

PRODUCT BUSINESS TERMS AND CONDITIONS FOR THE ISSUE AND USE OF PAYMENT CARDS

UniCredit Bank
Czech Republic and Slovakia, a.s.

PRODUCT BUSINESS TERMS AND CONDITIONS FOR THE ISSUE AND USE OF PAYMENT CARDS UNICREDIT BANK CZECH REPUBLIC AND SLOVAKIA, A.S.

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1 INTRODUCTORY PROVISIONS

1.1 UniCredit Bank Czech Republic and Slovakia, a.s., having its registered office at Prague 4 – Michle, Želetavská 1525/1, Postcode 140 92, Company ID No. 64948242, entered in the Commercial Register maintained by the Municipal Court in Prague, Section B, file 3608 (hereinafter referred to as the “Bank”), is a bank in accordance with Section 1(1) of Act No. 21/1992 Coll., on Banks, as amended, and is authorised in accordance with the relevant provisions of the stated Act to issue electronic payment instruments.

1.2 The Bank issues debit and credit cards of international card associations. The General Business Terms and Conditions of UniCredit Bank Czech Republic and Slovakia, a.s. (hereinafter referred to as the “General Business Terms and Conditions”), the Product Business Terms and Conditions for the Issue and Use of Payment Cards of UniCredit Bank Czech Republic and Slovakia, a.s. (hereinafter referred to as the “Product Terms and Conditions”), the Product Business Terms and Conditions for Accounts and Payment Services of UniCredit Bank Czech Republic and Slovakia, a.s. (hereinafter referred to as the “Product Terms and Conditions for Accounts and Payment Services”), and the Tariff of Fees for Providing Banking Services of UniCredit Bank Czech Republic and Slovakia, a.s. (hereinafter referred to as the “Price List”) are integral parts of this contractual relationship concluded between the cardholder and the Bank.

1.3 The card is the property of the Bank.

1.4 The Bank is entitled to amend the Product Terms and Conditions or add new provisions thereto, in particular, concerning the provisions relating to the payment card, its issue, delivery, activation, validity, replacement, use, protection and blocking, the special provisions for the use of the credit card, the scope of changes to the Product Terms and Conditions, and the rules for implementing such changes. The Bank is entitled to amend the Product Terms and Conditions or add new provisions thereto if a reasonable need for such changes or amendments arises, such as the need to change or newly and explicitly adjust certain rights and obligations of the parties in connection with a change in legal regulations, available technologies, situation on financial markets, the Bank’s business policy, or the rules of card associations. The Bank will send the wording of the changes and amendments, or the complete wording of such amended Product Terms and Conditions to the Client at least two months prior to the proposed effective date of such amendment. If the Client does not agree to the proposed amendment of the Product Terms and Conditions, he/she is thereby entitled to terminate the respective contractual relationship by providing to the Bank written notice of termination with immediate effect, but no later than on the day preceding the effective date of the proposed amendment. If the Client does not reject the Bank’s proposal, then the new wording of the Product Terms and Conditions becomes binding upon the concluded contractual relationship as a change in the originally agreed conditions of the contractual relationship, effective as of the date stated in the given amendment to the Product Terms and Conditions as the date on which the new wording of the Product Terms and Conditions becomes valid.

1.5 In the case of a change or amendment to a framework contract under the respective Act, the provisions of paragraph 1.5 shall apply not only in the case of a change or amendment to the Product Terms and Conditions but also in the case of any other changes or amendments to the contractual provisions of such framework contract, with the exception of an agreement on interest and exchange rates, for which the Bank is entitled to amend the agreement between the parties on interest and exchange rates at any time and to do so unilaterally and without prior notice, provided the change consists of an adjustment in reference interest or exchange rates.

1.6 If the parties’ rights and obligations governed by the Product Terms and Conditions change as a direct result of a change in legal regulations that cannot be contractually circumvented, the provisions of paragraph 1.5 shall not apply. The Bank will inform the Client of any such change.

2 DEFINITION OF TERMS

- **A 3D Secure authorisation code** is a personalised security element serving to confirm transactions made with merchants who use two-factor security of card associations.
- **An automated teller machine (ATM)** is a self-service electronic device for making cash withdrawals/deposits via the card. If an ATM offers other services, the Client may also use them.
- **A contactless card** is a debit or credit payment card supporting the PayPass or PayWave contactless chip technologies.
- **A contactless payment** is a card transaction executed by waving a contactless card close to the payment terminal that supports the contactless technology.
- **An interest-free grace period** is the period from the date of executing a non-cash payment to the due date indicated on the statement during which no interest is charged on non-cash transactions, provided the given conditions are fulfilled.
- **Card blocking** is a measure consisting in preventing the possibility of executing transactions via the card.
- **Cash Back** is a service that makes cash withdrawals possible when making a non-cash payment.
- **CVV/CVC code** is a security element used to identify the Cardholder in an environment without the presence of a payment card (e.g., the Internet).
- **A debit card** is an electronic payment instrument issued by the Bank and by means of which cash and non-cash payment transactions may be debited or credited to the account owner’s payment account.
- **An authorised user** is the holder of a debit card issued to another person’s account.
- **An additional card** is a credit card issued to a third party with the primary cardholder’s consent. An additional card may be used to debit cash and non-cash transactions to the primary cardholder’s card account.
- **Dynamic Currency Conversion** is a service enabling the Client to select the currency in which the card transaction is then made. The amount of the transaction is converted into the value of the currency selected by the holder; after confirmation, this amount and currency are final and decisive for further processing of the transaction.
- **A primary card** is a credit card issued to the Client in whose name the card account is maintained (primary cardholder).
- **A charge card** is an electronic payment instrument enabling cash withdrawals and non-cash payment transactions for which the payment date (see paragraph 16.8) is always at the end of the given calendar month, the form of payment is always direct debit from the account at the Bank, and the minimum mandatory payment (paragraph 16.9) is 100%.
- **A credit card** is an electronic payment instrument issued by the Bank through which cash and non-cash payment transactions may be debited or credited to the primary cardholder’s card account.
- For the purposes of these Product Terms and Conditions, “**card**” refers both to credit cards and debit cards, unless expressly indicated otherwise in the text.

