

PRODUCT BUSINESS TERMS AND CONDITIONS FOR ACCOUNTS AND PAYMENT SERVICES

UniCredit Bank
Czech Republic and Slovakia, a.s.

PRODUCT BUSINESS TERMS AND CONDITIONS FOR ACCOUNTS AND PAYMENT SERVICES UNICREDIT BANK CZECH REPUBLIC AND SLOVAKIA, A.S.

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PART I – COMMON PROVISIONS

1. APPLICABILITY AND VALIDITY OF THE PRODUCT BUSINESS TERMS AND CONDITIONS FOR ACCOUNTS AND PAYMENT SERVICES

1.1 These Product Business Terms and Conditions 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 “**Bank**”, respectively) shall apply to all contractual relationships concerning the conditions for opening, maintaining and cancelling accounts and payment services between the Bank, as one party, and natural persons, legal entities or any other legally recognised entities (hereinafter referred to as the “**Client**”), as the other, if so established in particular contractual arrangements.

1.2 Unless agreed otherwise, the Product Terms and Conditions for Accounts and Payment Services shall apply from such time as they have become part of a relevant contract between the Bank and the Client until all claims that have arisen between the Bank and the Client will be completely settled. These shall apply in the wording valid at the time of establishing the contractual relationship, except as they may be changed in accordance with Article 2 herein.

1.3 For purposes of the Product Terms and Conditions for Accounts and Payment Services:

“**General Business Terms and Conditions**” shall mean the General Business Terms and Conditions of UniCredit Bank Czech Republic and Slovakia, a.s. in the wording valid at the time of establishing the contractual relationship, except as they may be changed in accordance with Article 3 therein; and

“**Price List**” shall mean the Tariff of Fees for Providing Banking Services of UniCredit Bank Czech Republic and Slovakia, a.s., in the wording valid at the time of establishing the contractual relationship, except as it may be changed in accordance with provision 8.3 of the General Business Terms and Conditions.

1.4 This wording of the Product Business Terms and Conditions for Accounts and Payment Services is valid from 31st October 2018.

2. CHANGES TO THE PRODUCT TERMS AND CONDITIONS FOR ACCOUNTS AND PAYMENT SERVICES AND THE CONTRACTUAL TERMS AND CONDITIONS OF A FRAMEWORK AGREEMENT IN ACCORDANCE WITH THE RELEVANT LAW

2.1 The Bank is entitled to amend the Product Terms and Conditions for Accounts and Payment Services or to add new provisions thereto, in particular concerning the conditions for opening, maintaining and cancelling payment and non-payment accounts; conditions for performing payment services; conditions of term deposits; the scope of changes to the Product Terms and Conditions for Accounts and Payment Services; and the rules for implementing such changes. The Bank is entitled to amend the Product Terms and Conditions for Accounts and Payment Services or to add new provisions thereto if a reasonable need for such changes or amendments arises, such as a 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, a situation on financial markets, or the Bank’s business policy. The Bank will send the wording of the changes and amendments, or the complete wording of such amended Product Terms and Conditions for Accounts and Payment Services, to the Client at least 2 months prior to the proposed effective date of such amendment by any

means agreed for communication between the Bank and Client under the relevant contractual relationship. If the Client does not agree with the proposed amendment to the Product Terms and Conditions for Accounts and Payment Services, he or she is entitled to terminate the respective contractual relationship by providing to the Bank written notice of termination that is effective as of the day immediately preceding the effective date of the proposed amendment, or, if the law grants such right to the Client, with immediate effect. If the Client does not reject the Bank’s proposal, then the new wording of the Product Terms and Conditions for Accounts and Payment Services becomes binding upon the concluded contractual relationship as a change in the originally agreed conditions of the contractual relationship, effective as from the date stated in the given amendment to the Product Terms and Conditions for Accounts and Payment Services as the date upon which the new wording of the Product Terms and Conditions for Accounts and Payment Services becomes valid.

2.2 In the case of a change or amendment to a framework contract according to the respective act, the provisions of paragraph 2.1 shall apply not only in case of a change or amendment to the Product Terms and Conditions for Accounts and Payment Services but also in 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.

2.3 Should the parties’ rights and obligations governed by the Product Terms and Conditions for Accounts and Payment Services change as a direct result of a change in legal regulations that cannot be contractually circumvented, the provisions of paragraph 2.1 shall not apply. The Bank will inform the Client of any such change.

PART II – CONDITIONS FOR OPENING, MAINTAINING AND CANCELLING ACCOUNTS

3. ADDITIONAL PROVISIONS ON ESTABLISHING A CONTRACTUAL RELATIONSHIP AND OPENING AND MAINTAINING AN ACCOUNT

3.1 The Bank maintains accounts in the Czech currency or a foreign currency. The Bank opens an account based upon a written contract concluded with the Client (hereinafter also referred to as the “**Account owner**”). The contract constitutes an obligation of the Bank to open and maintain an account for the Client and an obligation of the Client to pay the agreed fees for the services provided by the Bank.

3.2 An agreement between the parties on an amendment to or termination of the contract on the basis of which the Bank maintains an account for the Client must be in writing.

3.3 When opening an account, the Client is obliged to provide to the Bank, and appropriately to verify, data that the Bank needs in order to meet its obligations to the tax administrator, and in particular information that is essential for determining the tax treatment (i.e. information on the Client’s tax residence), and including a declaration regarding ownership of income and a declaration of whether or not the account being opened shall be used for business activities. The Client is obliged to respect the special purpose designation of the account throughout its existence. The Bank reserves the right

to deduct tax from the account at any time if the Client does not submit the required documents. If any change occurs on the part of the Client that could affect the tax treatment applied, the Client is obliged to inform the Bank about such a change immediately upon its occurrence and to substantiate this change with the necessary documents. If the Client does not inform the Bank of such changes in a timely manner, the Bank is obliged to recover the uncollected tax from the Client, even retroactively. The Client is obliged to document the facts relevant to determining the tax treatment upon the Bank's request at any time throughout the existence of the account as well as after its termination.

