shall be entitled to:
- (a) Suspend or limit provision of Banking Services to the Client until the remedy of Event of Infringement and/or consequences arising from such infringement, or
 - (b) Impose a corrective measure to be taken by the Client.

17.2. Events of Infringement

An Event of Infringement is when:

- (a) The Client and/or any member of the Client's Group breach their obligations under any Agreement;
- (b) The Client and/or any member of the Client's Group are in default with fulfilling any (financial or non-financial) obligation to the Bank or a third party, including another member of the Client's Group;
- (c) If it appears that a declaration or guarantee of the Client and/or any member of the Client's Group to the Bank was false, incorrect or substantially incomplete at a time when it was made;
- (d) Funds provided by the Bank are or were used by the Client or a third party contrary to the purpose or manner agreed in the Agreement;
- (e) The Client and/or any member of the Client's Group failed to provide the Bank with assistance in Evaluation or inspection;
- (f) The Client and/or any member of the Client's Group failed to provide or complement the required collateral or otherwise failed to fulfil conditions of a collateral agreed in the Agreement;
- (g) The Client failed to meet Corrective Measures or failed to fulfil obligations contained in the adopted Corrective Measure properly and on time;
- (h) The Client failed to fulfil a notification obligation which the Client had to the Bank based on any Agreement or other arrangements or general law, or failed to prove the source of funds or the purpose of a payment transaction;
- (i) Mutual trust between the Bank and the Client has been substantially undermined as a result of actions of the Client and/or any member of the Client's Group;
- (j) The Client and/or any member of the Client's Group is bankrupt or close to bankruptcy or steps were taken to initiate insolvency proceedings or to initiate liquidation or an event occurred which would have an effect similar to the effect of any event mentioned in this article according to foreign law, if this law applies to the assessment of the respective event;
- (k) The Client and/or any member of the Client's Group announced an intention to stop fulfilment of any of their obligations or entered into negotiations with their creditor or creditors regarding postponement of maturity of any of their liabilities;
- (l) Provision of any Banking Service to the Client and/or any member of the Client's Group is in conflict with applicable law or regulatory rules binding for the Bank.

18. FINAL PROVISIONS

- 18.1. The Bank holds a banking license pursuant to the Banking Act which was issued by the Czech National Bank. Activities of the Bank are subject to supervision of the Czech National Bank with its registered seat in Na Příkopě 28, 115 03 Prague 1.
- 18.2. If the T&C, PTC or Terms and Conditions of Payment Services impose a duty on the Bank to publish notifications, other communications or documents, the Bank shall publish them on the Homepage of the Bank, unless expressly agreed otherwise.
- 18.3. The Bank shall provide the full range of Banking Services on Business Days. The Bank may take into account local practices to determine some other days on which the Bank shall not provide Banking Services or shall, on the contrary, provide Banking Services beyond the standard period of time.
- 18.4. If the T&C, PTC, Contractual Document or any other document are, besides the Czech version, drawn up in another language version or bilingually, the Czech version shall prevail.
- 18.5. If any provision of the Agreement becomes invalid, ineffective or unenforceable in any respect under the current legislation, this shall be without prejudice to the validity, effectiveness, enforceability or legal soundness of the remaining provisions. For these cases, the Bank and the Client shall undertake without undue delay to replace such invalid, ineffective or unenforceable provision with a valid, effective and enforceable provision which most closely matches the intent and purpose of the original provision.
- 18.6. All information intended for the Client concerning Banking Services, including current versions of the T&C, PTC or Terms and Conditions of Payment Services, and Price List shall be made available in public areas of the Points of Sale, on the Homepage of the Bank or in another appropriate manner.
- 18.7. Legal relationships concerning the provision of Banking Services shall be governed by the legal order of the Czech Republic.
- 18.8. Any disputes between the Client and the Bank regarding Banking Services shall be resolved by the competent courts of the Czech Republic.

- 18.9. In the event of a dispute between the Client and the Bank
- (a) Upon provision of payment services, or
 - (b) Upon offer, provision or brokering of a consumer credit in accordance with Act No. 145/2010 Coll., on Consumer Credit, the Client shall be entitled to contact the Financial Arbiter (acting pursuant to the Act on Financial Arbiter) with a proposal of dispute resolution.
- 18.10. The Client may also complain about Banking Services to the Czech National Bank.
- 18.11. The T&C shall become effective as of 1st January 2013.

19. DEFINITION OF TERMS

Capitalized terms shall have the following meaning, unless specified otherwise in the T&C:

Account – means any account of the Client opened and maintained by the Bank based on the Agreement.

Act on Banks – means Act No. 21/1992 Coll., on Banks, as amended.

Act on Financial Arbiter – means Act No. 229/2002 Coll., on Financial Arbiter, as amended.

Adjusted Credit Turnover – means a sum of amounts credited to a Current Account for every calendar month, whose minimum amount is agreed and/or published; the calculation of the amount excludes transfers from any other Account of the Client including Savings Accounts, transfers from internal Bank accounts, credit interest income from funds on the Client's Accounts maintained by the Bank, cash deposits and withdrawals in a similar amount, and transfers from other accounts of the Client's Group, which the Client shall communicate to the Bank based on the Client's specific notification obligation or which shall be identified as accounts of the Client's Group in an Evaluation or inspection of conditions, unless provided otherwise in a decision to be published by the Bank.

Agreement – means an agreement on provision of a certain Banking Service concluded between the Bank and the Client or an agreement securing receivables from Banking Services concluded by the Bank and collateral provider; reference to the Agreement means a reference to the contents of contractual relationship, including provisions of relevant business terms and conditions (T&C, PTC, Terms and Conditions of Payment Services) and Price Lists.