- For the purposes of these Product Terms and Conditions, **the Client** is a person who is a contractual party to the agreement concluded with the Bank, regardless of that person's specific position or function.
- For the purposes of these Product Terms and Conditions, **the account owner** is the Client in whose name the payment account for which the debit card is or will be issued is maintained by the Bank.
- **NFC device** is a device equipped with a technology enabling the execution of a contactless payment and an application supported by the Bank, which enables payment operations in a mobile phone, watch or other devices.
- **The card's medium** is a written document sent to the applicant together with which the card is delivered and which contains practical instructions for card activation, telephone lines for card blocking, and the like.
- **A renewed card** is the card issued for a period after the expiry of the original card.
- **PayPass (Mastercard Association) / PayWave (Visa Association)** are contactless chip technologies enabling contactless payments on payment terminals that support the technology. A transaction and its authorisation are executed by putting the card sufficiently close to the contactless payment terminal. No PIN entry is required for contactless payments of amounts less than the limit published by the Bank. The applicable maximum limit for the PayPass/PayWave service is set at CZK 500 per transaction for the Czech Republic. The cardholder will be required to enter her/his PIN for a transaction above CZK 500. The limit may differ between countries, subject to the rules applicable in the respective country. The Bank is entitled unilaterally to change the limit amount, while it must notify cardholders in a suitable manner about the limit change.
- **The PIN (Personal Identification Number)** is a personalised security element consisting of a personal identification number generated by the Bank and issued to the Client for the purposes of identifying the client and proving Client's authorisation to execute payment transactions using the card. The Client may subsequently change her/his PIN.
- **Pre-contractual information** is information that the Bank is obliged, pursuant to Act No. 257/2016 Coll., on consumer loans and the amendment of certain acts, as subsequently amended, to provide to the applicant prior to establishing the contractual relationship.
- **Push notification** is a notification delivered using an internet banking mobile app. It is used to authorise 3D Secure transactions.
- **The APR** is the effective annual percentage rate associated with drawing the credit limit established in accordance with Act No. 257/2016 Coll.
- **The transaction limit** is the authorised maximum amount per cash and non-cash transaction that the Client is entitled to draw by means of the Card. The Bank is entitled to change the transaction limit upon agreement with the account owner or primary cardholder. The Bank is entitled unilaterally to decrease this limit or modify its distribution on the limit for cash and non-cash transactions and must notify the Client about any such change.
- **The account** is the current account established and maintained by the Bank for the Client and serves to execute payment transactions. For the purposes of the credit card agreement, the account is also considered to be the card account to which the credit limit drawn by the Client on the basis of the Agreement on Issue of a Credit Card is assigned.
- **The credit limit** (also the credit) is the authorised maximum amount that the Client can draw by means of the credit card during the settlement period agreed between the Bank and the primary cardholder. If multiple cards are issued for a single account, then this limit is valid collectively for all these cards. The Bank may unilaterally decrease the amount of the credit limit and so notify the Client of the change. The Bank may propose to the Client in writing an increase in the credit limit. The credit limit is increased if the Client does not reject the Bank's proposal in writing or by telephone within the stipulated period, which must not be less than one month.
- **The settlement period** is a recurrent period generally lasting, as regards credit cards, 1 calendar month the last day of which is specified in the card account statement. During this period, all transactions executed and presented to the Client for payment on the due date are settled. The settlement period during the validity of the card may not be changed.
- **Settlement period** – usually a thirty-day period which starts to run on the first day after termination of the contractual relationship, i.e. after the expiration of the notice period or as of the date agreed between the Bank and the Client as the last day of validity of the agreement. During that period, the Client's card account is settled, i.e. the Bank's receivables from the Client are settled or the credit balance on the card is settled. During the settlement period, the credit card can no longer be used, outstanding receivables arising from us of the credit card may not be settled by direct debit and notice may not be withdrawn. The settlement period shall run until the full settlement of the card account.
- **NFC** is a device equipped with technology allowing contactless payment and a Bank-supported application which allows making payment transactions through mobile, watches or other devices.