- 3.4** The Client is obliged to properly complete the signature specimen form pertaining to the account and to sign any documents constituting written communication with the Bank in accordance with the signature specimen.
- 3.5** When an account is being opened and a signature specimen being made, unless the Client signs the respective documents directly in the presence of an appropriate Bank employee or another person specifically authorised with ensuring the identification for the Bank, the Client's signature must be officially authenticated, and a public record of the Client's identification must be drawn up in accordance with the legal regulations.
- 3.6** The Bank is entitled prior to concluding the contract to establish minimal limits for the amount of a deposit, balance, average balance or turnover on the accounts maintained by the Bank. The Bank shall notify the Client of the decision to establish such a limit. The Client is obliged to adhere to the limits set by the Bank during the entire duration of the account contract.
- 3.7** Deposits to accounts, including their interest, are insured under the conditions defined by relevant law. The amount and method of payment of compensation, as well as other conditions, are defined by law.
- 3.8** The fees for account maintenance and reimbursement of expenses are generally due on a monthly basis in arrears and always at the last business day of the relevant calendar month. The Bank is also entitled, however, to deduct the specified fee and reimbursement of expenses at any time during the relevant period in which the fee is charged or reimbursement of expenses requested. On such established dates, the amounts representing the sum of fees and expenses of the Bank for the given period shall be deducted directly from the Client's account.
- 3.9** If the relevant contract or the Price List establishes that a certain fee is conditional, this means that the monthly fee for account maintenance is always charged in the respective month. If conditions for free-of-charge maintenance stated in the Price List are fulfilled, the fee is subsequently returned to the Client's account at the beginning of the following month. Credit turnover does not include incoming payments from current accounts of the same owner, incoming payments from a savings account of the same owner, transfers from term deposits on the current account, credit transfers to the current account from credit accounts, credited interest, or fee refunds.
- 3.10** In justified cases, and upon a prior written notice having been sent to the Client, the Bank is entitled to change any of the Client's account numbers.
- 3.11** A Client who is a small entrepreneur in accordance with the relevant law is obliged to document this fact to the Bank if requested. Should the Client fail to document this fact in a reasonable time, he or she shall not be regarded as a small entrepreneur. In such case, the conditions for small entrepreneurs as defined by the relevant law no longer apply to the Client as from the first day of the following month.

4. AUTHORISATION TO TRANSACT WITH THE FUNDS IN AN ACCOUNT, DELIVER ORDERS AND ACCEPT DOCUMENTS

- 4.1** On the signature specimen, the Account owner may authorise other persons to transact with the funds in an account. The signatures of such persons must also be affixed to the signature specimen. Unless they are limited by the Account owner in transacting with the funds in the account, authorised persons are entitled to carry out all transactions with these funds, including all transactions relating to documentary credits and concluding spot trades with foreign currencies. Authorised persons are not entitled to transact with the account itself (in particular, to cancel it or to change instructions relating to its maintenance) and neither are they entitled to grant further authorisation to transact with funds in the account. Authorised persons do not receive information about payment transactions or any other correspondence, except when sending specific documents to the attention of an authorised person has been explicitly agreed.
- 4.2** If the Account owner is a legal entity, the entitlements of authorised persons to transact with the funds in the account granted through a duly completed signature specimen remain in effect regardless of any changes in the rights and obligations of those persons toward the Account owner or in the manner of acting on its behalf until such time as these entitlements are changed or revoked or otherwise cease to exist in accordance with the generally binding legal regulations.
- 4.3** The right of an authorised person to transact with the funds in the account expires by the Account owner's revocation of that right or by the authorised person's giving notice of renouncing that right. The right of an authorised person to transact with the funds in an account also ceases to exist upon the death of the authorised person or upon the dissolution of the legal entity – Account owner. The Account owner or the authorised person is obliged to inform the Bank of the expiration of the right to transact with the funds in the account and the legal reasons for such expiration without unreasonable delay after such expiration occurs and to reliably document such fact. The Account owner or, as the case may be, the authorised person is responsible for duly providing the Bank with the information described in this provision. In case of a change in the persons authorised to transact with the funds or, as the case may be, a change in the manner of signing, the said facts shall become binding for the Bank beginning from the business day following after the date upon which the Bank received the changed signature specimen. In justified cases, however, the Bank may proceed according to the changed signature specimen as early as upon the date of receipt thereof, if the Bank and the Client agree on such procedure.

5. TRANSACTING WITH THE FUNDS IN AN ACCOUNT

- 5.1** Unless dictated otherwise by the nature of the banking service provided, the Client is obliged to give all instructions concerning the funds in an account through a written order signed in accordance with the valid signature specimen. All orders must be submitted with the required information on properly completed and signed forms, as specified by the Bank. In exceptional cases, the Bank may accept an order in the form of some other written instruction that contains all particulars required by the Bank.
- 5.2** Submitting orders to transact with the funds in the account through transmission media and remote data transmission is only possible under a special agreement, which the Client shall conclude with the Bank in writing.

- 5.3** The Client is entitled to transact with the funds in an account by using clearing orders, using payment instruments pursuant to articles 11 and 12 of the Product Terms and Conditions for Accounts and Payment Services, or, as the case may be, through other means of payment pursuant to a special contract. Under the terms and conditions laid down by law, the Client is also entitled to dispose of the funds through authorised providers of the relevant services.
- 5.4** At the Client's request, the Bank is entitled to block an agreed amount in an account for a specifically defined purpose for a specified period of time.
- 5.5** The Bank does not examine the ownership of the funds deposited in an account and does not bear any responsibility for any violation of a third party's rights caused in connection with the funds in the Client's account and transactions therewith. Unless a court or another authorised body orders otherwise, the Bank shall not allow transactions with the funds by persons who are not authorised according to the relevant contractual relationship with the Bank.
- 5.6** Until a minor reaches full legal age, the minor's legal guardian is entitled to transact with the funds in the minor's account as well as with the account itself. In stipulated cases, such minors may transact directly with such funds, but such minor may do so only in the extent defined in writing by the minor's legal guardian. In stipulated cases, the minor is entitled to transact on his or her own with the funds on the minor's account as well as with the account itself prior to reaching full legal age.
- 5.7** On the basis of an authorisation given to the Bank and a declaration of a legal guardian on a minor's legal capacity in the corresponding extent, the Bank may accept acts performed by a minor as acts performed in the name of the Client. The legal guardian bears responsibility for the content and truthfulness of his or her declaration as to the extent of the minor's capacity to transact with funds or, as the case may be, to perform some other legal acts.
- 6. FOREIGN CURRENCY ACCOUNTS**
- 6.1** The Bank determines the foreign currencies in which accounts are maintained and, as the case may be, minimum amounts of initial deposits or balances for accounts in individual currencies.
- 6.2** The Bank is authorised to convert all amounts paid into an account in a foreign currency into the currency in which the account is maintained in accordance with Article 15.4 of the General Business Terms and Conditions. The Bank is entitled to charge a fee for such conversion according to the Price List.
- 6.3** The Bank is authorised to convert all payments in Czech currency received from abroad into the currency in which the account is maintained. The Bank is entitled to charge a fee for such conversion according to the Price List.
- 6.4** Should any payment be sent in Czech currency to a foreign currency account from within the Czech Republic, the Bank shall credit this payment to the foreign currency account provided that the Account owner has authorised the Bank to do so (in accordance with a one-time or standing authorisation). In case of a corrective settlement carried out by the payer's bank, the Client bears the risk for the possible exchange-rate difference. The Bank is entitled to charge fees for such conversion according to the Price List.
- 7. INTEREST ON ACCOUNT CREDIT BALANCES**
- 7.1** Account balances earn interest only if so agreed between the Bank and Client. Funds begin to bear interest on the date of their crediting to the account and cease to earn interest on the date preceding the date of their debiting.
- 7.2** The interest calculation for an account's credit balance is based on the duration of a calendar year of 365 days and the actual number of days of the duration of the deposit. The interest rate as a standard practice applies to the entire credit balance. The account's credit balance can be divided into individual ranges for which the Bank can establish individual interest rates. The Bank uses the rate applicable to the part of the credit balance in the given range to calculate the interest, unless otherwise agreed.
- 7.3** Unless otherwise agreed, the Bank shall always credit interest to an account at the end of the following periods: for non-business accounts, a calendar year or, as the case may be, a quarter; for business accounts, a calendar month or, as the case may be, a quarter. Nevertheless, the Bank is always obliged to credit interest as of the date of cancelling an account.
- 7.4** The Bank shall credit interest to the Client's account on the date that marks the end of the reference period and shall inform the Client about the crediting by the same means as for other payment transactions on the account, unless agreed otherwise.
- 7.5** Should the interest rate become negative due to a change in market rates, account balances do not earn interest during the corresponding period.
- 7.6** The amount of interest earned on funds in the account is defined in the contract either as a fixed interest rate or as the sum of a minimum interest rate and a rate unilaterally defined by the Bank according to its discretion, or, if the contract is a framework agreement in accordance with the relevant law, as an interest rate unilaterally defined by the Bank depending on changes in the reference rate stipulated in the contract. In case of a change in an interest rate defined on the basis of changes in a corresponding reference rate, the Bank will take into account not only the change in the respective reference rate, but also financial market conditions and their development and other circumstances relevant for defining the interest rate.
- 7.7** The Bank shall inform the Client of any change in the interest rate amount without undue delay after such change occurs.
- 8. CLEARING OPERATIONS ON ACCOUNTS**
- 8.1** The Bank deducts funds from an account on the basis of the Client's written order. Without the Client's order, the Bank is entitled to deduct funds from the Client's account in the following cases:
- a)** to set off reciprocal receivables and debts before cancelling the account;
 - b)** to settle a claim of the Bank's that is due from the Client;
 - c)** to pay fees for banking services provided and to pay costs and interest;
 - d)** to execute a collection order authorised by the Client;
 - e)** to make a correction in the Bank's own incorrect clearing or such a correction at the request of some other local bank;
 - f)** based upon an enforceable decision of a competent body;
 - g)** when paying the tax on interest earned in accordance with the valid regulations;
 - h)** based upon a request from a pension or disability benefits payer for return of a pension or disability benefit paid after expiry of the right to such benefits;
 - i)** in other cases foreseen by the law, the General Business Terms and Conditions, the Product Terms and Conditions for Accounts and Payment Services, other business terms and conditions, or a specific contract with the Bank; and

