

## General Business Terms and Conditions of Banco Popolare Česká republika, a.s.

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## I. INTRODUCTORY PROVISIONS

1. General Business Terms and Conditions of Banco Popolare Česká republika, a.s. apply to contractual relations between Banco Popolare Česká republika, a.s., with the seat in Lazarská 1718/3, 111 21, Prague 1, Id number: 47116102, entered in the Commercial Register kept with the Municipal Court in Prague, section B, insert 1830 (hereinafter referred to as “Bank”) on the one hand, and private individuals, legal persons and other subjects of law (hereinafter referred to as “Client”) on the other hand, starting from the conclusion of the respective contract between Bank and Client.
2. General Business Terms and Conditions of Banco Popolare Česká republika, a.s., (hereinafter referred to as “GBTC”) were issued by Bank in compliance with provision of Section 273 of Act No. 513/1991 Coll., Commercial Code, as amended (hereinafter referred to as “Commercial Code”) and govern contractual relations between Bank and Client pursuant to point 1 herein. GBTC are an integral part of every contract concluded between Bank and Client that refers to these GBTC, regardless of whether the respective banking product or service is specified in these GBTC or not, and constitute a common legal framework for bank transactions and for providing banking services. By signing the respective contract Client confirms its approval of GBTC and undertakes to observe them also when Client acts with regard to Bank through another authorised person.
3. Stipulations of a contract or business terms and conditions relating to individual products and services provided by Bank that differ from GBTC prevail over the wording of these GBTC.
4. For the purpose of these GBTC, the following definitions shall have the following meaning:
  - “Current Account” – an account opened and maintained in compliance with provisions of Section 708 et seq. of the Commercial Code;
  - “Deposit Account” - an account opened and maintained in compliance with provisions of Section 716 et seq. of the Commercial Code;
  - “Account Holder” - private individual or legal person who has concluded an agreement with Bank on Current or Deposit Account and is its holder;
  - “Client” - private individual or legal person or another subject of law to whom Bank provides its services;
  - “Date of Opening of Account” – the day of signing of a contract on the current or deposit account by both contracting parties, or another day that is explicitly agreed in writing by the two parties;
  - “Opening of Account” – the moment from which the account holder is entitled to full disposal of the account.

## II. CURRENT ACCOUNTS

### A. Opening of a current account

5. Bank maintains accounts in the Czech currency or foreign currency announced by Bank. Bank opens an account on the basis of current account contract (hereinafter referred to as “Contract”) concluded with Client – account holder with a minimal initial deposit specified by Bank. Contract must be in writing. By the Contract Bank undertakes to open for the holder an account as of a certain date and in the respective currency, to accept deposits and payments in such account and effect payments from this account and Client undertakes to meet its obligations arising from the Contract and pay Bank fees in compliance with the Tariff of Fees that is an integral part of the Contract. The Contract takes effect upon opening of the account.
6. Bank does not open anonymous accounts.
7. Entitled to dispose of the account shall be only the account holder. A person other than the account holder may dispose of the account only on the basis of a special power of attorney granted by the account holder whose signature on the power of attorney has been officially

- authenticated. Official authentication of the signature shall not be required where the power of attorney has been granted in the presence of the Bank representative. Special power of attorney shall specify individual acts of the authorised person when disposing of the account.
8. Authorised to dispose of funds in the account shall be only persons included in the specimen signature document who signed their names in the presence of the Bank officer, other persons are authorised only under the conditions stipulated in the respective Contract. Responsible for authenticity of signatures of authorised persons is the account holder. Where the account holder authorises more persons to dispose of the funds in the account, the account holder shall specify in the specimen signature document also the manner of disposing of the funds, namely by one or by two authorised persons and their possible combinations. Where the account holder does not sign the Contract and the specimen signature form in the presence of the authorised Bank officer, the account holder's signature on the Bank form must be officially authenticated. A similar principle applies to specimen signatures of authorised persons. Specimen signatures may be changed by account holder. These specimen signatures take effect on the first day following the day when they were received by Bank, namely for payment orders received by Bank on the first day of their effectiveness, unless the account holder requires a later date for their effectiveness. Any change of specimen signatures shall mean cancellation of the previous specimen signatures. Changes in specimen signatures do not apply to instructions of the account holder delivered prior to their effective date.
  9. Specimen signature authorisation granted by the account holder (private individual – citizen or private individual – entrepreneur) to dispose of funds in the account does not expire by the account holder's death unless it stipulates that it is valid only during the account holder's life.
  10. Where Bank is provided with a proof that an administrator has been authorised to administer the current account of a deceased account holder, such administrator has the rights and duties of the account holder and Bank follows its orders.
  11. A client of the Bank may be also a person under age that is represented in legal acts by a legal representative, guardian or a person appointed by the court.
  12. Bank may also open a special account for depositing/increasing registered capital ("registered capital account") for companies who according the respective legal rules must deposit their registered capital or an amount increasing the registered capital prior to application for registration of the respective company or a increase of the registered capital in the Commercial Register. In such case Client shall provide Bank with a copy of the duly signed Memorandum of Association or a notarial record documenting establishment of the respective company or increase of the registered capital. The Memorandum of Association or notarial record of establishment of the company or increasing the registered capital must specify the exact amount and currency unit of the deposited registered capital or the amount by which it was increased. After Client has deposited to Bank the company's registered capital or an amount for its increasing, Bank shall provide administrator of the registered capital deposit or the company (in case of increasing the registered capital) specified in the Memorandum of Association or the notarial record of establishment of the company or increasing the registered capital with a confirmation of the deposited registered capital. The funds can be deposited in the registered capital account only until the time when Client documents the respective registration of the company or increased registered capital in the Commercial Register. Bank must be provided with a copy of the entry of the company or the increased registered capital in the Commercial Register. Where the company or the new amount of the registered capital is not entered in the Commercial Register, Bank will return the funds deposited in the registered capital account to the administrator of the registered capital deposit or the company (in case of increasing the registered capital) and close the registered capital account. The account intended for depositing of the registered capital will also be closed by Bank after Client has documented the respective registration of the company in the Commercial Register and the funds from this account will be paid by Bank to Client. Unless otherwise agreed upon in writing, Bank shall not act as deposit administrator and Client in this case shall mean administrator of the deposit within the meaning of Section 60 of the Commercial Code. Ownership right to the deposits or their parts paid prior to incorporation of the legal person, or where appropriate other rights to these deposits in the registered capital account shall be transferred to the legal person as of the day of its incorporation.

13. Bank establishes various types of current accounts for different purposes, most frequently the so called Client account that serves for cash and cashless payments.

#### **B. Account maintenance and disposal of funds in the account**

14. The account serves only for payments in the currency in which the account is maintained.
15. Based on agreement with Client or on the Bank's decision, Bank is authorised to block an agreed amount in the account for a specific purpose for a certain period, or where appropriate, tie disposal of funds in the account in favour of a specified person, to fulfilment of set out conditions.
16. Bank is entitled to debit funds from the Client's account without Client's order:
  - in case of mutual setting off claims and payables prior to account cancellation;
  - in case of setting a due Bank's receivable from Client, as Client has agreed that credit balances in the account serve to settle the Client's liabilities with regard to Bank;
  - in case of correction of error in the Bank's settlement or on the initiative of another domestic bank due to corrective settlement within three months of the occurrence of the error. During this period Bank is entitled to effect corrective settlement even in case of debit balance in the account or not to effect the Client's orders, until there are enough funds for corrective settlement to be debited from the account (pursuant to Act no. 21/1992 Coll., on Banks, as amended (hereinafter referred to as "Act on Banks"), and applicable regulations of the Czech National Bank);
  - based on a legitimate and executable decision of the respective body, for the purpose of interest taxation pursuant to valid regulations;
  - in other cases contemplated by law, these GBTC or a specific contract with Bank.
17. Where according to a special written agreement or covenant between Bank and Client, Client is obliged to have as of the due date of its obligations with regard to Bank, adequate funds in its account and Bank is entitled to dispose of the funds in the account for this purpose (i.e. to debit the due amounts from the account).
18. Where a Client's liability with regard to Bank is to be covered based on agreement between Bank and Client, by the funds in the account but the funds in the account are not sufficient for such transaction, Bank is entitled to debit the whole amount of the liability from the account, i.e. increase the debit balance in the account. In order to eliminate any doubts it has been stipulated that if the amount of the resulting debit balance exceeds the overdraft facility permitted by Bank for the respective account, such debit balance will be qualified as non-permitted and such Client's liability with regard to Bank is as a rule governed by rules stipulated in the document "Notification of Banco Popolare Česká republika, a. s., on Interest Rates", as a debit interest rate in the account.
19. In case Bank receives from the court or another authorised body a decision to execute a judgement by satisfaction of a claim from the account kept with Bank, that has not taken effect, yet, Bank shall block the funds in the Client's account in the amount of the claim and accessions thereof. Bank is entitled to block the funds in the Client's account also for the purpose of corrective settlement.
20. Bank does not make deductions from the transferred amount. This shall not apply to the case when the orderer specifies that the cost of transfer or its part will be covered by the beneficiary or in cases stipulated by law or an agreement between Bank and Client.
21. Bank is entitled to settle only transfer orders that can be executed up to the amount of available account balance. Orders for which the available funds in the account are not sufficient can be returned by Bank to Client without execution. Bank is also entitled to return to Client an aggregate order if the funds in the account are not sufficient to cover all items included in the order. Bank shall immediately and provably inform Client that the transfer order has not been executed.
22. Where Client receives regular monthly income in its account for the period of at least three months and uses the account regularly for payments, Client may apply for unsecured overdraft facility (an agreed credit facility in the current account).
23. Bank shall pay Client interest taxed pursuant to the valid tax law, as a rule on a monthly basis. Interest rate applying to the funds in the account equals zero, unless otherwise agreed upon by Bank and Client. Bank is entitled to change such agreed interest rate any time, on the basis of a