3 CARD ISSUE

3.1 The Bank issues the card on the basis of an Application/Agreement. A duly completed and signed Application/Agreement delivered to the Bank with all required documents is regarded as a proposal for concluding the Agreement.

3.2 The Agreement is considered concluded once the card is delivered to the applicant.

3.3 The application/agreement automatically expires if the first card issued is not taken over by the client – applicant within this period and in the manner specified by the Bank. If the card is not handed over, the Bank may request compensation from the Client for expenses associated with producing and delivering the card.

3.4 The account owner also may request the Bank to issue a card to his/her account to another person whom the account owner has designated as a person authorised to transact with the funds in the account via the card. The Application for Card Issue for an Authorised Person must be signed by both this person and the applicant.

3.5 The Client agrees that the Bank is entitled to inform other banks in the Czech Republic if the account owner or the Client breaches the Agreement. The Client also agrees that the Bank shall provide the relevant card associations with information concerning the payment cards issued to the Client (e.g. payment card number, validity period).

4 DELIVERY OF THE PIN AND CARD

4.1 The Bank shall send the card's PIN to the Client by registered mail in a parcel designated for personal delivery to the address stated in the application separately from the Client's own card, or the Bank may send the card's PIN to the Client via internet banking (in this case, the PIN is not sent to the Client by letter).

- 4.2** The Bank shall send the card to the Client by ordinary mail to the address specified by the Client. Upon delivery of this parcel to the Client, the liability for the card and PIN protection passes to the Client.
- 4.3** The Client is obliged to check the integrity of both parcels upon their collection. If a parcel shows signs of damage, the Client must notify the Bank of this fact immediately. In such case, the Bank will assign and send to the Client a new card and new PIN free of charge under the same conditions. If the parcel is not delivered to the Client, the Client is obliged to notify the Bank of this fact immediately.
- 4.4** By agreement between the Client and the Bank, the card may also be delivered in person at a time and location agreed with the Bank. In this case, by signing the record of the card's receipt the Client also confirms receipt of the PIN envelope and its integrity.
- 4.5** In exceptional cases, the card may be accepted by another person authorised to do so by the Client on the basis of an officially verified written power of attorney or on the basis of a request drawn up in the presence of an employee of the Bank.
- 4.6** If the Client cannot be reached and the parcel is returned to the Bank undelivered, or if the Client refuses to accept the document and the parcel is returned to the Bank, then the Bank may invalidate the returned card for security reasons after three months of its validity. If a renewed card, duplicate card or card reissued due to a change of personal information or blocking of the original card cannot be delivered as described in the foregoing sentence, the existing contractual relationship with the Client shall be not terminated thereby. After this period and at his/her request, the Client will be issued a duplicate card, unless the Bank decides otherwise, including the possible generation of a PIN, at the Client's expense and in accordance with the Price List.
- 4.7** After collecting the card containing a signature strip, the Client is obliged to sign it on the signature strip on its reverse side. The signature on the signature strip serves as a specimen for confirming authorisation of a payment transaction executed with the card. If the Client does not sign the card on the signature strip, then the card is not valid.
- 5 CARD ACTIVATION, CARD VALIDITY AND CARD REPLACEMENT**
- 5.1** The Client is obliged to activate the first card issued after its delivery in the manner stated on the medium no later than 60 days after the date on which the Bank received a draft Agreement under Article 3.1. The Bank will perform the actual activation no later than on the following business day.
- 5.2** The card is issued for a period established by the Bank. The card's validity expires upon the lapse of the final day of the month and year indicated on the front side of the card. The Client is entitled to use the card only throughout the period up to this date. The card invariably remains under the ownership of the Bank, and its holder is obliged to return the card immediately to the Bank whenever requested to do so.
- 5.3** If the card's period of validity expires, the Bank will automatically issue a renewed card for a new validity period unless the Client withdraws from the agreement in writing no later than one month prior to the card's expiry date. If a permanent blocking of the card is performed, the Bank shall issue a card with a new number instead of the original card, unless the permanent blocking was related to the termination of the contractual relationship.
- 5.4** In the case of mechanical damage, loss or theft of the card, the Bank shall issue its holder a duplicate of the card or a new card at his/her request. A condition for issuing the duplicate is that the Client delivers the damaged card to the Bank. The Bank is entitled to debit a fee from the account according to the Price List for producing the duplicate or new card.
- 5.5** The card's validity shall cease due to:
- lapse of the period for which the card was issued;
 - permanent blocking of the card;
 - termination of the Agreement.
- 5.6** Upon termination of the Agreement for a primary card, all additional cards will also be terminated.
- 5.7** The card may be no longer used after its expiration. If the Client does not return the card to the Bank, he/she is obliged to destroy the card by cutting it through the chip and magnetic strip. The Bank bears no responsibility for possible damage incurred due to misuse of a card after its expiry or after termination of the Client's contractual relationship with the Bank, while the Client is obliged to compensate the Bank for any damage so arising without undue delay.
- 5.8** As a result of discontinuing the issue of a certain type of card or transferring the current card to another type of card product, the Bank is entitled to replace such card and provide the Client with a card of another type. The Bank shall promptly inform the Client in writing about no longer issuing the product, however, at least two months in advance. The Client shall also be informed in writing about the date of discontinuing the current product, an offer and conditions of a new product, and the time-limit within which the Client may express his/her disagreement with the offer. If the Client does not refuse the offer within the time-limit, the Bank shall send the Client a new card. If such card is not delivered to the Client, the existent contractual relationship between the Bank and the Client shall be not terminated thereby.
- 6 CARD USE**
- 6.1** The Client is obliged to execute any transactions using the card only up to the balance available on the account, or up to the unused credit limit with regard to the credit cards, and up to the transaction limits.
- 6.2** The Client is entitled to withdraw cash from an ATM or at a bank cash desk in the maximum amount corresponding to the transaction cash limit.
- 6.3** When executing transactions using the card, the Client is obliged to present at the request of the place of business an ID card together with the card. The Client acknowledges that this place of business is entitled to require the consent of the authorisation centre (authorisation) for executing the requested transaction and to carry out this transaction only if it obtains authorisation.
- 6.4** The Bank will permit the transaction provided that the Client confirms (authorises) such transaction by any of the following:
- signing a cash register slip at the merchant, or
 - entering her/his PIN; or
 - waving the card close to the contactless payment terminal, unless the PIN is required at the same time; or
 - transmitting the card identification data or entering the CVV / CVC code or confirming the push notification delivered to the internet banking mobile app for performing e-commerce transactions or a combination of these methods;
 - By scanning the NFC device against a contactless payment terminal with a lit-up screen. Sometimes, the screen of the NFC device needs to be unlocked using a predetermined method or one of the above authorisation methods listed in this Article;
- and, provided the transaction also corresponds to the card's parameter settings, i.e. it is within all the card's limits, or as the case may be, to the balance available on the account at the time of its execution.