j) to fulfil the Bank's obligation to return to the payer the amount of a collection or SEPA debit credited to the Client's account.

- 8.2** Should the Bank receive a decision from a court or another competent body concerning an account maintained by the Bank, or a warrant of execution, the Bank will block the funds on the Client's account up to the required amount.
- 8.3** The Bank is not obliged to make partial payments of amounts, except for cases defined by law or, as the case may be, by agreement between the Bank and the Client.
- 8.4** In case of doubt, and especially as to the authenticity or correctness of a clearing order, the Bank is entitled to verify such order with the Account owner or the authorised person. The decision relating to the means of verification is solely at the discretion of the Bank. If the Bank is unable to clarify the matter, it is entitled to proceed in accordance with Article 11.14.

9. INFORMATION ON PAYMENT TRANSACTIONS

- 9.1** In accordance with law, the Bank discloses to the Client free of charge all requested information about payment transactions executed within direct or electronic banking products. Under the terms and conditions laid down by law, the Client is also entitled to access account information through authorised providers of the relevant services. The Bank discloses this information free of charge at its points of sale to Clients who do not have such a product. Upon agreement with the Client, the Bank can disclose or provide to the Client an account statement for a period of no longer than one month. If the statement contains other data in addition to that required by law, then the Bank is entitled to a fee pursuant to the Price List. No account statement will be disclosed or provided if during the relevant period no movement occurred in the account.
- 9.2** If the Bank sends the Client an account statement by post to the address agreed with the Bank and that correspondence is returned repeatedly (three times or more) as undelivered (i.e. in particular, if the addressee is not known at the agreed address or if the addressee has moved away without notifying the Bank of a change of address), the Bank is entitled to no longer send the Client the information on payment transactions.
- 9.3** If agreed with the Client, the Bank shall produce a written account statement for the Client within the agreed time periods. The Bank also can send to the Client information about his or her account balance as of the last day of the calendar year.
- 9.4** If personal collection of the information relating to the account has been agreed, the Bank is entitled only to give these to the Client or to a person who proves his or her identity by presenting an adequate document in accordance with rules established by the Bank or by an agreement of the Client with the Bank. The Bank is entitled, however, to send to the Client's address stated in the contract urgent notices of the Bank.
- 9.5** Information on the rules and periods for claims concerning any inaccuracies identified in relation to information relating to payment transactions is provided in the Claims Procedure, which is available at www.unicreditbank.cz. If the Bank receives no claim from the Client within the stipulated time, then those operations carried out and the account balance shall be deemed approved.
- 9.6** If personal collection of the information relating to the account has been agreed, the Bank is entitled to shred uncollected account statements that the Client has not personally taken over after a period of 6 months.

10. OTHER PROVISIONS ON CANCELLING AN ACCOUNT AND TERMINATING AN ACCOUNT CONTRACT

- 10.1** The Bank will cancel an account if an account contract has been terminated:
- a)** due to lapse of the period for which the contract was concluded;
 - b)** based upon an agreement between the Client and the Bank;
 - c)** based upon a written notice from either the Client or the Bank; or
 - d)** by withdrawal with immediate effect, in accordance with the General Business Terms and Conditions.
- 10.2** If doing so is not in violation of generally binding legal regulations, and unless otherwise agreed, the Client is entitled at any time to withdraw from the account contract. The notice period is one month from the day following the day of delivering the cancellation notice to the Bank, or on a later date as specified in the notification.
- 10.3** The Bank may terminate the account contract by means of a written notice and without stating its reasons, with effect from the end of the second calendar month following the month in which the termination notice was delivered to the Client.
- 10.4** Before cancelling the account, the Bank and the Client are obliged to settle any reciprocal amounts payable and debts pertaining to the given account, and the Client is obliged to return all payment instruments to the Bank, if any were issued to the account. Before cancelling the account, the Bank will terminate the authorisation of the Client and authorised persons to transact with funds in the account through various types of transactions according to various contracts made with the Bank, if such contracts had been concluded. On the day of cancelling the account, the Bank will calculate and settle the proportional part of the interest and the entirety of the banking fees and expenses. The Bank is neither obliged to inform the Client of the cancellation of the account nor of the date upon which the account will be or was terminated.
- 10.5** On the day of cancelling the account, any payment orders not cancelled are terminated.
- 10.6** After cancellation of the account, the Bank shall dispose with any credit balance from the cancelled account in accordance with the Client's written instructions. If the Client does not specify what should be done with the balance, the Bank shall keep a record of that balance, which shall not accrue interest, until the limitation period for that account has lapsed.
- 10.7** A notice for termination of an account contract to which other products (term accounts, loans, etc.) are connected, or for which obligations between the Client and Bank are recorded, and unless expressly agreed otherwise in a specific case, is regarded as a notice for termination of an agreement on payment services pursuant to the applicable law. Such notice does not affect the existence of the connected products. The Bank will continue to maintain the relevant account for the Client, but it will not be a payment account as defined by the applicable law.