written notification delivered to Client at least a month in advance. Penalty interest rate on non-permitted debit balance in the account shall be set by Bank and Bank publishes the current rate in the document "Notification of Banco Popolare Česká republika, a. s., on Interest Rates".

24. Where interest on the funds in the account is paid at a rate other than a zero rate, Bank shall inform Client about interest rate for the respective period in the interest statement sent by Bank to Client at intervals specified by Client.

### **C. Account cancellation**

25. Bank will close the account if the Contract has terminated:
- by expiry of the period for which the Contract was concluded;
  - by agreement between Client and Bank;
  - on the basis of written notice of either Contracting Party;
  - by withdrawal with immediate effect in compliance with these GBTC;
  - upon fulfilment of the purpose for which it was opened;
  - as a result of dissolution of a legal person without legal successor.
26. The current account contract does not terminate by the account holder's death. Bank continues to effect cash and cashless payments from the account on the basis of orders given by account holder and the persons authorised by it.
27. Where Bank receives reliable evidence that the account holder has died, it shall stop those payments from the account specified by the account holder as payments that should not be effected after the account holder's death.
28. If Client gives a notice of account cancellation, Client is obliged:
- to cancel all orders to dispose of funds in such account;
  - to refrain from placing additional orders, except for the order to dispose of the balance in the account after its cancellation;
  - to return to Bank all payment cards that expire upon submitting the notice of termination. Payment cards must be returned simultaneously with delivery of the notice to Bank at the latest, otherwise the notice is ineffective.

Order for settlement expires on the day of account cancellation. Unless otherwise agreed upon, Bank is not obliged, not even on the basis of the Client's order, to debit any payment from the balance of the account being cancelled beginning from the day of account cancellation.

29. Unless otherwise agreed upon, Bank will return the payments coming after the account cancellation to the payer's account.
30. Where claims arising from contractual relations between Client and Bank are not duly paid and settled, Bank has the right to settle its due claims with regard to Client from any other Client's account with which Client has agreed by signing the respective contract. If these Bank's claims are not fully satisfied, Bank reserves the right to decide about the manner of their recovery.
31. If Bank maintains more Client's accounts, it may set off its due claims against its payables with regard to Client and settle them using any of the Client's account or accounts.
32. Credit balance on the cancelled account will be disposed of by Bank according to Client's instructions. Unless Client specifies the manner of disposal of the balance, Bank will keep this amount on a special account until limitation of action for its payment and pays no interest on it.
33. Bank is entitled to charge a fee for transfer of the balance of funds of the cancelled account to another account, or where appropriate, a fee for deposit of the balance of funds if it could not be paid out or transferred to another account.
34. Bank will inform Client in writing of the date of cancellation of the Client's account, as a rule by the last account statement.
35. Administrative work and final settlement related to account cancellation will be accomplished by Bank no later than within seven calendar days of the date of termination of the contract.

## **III. OTHER TYPES OF CURRENT ACCOUNTS**

### **A. Deposit current account (term deposit)**

36. Bank maintains deposit current accounts in the Czech currency; they are of technical nature and serve as auxiliary accounts for opening and closing of deposit accounts (term deposits).
37. Deposit current accounts may be used to deposit or collect funds from them or transfer them in the cash or cashless manner. Deposit current accounts may be used only for a limited system of payment serving exclusively for fulfilment of the purpose for which the account has been opened.
38. Bank does not pay interest on deposit current account and does not charge any fee for them.
39. Bank will open a deposit account only when Client presents to Bank the same documents as those required by Bank in compliance with these GBTC in connection with opening an account.
40. Deposit current account contract may be terminated by Client any time in writing provided that Client has not deposits in Bank as of the day of the account cancellation and all Client's payables to Bank have been settled.
41. Bank accepts term deposits on the basis of a deposit account contract. Bank publishes information about minimum amounts for deposit, the periods for which term deposits may be deposited, about the respective interest rates and currencies in which it accepts term deposits in the document "Notification of Banco Popolare Česká republika, a. s., on Interest Rates".
42. Deposits are opened by transfer from a current account or, where appropriate, a deposit current account, in the respective Bank branch. After expiry of the set term or after cancellation of deposit, they are transferred back to the current account or deposit current account. For this reason special specimen signatures are not required for term deposit accounts and specimen signatures relating to the type of current account from which the principal of the deposit is transferred are used for all instructions relating to these accounts.
43. Client may deposit funds in Bank in any type of term deposits specified by due date. When depositing an amount exceeding the value included in the document "Notification of Banco Popolare Česká republika, a. s., on Interest Rates", it is possible to agree on an individual interest rate and individual term of the deposit. The type of term deposit cannot be changed in the course of its duration.
44. The agreed upon term of a term deposit starts on the day of crediting the deposit account with the respective amount and terminates on the day preceding the due date of the term deposit. The due date is the date when Client may dispose of the term deposit or when the term deposit revolves, which is specified in the deposit account contract. Where the agreed term of the term deposit ends on the day of banking holiday, it is postponed to the next working day and from this date the following agreed term begins.
45. If in case of a deposit with automatic prolongation, Client does not give Bank at least two banking days before the due date of the deposit another instruction, Bank will automatically extend the deposit for the same period and will pay interest on it according to the current interest rate.
46. Interest rates on the above mentioned deposits are fixed. The fixed interest rate is set by Bank according to the amount of the deposit, its currency and term.
47. Unless otherwise agreed upon by Bank and Client, interest on deposit are settled on the due date of the deposit.
48. Interest on the deposit account are either capitalized in the same deposit account or credited to the Client's current account kept with Bank.
49. Deposit may be cancelled prior to the maturity date in case when interest on the deposit is not settled in the Client's current or deposit current account. In such case Client is not entitled to the interest on the term deposit and is obliged to pay the respective fee for premature collection of the deposit according to the respective tariff rate. Where interest on the deposit is settled in the current or deposit current account, early collection of this deposit is impossible. Interest on deposit accounts is automatically taxed by a special tax rate stipulated by the respective provisions of Act on Income Tax.
50. On the day of extension of term deposit, its principal may be increased or decreased.

### **B. Instalment current account**

51. Bank maintains instalment current accounts in the Czech currency or in other currencies, as the case may be; these accounts serve solely for drawing loans, payment of loan instalments, payment of interest on loans and other amounts payable to Bank on the basis of a loan agreement. Disposal of this account is governed by the rules stipulated in the loan agreement.
52. Interest on credit balances on instalment current accounts is paid according to the valid interest rate announced by Bank for the given period.
53. After settlement of a loan transaction, Client is obliged to cancel the instalment current account by a special application within fifteen days at the latest. Where Client fails to comply with this duty, Bank shall be entitled to cancel the account after the settlement of the loan transaction on its own initiative.