Application – means a document containing the data required by the Bank which was generated (a) by the Client having filled it in and sent it from the Homepage of the Bank, (b) as an output of a telephone call of the Client with the Bank or with an Authorized Company during which the Client provided the necessary data, (c) by entering necessary data which the Client provided to the Representative of the Bank, (d) by means of a request entered into Direct Banking Service.

Authorization SMS Code – means a set of authorization numbers used by the Client to authorize instructions. The Authorization SMS Code is sent as a text SMS to the Client's mobile phone number.

Bank – means Equa bank a.s., ID: 471 16 102, with its registered seat in Prague 8, Karolinska 661/4, Postal Code 186 00, entered in the Commercial Register administered by the Municipal Court in Prague, Section B, Insert 1830.

Banking Services – mean all banking services and products provided to the Client by the Bank.

Bank's Group – means a group of legal entities formed by Equa bank a.s. as well as all legal entities which are directly or indirectly controlled by Equa bank.

Business Day – means any day on which Points of Sale are open and intra-bank or interbank transactions are settled; for payments in a currency other than Czech crowns this is any day on which banks are open and foreign exchange transactions are settled in the Czech Republic and the main financial centre for the currency in which payments are made. A financial centre is a place where interest rates of the respective currency are quoted and payments in such currency are settled.

Civil Code – means Act No. 40/1964 Coll., the Civil Code, as amended.

Client – means an individual who enters into trade negotiations with the Bank for the sake of provision of a Banking Service or a Payment Service or an individual who entered into the Agreement regardless of the fact whether the respective individual was designated as a Client or otherwise in the relevant Agreement; for the avoidance of doubt, the Client is also an individual with an access right to the Client's Account – Authorized person or another Card Holder.

Client Centre – means a dedicated telephone number which may be used to set up other products or change parameters of the actual Agreement, conduct Payment Transactions, fulfil other Client's requests or report loss, theft or abuse of the Card; the telephone number is listed on the Homepage of the Bank and on the rear side of the Card.

Client's Group – means a group consisting of individuals who are controlled by the Client, who control the Client or are controlled along with the Client by third parties, and any guarantor, aval or an individual providing another collateral for Client's liabilities as well as individuals controlled by this guarantor or individual providing a collateral who control this guarantor or an individual providing a collateral or who are along with this guarantor or individual providing a collateral controlled by third parties, in all mentioned cases, both directly and

indirectly, and furthermore by individuals closely related to the Client or the Client's guarantors or individuals providing a collateral pursuant to § 116 of the Civil Code or another provision replacing the quoted provision, and individuals who are controlled by any individual closely related to the Client or the Client's guarantor or an individual providing a collateral.

Commercial Code – means Act No. 513/1991 Coll., the Commercial Code, as amended.

Consent – means a voluntary Consent of the Client to the collection and processing of personal data of the Client in accordance with Act No. 101/2000 Coll., on Personal Data Protection and Amendments to Some Acts, granted to the Bank to provide Banking Services. Based on the Consent, the Bank is also entitled to put queries to respective loan registries in order to verify the creditworthiness of the Client and is also authorized to inform the Client about the Banking Services offered by electronic means of communication.

Contractual Document – means provisions containing an adjustment of contractual obligations which are arranged for the specific Agreement (e.g. they are not included in the T&C, PTC or the Price List).

Corrective Measure – means an instruction of the Bank to the Client to adopt a measure which eliminates or mitigates consequences of an Event of Infringement.

Credit Income – means a sum of amounts credited to an Account maintained for the Client by the Bank for every calendar month; the calculation of the amount excludes transfers from any other Account of the Client maintained by the Bank including term deposit, transfers from internal accounts of the Bank, and credit interest income from funds on the Client's Accounts maintained by the Bank, unless provided otherwise in a decision to be published by the Bank.

Direct Banking – Direct Banking Services are mainly Internet, Mobile, and Telephone Banking.

Direct Banking Services Handbook – means a handbook of the Bank for Direct Banking Services, which is available on the Homepage of the Bank.

Distance Agreement – an agreement concluded by means of Direct Banking Services.

Evaluation – means an evaluation of the Client or any members of the Client's Group made by the Bank in terms of the Client's ability to pay all Bank's receivables, which were or may be incurred to the Bank by the Client or by the members of Client's Group in connection with the conclusion of any Agreement, and also an evaluation of the extent and value of a collateral used for receivables from Banking Services, including an evaluation of individuals providing such collateral in terms of their potential ability to meet obligations arising from such liability.

Events of Infringement – are facts constituting withdrawal from the Agreement by the Bank pursuant to paragraph 17.2 of the T&C; their scope may be further expanded by the Product Terms and Conditions or a Contractual Document.

Exchange Rate List – means an overview of exchange rates used by the Bank, published on the Homepage of the Bank.

Fees – mean fees, bonuses, and other compensations for services provided by the Bank whose amount and calculation method are specified in the Price Lists.

Homepage of the Bank – means the website of the Bank, i.e. www.equabank.cz.

Interest Rate List – means a list of interest rates for products offered by the Bank.

MB – means the application of the Mobile Internet Banking.

Password – means an access code chosen by the Client which provides access to Direct Banking Services along with other security features.

Point of Sale – means a branch or other business premises of the Bank in the Czech Republic concluding Agreements and providing Banking Services.

Product Terms and Conditions (PTC) – mean special business terms and conditions issued by the Bank for individual product and service types.

Price List – means a document containing current Fees charged by the Bank for provision of Banking Services and Payment Services.

Representative – means an individual who is authorized to act with the Bank for the Client to the extent specified by the Client based on a power of attorney, general law or a decision of a competent authority (legal representative, guardian); an individual solely delivering communications signed by the Client to the Bank is not considered a Representative.

TB – means telephone banking.