- 6.5** If when making a withdrawal from an ATM the Client does not receive the requested cash or his/her card is retained, the Client is obliged to notify the Bank of this fact without undue delay.
- 6.6** Provision of the service on the basis of which non-cash transactions can be executed via the card without the presence of the card (postal/telephone order for goods or services made using the card, and/or non-cash transactions made using the card on the internet) is prevented by the Bank, except for non-cash transactions secured by a push notification, unless otherwise agreed with the Client.
- 6.7** The Bank does not examine the legitimacy of transactions executed and authorised by the Client.
- 6.8** The Bank is entitled to limit the number of transactions that may be executed using the card during a determined period.

7 TRANSACTION SETTLEMENT, FEES

- 7.1** All transactions made using the card, as well as all fees or interest that the Client is obliged to pay to the Bank in connection with the issue and use of the card, shall be debited from the account by the Bank, unless hereinafter stipulated otherwise. The account owner is obliged to ensure that sufficient funds to cover payment transactions executed using the card are available on the account for which the card has been issued or from which payments are made of outstanding amounts of a granted credit.
- 7.2** A transaction carried out via the card is settled to the account after being processed by the contracting bank for the place of business at which the card was used or by the bank that operates the ATM, within the time frames and with effectiveness as established by the applicable legal regulations on payment operations.
- 7.3** Transactions executed with the card are charged according to the rules of the card associations:
 - a)** Amounts of the transactions executed using a debit card shall be debited from such an attached account the currency of which is identical to that of the transaction. Where such account in the same currency is not attached to the card or the respective account lacks available funds, the transactions shall be debited from the account which is maintained in the currency identical to the currency of the card association. It is EUR for MasterCard and USD for VISA. If the Client does not have any of the above accounts attached to the card, the transaction shall be debited from the account indicated as the primary attached account. If the primary account lacks available funds, the transaction shall be debited from another attached account in a row. The transactions executed in a foreign currency are converted to CZK at the FX sell rate, while transactions executed in CZK are converted to the respective foreign currency at the FX buy rate. If, however, an attached account is maintained in the currency of the respective card association, such transaction amount is converted to that currency at the own exchange rate of that association. If the transaction currency is not included in the Bank's list of exchange rates, the transactions are converted to the currency and at the own exchange rate of the respective card association. If subsequently, subject to the attached account's currency, yet another conversion becomes necessary, such amount is converted to CZK at the FX sell rate and then from CZK to the respective currency at the FX buy rate. The transactions are always converted at the rates valid on the transaction clearing date.
 - b)** The amounts of transactions executed using a Visa/Mastercard credit card are debited from a card account denominated in Czech korunas. Transactions executed in a foreign currency

using a Visa/Mastercard credit card are always converted to the currency of the card account. For settlement of a transaction in a currency other than in Czech korunas, an exchange rate established by the respective card association, published at the time of processing of the relevant transaction, shall be used. For transactions using Mastercard credit cards, conversion to Euros shall always be used (for fees using a Priority Pass card, conversion to US dollars shall be used). For credit cards, an exchange rate entailing a conversion fee for the conversion of currencies as per the valid Price List may be used in the conversion. If a merchant refunds an amount of a transaction executed in a currency other than Czech korunas to the card's account, the amount credited to the card's account may differ from the amount originally settled, namely on the grounds of using a different exchange rate in the settlement of such incoming transaction.