PART III – PAYMENT SERVICES

11. NONCASH PAYMENT SERVICES

- 11.1** Domestic payment services are understood to be payment operations in the Czech currency within the territory of the Czech Republic. In the case of outgoing payments the account of the Client (as payer) is maintained in the Czech currency, and in the case of incoming payments the account of the Client (as beneficiary) also is maintained in the Czech currency (hereinafter "domestic payment services").

11.2 Foreign payment services are understood to be payment operations not fitting the conditions stated in Article 11.1. Foreign payment services can include the following:

- a)** cross-border transfers (Cross-border transfers [so-called Europayments] are understood to be transfers in EUR within countries of the European Union and European Economic Area [EEA].),
- b)** SEPA payments and
- c)** SEPA debits.

SEPA payments and debits are governed by the SEPA rules. If, however, not all conditions established by the respective rules are satisfied for these transfers, then the payments may be processed as standard payments in the foreign payment system or not processed at all.

11.3 The Bank executes noncash payments according to the Client's instructions by transferring funds from one account to another account, through payment orders (letters a) – f) below) or through payment instruments (letters g) and h) below):

- a)** a one-time payment order, which occurs only once:
 - (i)** individual,
 - (ii)** multiple.
- b)** a standing payment order, by means of which recurring payments to the same beneficiary, payable as of a certain date, are executed for a defined period of time or until cancellation of the order:
 - (i)** as regular transfers of fixed amounts, or
 - (ii)** transfers in excess of an established account balance limit or, as the case may be, transfers of the entire account balance.
- c)** a one-time collection order. For a one-time collection order, the Client, as the recipient of the payment, instructs the Bank to intermediate the crediting of the Client's account and debiting of the payer's account in the appropriate amount. The Bank does not inquire into the authorisation to use collection in relation to a specific payer. A one-time collection order is used to transfer amounts:
 - (i)** for which this method of payment is established by law,
 - (ii)** for which this method of payment was agreed between the Client and payer.
- d)** a one-time SEPA debit order.
- e)** a domestic debit authorisation.

By means of a domestic debit authorisation, the Client gives his or her permission for a domestic collection from his or her account in behalf of a specific beneficiary's account or accounts. The Client expressly agrees that the maximum authorised limit shall constitute the amount that the Client expects as the maximum amount of the payment transaction. If the Client has not established a limit, he or she gives his or her consent for the Bank to establish this limit for this purpose.

f) a SEPA debit authorisation.

Through a SEPA debit authorisation, the Client gives his or her permission for a SEPA collection from his or her account in behalf of:

- (i)** a specific account,
- (ii)** a specific beneficiary's accounts, or
- (iii)** any beneficiary's accounts.

Without a SEPA debit authorisation, the Bank will not execute any SEPA collection request for debiting the Client's account.

If the SEPA rules so allow, the Client may submit to the Bank in writing a special instruction not to execute particular payments on the basis of specific orders for debiting funds.

g) a cheque to be cleared.

h) other means of payment (e.g. a payment card).

11.4 The Client presents the orders in writing at the Bank's point of sale that maintains the Client's account, or to one of the Bank's other points of sale, as the case may be, subject to the conditions established by the Bank. An order may be submitted by some other method (such as electronically) solely under the conditions established by a written agreement.

11.5 Upon a request for a change in an as yet unexecuted order, the Client must always withdraw the original order and make out a new order.

11.6 The Client is entitled to withdraw an as yet unexecuted order in the noncash payment system no later than before the end of the business day preceding the day designated for executing the order in accordance with the Product Terms and Conditions for Accounts and Payment Services and/or a specific contract, unless otherwise agreed with the Client. If it is technically possible to do so, withdrawal of an order must be carried out in the same way in which the order was issued. The Client is obliged to clearly identify the order to be withdrawn by stating all of the information defined by the Product Terms and Conditions for Accounts and Payment Services for an order and to state the date upon which the order was delivered to the Bank. Specification of the order to be withdrawn can be executed by presenting a copy of the relevant order and indicating the date the order was accepted by the Bank.

11.7 A one-time order is issued for payments to be made by means of a bill of exchange or cheque.

11.8 If a payment order or collection order has the form of a multiple order, it may only contain orders with an identical due date.

11.9 A payment order must contain the following information:

- a)** payer's bank account data;
- b)** currency of the payer's account;
- c)** beneficiary's bank account data;
- d)** amount to be transferred, including the currency designation (code);
- e)** date of presenting the order;
- f)** signature of an authorised person conforming with the signature specimen or, as the case may be, any differentiating designation of a legal entity (seal) that is the ordering party if such is stated in the signature specimen as a part of the signature;
- g)** for orders given on technical data carriers or by remote data transmission, a signature created using the method accepted by the Bank (e.g. a security code or some other confirmation of the Client's identity and the given order's legitimacy).

11.10 For domestic payment services, the bank account data mentioned in letters a) and c) of Article 11.9 is understood to be the account number and bank identification code.

For foreign payment services, the bank account data mentioned in letters a) and c) of Article 11.9 is understood to be the account number in IBAN format and the bank's SWIFT code in BIC format (where it is relevant).

11.11 For foreign payment services, in addition to the information stipulated in Article 11.9, the Client is also obliged to provide the:

- a)** name of the (account) payer;
- b)** name (account) and address of the beneficiary (not applicable to SEPA payments and direct debits);
- c)** information on whether the payer is a foreigner or a resident;

- d)** full name of the recipient's bank, including its SWIFT address;
- e)** country code of the beneficiary and
- f)** assignment of payment order charges.

If the payment is subject to CNB notification, the Client performs that obligation.

11.12 In the case of cross-border transfers, SEPA payments and SEPA debits, in addition to the information stated in Article 11.9, the Client is also obliged to provide:

- a)** the recipient's account number in IBAN format (in the case of cross-border transfers and SEPA payments),
- b)** the payer's account number in IBAN format (in the case of SEPA debits),
- c)** SWIFT code of the beneficiary's bank in BIC format (in the case of cross-border transfers),
- d)** SWIFT code of the payer's bank in BIC format and
- e)** assignment of the payment order charges as "SHA" (payer and beneficiary pay charges in their own banks).

The field for special bank instructions must not contain any information except for code words established by the Bank.

11.13 The Client may state additional information on payment orders, such as:

- a)** the payment date (i.e. the date when the funds are to be transferred from the account),
- b)** variable code,
- c)** specific code,
- d)** authorised constant code,
- e)** payment title (textual and numeric identification), and/or
- f)** additional information for the purposes of the payer or the recipient.

11.14 The Bank is entitled to refuse to execute payment orders that do not contain the mandatory particulars defined in the previous provisions or which contain manifestly incorrect or inaccurate data. If the Bank refuses to execute a payment order, it shall provide or disclose to the Client information about that fact by the agreed method at the earliest opportunity and, if possible, notify him or her of the reasons for refusal and the procedure for correcting the errors that were the reason for refusal. The Bank is entitled to a fee from the Client pursuant to the Price List for processing and sending the information to the Client in connection with such transaction.