### **C. Savings account**

54. Bank will open a savings account only in case when Client (i) has an account with Bank or (ii) Client provides Bank with the same documents as those required by Bank for opening an account in compliance with these GBTC.
55. Bank maintains savings accounts for clients, i.e. accepts deposits for indefinite period without notice of termination. In these deposits, clients may any time increase the balance of the deposit by additional deposits, by depositing cash or in the form of cashless order for payment from another account.
56. Minimum amounts for opening and maintenance of savings accounts, the respective currencies, interest rates and the respective periods of notice of termination of deposits are announced by Bank in the document "Notification of Banco Popolare Česká republika, a. s., on Interest Rates". Interest rate is valid from the date of its announcement.
57. Upon closing of the savings account at the Client's request to cancel the deposit, Bank will according to the Client's instruction either transfer the respective amount to another Client's account kept with Bank or pay the amount in question to Client in cash.
58. Interest on savings accounts is payable on a monthly basis and is capitalized in the same savings account.
59. Interest on savings accounts is automatically taxed by a special tax rate pursuant to the respective provisions of Act on Income Tax.
60. In addition to collecting cash, Client is entitled to use the savings account only for effecting a single payment order within Bank, i.e. order for payment to the current account maintained by Bank in the same currency as the given savings account. Client takes into account that a savings account does not serve for a regular system of payment. It cannot be used for the following operations: standing order for a payment or collection, Centralized Collection of Household Payments - SIPO, payment orders for payments abroad, aggregate orders for payments or collection.

## **IV. PAYMENT SYSTEM**

### **A. General provisions**

61. In executing the Client's instructions, Bank requires of Client to provide it with complete and correct details. Bank is not obliged to verify completeness and correctness of information provided by Client. Where such information is not provided, Bank may reject to execute instructions. However, if Bank has executed an instruction at the Client's request, Bank is not responsible for any damage caused by execution of this instruction.
62. Each instruction must be given in the manner agreed upon by Bank and Client. Bank may refuse to execute such instructions that (i) were not provided by Client to Bank in the respective form or (ii) were delivered without using the agreed means of communication or (iii) that are not signed in compliance with specimen signatures deposited in Bank or (iv) where there exist doubts about their content, origin or authorisation of persons to give such instructions on behalf of Client or (v) that differ from the usual way of giving instructions or the payment system with Client. In addition,

- Bank shall not be responsible for consequences of any counterfeited, unauthorised, illegible, distorted, incomplete or otherwise erroneous instruction that has not been revealed despite adequate prudence. Damage, loss or costs incurred due to such instruction will be borne exclusively by Client.
63. As concerns verification of authorisation or identity of the person sending an order, Bank is not obliged to do anything else than what is contained in the Procedures (see below). Bank shall not be responsible for errors or omissions or for duplication of any of instructions caused by Client. Bank is authorised to act on the basis of an instruction if it reasonably believes that it contains sufficient details. Client shall be under all circumstances responsible for compliance of its instructions with the provisions of all the relevant legal rules. Bank will reject to execute instructions in case when the Client's instructions do not comply with the provisions of all the relevant legal regulations and the Bank's internal rules.
  64. Unless otherwise agreed upon, Bank accepts instructions from Clients only during working hours, at the time specified by Bank. Where Bank receives any instructions at a different time or after working hours, such instructions are deemed to be received the following working day.
  65. As concerns bank holidays, Bank observes the relevant legal regulations.
  66. Bank is not obliged to effect payment from the account in case that the balance in this account is not sufficient to cover such a payment order and the related fees or if the funds in such account are subject of deduction, execution of a judgement or any other limitation of disposal. If Client wishes to have its payment order effected by Bank as of a certain date at the latest, on a certain day or in the express payment mode, execution of such order must be expressly approved by Bank in writing, otherwise Bank will effect the payment order in compliance with the valid legal regulations and its common practice relating to payment orders.
  67. In case that Bank makes a credit operation for the benefit of the Client's account when Client expects transfer of funds to this account from a third party, Bank will execute this credit operation trusting in full and timely receipt of funds from such third party. Where Bank does not receive the funds from a third party in full and in time, Bank is entitled to debit the respective amount (that was expected but not received) from the Client's account. If Bank makes a credit operation for the benefit of the Client's account maintained in the domestic currency and Client expects transfer of foreign currency to this account from a third party, Bank is entitled to debit from the Client's account the amount of the difference between the amount credited to the Client's account and the amount of the domestic currency which Client would have received when exchanging the foreign currency on the day of receipt of these funds.
  68. At an interval that will be regularly set by Bank, but at least once a year, Bank will credit the Client's account with (in case of credit balance) and debit from the Client's account (in case of debit balance) the whole interest that is either Client (in case of credit balance) or Bank (in case of debit balance) entitled to receive. Bank will inform Client in writing in case details of crediting the account with interest on credit balance differ from debiting the interest on debit balance.
  69. Bank will use procedures and measures ("Procedures") established for the purpose of verification of authenticity of the Client's instructions given to Bank by mail, in person, by internet (or where appropriate in another electronic way approved by Bank). These Procedures may be changed or amended from time to time and Client is obliged to accept them.
  70. Provided that Bank proceeds in compliance with the given Procedures related to a manually prepared instruction, Bank (i) will be entitled to execute such an instruction, (ii) will not be obliged to verify accuracy of information included in the mentioned instruction and (iii) will consider the instruction to be authentic, real, accurate and complete and given by duly authorised representatives of Client. Bank shall not be responsible for consequences of its acting on the basis of such instruction and Client will indemnify Bank for any losses, liabilities, claims or cost (including cost of legal aid) that may Bank incur in connection with its acting on the basis of such an instruction.
  71. Bank may rely on proper authorisation of any person appointed by Client (in the form acceptable for Bank) to send or execute instructions, unless it receives from Client a written information about any change and has reasonable time to take the respective measures.
  72. Regardless of any above mentioned provision, Bank will be entitled, solely at its own discretion, to refuse execution of any instruction if it has any doubts with respect to its authorisation, authenticity, correctness or completeness. Bank shall immediately, for instance by phone, inform

the respective persons specified by Client in a specific power of attorney and request verification of the instruction received in this way.

73. Client may cancel or change any instruction until the time when the person for whose benefit the instruction was given receives the respective information, or until the time of receipt of such instruction by Bank or until debiting the account, whatever occurs earlier. The cost of withdrawal or change of instruction shall be covered by Client. Bank is not responsible for losses incurred by Client on the basis of withdrawal or change of instruction by Client.

### **B. Cash payments**

74. Cash payments are effected in the Bank branch which maintains the account or in another department under the conditions set out by Bank.
75. The respective cash voucher must be signed in compliance with these GBTC and the particular contract. A person submitting the cash voucher must prove its identity. Such person is also obliged to confirm the receipt of the amount by its signature on the Bank's voucher.
76. All other conditions for cash transactions are published by Bank in "Notification of Banco Popolare Česká republika, a.s. on Terms and Conditions of System of Payment".

### **C. Credit Transfers**

77. Client is entitled to dispose of funds in the account using forms of transfer orders approved by Bank up to the amount of available balance of the account or, where appropriate, up to the amount of permitted debit balance in the current account or the agreed overdraft facility.
78. Client presents transfer order in writing in the respective Bank branch or department that maintains its account, or in any other way agreed with Bank (e.g. by fax). Transfer order must be filled out legibly, completely, without deletions or overwriting and must be signed in compliance with the respective valid specimen signatures.
79. At the request of Client or person authorised by it, Bank will confirm receipt of transfer order.
80. Bank does not examine authorisation to use collection order. Collection order may be used by account holder in case when account holder agreed on this manner of payment with the payer who instructed its bank to permit collection. Authorisation to use the form of collection for payment is verified by the payer's bank. The Client's account is secured against unauthorised collection. Collection of payments from the account (Centralized Collection of Household Payments - SIPO, telecommunications fees etc.) is possible if account holder gives a written consent with collection in the branch which maintains the Client's account. By collection order, Client agrees to effecting collection payment from its account for the benefit of the beneficiary's account under the conditions specified by such a consent.
81. Standing payment order is executed by Bank during a certain set period or until its cancellation.
82. When requesting a change of the not yet executed standing transfer order, Client must always cancel the original order and establish a new one.
83. Client is entitled to cancel a not yet executed transfer order in the Czech currency on the territory of the Czech Republic no later than one banking day before the specified date of its execution (due date). Cancellation of order must follow the same procedure as its issue. Client is obliged to clearly identify the order to be cancelled by presenting all the data specified in these GBTC for transfer order and specify the date when the order to be cancelled was delivered to Bank. Specification of a transfer order to be cancelled may be made by submitting a copy of this order with the date of acceptance of the order by Bank. A transfer order for payment abroad or payment in another than Czech currency may be cancelled on the basis of the Client's written request no later than two banking days prior to its due date.
84. Where a payment order is in the form of an aggregate order, it may contain only payments with the same due date.
85. All other conditions for execution of cashless payments are published by Bank in "Notification of Banco Popolare Česká republika, a.s. on Terms and Conditions of System of Payment".