- 7.4** Article 7.3 shall not apply when using the Dynamic Currency Conversion service, which the Client confirms upon transaction authorisation that he/she was familiarised with and approved the rate used, potential fees and the final amount stated in the agreed currency.
- 7.5** The Client is obliged to pay a fee for debit card issue and maintenance and a fee for credit card account maintenance. The fee for debit card issue and maintenance and for credit card account maintenance is charged by the Bank regardless of whether the Client activated the card and is actively using it.
- 7.6** In the case of terminating the contractual relationship, though not sooner than 12 months after signing the agreement (i.e. as from the second year of validity of the first card issued), the Bank returns to the Client the aliquot part of the annual fee for the card for each calendar month not commenced remaining in the period of annual fee settlement. This condition does not apply to cards issued to the accounts of clients who are not consumers or small entrepreneurs in accordance with the Payment System Act.
- 7.7** If the respective Price List stipulates a certain fee as conditional, such fee will be nevertheless always be charged in the respective month. Subject to meeting the conditions specified in the respective agreement or Price List, such conditional fee is then refunded to the Client's account once the given settlement period has been evaluated.

If the condition involves a turnover amount, the following will not be included in the turnover: cashback withdrawals, payments returned upon, e.g. claims filed, transactions cancelled at the merchant, withdrawals from deals etc.

8 CARD SECURITY, PIN SECURITY

- 8.1** The Client is obliged to adhere to the principles for ensuring the card's security so as to avoid its theft, loss, misuse or unauthorised use by an unauthorised person, i.e. in particular, to keep the card in a secure place, separate from personal documents, and to protect it from mechanical damage and magnetic fields.
- 8.2** The Bank communicates the PIN for the card only to the cardholder. The Client is obliged to keep the PIN secret.
- 8.3** If the Client forgets the PIN, he/she may request that the Bank sends the PIN again; this request must always be approved by the Bank. If not approved, then the Bank must issue a new card with a new PIN. The Bank is entitled to debit a fee for producing the new PIN or new card from the account pursuant to the Price List.
- 8.4** The Client may change the PIN to the card through the UniCredit Bank Czech Republic and Slovakia, a.s., ATM network, provided the given ATM enables this function.

9 CARD BLOCKING

- 9.1** In the case of the card's loss, theft or misuse, or if circumstances suggest that unauthorised use of the card could occur, the Client is obliged to report these facts to the Bank immediately. The Client also has the option of temporarily blocking the card via internet banking.
- 9.2** An instruction for blocking may be submitted at a point of sale of a member bank of the relevant international card association or another company designated for this purpose. An instruction submitted in this manner becomes effective in relation to the Bank once the Bank receives it. In the case of blocking a card at the Client's request, the Bank shall issue its holder a new card of the same kind as a replacement. The Bank will also send the holder a new PIN. The Bank is entitled to a fee for issuing a new card in the case of blocking according to the Price List.
- 9.3** The Bank is entitled to block the card even at its own initiative if it suspects unauthorised or fraudulent use of the card. The Bank also is entitled to block a credit card in this manner if the risk that the Client will not be able to repay the credit which may be drawn using the card increases significantly. The Bank is obliged to inform the Client of blocking the card and the reasons for doing so prior to blocking it in accordance with this provision, or if this is not possible, immediately thereafter. This does not apply if providing this information could impede the purpose of blocking the card or would contradict legal regulations.
- 9.4** In the case of the card's loss or theft, the Client must check whether the identification cards for additional services were also lost or stolen, provided the Bank issued such cards to the given card. If these cards remain in the Client's possession, then he/she is obliged to destroy these cards, and as the case may be, return them to the Bank. Along with the new card, the Bank shall provide the Client with new cards or other identification cards for the additional services, unless agreed otherwise.
- 9.5** The Bank and any place of business or any member bank of the relevant international card association are authorised to confiscate a card whose validity is terminated due to blocking. The Client is obliged to surrender the card.

10 CLAIMS

- 10.1** The Client is obliged to notify the Bank of any unauthorised or incorrectly executed transactions made using the card or any incorrectly charged fees without undue delay after receiving the account statement, but no later than 13 months from the date of a transaction's debiting from the account. Claims concerning cash withdrawn within the Cash Back or Cash Advance services must be made immediately upon receipt of cash first from the relevant merchant or the bank or exchange office (as regards the Cash Advance service).
- 10.2** If the Client does not file the claim within 30 days of receiving the account statement and was not prevented from doing so by objective insurmountable circumstances, the claim shall be considered not to have been filed without undue delay.
- 10.3** If the Client has any direct banking service established with the Bank, the aforementioned time periods shall begin from the time when the respective transaction was displayed in the direct banking application.
- 10.4** The Client acknowledges that the time period for settling a claim concerning goods or services paid by card (i.e., beyond the Act on Payment System) corresponds to those stipulated by the rules for a claim proceeding of the respective international card association.
- 10.5** To file a claim, the Client is obliged to submit all necessary documents supporting the claim proceeding. The Client may also be obliged at

the Bank's request to submit further documentation no later than 10 days after receiving the Bank's request. The Client is obliged to keep all transaction documents for a period of 13 months.

- 10.6** The Bank will inform the Client of the result of the claim proceeding.