11.15 In addition to the information pursuant to articles 11.9, 11.11, 11.12 and 11.13, the Client is obliged to provide any other information on a payment order in accordance with the provided service. Upon the Client's request, the Bank shall provide the Client with the necessary information or explanations concerning individual particulars required on payment orders. Upon the Bank's request, the Client is obliged to present to the Bank such documents as are necessary for judging the correctness of the stated information concerning the purpose of the payment.

11.16 The Bank shall provide the Client – natural person – co-operation in effecting the necessary steps in case the Client wishes to change his or her bank, i.e. change his or her payment account. The Client notes that the Bank and the new provider share the information necessary to carry out all steps in changing the payment account, including the Client's personal data and data protected by bank secrecy. If the Client, within the change, asks for a transfer of his or her positive account balance to the payment account held with

the new provider, the Bank shall transfer the balance reduced by CZK 200. Once the account is cancelled, the Bank shall transfer this remaining balance (minus the Bank's potential receivables) to the payment account held with the new provider.

11.17 The Bank reserves the right not to execute foreign payments concerning entities from high-risk countries or payments of an entity against which international sanctions have been applied. The Bank also reserves the right not to execute foreign payments that could be in violation of legal regulations of the country in which the bank executing the transfer has its registered office or the regulations of which the bank applies or, as the case may be, in violation of the business policy of a bank participating in the transfer.

11.18 The Bank is entitled to designate those banks with which it conducts domestic payment operations in the form of collection.

11.19 The Bank is entitled to condition the acceptance of collection or SEPA debit orders on the conclusion of a contract on the provision of such service with the Client and the beneficiary and the execution of each collection or SEPA debit order on the fulfilment of the conditions stipulated in such contract.

11.20 In the event of a change in or termination of a SEPA debit order between the Client and the beneficiary, the Client is obliged to revise the SEPA debit authorisation accordingly in writing and without delay. The change in settings will be effective at the earliest as from the following business day after the day upon which the Client's instruction is delivered.

12. CASH PAYMENT SERVICES

12.1 Generally, cash payment services are conducted at the Bank's point of sale where the account is maintained or at other points of sale subject to conditions established by the Bank.

12.2 Cash payment services are principally carried out through the Bank by means of:

- a)** a cash deposit,
- b)** a cash withdrawal, or
- c)** issuance and reimbursement of cheques in cash.

12.3 The Client can deposit cash for his or her own account or, as the case may be, for an account maintained by the Bank for another client that is a payment beneficiary at the Bank's cash desk during its hours of operation. This is done using the Bank's deposit slip document or, possibly, by another method allowed by the Bank. The Bank is entitled to require that the depositor provide documentation as to the origin of the cash being deposited in the account.

12.4 Documents designated for use in the case of a cash withdrawal from the Client's account in the Bank's point of sale must be signed in accordance with the Product Terms and Conditions for Accounts and Payment Services, the relevant contract, and the signature specimen (if a differentiating designation of a legal entity or seal is stated in the signature specimen, it must always be on the document adjoining the relevant signature). The Bank is entitled to demand proof of identity of the person handling funds for the account when withdrawing or depositing cash. This person is also obliged to confirm receipt or deposit of the amount through his or her signature on the relevant document. Further conditions for conducting cash payments using payment cards are defined in the Product Business Terms and Conditions for Issue and Use of Payment Cards of UniCredit Bank Czech Republic and Slovakia, a.s.

12.5 The Bank is entitled to set limits on the amounts of cash withdrawals by individual currencies, and the Client is obliged to give

prior notice of an over-limit cash withdrawal by the deadline set by the Bank. The Bank will inform the Client of this deadline at the appropriate point of sale. Should the Client not withdraw cash that was ordered on the day designated for the cash withdrawal, then the obligation of the Bank to provide the ordered cash for the Client shall expire.

- 12.6** The Bank is obliged upon cancellation of an account maintained in a foreign currency, as well as in other cases of executing cash payments in foreign currency, to pay out the funds in banknotes of the appropriate foreign currency, so long as it is possible as a standard practice to make payments in banknotes of that foreign currency. For funds in foreign currency that would need to be paid in coins of the foreign currency, the Bank is entitled to provide these in Czech currency.
- 12.7** Furthermore, the Bank is entitled to determine the denominations of banknotes and coins for funds paid out or accepted in a foreign currency.
- 12.8** The Bank reserves the right not to accept and pay out, in cash operations at selected branches, selected foreign currencies, including their issues and face values of banknotes. As regards foreign currencies, the Bank also reserves the right not to purchase damaged banknotes and banknotes in preclusion.
- 12.9** The Bank reserves the right not to accept coins, in cash operations at selected branches, beyond the limit set for individual face values.

13. CONDUCTING PAYMENT OPERATIONS

- 13.1** In conducting payment operations, the Bank always proceeds in accordance with generally binding legal regulations, business conventions and practices of banks in the Czech Republic, and the rules established by the CNB.
- 13.2** Within the payment system, the Bank shall debit the funds from the Client's account on the payment day specified by the Client, if it is technically possible to do so and if the order was presented to the Bank within the period that is designated by the end of the Bank's operating period for this activity.
- 13.3** If the time of accepting the funds from the Client in cash or the time of crediting the payment transaction for the Client to the Bank's account occurs at a time that is not the Bank's operating period for this activity, then the acceptance or crediting shall be regarded as having occurred at the start of the following business day.
- 13.4** Information about the Bank's operating period for specific activities in relation to payment services, i.e. about deadlines under the articles above, are:
- (i)** located in the Bank's publicly accessible premises,
 - (ii)** published on the Bank's internet pages, and
 - (iii)** may also be stated in the relevant product terms and conditions.

The Bank reserves the right to change these deadlines as permitted by law, with any changes being published by one of the means mentioned above. If the Client did not observe the deadline for presenting a payment order or did not specify a payment date, the Bank shall, unless agreed otherwise with the Client, debit the funds from the Client's account no later than the business day following the date upon which the payment order was received.

- 13.5** If the date specified by the Client's order for the debit of funds from an account is not a business day, the Bank will perform an executable one-time payment order on the following business day. The same also applies in the case of a standing order, unless otherwise agreed for a specific standing order.

- 13.6** For payment transactions, the payment system deadlines referred to in the Payment System Cut-Off Times document, published on the Bank's website, shall apply.
- 13.7** The spot rate used for the exchange of currencies shall mean a rate according to the Bank's list of exchange rates valid on the date of effect of the order for outgoing payments and on the date when the funds are credited to the Bank's account by the intermediary bank for orders for incoming payments.
- 13.8** The Bank is entitled to deduct the already credited funds from the Client's account, should the payer bank fail to receive the funds or supporting documents necessary for the booking thereof from the bank. At the same time, the Bank is not liable for potential damage incurred by the Client.
- 13.9** The Client acknowledges that the Bank is not liable to the Client for damage if the completion of a foreign payment transaction is prevented by an obstruction occurring in the legal order of the state through which the payment transaction is processed (e.g. international sanction, embargo). This does not affect the regulation concerning exclusion or limitation of the Bank's liability pursuant to the General Business Terms and Conditions.
- 13.10** A payment transaction is always authorised before executing the transaction by the payer's agreement. The following in particular are considered to constitute agreement:
- (i)** the Client's signature on a paper order;
 - (ii)** for orders given on technical data carriers or by remote data transmission, a signature created using the method agreed with the Bank;
 - (iii)** a domestic or SEPA debit authorisation;
- or for a payment transaction made using a payment instrument:
- (iv)** provision of the agreed authorisation code; or
 - (v)** a signature on a receipt.

