

PRODUCT BUSINESS TERMS AND CONDITIONS FOR ISSUANCE AND USE OF PAYMENT CARDS

UniCredit Bank
Czech Republic and Slovakia, a.s.

PRODUCT BUSINESS TERMS AND CONDITIONS FOR ISSUANCE 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 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** More detailed information and instructions regarding payment cards are provided in the Cardholder Handbook of UniCredit Bank Czech Republic and Slovakia, a.s. Informational material is available online at www.unicreditbank.cz or in printed form at any of the Bank’s points of sale.
- 1.4** The card is the property of the Bank.
- 1.5** The Bank is entitled to amend the Product Terms and Conditions or add new provisions thereto, in particular concerning provisions relating to the payment card, its issue, delivery, activation, validity, replacement, use, protection and blocking, special provisions for the use of a 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 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, 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 2 months prior to the proposed effective date of such amendment. If the Client does not agree with the proposed amendment to 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 from the date stated in the given amendment to the Product Terms and Conditions as the date upon which the new wording of the Product Terms and Conditions becomes valid.
- 1.6** In the case of a change or amendment to a framework contract according to the respective act, the provisions of paragraph 1.5 shall apply not only in case of a change or amendment to the Product Terms and Conditions 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.

- 1.7** Should 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

- 2.1** A **3D Secure authorisation code** is a personalised security element serving to confirm transactions made with the merchants who use the Mastercard SecureCode and Verified by Visa security protocol.
- 2.2** 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 use them as well.
- 2.3** A **contactless card** is a debit or credit payment card supporting the PayPass or PayWave contactless chip technologies.
- 2.4** A **contactless payment** is a card transaction executed by putting a contactless card close to the payment terminal that supports the contactless technology.
- 2.5** A **security code** serves for verifying the Client’s identification when communicating with the Bank
- 2.6** A **security token** is a security device that, on the basis of advanced encryption technologies, ensures verification of the Client and his/her secure communication with the Bank.
- 2.7** An **interest-free grace period** is a period from the date of executing a noncash payment to the due date indicated on the statement during which no interest is charged on noncash transactions provided the given conditions are fulfilled.
- 2.8** **Card blocking** is a measure consisting in preventing the possibility of executing transactions via the card.
- 2.9** **Cash Back** is a service that makes it possible to withdraw cash when making a noncash payment.
- 2.10** A **debit card** is an electronic payment instrument issued by the Bank and by means of which cash and noncash payment transactions may be debited or credited to the account owner’s payment account.
- 2.11** An **authorised user** is a holder of a debit card issued to another person’s account.
- 2.12** 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 noncash transactions to the primary cardholder’s card account.
- 2.13** **Dynamic Currency Conversion** is a service enabling the Client to select the currency in which the card transaction is then made.
- 2.14** A **primary card** is a credit card issued to the Client in whose name the card account is maintained (primary cardholder).
- 2.15** A **charge card** is an electronic payment instrument enabling the drawing of bank funds for cash and noncash payment transactions and 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%.

- 2.16 A credit card** is an electronic payment instrument issued by the Bank and by means of which cash and noncash payment transactions may be debited or credited to the primary cardholder's card account.
- 2.17** For the purposes of these Product Terms and Conditions, "**card**" refers to both a credit card and debit card, unless expressly indicated otherwise in the text.
- 2.18** 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.
- 2.19** 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 is to be issued is maintained by the Bank.
- 2.20 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.
- 2.21 A renewed card** is the card issued once the original card validity period has expired.
- 2.22 PayPass (Mastercard association) / PayWave (Visa association)** are contactless chip technologies enabling contactless payments on the 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 code entry is required at the contactless payments of the amounts lower than the limit published by the Bank. The applicable maximum limit for the PayPass/PayWave service is set at CZK 500 per transaction within the Czech Republic. The cardholder will be required to enter her/his PIN for a transaction above CZK 500. The limit may differ in various countries, subject to the rules applicable in the respective country. The Bank is entitled unilaterally to change the limit amount, while it shall notify the cardholders in suitable manner on the limit change.
- 2.23 The PIN (Personal Identification Number)** is a personalised security element consisting in a personal identification number generated by the Bank and issued to the Client for the purposes of Client's identification and of proving Client's authorisation to execute payment transactions using the card. The Client may subsequently change her/his PIN.
- 2.24 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.
- 2.25 The APR** is the effective annual percentage rate associated with drawing the credit limit established in accordance with Act No. 257/2016 Coll.
- 2.26 The transaction limit** is the authorised maximum amount per cash and noncash transaction that the Client is entitled to draw by means of the Card. The Bank is entitled to change the transaction limit upon written agreement with the account owner, or, primary cardholder. The Bank is entitled unilaterally to decrease this limit or to modify its distribution on the limit for cash and for noncash transactions and to notify the Client on any such change.
- 2.27 The account** is the current account established and maintained by the Bank for the Client which serves for executing 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.
- 2.28 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 in association with 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 shorter than one month.
- 2.29 The settlement period** is a recurrent period generally lasting 1 calendar month and the last day of which is stated in the account statement. During this period, all transactions executed and presented to the Client for payment on the due date are settled.
- ### 3 CARD ISSUANCE
- 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 to be concluded once the card is delivered to the applicant.
- 3.3** The Application/Agreement automatically terminates if the Bank does not, on the basis of the Application/ Agreement, issue the debit card within 3 months from the day of the Bank's receiving the Application or if the card is not collected by the Applicant – Client within the indicated period and in the manner stipulated by the Bank. If the card is not handed over, the Bank is entitled to request compensation from the Client for expenses connected 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 Issuance for an Authorised Person must be signed both by this person and by 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 for the Bank to provide to the Mastercard and Visa card associations information relating to payment cards issued to him/her (e.g. payment card number, validity period).
- ### 4 DELIVERY OF THE PIN AND CARD
- 4.1** The Bank will send the card's PIN to the Client separately from the card by standard mail to the address given in the Application.
- 4.2** The Bank will send the card to the Client by registered mail in a parcel designated for personal delivery to the address stated 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 shall notify the Bank of this fact immediately. In such case, the Bank shall assign and send to the Client a new card and new PIN free of charge under the same conditions. If the parcel has not been delivered to the Client, the Client is obliged to notify the Bank of this fact immediately.