11 BREACH OF CONTRACT

- 11.1** The Bank is entitled to verify the manner in which the card is used and to evaluate the Client to whom the card was issued, and any other circumstances that could jeopardise payment of any of its receivables from the Client.
- 11.2** The Client has breached the Agreement if:
- a) he/she is in delay with settling his/her financial obligations to the Bank from any contractual relationship concluded with the Bank;
 - b) he/she provides the Bank with false, distorted or incomplete information;
 - c) he/she commits fraud against the Bank.
- 11.3** If the Client breaches the provisions of the Agreement, the Bank is entitled to take the following actions:
- a) decrease the transaction or credit limit in accordance with Section 100 of the Payment Services Act;
 - b) temporarily restrict or block use of the card (in accordance with the provisions of Article 9 of these Product Terms and Conditions);
 - c) declare the entire amount receivable from the primary cardholder or a part thereof to be due and payable;
 - d) transfer the amount receivable from the primary cardholder to any third party;
 - e) enforce a contractual penalty according to the Price List;
 - f) withdraw from the Agreement.
- 11.4** The Bank has the same rights under the foregoing provisions if:
- a) any other circumstance occurs that could negatively affect the extent and state of the Client's property or economic situation, if, in the Bank's opinion, such circumstances may negatively affect the Client's ability and possibility to fulfil the obligations under the Agreement;
 - b) the Client's financial and property situation worsens, his/her level of indebtedness increases, or if it is clear that the Client is in delay with fulfilling his/her financial obligations to other creditors;
 - c) an insolvency proceeding was initiated concerning the Client, he/she was approved for debt relief, his/her property was declared bankrupt, bankruptcy was annulled due to a lack of assets, liquidation was initiated, or a court or out-of-court execution of judgment was initiated..
- 11.5** The Bank is entitled according to its sole discretion to use one or more of the measures stated above, either all at once or progressively.

12 TERMINATION OF THE CONTRACTUAL RELATIONSHIP

- 12.1** Both the Bank and the Client are entitled to terminate the contractual relationship at any time without stating a reason and always in written form. By terminating the contractual relationship, the primary cardholder, or as the case may be, account owner, is then obliged to settle without undue delay all his/her financial obligations to the Bank.
- 12.2** If the Client terminates the contractual relationship by notice, the notice period is one month. The contractual relationship can be terminated in the form of an agreement between the Bank and the Client, in which case the contractual relationship is terminated on the day agreed by the Bank and the Client. The primary cardholder is obliged to inform the additional cardholders of the termination of the right to use the cards and to ensure the destruction of the

cards. The Client is obliged to deliver all cards to the Bank (i.e. including identification cards for additional services, and in the case of credit cards, also additional cards, if provided) by post or in person at one of the Bank's places of business.

- 12.3** If the Bank withdraws from the contractual relationship, the notice period is two months. The Client is obliged without undue delay, no later than the day following the termination of the Agreement, to return the card to the Bank (i.e. including identification cards for additional services, and in the case of credit cards, also additional cards, if provided) by post or in person at one of the Bank's places of business.
- 12.4** The primary cardholder, or as the case may be, the account owner, may at any time terminate with immediate effect the authorisation to use an additional card or the card for each individual holder.
- 12.5** If the Bank learns about the Client's death in a credible manner, his/her card shall be permanently blocked. In the case of the primary cardholder's death, all issued credit cards shall be permanently blocked. Debit cards of authorised users shall be permanently blocked in the event of death of the account owner only if the account owner has given relevant instructions for that purpose.
- 12.6** If the contract on maintenance of the account for which a debit card was issued is terminated, the validity of the card ends on the day of the account maintenance contract's termination.
- 12.7** If the agreement on issuing a credit card for which additional cards were issued is terminated, the validity of the additional cards ends on the day of termination of the agreement with the primary cardholder.
- 12.8** The credit cardholder is entitled to withdraw from the Agreement in writing without providing a reason within 14 days of the day of concluding the Agreement. The period is observed if the withdrawal notice is sent to the Bank no later than the final day of this period. In the of withdrawal, the credit cardholder is obliged to pay within 30 days of the day of sending the withdrawal notice the principal and interest accumulated up to the day of payment of the principal.
- 12.9** If the Bank's terminates the contractual relationship by withdrawing from the Agreement according to paragraph 11.3, the Bank will cease sending statements for the Client's account. At his/her request, the Bank will inform the Client by return post of the current amount payable, including calculation of standard interest, late payment interest, fees and penalties.

13 RESPONSIBILITIES OF THE BANK AND CLIENT

- 13.1** The account owner/primary cardholder is responsible for adherence to the Agreement, General Business Terms and Conditions, these Product Terms and Conditions, the Product Terms and Conditions for Accounts and Payment Services, and other related contractual documents by all authorised users or holders of additional cards issued to his/her account.
- 13.2** The Client bears the loss from an unauthorised payment transaction up to the amount corresponding to EUR 50 if this loss was caused by the use of a lost or stolen card or by the misuse of the card if the Client failed to ensure the protection of its personalised security elements. The Client bears this loss in full if he/she caused it through his/her fraudulent conduct or breach of his/her obligations, either intentionally or through gross negligence. The aforementioned does not apply if the loss occurred after the Bank was duly notified of the card's loss, theft or misuse, except in the case of fraudulent conduct.
- 13.3** The Client is aware of the explicit warning of the fact that when executing transactions via the card without its physical presence (e.g. through the internet), he/she runs the risk of its misuse. The Bank is not responsible for any such misuse.