- 13.11** Unless otherwise agreed, the Bank is not obliged to execute a clearing order if insufficient funds are available in the account. The Bank is also entitled not to execute a multiple payment order or to execute only a part of a multiple payment order if an amount sufficient for clearing of all items stated therein is not available on the given account. The Bank is entitled to determine the sequence of the payments. With the exception of payments based on a SEPA debit, instructions that were not executed due to insufficient funds being available in the account do not cease to exist by not being executed and remain valid. Their validity shall expire on the sixth banking day after they were due, unless the Bank stipulates a longer period. If the Bank nevertheless executes instructions for which the available funds on the respective account are insufficient and the consequence of its so doing is a debit account balance, the Client is obliged to settle that debit on the day following that upon which such debit arose. A penalty rate of interest shall apply to the debit account balance for its entire duration.

- 13.12** If there are multiple clearing orders, including collection orders, that are payable on the same date and that cannot be executed due to insufficient funds in the given account, then the Bank shall determine the sequence of payments. The Bank is not liable for damages incurred by the Client as a result of determining the sequence of payments.

- 13.13** The debiting of funds from the Client's account and crediting of funds to an account are regarded as separate accounting operations.

- 13.14** The Bank is entitled to unilaterally cancel the standing order or direct debit authorisation where there are no bank account data of the recipient. It is also entitled to unilaterally cancel the standing order or direct debit authorisation if payment is not made in the course of three consecutive periods where the order was to be executed, due to the lack of available funds on the account.

14. SETTling CLAIMS IN RELATION TO PAYMENT SERVICES AND CORRECTING CLEARING ERRORS

- 14.1** The Claims Procedure, which is available at www.unicreditbank.cz, contains information on the method and time limits for reporting an unauthorised or incorrectly executed payment transaction, information about the Bank's responsibility for an unauthorised payment transaction, information about the Bank's responsibility for not executing or incorrectly executing a payment transaction, and information about the conditions for returning an authorised payment transaction executed at the request or by means of the beneficiary.
- 14.2** Clearing errors are corrected solely for payments in the Czech currency within the Czech Republic. When correcting clearing errors and settling claims, the Bank proceeds according to the generally binding legal regulations, and in particular the Banking Act, and rules of practice of the respective regulator (hereinafter just "clearing correction").
- 14.3** After receiving a report concerning the account movements, account balance and cleared payments, the Client is obliged to check whether the movements, cleared payments, account balance and payments made are correct and to notify the Bank without delay about any clearing errors that may be discovered.
- 14.4** The Client is obliged to report any clearing errors and to request the Bank to correct these without unreasonable delay after discovering them but not later than within the period under the generally binding legal regulations and beginning on the day of an error's occurrence. A claim must be lodged in writing or in another form acceptable to the Bank. The Bank shall examine the Client's request and shall correct errors which the Bank itself caused. If another bank is to blame for incorrect clearance, the Bank shall request such other bank, based upon the Client's instruction, to correct the clearing errors. The date of an error's occurrence means the date upon which an amount was incorrectly debited from a payer's account or, as the case may be, incorrectly credited to a beneficiary's account.
- 14.5** If the Client provided a non-existing bank account in a payment order or the Client's payment was not cleared in the beneficiary's bank for any other reason, the Bank shall credit the returned funds to the Client's account on such terms and within such time limits as defined in the Payment System Cut-Off Times document. Even in this case, however, the Client is obliged to pay the Bank the fees specified in the Price List as if this were a case of a normal payment (i.e. debited as well as credited payment).
- 14.6** In correcting clearing errors, the Bank is entitled to debit an amount credited to the Client's account as a consequence of incorrect clearance to the Client's account without the Client's consent in the period under the generally binding legal regulations beginning on the day of the clearing error's occurrence and to recalculate and debit the interest on the funds in such a way so that the account reflects such balance as if the Client had not received the incorrectly cleared payment.
- 14.7** If the amount of funds available on the Client's account is not sufficient to correct a clearing error as described in paragraph 14.6, the Bank is entitled to block the funds in the account until the available balance of the account attains the amount necessary for correcting the clearing error. Nevertheless, the Bank may do so only in the period specified in the generally binding legal regulations concerning clearing correction. As soon as the available balance of the account attains the amount necessary for correcting the clearing error, the Bank shall debit the account with the given amount. The Bank is entitled continually to debit the account for available amounts as they become available and up to the amount necessary to correct the clearing error.
- 14.8** If the Bank is to blame for a clearing error, it shall also pay to the Client's account any interest and exchange rate differences to the Client's account when correcting the clearing error.

- 14.9** If the Bank caused a clearing error, it is obliged without delay to notify the Client involved in the clearing correction about correcting the clearing error. The Bank is also obliged to inform such Client about a clearing correction executed on the initiative of any other bank that caused such clearing error. The Bank shall notify the Client about the clearing correction in writing.
- 14.10** The payer is entitled to request a refund of a SEPA collection without stating a reason for a period of 8 weeks after the funds have been debited from his or her account. The payer also is entitled to the refund of a SEPA collection if the Bank acknowledges the SEPA collection in accordance with the SEPA rules as unauthorised (i.e. the beneficiary has not submitted to his or her bank a valid SEPA debit order signed by the payer) within 13 months after the funds have been debited from the payer's account. This does not apply in the case of a SEPA debit executed on the basis of a SEPA debit order between business entities.
- 14.11** A payment transaction is properly executed as to the entity of the beneficiary if it is executed in accordance with its unique identifier (i.e. the beneficiary's bank account data). This applies even if the Client also provides information about the beneficiary other than that which is presented in the agreement between himself or herself and the Bank.
- 14.12** If the Client provided an incorrect unique identifier for the beneficiary, the Bank shall make every reasonable effort such that funds from the incorrectly executed payment transaction will be returned to the Client. The Bank is entitled to request payment as stipulated in the Price List for returning the funds.
- ## **15. OTHER PROVISIONS ON LIABILITY**
- 15.1** The Bank is not liable for any damage resulting from failure to execute a clearing order that has occurred as a consequence of the order's incompleteness or incorrectness or due to a lack of available funds in the account.
- 15.2** The Bank is liable for damage arising as a result of executing an order issued by an unauthorised person, but only in the case that the signature on the order does not visibly correspond to the signature shown in the signature specimen.
- 15.3** Cancelled
- 15.4** The supervisory authority for the Bank's activities in providing payment services is the Czech National Bank.
- 15.5** This Article 15 does not affect the regulation concerning exclusion or limitation of the Bank's liability pursuant to the General Business Terms and Conditions.