- 4.4** By agreement of the Client with the Bank, the card also can be delivered in person in the period and at the location agreed with the Bank. In this case, by signing the record of the card's receipt the Client at the same time 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 as undelivered, or if the Client refuses to accept the document and the parcel is returned to the Bank, then the Bank shall invalidate the returned card for security reasons after 3 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 existent 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 should decide otherwise, including the possible generation of a PIN, at the Client's expense and in accordance with the Price List.
- 4.7** After taking over the card, 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 last day of the month and year indicated on the front side of the card. The Client is entitled to use the card only within 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 automatically issues 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 expiry date. A renewed card shall not be renewed automatically, provided the card is blocked permanently.
- 5.4** In 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 issuance of 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:
- a)** lapse of the period for which the card was issued;
 - b)** permanent blocking of the card;
 - c)** returning the card to the Bank;
 - d)** accidental impairment of the card (mechanical damage of the card, etc.); or
 - e)** termination of the Agreement.
- 5.6** Upon termination of the Agreement for a primary card, all additional cards are also terminated
- 5.7** The card may be no longer used after its expiration. Should the Client not return the card to the Bank, he/she is obliged to impair the card by cutting it through the chip and magnetic strip. The Bank bears no responsibility for possible damages 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 issuance 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 to provide the Client with a card of another type. The Bank will inform the Client about terminating issuance of the product by means of a separate letter in a timely manner, however, at least two months in advance. The Client will be informed in the letter as to the date of discontinuing the current products, an offer and conditions for a new product, and the deadline by which the Client may express his/her disagreement with the offer. If the Client does not refuse the offer by the deadline, the Bank will 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 a 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 the relevant 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 providing the Client confirms (authorises) such transaction by any of the following:
- a)** signing a cash register slip at the merchant, or
 - b)** entering her/his PIN; or
 - c)** putting the card close to the contactless payment terminal, unless the PIN is required at the same time; or
 - d)** by passing down the card identification data or by entering the CVV /CVC code or 3D Secure authorisation code for the E-commerce transaction performance, or, by combining the above methods;
- and, providing the transaction at the same time 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 the 3D Secure authorisation code, 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 issuance 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 is not attached to the card or the respective account lacks available funds, the transaction shall be debited from the account which is 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 based on the rates valid on the transaction settlement 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 the relevant transaction, shall be used. For transactions using Mastercard credit cards, conversion to Euros shall always be used (as regards fees for using a Priority Pass card, conversion to US dollars shall be used). As regards 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 account, the amount credited to the card account may differ from the amount originally settled, namely on 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, the Client confirms at the transaction authorisation that he/she was familiarised with and approves of 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 issuance and maintenance and a fee for credit card account maintenance. The fee for debit card issuance 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 case of terminating the contractual relationship, though not earlier 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 or Price List stipulates a certain fee as conditional, such fee will be nevertheless always 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 to 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 the Bank for its re-generation. The Bank must always approve this request. If not approved, then the Bank issues 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 ATM network, provided the given ATM enables this function. Following the PIN change, certain services provided through ATMs may become accessible for the Client only on the next business day.