13.4 The Bank is not responsible for any damage resulting from non-execution of requested transactions that was caused directly or indirectly by reasons beyond the Bank's control, in particular, due to the interruption of electricity supply, failure of a cash machine, refusal of the card even without giving a reason, strike, etc. Moreover, the Bank is not responsible for any damage incurred in connection with using an invalid card or as a result of damage or seizure of the card by the merchant.

13.5 The Bank is not responsible for a point of sale's refusal to accept the card when paying for goods or services or requesting a cash advance. The Bank is not responsible for damage incurred by the Client if the Client does not pick up the cash paid out by an ATM.

13.6 Upon returning goods or in the case of failure to render a service and the place of business does not return cash but issues a credit document, of which the Client receives one certified copy, the Bank will then credit the amount specified in the credit document to the account. If the transaction is in a foreign currency, the Bank will use its current reference exchange rate. In the case of settling a credit transaction by a place of business for which the transaction is processed by its contracting bank, the Bank does not bear responsibility for any difference in the amount resulting from the time interval of settlement or due to an exchange rate difference.

13.7 The Bank is not responsible for defects (e.g., in quantity and quality) or for failures to provide services or deliver goods paid by the card. The Client shall register such claims and complaints at the respective point of sale where he/she made the purchase.

13.8 The provisions of these Product Terms and Conditions do not affect the regulation concerning exclusion or limitation of the Bank's liability pursuant to the General Business Terms and Conditions.

14 ADDITIONAL SERVICES

14.1 The Client is entitled to use optional additional services offered by the Bank for cards as well as the services presented in the Bank's current offer. The Bank reserves the right to determine the type of card for providing the optional additional service. The provided additional services may be an integral part of the benefits associated with the card, and the Client becomes the authorised user of these additional services without further approval.

14.2 Additional services related to the card are provided under the conditions established by the Bank and at the prices given in the Price List. The Client who requests the additional service agrees that the Bank is entitled to provide his/her personal and other data (first and last names, birth number, identifier, validity of the card and additional service) to a relevant third party for the purpose of implementing the additional service.

14.3 Each programme of additional services is specified with its own conditions, which are presented to the Client when arranging the additional service or are available on the Bank's website, unless stipulated otherwise. The Client acknowledges and approves the content of the specific conditions.

14.4 In the case of an additional service, whose prerequisite is a written declaration, the Client is obliged to sign this declaration. Without this declaration, the additional service is not valid and the Bank, in this case, is entitled to terminate it without creating an entitlement for the return of the fee. The additional service may be terminated on the basis of a written or telephone request made by the Client even during its validity. He/she is not, however, entitled to a refund of the relevant fee.

14.5 The Bank offers and provides a credit cardholder a direct banking service to the card, through which it is possible in holding the card

to communicate with the Bank and obtain information about the card through the internet network. If this service is agreed, the Client undertakes to adhere to the conditions for providing direct banking as laid down by the Bank in the relevant documentation. The Client's right to use the internet banking related to the card is terminated upon termination of the contractual relationship.

14.6 The Client's right to use the agreed additional services related to the card terminates upon termination of the contractual relationship.

14.7 The Client's right to use the agreed additional services related to the card also terminates, provided the account to which the card has been attached is subject to execution.

15 FORMS OF MUTUAL COMMUNICATION

15.1 Telephone communication is regarded as a legally relevant means for dealings between the Bank and Client, provided the caller proves his/her identity in the pre-agreed manner and no doubt as to his/her identification arises on the part of the Bank.

15.2 The Client is responsible for all actions carried out by the Bank on the basis of the caller's request if this person produces the correct identification data of the Client.

15.3 The Bank regards a telephone instruction as binding only if the Client conveys all prerequisites for executing the required instruction.

15.4 The Client notes that each telephone call with the Bank concerning the provision of card services is recorded. Detailed information about personal data processing is included in the Notice on Personal Data Processing published on the Bank's website.

15.5 If the Bank obtains from the Client his/her mobile phone number or email address, it is authorised to use such contact information to inform the Client of circumstances associated with fulfilling the Agreement (including, among other things, notification of rejecting a transaction, suspicion of card misuse and delay in payment).

15.6 The following are the Client identification data for telephone communication:

- a)** date of birth or portion of the card number;
- b)** password.

The Bank is not obliged to request the above identification data through telephone contact made by the Bank.

16 SPECIAL PROVISIONS FOR USING CREDIT CARDS

16.1 The provisions of paragraph 3.3 do not apply to credit cards.

16.2 By using a credit card, the Client draws a loan provided by the Bank.

16.3 The Client is obliged to pay to the Bank interest from the drawn and not yet repaid amount of funds provided by the Bank.

16.4 The amount of the interest rate is stated in the valid List of Rates or in the Account Statement. For individual non-cash and cash transactions, the interest is calculated according to the interest rate valid at the time of posting the transaction.