PART IV – TERM DEPOSITS

16. TERM DEPOSITS

- 16.1** The Bank opens and maintains term deposits in Czech crowns and in foreign currency (hereinafter referred to as "term deposits") on a deposit account of a particular currency. By submitting a request to open a term deposit, the Client provides the Bank with the funds for an agreed period and the Bank is obliged to pay an agreed rate of interest on the funds in the term deposit. The Client agrees that the Bank will open a deposit account for the Client in the respective currency based on the Client's first request for opening a term deposit in the relevant currency. This deposit account shall be opened for an indefinite period of time.
- 16.2** The Bank may open an unlimited number of term deposits for one deposit account in the currency of the respective account.

- 16.3** The Client is not entitled to transact with the funds of the term deposit before the lapse of the maturity agreed for the term deposit, unless otherwise agreed between the Bank and the Client for a specific case.
- 16.4** Prior to concluding a contract, the Bank is entitled to determine the currencies in which it maintains term deposits. Furthermore, the Bank is entitled to determine minimum or fixed amounts for the term deposits for each currency and fixed periods for their maturities. Based upon an agreement between the Bank and Client, the Bank may open a particular term deposit on conditions different from the standard conditions set by the Bank.
- 16.5** The Bank opens a term deposit on the basis of a request given by an authorised person in accordance with the signature specimen to the account or an instruction for other products that enable the opening of a term deposit. The authorised person may independently request to establish a term deposit, unless otherwise stated in the business conditions or in an agreement.
- 16.6** The request to open the term deposit may be made in any of the following manners:
- a)** in writing through the Bank's form,
 - b)** by telephone on condition that the Client identifies himself or herself by the password established for the specific account or in some other way required by the Bank,
 - c)** by means of direct banking products, or
 - d)** in another agreed manner.
- These procedures shall also apply reasonably to requests for changing or cancelling a term deposit if technical possibilities so allow.
- 16.7** The conditions to open and maintain the term deposit are agreed upon by submitting a request. The Bank shall confirm the Client the opening of a term deposit, including its agreed amount, currency, interest rate, period of maintenance and number of the deposit and current account under which the term deposit is to be established, in writing by sending a so-called confirmation of the term deposit (hereinafter referred to as the "confirmation"). The schedule for producing confirmations may be agreed by the Client with the Bank.
- 16.8** The term deposit contract is concluded at the time when the Bank establishes the respective term deposit on the basis of the request and in accordance with the conditions stated therein.
- 16.9** Should the Client receive a confirmation that is not in accordance with the conditions of the term deposit as agreed under paragraph 16.7, the Client is obliged to inform the Bank of such discrepancy immediately, but no later than 7 days after delivery of the confirmation. Unless the Client expresses his or her explicit disagreement with the conditions and content of the confirmation within 7 days of its delivery, the contract on the respective term deposit is considered to be concluded in the wording contained in the confirmation once this 7-day period expires.
- 16.10** If on the first day of the term deposit's intended effectiveness the available funds in the account are insufficient, or if the amount and maturity are not specified in accordance with the rules under paragraph 16.4, the Bank will not open the term deposit, unless otherwise agreed in writing. For subsequent turnovers of partial term deposits, the Bank shall not open a partial term deposit, unless there is available balance on the current account.
- 16.11** Except for the confirmation, the Bank will not produce additional statements or confirmations relating to the term deposits.
- 16.12** The Bank can open:
- a)** a one-time term deposit – As at the opening day of the term deposit, the principal (the amount of the deposit) is deducted from the current account and credited to the deposit account. The principal and the interest are credited back to the current account as at the maturity date of the term deposit.
 - b)** a rollover term deposit – As at the maturity date of the term deposit, a new term deposit (or partial term deposit) is automatically and repeatedly opened with the same maturity as the Client had originally designated when opening the original term deposit.
- 16.13** Types of rollover term deposits:
- a)** unchanging term deposit – The principal of the term deposit being opened is fixed for the entire rollover period. The interest is credited on the maturity date of the term deposit to the Client's account that had been debited for the principal amount paid into the respective term deposit.
 - b)** capitalised term deposit – The principal of the term deposit being opened is composed of the principal component paid into the term deposit and the accumulated interest that is credited to the principal component of the term deposit, reduced by the withholding tax under paragraph 16.21.
 - c)** balance term deposit – The principal of the term deposit being opened is derived from the available balance in the account on the day that the term deposit is opened. The available account balance is reduced by a fixed amount agreed in advance that will remain in the account. If the account has a credit limit that is agreed between the Bank and the Client, then that is not included in the available balance on the current account for the purpose of establishing the balance term deposit, while: i) the balance available on the respective account for opening the term deposit is determined according to the account balance existing as at the rollover date of the partial term deposit; ii) if the term deposit balance drops below the specified minimum limit as a result of determining the available balance, then the term deposit terminates, unless otherwise agreed. Only one balance term deposit can be opened per account.
 - d)** another type of rollover term deposit that may be agreed, but only upon a prior written agreement with the Bank.
- 16.14** Unless the Client precluded rollover of the term deposit in the request at the time of its opening and, moreover, unless the Bank receives a different instruction from the Client at least 2 banking days before the maturity of the partial term deposit, the Bank is entitled to roll over the term deposit for the period established by the Client for the original term deposit (hereinafter just the "rollover frequency").
- 16.15** If the request for opening the rollover term deposit does not specify the Client's preference as to the rollover type, the Bank shall establish a one-time term deposit.
- 16.16** Term deposits earn a fixed annual rate of interest that does not change during the entire term of the term deposit, or partial term deposit, as the case may be, unless otherwise agreed. The Bank shall establish the interest rate in consideration of the currency, principal amount and maturity term of the term deposit.
- 16.17** In calculating interest on the term deposit, the actual number of days of the term deposit's maturity term is used.
- 16.18** Unless otherwise agreed between the Bank and the Client, the agreed interest rate shall apply from the first day until the day preceding the maturity date (inclusive) of the term deposit.
- 16.19** For a rollover term deposit, an interest rate applicable on the day of opening the rollover term deposit is agreed. The interest rate

established for the rollover term deposit shall apply from the first day until the day preceding the end of the first rollover period (inclusive).