9 CARD BLOCKING

9.1 In 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.

9.2 An instruction for blocking may be submitted at the Bank's place of business, or at 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 a case of blocking the card at the Client's initiative, the Bank shall issue its holder a new card of the same kind as a replacement. At the same time, the Bank will send the holder a new PIN. The Bank is entitled to a fee for issuing a new card in case of blocking pursuant 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 way 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 case of the card's loss or theft, the Client must check whether the identification cards for additional services were lost or stolen as well, 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 impair these cards and, as the case may be, to return them to the Bank. Together 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 the validity of which 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.
- 10.2** If the Client does not file the claim within 30 days from 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 be considered to 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 in relation to the card corresponds to those stipulated by the rules for a claim proceeding of the international Visa International or Mastercard International 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 within 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, as well as 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, among others:
- 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 pursuant 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 circumstance 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, and/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** Should the Client terminate 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 impairment 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 2 months. The Client is obliged without undue delay, at the latest on 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** Should the Bank learn about the Client's death in a credible manner, his/her card will be blocked. In case of the primary cardholder's death, all issued credit cards will be blocked. Debit cards

of authorised users will be blocked 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 issue of 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 from the day of concluding the Agreement. The period is observed if the withdrawal notice is sent to the Bank at latest on the final day of this period. In case of withdrawal, the credit cardholder is obliged within 30 days from the day of sending the withdrawal notice, at latest, to pay the principal and interest accumulated until the day of paying the principal.
- 12.9** In the case of the Bank's terminating the contractual relationship by withdrawing from the Agreement according to paragraph 11.3, the Bank ceases to send statements for the Client's account. At his/her request, the Bank informs 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 the 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 in the case that the Client failed to ensure the protection of its personalised security elements. The Client bears this loss in full if he/she caused it by his/her fraudulent conduct or breach of some 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 when fraudulent conduct was concerned.
- 13.3** The Client is aware of the explicit warning about 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 damages resulting from non-execution of requested transactions that was caused directly or indirectly by reasons beyond the Bank's control, in particular due to 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 damages 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 in case that the Client does not pick up the cash paid out by an ATM.
- 13.6** Upon returning goods or in case of failure to render a service, the place of business does not return cash but issues a credit

document of which the Client will receive one certified copy. The Bank then credits the amount specified in the credit document to the account. If the transaction is in a foreign currency, the Bank uses its current reference exchange rate. In the case of settling a credit transaction by a place of business for which that transaction is processed by its contracting bank, the Bank does not bear responsibility for a 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 of goods/services (e.g. in quantity and quality) paid for via 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 offering. 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 advantages connected 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 of the 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, and/or are available on the Bank's website, unless stipulated otherwise. The Client acknowledges and approves of the content of the specific conditions.
- 14.4** In the case of an additional service prerequisite for which is a written declaration, the Client is obliged to sign this declaration. Without this declaration, the additional service is not valid and the Bank is in this case entitled to terminate it without creating an entitlement for 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 to obtain information on the card through the internet network. In case of agreeing this service, the Client undertakes to adhere to the conditions on providing direct banking as laid down by the Bank in the relevant documentation.
- 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 terminates as well, 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 within the provision of card services is recorded. Detailed information on 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 connected with fulfilling the Agreement (including, among other things, notification of rejecting a transaction, suspicion of card misuse and delay in payment). The Bank shall not send business communications in this manner without the Client's express consent.
- 15.6** If the Client requests to communicate with the Bank by email, he/she acknowledges that such communication is not secured and the Bank is therefore not responsible for its misuse.
- 15.7** The following are the Client identification data for telephone communication:
- a)** birth certificate number, or, portion of the card number;
 - b)** user code;
 - c)** security code;
 - d)** password.

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

16 SPECIAL PROVISIONS FOR USING CREDIT CARDS

- 16.1** Provisions of paragraph 3.3 do not apply to credit cards.
- 16.2** In 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 and/or in the Account Statement. For individual noncash 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 noncash 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 Bank stipulates 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.

At computing interest on the Bank's receivables from the cardholder, the calendar year 360 days long is taken as a 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 so-called minimum mandatory payment.
- 16.8** The payment is carried out regularly 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 issuance, and a minimum of CZK 300. At the same time, the primary cardholder will 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 cardholder's account by the Bank, the Bank is entitled to change the manner of payment to the form of a 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 noncash transfer of at least the minimum mandatory payment.
- 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, and even if there is not a sufficient balance 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** Should the Client increase 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 once monthly a statement of the account status upon the end of the settlement period. If the date of compiling the statement falls on a non-business day, the statement is generated upon 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 the electronic format; the Client will choose 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 on the account status and/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 cannot serve to justify non-payment of at least the minimum mandatory payment. The Client is entitled to request being provided 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 compliant to the law; such statement contains complete required information on 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 preparation.

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 also is 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 Issuance and Use of Payment Cards of UniCredit Bank Czech Republic and Slovakia, a.s., becomes valid on 31st October 2018.