#### **D. Payment cards**

86. Bank provides its clients with payment cards for the accounts maintained in the Czech currency. Account holder and payment card holders are obliged to meet the valid "Conditions for Payment Cards for Clients of Banco Popolare Česká republika, a.s." published by Bank.

#### **E. Conditions of system of payment**

87. As concerns the system of payment, Bank always proceeds in compliance with valid legal regulations, business practice and procedures of banks in the Czech Republic and principles set out by the Czech National Bank. All other conditions for the system of payment are published by Bank in "Notification of Banco Popolare Česká republika, a.s. on Terms and Conditions of System of Payment". Conditions for the system of payment carried out through channels of direct banking may be stipulated differently, in compliance with Article I(3) of GBTC.

#### **F. Incorrect settlement of a transfer**

88. The rights and duties of Bank and Client in claiming and correction of incorrect settlement shall be governed by the relevant generally binding legal regulations, particularly the respective provisions of Act on Banks, as amended, special regulations issued by the Czech National Bank, these GBTC and "Notification of Banco Popolare Česká republika, a.s. on Terms and Conditions of System of Payment".

### **V. PRICE OF SERVICES, PAYMENT OF COST AND ACCOUNT STATEMENTS**

89. The amount of price, fee or any other remuneration for provision of a service is governed by the current Bank tariff.
90. In case of tariff amendments in the course of duration of the business relation with Client, Bank shall announce this fact at least 30 days prior to the effective date of such amendments and notify Client of this fact as a rule in the account statement. Starting from the effective date of the updated tariff, Bank will charge a new, updated price for the service provided to Client.
91. For services provided by Bank to Client that are not explicitly included in tariff, Bank will charge fees, charges and remunerations agreed with Client on a case-by-case basis prior to providing the respective service or in the amount usual in the given time and place.
92. Unless otherwise agreed upon, the price is payable immediately, however, no later than five days following provision of the service and obtaining the necessary source materials for settlement. The cost relating to provision of the service is payable within the same deadline after it has been paid by Bank.
93. Client is obliged to pay and indemnify Bank for all costs of legal representation incurred by Bank during judicial or similar proceedings between Bank and Client, unless the court or another respective body decides otherwise.
94. Client is obliged to pay and indemnify Bank for all costs incurred by Bank in judicial or off-court proceedings in case Bank is a participant of judicial proceedings or litigation between Client and a third party.
95. In addition to the above mentioned duties, Client is obliged to pay and indemnify Bank in a reasonable scope for all costs and expenditure incurred by Bank on the basis of its relation with Client, particularly telephone costs, mail fees, notarial fees and fees for depositing security.
96. In addition, in case of early termination of the contractual relation (i.e. prior to the agreed date of termination stipulated by the respective contract on a banking product or service), Client is obliged to pay to Bank all purposefully spent costs incurred in connection with provision, raising and reemployment of funds ("broken funding costs"), securing against risk (including any hedging, swap and other derivative transactions) and other purposefully spent costs or damage to property that may be incurred by Bank in connection with early termination of the contractual relation.

97. Bank informs account holder about executed transfer orders by account statement. Deadlines for issuing account statements and manner of their delivery is agreed by Bank and account holder. In case of personal collection, Bank is entitled to provide account statements and correspondence related to the account only to account holder, a person included in specimen signature document or a person authorised by account holder.
98. Account statements are issued by Bank for account holder in the written form after the respective transaction has been effected in the account, at the following intervals: daily, weekly, fortnightly, monthly, quarterly; however, at least once a year as of the last day of the calendar year. Account statement must specify all credit and debit operations in the account performed in the given period and the total final account balance.
99. Extract from the Bank's records shall be for Client a *prima facie* (adequate) document of correctness of data included in this statement that may be questioned only when Client submits an adequate document in the opposite sense.
100. Account holder undertakes to claim any discrepancies in data included in the statement within fourteen calendar days of its receipt. If Bank does not receive within the given deadline any claim from Client, the effected operations and balance of the account shall be deemed approved for the purpose of audit. This is without prejudice to the Client's right to ask Bank subsequently to remedy defects in the settlement.

## VI. CLIENT

101. Client is obliged to inform in writing immediately Bank about any facts that may affect its contractual relation with Bank, both formal (e.g. change in address or contact data, change in legal form, liquidation etc.) and factual (e.g. disqualification to dispose of accounts) or Client's ability to meet its obligations with regard to Bank (particularly commencement of insolvency proceedings, receivership etc.) regardless of the fact whether this information is included in the Register available to public (e.g. Commercial Register) or not.
102. Client or another person authorised to dispose of the account and funds in the account declares as of the date of execution of each individual banking transaction that it is not a politically exposed person within the meaning of Act no. 253/2008 Coll., on selected measures against legitimisation of proceeds of crime, as amended<sup>1</sup>. Client or any other person authorised to dispose of the account and funds in the account is obliged in compliance with point 101 herein to notify Bank immediately about any change in this respect.
103. In compliance with the present GBTC, account holder may change its instructions for handling the account (particularly as concerns frequency of account statements, manner of their delivery, change of address for delivery, extension of deposit, capitalization of interest, change in the principal of the deposit, change in specimen signatures). If such a change in instructions complies with GBTC, Bank will confirm it and on the day of the confirmation this change becomes valid and

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<sup>1</sup> Pursuant to the given Act, a politically exposed person shall mean:

a) a natural person holding a prominent public office with nation-wide responsibilities, such as a head of state, a prime minister, a minister and deputy or assistant minister, a member of the parliament, a member of a supreme court, a constitutional court or another high-level judicial body, decisions of which are not subject to further appeal, except in exceptional circumstances, a member of a court of auditors or a central bank board, a high-ranking military officer, a member of an administrative, supervisory, or management board of a state-owned business, an ambassador or chargé d'affaires, or a natural person, having similar responsibilities on a Community or international level; all the above for the entire term of office and for one year after its termination, and provided the person:

1. has a residence outside the territory of the Czech Republic, or
2. holds such important public office outside the Czech Republic,

b) a natural person, who

1. is the spouse, partner equivalent to the spouse or a parent of the person specified under a),
2. is a son or a daughter of the person specified under a) or a spouse or a partner of such son or daughter (a son or daughter in law),
3. is a business partner or a beneficial owner of the same legal person, a trust, or any other business entity under a foreign law, as the person under letter a) or is known to the obliged entity as a person in a close business relationship with a person under letter a), or
4. is a beneficial owner of the same legal person, a trust, or any other business entity under a foreign law known to have been established for benefit of a person specified under a).

part of the respective contract and takes effect on the day following the Bank's confirmation. If the change required by account holder contradicts the concluded contract of GBTC, Bank shall not confirm the change in instruction and return it to account holder with specification of the reason for rejection and the contractual relations continues to be governed by the originally agreed upon conditions.

104. When opening an account, Client is obliged:

- to submit to Bank documents of establishment and existence of the legal person or identity of a private individual as stipulated by the relevant legal regulations; documents proving identity shall be submitted to Bank also by persons authorised to act on behalf of a client who is not a private individual;
- to observe the purpose of account throughout its existence;
- to submit additional documents or provide information according to the Bank's requirements.

Client is obliged to submit a valid document about registration stipulated by law, as a rule its original copy containing current data or an officially authenticated copy of this document. Extracts and copies from the respective registers submitted by Client shall not be older than three months, unless in a particular case Bank requires an extract as of the date of conclusion of the contract.

105. Client is obliged to inform immediately Bank about loss of contractual documents or personal identification documents (identity card, passport etc.). Bank shall not be responsible for their abuse, as the case may be.

106. Client is obliged to prove its identity in a qualified way stipulated by Bank in compliance with legal requirements upon conclusion of a transaction the value of which reaches any of the limits set out by the respective law, or where appropriate document the reason for making the transaction in a way satisfactory for Bank. In addition, Client is obliged to prove provenance of the funds and provide Bank with all facts and documents that Bank is obliged to ascertain in compliance with legal regulations.