- 16.20** Applicable interest rates for term deposits are published by the Bank at its business premises and on its website.
- 16.21** Interest paid on a term deposit is reduced by the withholding tax in accordance with relevant legal regulations and is payable on the term deposit's maturity date, unless otherwise agreed.
- 16.22** The Bank transfers the interest payable to the respective account from which the term deposit's principal was originally taken, unless otherwise agreed.
- 16.23** In case of rollover term deposits, the interest is always paid on the maturity date of each partial term deposit.
- 16.24** A term deposit terminates:
- a)** upon the agreed maturity date (end of the agreed maturity term),
 - b)** by terminating the automatic rollover procedure, or
 - c)** in another manner established in the General Business Terms and Conditions.
- 16.25** The Bank and the Client are entitled to terminate the automatic rollover procedure without stating reasons. The Client must submit a request to terminate the automatic rollover procedure to the Bank at least 2 banking days before the day specified for the term deposit's automatic rollover. If the Bank receives the Client's request in a due and timely manner, the term deposit shall terminate on the earliest day specified as the rollover day following upon delivery of the request. The Account owner shall be informed by the Bank, in writing and in good time, of the termination of the rollover term deposit.
- 16.26** The Bank is entitled unilaterally to terminate a term deposit in cases where it is entitled under the General Business Terms and Conditions to withdraw from a contract concluded with the Client.
- 16.27** On the term deposit's termination date, the funds of the term deposit are transferred to the respective account from which the principal of that term deposit was taken.
- 16.28** Unless otherwise agreed, upon termination of the term deposit, the Bank shall pay the deposit and the interest reduced by the tax withheld under the pertinent legal regulations.
- 16.29** Should the maturity date of a one-time term deposit fall on other than a banking day, such deposit is payable on the first banking day following the maturity date. However, should such date fall on the next month, such deposit is already payable on the banking day immediately preceding the maturity date. Provided the maturity date falls on a non-existing date (e.g. 30 February), such deposit is payable on the banking day immediately preceding the maturity date.
- 16.30** Should the maturity date of the first partial rollover term deposit fall on other than a banking day, Article 16.29 shall apply. Should the maturity date of the second and subsequent partial rollover term deposit fall on other than a banking day, such deposit is payable on the first banking day following the maturity date. Provided the maturity date falls on a non-existing date (e.g. 30 February), such deposit is payable on the banking day immediately preceding the maturity date.
- 16.31** Early withdrawal of term deposit funds is understood to mean payment of those funds as at any day preceding the date in which the term deposit is to terminate in any of the ways specified in paragraph 16.24. The Bank is not obliged to permit early withdrawal of a term deposit.

16.32 The Client may request in writing an early withdrawal of all or a part of the funds in a term deposit. If the Bank and the Client agree on early withdrawal of the term deposit in its entirety or in part, the early withdrawal thereof shall be made under the following conditions:

- a)** The early withdrawal of the term deposit or its part shall be made exclusively as specified under paragraph 16.27.
- b)** If an early withdrawal of a part of the term deposit is agreed and if the remaining part of the term deposit is not less than the minimum limit set by the Bank for term deposits in the respective currency, then the Bank shall establish for the Client a new term deposit with the effective date identical to the date of early payment of the part of the original term deposit for the period until the end of the originally agreed maturity term of the term deposit.
- c)** In case of an early withdrawal of funds from a term deposit, the Client is entitled to be paid interest for the actual period during which the term deposit existed.
- d)** The Bank shall pay to the Client the funds of the term deposit including the interest payable under paragraph 16.21 on the banking day as agreed by the parties. The original term deposit terminates upon making the early withdrawal.

16.33 In case of an early withdrawal of all or a part of the term deposit, the Client is obliged to pay the fee for early withdrawal that is specified in the Price List.

16.34 The option to request early withdrawal of funds from a term deposit may be limited by a contractual agreement between the Bank and the Client.

PART V – BILLS OF EXCHANGE AND CHEQUES

17. BILLS OF EXCHANGE

17.1 Relationships arising between the Bank and the Client from transactions in bills of exchange are governed in particular by the Bills of Exchange and Cheques Act, Civil Code, General Business Terms and Conditions, and Product Terms and Conditions for Accounts and Payment Services.

17.2 The Client is responsible for the formal correctness of the issuance of a bill of exchange that is presented, the authenticity and binding effect of the signatures on the bill of exchange, and for the bill of exchange's having been acquired legally and in good faith.

17.3 For bills of exchange domiciled with the Bank and which are payable sooner than the fifth banking day from their delivery date to the Bank for collection, the Bank is not responsible for on-time presentation of the bill of exchange to the obligor under the bill of exchange. For bills of exchange domiciled with any other bank in the Czech Republic and which are payable sooner than the eighth banking day from their delivery date to the Bank for collection, the Bank is not responsible for on-time submission to the domicile holder. For bills of exchange domiciled abroad and which are payable sooner than the tenth banking day from their delivery date to the Bank, the Bank is not responsible for their on-time delivery to the domicile holder. The Bank does not bear responsibility for any consequences from raising or arranging of a protest even if it had been requested to raise or arrange a protest. If a bill of exchange is not domiciled with the Bank, the Bank does not bear responsibility for presenting the bill of exchange for collection to the obligor liable to the domicile holder, for obtaining confirmation on default in payment, or for carrying out any other instructions given by the domicile holder.

- 17.4** The Bank may refuse to receive a bill of exchange for collection or for arranging its acceptance if such bill of exchange is not accompanied with an endorsement empowering the Bank.
- 17.5** The Bank is not obliged to pay the value of the bill of exchange to the owner of a bill of exchange if it is not provided with a special one-time payment order submitted by the Client who is the obligor under the bill of exchange, where the payment order is designated as a payment for collection of the bill of exchange and states the reference number of the Bank relating to the given collection of the bill of exchange. The Bank is not obliged to do so even in case that the Bank is stated as the domicile holder on the bill of exchange and there are sufficient available funds on the Client's account.

18. CHEQUES

- 18.1** The Bank enables making payments using cheques within the limits defined in particular by the Bills of Exchange and Cheques Act, the Civil Code, special regulations issued by the Czech National Bank, the General Business Terms and Conditions, and the Product Terms and Conditions for Accounts and Payment Services.
- 18.2** The Bank decides on the terms of acceptance of a cheque for collection and on the manner of collecting a cheque in accordance with the Product Terms and Conditions for Accounts and Payment Services. The Bank is entitled to refuse a cheque for collection without stating any reason.
- 18.3** The Bank accepts cheques for collection (i) subject to cancellation, or (ii) on the basis of a definitive collection, provided that:
- a)** the presenter of the cheque is the rightful owner of the cheque;
 - b)** the presenter of the cheque duly proves his or her identity;
 - c)** the presented cheque is valid, has no formal defects and contains all the particulars required by law. The subject-to-cancellation clause indicates the obligation of the recipient of the payment of a cheque to return the equivalent value of the honoured cheque at any time in future so long as the payer of the cheque is entitled under law or the practice of the domicile of the cheque to cancel payment of the cheque or request that the payment be returned in case that the cheque is proved to be false, modified in any legal particulars or bearing false endorsement. If a cheque for collection subject to cancellation is not paid by the payer, the Bank is entitled to debit the Client's account with the already credited amount without prior notice as of the day of crediting the payment but using the rate valid on the processing date.
- 18.4** The Bank pays a cheque immediately only if it is a bank cheque naming the Bank as the drawee of the cheque.
- 18.5** Although the Bank proceeds with professional care when arranging the collection of a cheque, it is not liable as to whether the collection will be executed.
- 18.6** In case that cheques sent by the Bank for collection are lost in transit and the Bank does not receive any payments for these cheques, the Bank shall apply an alternative procedure aimed at settling the lost cheques with the drawee. However, the Bank is not liable for loss, destruction or damage of the sent cheques.