16.5 The Client may use the interest-free grace period offered by the Bank regarding non-cash transactions, but only if he/she pays the total amount due stated in the account statement by its due date. Cash transactions bear interest immediately from the date of their settlement.

16.6 Interest and fees are credited to the total amount due regularly on a monthly basis and become part of the principal that the Client is obliged to pay in accordance with paragraph 16.7 et seq.

Unless the law or the Bank stipulate otherwise in a specific case OR unless the law stipulates or it is agreed otherwise in a specific case, receivables from the Client for payment of all debt amounts due to the Bank are settled in the following order:

- a)** compensation of costs incurred for possible debt recovery;
- b)** late payment interest;
- c)** regular interest and fees of the Bank;
- d)** amounts of individual transactions from the oldest date.

In calculating the interest on the Bank's receivables from the cardholder, a calendar year of 360 days is taken as the basis and the actual days of the receivable age.

16.7 The primary cardholder undertakes always to pay the drawn amount of the credit limit in the amount agreed with the Bank, though always at least in the amount of the minimum mandatory payment.

16.8 The payment is carried out on a monthly basis on the stipulated due date. The due date is stipulated in the respective account statement.

16.9 The minimum mandatory payment is 5% of the total amount owed on the day of the statement's issue, for a minimum of CZK 300. The primary cardholder will also be required to pay the total amount by which the granted credit limit was exceeded, or as the case may be, debts remaining from previous periods.

16.10 If the minimum mandatory payment is not paid on the stipulated due date or it is paid only in part, the Bank is entitled to suspend use of the card temporarily or permanently.

16.11 The Client is entitled at any time to carry out an early payment of the credit drawn, up to the amount of his/her total debt to the Bank. The minimum mandatory payment must be paid, however, by the due date.

If the Client designates debiting from the account by the Bank as the manner of payment for amounts due (i.e. using the direct debit method), such direct debits will be charged even if the Client remits the due amount using another method.

16.12 If the Client designates debiting from the account by the Bank as the manner of payment for amounts due and there are more than 2 refused debit payments from the primary card holder's account by the Bank, the Bank is entitled to change the manner of payment to the form of a payment order. Also, the amount shall not be debited from the Client's account if the settlement period is in progress. In such a case, the Client is obliged to pay any arrears using a one-time payment order.

16.13 Debit to be made from the Client's account maintained with UniCredit Bank Czech Republic and Slovakia, a.s., requires a sufficient balance on such account as of the due date for paying the agreed debit amount. Debit to be made from the Client's account maintained with another financial institution requires a sufficient balance on such account one business day prior to the due date for paying the agreed debit amount. If the debit is not carried out by the Bank due to an insufficient balance, the Client is obliged to execute by the due date a non-cash transfer of at least the minimum mandatory payment. In the event of an insufficient balance on the holder's account, the Bank shall make an attempt to debit the amount from the holder's account only for seven consecutive working days, once a day. If the payment is not made during this period due to an insufficient balance on the account, the Client is obliged to pay at least the mandatory minimum instalment in the given accounting cycle.

16.14 For charge cards, the Bank executes a direct debit from the Client's account for the total amount due on the due date. The Bank is entitled, however, to execute a direct debit from the Client's current account at any time even after the due date, even if an

insufficient balance is on the current account to cover the payment. The Bank charges interest on receivables past due in accordance with the provisions of the General Business Terms and Conditions.

- 16.15** If the Client increases the available account balance by crediting his/her own funds to the account, these funds are not paid interest by the Bank. The cardholder may draw these funds solely by using the card or by other means determined by the Bank. The Bank may return unspent funds to the account from which they came.
- 16.16** The Bank prepares a monthly statement of the account status at the end of the settlement period. If the date of compiling the statement falls on a non-business day, the statement will be generated at the close of the previous business day. The account statement indicates all the transactions carried out by the primary cardholder, and if an additional card has been issued, also by the additional cardholder.
- 16.17** The Bank generates a statement of the transactions executed using a credit card either as a hard copy (paper-based) document or in electronic format. The Client may select her/his preferred statement option. Hard copy statements of the credit card account are dispatched by regular mail. The Bank assumes no liability for potential delays in delivery or for non-delivery of the statement to the Client. The Client is obliged to inform herself/himself about the account status or the executed transactions at the Bank Infoline or via the additional service for remote access to the card. Non-delivery of the account statement is no justification for non-payment of at least the minimum mandatory payment. The Client is entitled to request a copy of the statement, while the Bank is entitled to charge a fee for such service according to the valid Price List.

The electronic account statement is made accessible free of charge to the Client by the Bank in accordance with the law. Such statement contains complete required information about the executed payment transactions and is made accessible to the Client through the direct banking products at the earliest on the next business day after the statement is prepared.

17 FINAL PROVISIONS

- 17.1** The territorially competent court for settling disputes between the Bank and Client is the District Court for Prague 1. The Client is also entitled to contact the financial arbiter of the Czech Republic in accordance with Act No. 229/2002 Coll., on the Financial Arbiter.
- 17.2** This wording of the Product Business Terms and Conditions for the Issue and Use of Payment Cards of UniCredit Bank Czech Republic and Slovakia, a.s., becomes valid on 1 March 2022.