107. Bank reserves the right to ask Client any time to submit any documents necessary for identification of the purpose of payments initiated by Client as well as incoming payments. Client is obliged to deliver these documents to Bank at its request, no later than within two working days. If due to objective causes it is impossible to submit the required documents, Bank is entitled to effect the payment provided that Client will deliver to Bank a written statement containing the information necessary for effecting the respective payment including the cause preventing Client to provide the necessary documents.

108. Client is obliged to inform Bank in writing or where appropriate, in another suitable way acceptable for Bank about such facts that pursuant to the valid legislation (Commercial Code and Act on Banks, in particular) associates it with other entities in an economic unit, or on the basis of which Client becomes a person that has a special relation to Bank.

## VII. BANK

109. Pursuant to Act no. 101/2000 Coll., on Personal Data Protection, as amended (hereinafter referred to as "Act on Personal Data Protection"), Bank is obliged to provide on the basis of a written request of a private individual, information about personal data it processes in relation to such individual, namely once a year and free of charge, otherwise for a reasonable compensation not exceeding the cost necessary for provision the required information. Where Bank breaches duties of personal data administrator, private individual has the right to claim compensation in compliance with the valid legislation.

110. Deposits and other obligations arisen in connection with business relations between Bank and Client in any currency shall be payable only in a Bank branch located in the Czech Republic and be subject to provisions of the relevant legal regulations (particularly Act on Banks and Act no. 219/1995 Coll., Foreign Exchange Act, as amended).

### **Force majeure, Bank's liability, disruption of business activity**

111. Within its activity Bank shall be liable for the actual damage (not for loss of profit) caused to Client by a provable violation of the Bank's duties. For the purpose of provision of Section 379 of the

- Commercial Code, Client agrees upon conclusion of the respective transaction or provision of a banking service by Bank and confirms by expressing its will to conclude the respective transaction or to be provided with a banking service, that no subsequent damage or loss of profit could be anticipated by Bank acting with due care, as of the date of provision of the given service, as a consequence of a violation or failure to meet the Bank's obligations pursuant to the given agreement or contract regulating such a banking service and that the amount of such anticipated damage or loss of profit equals zero. In case of dispute, the Bank's fault must be proved by Client.
112. In order to eliminate any doubts it shall apply that provisions on the Bank's liability pursuant to GBTC do not release Bank from liability for acts or neglect for which the Bank's liability cannot be limited pursuant to the valid legislation.
113. Bank shall not be responsible for damage caused as a result of measures taken by domestic or foreign authorities, rejection or delayed granting of the necessary permissions by authorities, as a result of force majeure, rising, civil unrest, war or natural disasters or as a result of other events for which Bank is not responsible (e.g. strikes, lay-offs, traffic congestion, war, revolution, natural disasters or other circumstances that Bank cannot influence), and for damage caused by events for which Bank cannot be held responsible or damage resulting from the activity of Client or third persons.
114. Bank shall not have any liability with regard to Client for any reduction or decrease of the value of funds credited to the Client's account (while such funds may be deposited by Bank in its name and be subject to its control in depositors chosen by Bank) as a result of taxes, levies or due to inaccessibility of such funds because of limitation of convertibility or transferability, requisites, involuntary transfers, war events or civil disputes, confiscation of property of any kind, military coup d'état or seizure of power or other similar causes that Bank cannot influence and no legal person from the Banco Popolare Group (see definition below) shall not be held responsible for the above mentioned, either.
115. In case Client uses within the services provided by Bank certain systems or platforms, Client takes into account that Bank shall not be responsible for any damage caused to Client due to unauthorised use of the given system or platform by a third party (including abuse of user name or access password to the system or platform). Neither shall be Bank responsible for any damage resulting from the Client's financial decisions or for damage incurred by third parties as a result of using the given systems or platforms by Client. Neither shall be Bank responsible for situations when using of the given systems or platforms by Client is prevented, limited or delayed due to force majeure (including causes that cannot be prevented by reasonable care or without unreasonable costs). Client also takes into account that using of the given system or platform within internet may be affected by a failure, error or breakdown of such network, delayed operation or transmission, by computer virus attack, computer hacking or reference or system failure, for which Bank regardless of the security elements used shall not be held responsible, except for responsibility in case of breach of the Bank's duties.
116. Where Client uses internet within services provided by Bank, or if communications or information are provided through internet, Client takes into account that Bank has no influence on the performance of this network. In addition, Client must be aware that transmission of data through internet is not a safe form of transmission of sensitive information, that during such transmission confidentiality of data may be lost, the data may be impaired, traced, changed or abused. Client agrees that regardless of security elements used by Bank in its efforts to secure electronic access to banking services, Bank but does not assume responsibility for abuse of communication through internet or unauthorised access or adjustment of data sent through this network and shall not be held responsible for any damage or other consequences caused by breakdown, failure, interruption, error, delay or computer virus during transmission of data through this network or by a similar event or for any other damage or consequences resulting from the use of internet.
117. Unless otherwise agreed upon with Client in writing, Bank is not obliged to inform Client and provide Client with consultancy concerning changes in foreign exchange rates, amount of interest rates, in the value of deposited objects and securities. It has been explicitly stated, that unless

otherwise agreed upon with Client in writing, Bank will not provide Client with individualized consultancy concerning particular investment instruments.

118. Bank has the right to choose at its own discretion a third party as its agent of representative, or where Client appoints in its instruction a particular third party, to use the uninvolved party as its correspondent or representative in the scope necessary for discharge of its contractual obligations.
119. Bank shall be responsible only for a careful choice of a third party, provision of the respective instructions to this party and verification of execution of these instructions. Bank shall not be held responsible for a third party if such party has been selected according to the Client's instructions or if despite a careful selection of a third party by Bank, this party fails to observe the expected norms of conduct or acts in contradiction with the given instructions.
120. Bank shall not be responsible for acting, neglect, failure to meet obligations or insolvency (bankruptcy) of a person in charge of registration of investment instruments within the meaning of the relevant legislation or administrator or depositor of investment instruments, i.e. a settlement centre maintaining the respective property accounts of customers, caused otherwise than by Bank's failure to comply with its duties. In addition, Bank shall not be responsible for any act or neglect, breach of duties or inability to meet its financial or other obligations of any securities trader, foreign person providing similar services as securities trader or issuer of investment instruments with whom Bank concludes transactions in connection with the banking services provided.
121. Where according to the Client's order Bank sends to Client or a third party financial amounts, securities, documents of ownership or other materials, responsibility for the delivery of these materials lies with Client.
122. Unless otherwise stipulated by a special agreement with Client, securities owned by Client that Bank places under the custody of third parties will be deposited in the Bank's name together with securities of other depositors deposited there.
123. Bank shall be responsible for damage caused by execution of an order issued by an unauthorised person only in case when the signature on the order evidently differs from the specimen signature.
124. For reasons requiring special attention, Bank is entitled to limit or close its operation for the minimum necessary period.
125. Bank shall not be responsible for damage caused by unlawful conduct of Client or a third person, except for damage caused by the Bank's gross negligence.
126. Bank shall not be responsible for damage caused by the fact that it was not informed in time:
  - about extinction of the right of an authorised person to dispose of the funds in the account or
  - about the client's legal disqualification or other limitation of the Client's authorisation to act with regard to other entities.
127. Unless stipulated by law, Bank is not obliged to instruct Client about exchange rate risks or other possible consequences of financial operations performed by Client.

#### **Setting off claims, Bank's rights in case of Client's failure to meet an obligation**

128. Client may set off its own claims against the Bank's claims only in case that the Client's claims are payable, statute-barred and unquestionable or in case they have been confirmed by final decision of the court, arbitration award or by decision of a public administration body that is unappealable.
129. Bank is entitled any time to set off without notification of Client, and use for such setting off any deposits deposited in Bank and other outstanding amounts payable for the benefit of Client or its account, against all the existing and future Client's obligations with regard to Bank, regardless of the currency in which such deposit or account is maintained, regardless of the fact whether Bank put forward any requirement in connection with such a claim and regardless of the fact whether such obligations are due or not.
130. Claims in foreign currency will be set off at the exchange rate for purchase of the respective foreign currency announced by Bank as of the date of setting off.

131. The Bank's right to set off the Bank's claims takes precedence over execution of any payment order relating to the Client's account.
132. Where possible, Bank will notify Client in advance of exercising of its right to set off its own claims against the Client's claims, provided that it will not in the Bank's view endanger the Bank's rights or its ability to exercise its right of setting off.
133. Where after being informed by Bank in writing about a case of non-fulfilment, Client fails to meet fully and without undue delay any of its obligations with regard to Bank, Bank is entitled after previous written notification of Client to declare all Client's obligations with regard to Bank as immediately payable.

## **VIII. SECURING OBLIGATIONS**

134. Bank has the right to ask Client any time to provide Bank with reasonable security, either together with the already existing security or for the purpose of securing a previously unsecured obligation, in the scope which Bank considers necessary for securing payment of all outstanding Client's obligations with regard to Bank, even if these obligations are limited in terms of conditions or time or are not due, yet.
135. Client shall ensure that all the assets and rights are preserved, as well as enforceability of claims provided as a security of an obligation for the benefit of Bank. Client is obliged to inform Bank immediately about changes in the value or saleability of such security and Bank has the right to verify any time in the course of duration of its claim the value and realization of the security provided. Client shall keep records of documents of security provided to Bank, to make clear that Bank is the creditor of the security provided in this way.
136. Client is obliged to insure all valuables provided as security and assets acquired through a loan in the scope required by Bank in the respective contract governing the conditions of security. Insurance must cover all usual insurable risks. Within the meaning of provisions of insurance or insurance contract, Client is obliged to tie for the benefit of Bank an amount equal to the amount of all Bank's claims with regard to Client (regardless of their due date). Bank has the right to use all insurance benefits to reduce the amount of its claim secured by this security even in case that it is not due, yet, namely in case that Client has not replaced the lost or damaged objects provided to Bank as a security. The amount of insurance benefits exceeding the amount of the Bank's claims with regard to Client including their accessories, will be paid to Client.
137. Bank has the right to check also in the Client's seat, business premises or the place of residence whether security of the Bank's claims is adequate and whether the assets provided as security are handled properly, whether they are duly operated, secured and designated as the object of the Bank's security.
138. Where Client fails to meet its obligations when they are due, Bank is entitled to exercise at its own discretion all rights arising from the provided security in compliance with the relevant legislation.
139. For the purpose of an expeditious settlement of its claim, Bank may at its own discretion satisfy these claims by any Client's assets constituting the security.
140. Bank may at its own discretion waive all or part of the assets provided as security if it does not consider them necessary to secure its claims.
141. Unless otherwise explicitly agreed upon with Client in writing, the cost and expenditure related to providing, maintenance, settlement and enforcement of security are the Client's obligations.
142. Unless otherwise agreed upon with Bank in writing, Client undertakes to provide Bank with a security of at least such kind and quality as it provides to any other of its creditors.
143. Client shall not be allowed without the Bank's previous written consent to transfer the assets and rights provided to Bank as a security or to pledge them or offer them to a third party as a security of an obligation or use them for any other purpose, unless otherwise stipulated by legal regulations.
144. Any and all objects or documents of ownership, including securities, received from Client or for the Client's benefit, that are or will be for any reason kept by Bank or by a third party in the Bank's name and all the existing or future Client's claims with regard to Bank, are and will be provided to Bank as a security for any Bank's claims with regard to Client. Such security shall be deemed effective whenever such objects or documents proving ownership are deposited in Bank

- or are kept by a third party in the Bank's name, and in case of Client's claims with regard to Bank whenever such claims occur.
145. Security specified by GBTC shall not apply to the securities deposited in Bank exclusively for specific purposes, particularly for the purpose of collection of interest, payment of the principal or dividends, receiving of a new voucher or dividend certificate, replacement of a security or exercising the right to participate in negotiations on behalf of Client.
146. Bank shall notify Client in writing about transfer of any security provided within a reasonable period after such transfer has been made.

## **IX. FORM OF COMMUNICATION, DELIVERY, FORMS AND DATA CARRIERS**

### **Form of communication and delivery**

147. After having received any written or other communication from Bank, Client shall check all data for correctness. Client is obliged to claim any revealed error according to the Rules for Complaints Procedure of Banco Popolare Česká republika, a.s. for private individuals and legal persons. If Client does not lodge a claim in compliance with the above mentioned Rules, it shall be deemed that Client agrees with the communicated data.
148. Legally binding mutual communication between Client and Bank shall be in writing, unless the nature of the provided banking service, the nature of the respective matter or an explicit agreement require another form. In justified cases it may be agreed that a particular Client will have a right to communicate with Bank also in person, by phone, registered mail, interbank telecommunications (SWIFT) or internet (an agreed Bank's website, or another electronic way approved by Bank, e.g. e-mail etc.), if Client proves its identity on the previously contractually agreed basis and Bank has no doubts about the Client's identity. In addition to the above mentioned ways, Bank uses in communication with Client also the postal service or messenger. Bank shall accept only instructions or orders of the Client's duly authorised persons. Any revocation or change of such authorisation will not be binding upon Bank, until it receives a written notification from Client of such a revocation or change of this authorisation. Client takes into account that delivery through electronic mail may be connected with abuse of communications or documents being delivered by a third party, for which Bank shall not be held responsible, unless it has caused such abuse.
149. Unless otherwise agreed upon, Client shall deliver all communications and documents for Bank to the mailing address and fax number of the seat of Bank in Lazarská 1718/3, 111 21 Prague 1.
150. At the Bank's request, Client is obliged to confirm in writing without undue delay notifications or other information communicated in person, by phone or internet (or another electronic manner approved by Bank), namely within three working days of receipt of such a request. Should Client fail to do so within the set period, Bank shall not be responsible for any damage caused by the Bank's proceeding on the basis of such notifications or information that have not been confirmed.
151. If Bank is supposed to be informed about certain facts in advance, Client is obliged to provide the respective information to bank at least 30 days prior to the specified event if possible or otherwise without undue delay as soon as Client learns that such event will occur.
152. Unless Client gives another instruction, Bank shall send mail to the mailing address, e-mail address and fax or phone number specified in the contract. Client is entitled to appoint a person to whom Bank will send or deliver correspondence. Client is obliged to inform Bank without undue delay about any change in this data and such change will take effect with regard to Bank on the working day following the day when Bank has received the given information from Client.
153. Written materials to be collected in person will be deposited by Bank in the respective Bank department. Client undertakes to collect regularly these materials, at least once a month. If the materials are not collected within 6 months of issue of the first uncollected material, Bank is entitled to send them by registered mail to the address for service at Client's cost, or where appropriate, to charge starting from the first day after elapse of the mentioned period a fee for storing such materials according to the valid tariff.
154. Notifications or documents sent to Client's own hands shall be deemed delivered upon receipt of the respective notification or document by Client or (i) Client's rejection of the delivery or (ii) on the third day of depositing the delivery in the post office at the agreed mailing address, even if Client was not informed about the respective delivery or was not present in the place of delivery.

- Other written consignments shall be deemed delivered upon their receipt by Client or on the fifth day of delivery, if they have been sent to the agreed mailing address, even if Client was not informed about the respective delivery or was not present in the place of delivery.
155. Bank is entitled to send at its own discretion all consignments, including financial means, addressed to Client or persons appointed by Client in the manner usual in the banking practice, insured or uninsured, by regular or registered mail, with or without specification of the value of the consignment, unless Client has provided Bank with another instruction. Client shall bear all risk of loss or damage of the consignment during its transport to Client or another person to which such consignment is transported according to the Client's instruction or in relation with it.
156. Where according to a particular contract between Bank and Client or pursuant to these GBTC verification of identity of a person or official authentication of its signature is required, Bank may verify the identity of such person by itself.
157. In cases when Client and Bank establish within their reasonable practice also communication of information related to the provided banking services through internet (on the agreed Bank's website) and/or another electronic communication (including the Client's e-mail address), Bank is entitled to provide the respective information to Client also using these means. Unless Client informs Bank otherwise or unless otherwise agreed upon between Bank and Client in writing, Bank is entitled to assume and Client hereby guarantees with regard to Bank that (i) Client has any time access to internet and agrees with such manner of communication by internet, and/or (ii) by providing its e-mail it gives approval to Bank to use e-mail to provide Client with the respective information. Client is entitled to cancel any time its approval of providing information through internet, or e-mail, and such cancellation will take effect with regard to Bank starting from the working day following the day when Bank has received the respective written notification from Client. In any case, Bank is entitled to provide the given information only in such a scope and in such a manner as stipulated by the valid legislation or a written agreement with Client.

### **Forms and data carriers**

158. Bank shall have the right not to execute instructions or orders if they have been provided without use of the forms issued or approved by Bank or by means of other data carriers or media serving for transfer of information that have not been approved by Bank. Bank may require to be provided with information in a particular manner.
159. If Client learns about any extraordinary event such as loss, theft or abuse of forms, data carriers, passwords, payment cards or media serving for transfer of information, Client is obliged to inform bank about this fact without delay. Until the time when such information is duly received by Bank, the consequences of use of forms, data carriers, passwords, payment cards or media serving for transfer of information are borne by Client.
160. Client is obliged to confirm to Bank in writing any and all information concerning the above mentioned extraordinary events.
161. Upon termination of the relation between Client and Bank, Client shall return to Bank without delay all unused forms, data carriers and media serving for transfer of information provided to Client by Bank.
162. Should Bank find out that a certificate, account statement or any other document that Bank has sent to Client contains an error, Bank shall inform Client immediately about this fact. Client is obliged to check and go through all certificates, account statements, notification and other documents that Bank has sent to Client, immediately upon their receipt. In addition, Client is obliged to verify whether all instructions or orders given by Client or on its behalf have been duly executed by Bank. Should Client find out that there occurred an error in execution of any instruction or order given by Client or on its behalf to Bank, Client shall immediately inform Bank about this fact. In cases when Bank finds out or Client informs Bank that there is an error in a certificate, account statement, notification or another document or in execution of an order or instruction given by Client or on its behalf to Bank, pursuant to this paragraph, Bank shall correct this error without undue delay.

## **X. BANK SECRECY, PROTECTION OF PERSONAL DATA AND PROVIDING BANKING INFORMATION**

163. By signing a contractual relationship, a private individual within the meaning of Act on Personal Data Protection takes into account and agrees that for the purpose of implementation of contractual relations concluded between Client and Bank, the Client's personal data will be maintained and processed in compliance with Act on Banks. Other purposes of processing this data include negotiations of new contractual relations, statistical processing, protection of the Client's and Bank's rights, mandatory archiving and offering additional services. Personal data shall be processed by Bank in the scope stipulated by the relevant legislation. Sources of personal data are data provided by Client, or as the case may be, data acquired from another bank or from public sources. Personal data is intended solely for the needs of Bank and for fulfilment of its duties arising from the contract concluded with Client or from legal regulations and may be made available to other entities only in compliance with the valid legislation of the Czech Republic, in the scope stipulated there. Client is obliged to provide Bank with personal data without which it would be impossible to establish contractual relations or meet the obligations arising for both Client and Bank from the valid legal regulations, particularly the respective provisions of Act no. 253/2008Sb., on selected measures against legitimisation of proceeds of crime, as amended.
164. Bank guarantees preservation of bank secrecy and protection of data stipulated by law within the meaning of the applicable generally binding legal regulation and the contract with Client in the course of duration and after termination of the contractual relation. Client takes into account the Bank's authorisation and obligation to provide information in the scope and under the conditions stipulated by Act on Banks and Act on Personal Data Protection. Additional information may be provided by Bank only on the basis of a written consent of Client as of the date of conclusion of the first contract between Bank and Client in the scope specified in this written consent.
165. On the basis of the Client's previous written consent, Bank is entitled to provide banking information about its clients for business reasons, however, exclusively to business entities, the Bank's clients, the Bank's business partners and to domestic and foreign banks, namely for their own need or for the need of their own clients. Such banking information shall contain only data on bank account, the period for which the account has been maintained, a generally formulated information about the Client's fulfilment of obligations with regard to Bank and a brief information about the Client's solvency and trustworthiness, if required. Banking information is provided on the basis of a request that must be in writing and must specify the reason for such a request.
166. Client agrees that any records of communication between Client and Bank can be used where necessary in the scope stipulated by legal regulations as means of evidence in any proceedings before courts, administration authorities or in cases which Bank consider it necessary in order to protect its justified interests. Use of records in compliance with this provision shall not be deemed breach of bank secrecy. In addition, Bank may publish information relating to Client also with Client's consent in cases when Bank is obliged or entitled to provide such information within the meaning of the valid legal regulations, on the basis of a judicial decision or a decision of a public administration body.
167. Client shall assume responsibility for keeping confidential the business relation with Bank and any underlying verbal or written agreements. Therefore Client shall not be allowed without the Bank's previous written consent to provide a third party with any information concerning any verbal or written agreement with Bank. Failure to comply with this provision shall be deemed a gross violation of the terms and conditions of the business and legal relations between Client and Bank.
168. Client agrees with the Bank's entitlement to provide for the purposes relating to services provided to Client any information acquired about Client to third persons (both in the Czech Republic and abroad), particularly to any legal person from the Banco Popolare Group (i.e. BANCO POPOLARE Scarl and a person directly or indirectly controlling BANCO POPOLARE Scarl and/or a person directly or indirectly controlled by BANCO POPOLARE Scarl) ("Banco Popolare Group"), persons authorised by them or legal, tax or other advisers, a person authorised by Bank to fulfil the Bank's contractual or statutory duties, including exercising the rights arising from contractual relations between Bank and Client, a person with whom Bank negotiates assignment of the Bank's claims with regard to Client or assumption of the Bank's obligations with regard to

- Client, or a person with whom Bank negotiates in connection with providing banking products to Client, on condition that the information provided will be kept confidential.
169. Bank publishes at its website the current list of third persons involved in providing banking products by Bank with specification of the particular purpose for providing and processing of personal data of private individuals of clients by the given third person. Bank publishes also any changes in such third persons.
170. Client agrees that the third persons who are provided by Bank with information about Client in compliance with the provisions given above, process further such information in the provided scope, for the purpose arising from the nature of the business or activities of these third persons for the necessary period set by internal rules of these third persons.
171. In addition, Client agrees that Bank will verify the data acquired about Client, particularly using the service of courts, public administration bodies or otherwise, while preserving the confidential nature of this information.
172. Client who provides Bank within business relations with personal data of private individuals acting on the Client's behalf (e.g. members of a statutory body, employees or other Client's personnel) hereby undertakes to ensure for Bank within the meaning of Act on Personal Data Protection to obtain an explicit consent to collection and processing of and providing to third persons (located in the Czech Republic or abroad) sensitive and other personal data concerning the given private individuals for purpose associated with providing banking products by Bank to Client, as well as for other purposes which Bank deems suitable, particularly in connection with operational management, strategic planning or internal control of Bank. For these other purposes of processing, Bank shall make the data anonymous where possible and where it will not prevent achievement of the goal pursued by Bank.
173. Client states that hereby it has been timely and duly informed about the fact that Bank collects and processes and verifies data on the Client's private individuals in the scope and for the purposes given above, and about the fact that such data may be made available to third persons specified above; Client is aware that providing the given personal data is voluntary, nevertheless, not providing the data may lead to limitation or impossibility to provide the respective banking service; Client has been hereby informed about the right of the given persons to access to personal data collected by Bank as well as about other rights stipulated in Section 21 of Act on Personal Data Protection.
174. Client hereby undertakes to provide Bank with the necessary cooperation for the purpose of obtaining consent of the Client's private individuals pursuant to point 172 herein and further inform the given private individuals about the statement pursuant to point 173 herein.
175. Prior to conclusion of any transaction with Bank or prior to giving instruction to Bank to make a transaction, Client is obliged to provide Bank in the scope stipulated by the relevant legal regulation, with identification data of persons authorised to act on the Client's behalf, as well as of persons who conclude on the Client's behalf the respective transaction with Bank, or who on the Client's behalf give Bank instruction to make the respective transaction. In addition, Client is obliged to provide Bank with the necessary cooperation in verification of identification of the above given persons.
176. Client undertakes to provide Bank with the information pursuant to point 172 herein together with the corresponding source materials (including where relevant, the consent of the given private individual to provision of such information and source materials within the meaning of the relevant legal regulation) reasonably in advance before conclusion of the respective transaction or giving instruction to make the respective transaction, to allow Bank to duly verify them by itself and take to its custody.

## **XI. CURRENCIES AND INTEREST**

177. If a particular contract contains as a reference rate for setting the interest:
- any of the reference rates that are no longer quoted on financial markets starting from 1 January 1999, Bank is entitled to continue setting the interest rate on the basis of the reference rate for the respective currency - EUR/EURIBOR. The agreed difference from the reference rate remains unchanged.
  - In other cases the interest rate is set depending on the reference rate for the respective currency – CZK/PRIBOR, EUR/EURIBOR, USD/LIBOR etc.

178. Interest rates are announced in the document “Notification of Banco Popolare Česká republika, a. s., on Interest Rates”. Credit interest rate is in most types of current accounts and term deposits specified also on the account statement. The amount and changes of interest rates are given by decision of the Bank’s competent bodies. Bank thus responds to changes on financial markets. Substantial changes occur in case of announcing basic interest rates by central banks. For interest calculation, Bank uses the 365/366|365/366 method.
179. Unless otherwise agreed upon, the following rules apply to conversion of financial means:
- conversion of foreign currency into the Czech currency will be based on the Bank’s prompt exchange rate “foreign currency - purchase” in cashless conversion; and “foreign exchange - purchase” in cash conversion;
  - conversion of Czech currency into foreign currency will be based on the Bank’s prompt exchange rate “foreign currency - sale” in cashless conversion; and “foreign exchange – sale” in cash conversion;
  - conversion of pecuniary means from one foreign currency into another (purchase or sale of foreign currency/ foreign exchange) will be based on prompt exchange rates of currencies defined under a) and b) above or on an individual exchange rate;
  - prompt exchange rate is the rate included in the note of exchange valid at the time of execution of transaction;
  - in the above mentioned types of conversion it is possible to agree with Bank also on individual exchange rate that is based on the current market conditions for the given currency on the financial market where the given currency is listed.

## **XII. FINAL PROVISIONS**

### **Termination of and withdrawal from contract; consequences of termination of contractual relation**

180. Unless otherwise agreed upon, both Bank and Client are entitled to terminate without cause a contract for any banking product or service with a one-month notice of termination, namely always in writing. Unless stipulated otherwise by the respective contract, the contract terminates at the end of the calendar month following the month when the notice of termination was delivered to Client.
181. All the Client’s outstanding obligations shall be payable no later than on the first banking day following the date of expiry of the period of notice. Upon termination of the relation, Bank is entitled to execute immediately its rights contained in these GBTC and all the existing agreements between Client and Bank without notifying Client.
182. Bank is entitled to terminate a contract concerning any banking product or service with immediate effect if account holder has violated substantially obligations arising from the contract or other duties stipulated by a legal regulation, particularly if:
- the opening deposit was not deposited in the account within one month after its opening;
  - the agreed credit balance is not in the account for the period of five days and client failed to add the funds to the agreed amount in the additionally set period;
  - the minimum turnover stipulated by the contract was not achieved;
  - Client has substantially violated its obligations arising from these GBTC or from the contract or other agreements with Bank.

In such case the contract shall terminate on the day of delivery of the notice of termination to account holder.

183. Where the notice of termination concerns an account that is blocked due to execution proceedings in progress, the period of notice shall end on the day of execution, however, no later than six months after the effective date of the decision on execution.

### **Validity of and amendments to GBTC and other terms and conditions for banking products and services**

184. GBTD remain valid as part of the contractual covenant also after termination of the mutual relation between Bank and Client, until full settlement of all claims arisen between Bank and Client, namely in the wording valid upon conclusion of the contractual relations, unless they are amended pursuant to point 185.

185. Bank is entitled to amend regularly GBTC and other terms and conditions for banking products and services. The amended GBTC will be published by Bank. Bank will notify Client about amendment of GBTC and the manner of their publication, as a rule by notification included in the account statement or at its website [www.bpcr.cz](http://www.bpcr.cz), at least thirty days prior to their effective date. Client is obliged to get acquainted with the amended GBTC. Unless Client within one (1) month of publication of the amended GBTC expresses in writing its disapproval of the amended GBTC and if Client continues to use services provided by Bank, the amended version of GBTC shall become binding upon the concluded contractual relation as amendment to the originally agreed conditions with effect from the date specified in the respective amendment to GBTC. Where Client delivers to Bank within the period set by Bank its disapproval of amendment to GBTC in writing, and unless contracting parties have agreed otherwise, such disapproval shall be deemed to be notice of termination by Client pursuant to Section 715(1) of the Commercial Code. This provision is without prejudice to the Bank's right to publish changes or amendments concerning certain information or facts associated with these GBTC or referring to GBTC, without amending GBTC.
186. The provisions of GBTC amended as a result of amendment of the respective legal regulations, rules or official communications of the Czech National Bank shall become binding regardless of the Client's objections.

#### **Insurance of deposits**

187. All deposited means in the Czech or foreign currency, including interest, shall be insured in compliance with Act on Banks.

#### **Claims and complaints**

188. Claims relating to services and the Client's complaints shall be settled according to the Rules of Complaints Procedure of Banco Popolare Česká republika, a.s. for private individuals and legal persons. Bank publishes its Rules of Complaints Procedure. Bank is entitled to amend regularly these rules in the manner stipulated in GBTC.

#### **Language**

189. GBTC and other legal documents may be translated into foreign languages.
190. Where at the Client's request, a legal document or GBTC are issued in a language other than Czech, the Czech version prevails over the version in a foreign language. If Client submits to Bank documents stipulated by law or required by Bank in a foreign language, Client is obliged at the Bank's request to provide at its own cost without undue delay their officially authenticated Czech translation.

#### **Separability of provisions**

191. Any provision of these GBTC that is unlawful or unenforceable in any jurisdiction, shall be as concerns this jurisdiction ineffective only in the scope of this unlawfulness or unenforceability, without prejudice to the validity of other provisions of these GBTC or without prejudice to validity or enforceability of such provision in any other jurisdiction.

#### **Publication of GBTC and other Bank's information and documents**

192. Publication of GBTC or other Bank's documents pursuant to GBTC shall mean making such information or document available in the Bank's premises accessible to public or at the Bank's website ([www.bpcr.cz](http://www.bpcr.cz)), or where appropriate, through another agreed electronic communication (e.g. the Client's e-mail address).

#### **Assignment of rights and assumption of obligations**

193. Client shall not be entitled without the Bank's previous written consent to assign, transfer, change, pledge or otherwise encumber or dispose of any of its rights or obligations arisen on the basis of the mutual relation with Bank. Client has agreed that Bank is entitled any time to assign or transfer any of its rights or obligations arising from the mutual relation between Client and Bank to a third person.

#### **Governing law, international agreements and usage**

194. GBTC shall be governed by the relevant valid legislation of the Czech Republic.

195. Transactions between Client and Bank and their mutual relation shall be governed in the applicable scope by duly published international agreements and usage relating to banking transactions and namely those that do not contradict the legal order of the Czech Republic. Should provisions of these agreements or usage differ from or contradict GBTC, the respective international agreements prevail.

#### **Disputes, local jurisdiction**

196. Bank and Client will make every effort to settle amicably all legal disputes arisen on the basis of their relation.

197.

(i) Unless otherwise stipulated under ii) herein, or unless agreed upon otherwise between Client and Bank, the disputes arisen in connection or on the basis of the relation between Client and Bank shall be exclusively decided on the basis of a motion to commence proceedings filed with the competent court in Prague. This agreement on the competent court shall apply to all clients regardless of their nationality or place of permanent residence. Without prejudice to the previous provisions, Bank is entitled in case where it is claimant, to file at its own discretion a motion to commence proceedings not only with a court in the Czech Republic but also with any other foreign court that is a competent court for Client.

(ii)

Where agreed upon in writing between Client and Bank in a contract for the respective banking product or service, the disputes arisen in connection or on the basis of such a contractual relation between Client and Bank that are not settled amicably, will be decided in the arbitration proceedings ad hoc pursuant to Act no. 216/1994 Coll., on Arbitration Proceedings and Enforcement of Arbitral Awards, as amended, by a single arbitrator appointed on the basis of proposal of either party by the President of the Arbitration Court attached to the Czech-Moravian Commodity Exchange in Kladno. Proceedings will be conducted and fees paid according to the Rules of this Arbitration Court and instructions of the arbitrator and will be administered by the Arbitration Court. The arbitral award will be issued by the appointed arbitrator without oral hearing, on the basis of submitted written documents.

#### **Validity and effect of GBTC**

198. These GBTC become valid and take effect on 2 February 2009.