

# TECHNICAL CONDITIONS

## A. Payment Services

### 1.1 Introductory Provisions

#### 1.1.1 Subject of Technical Conditions

These Technical Conditions regulate the relationships between the Client and the Bank, particularly with regard to the provision of Payment Services and acceptance of cheques.

#### 1.1.2 Defined Terms

The capitalised terms used in these Technical Conditions not explained herein are defined in the General Business Conditions (GBC) or Product Conditions. Another Payment Services provider than the Bank is referred to as the "bank" or literally as "other payment services provider" in these Technical Conditions.

#### 1.1.3 Relation to some Single-Currency Accounts

Exclusively, in order to specify conditions for making Payment Transactions, Single-Currency Accounts, for the opening and maintaining of which the existence of a specific Multi-Currency Account is required, are also deemed Multi-Currency Accounts.

### 1.2 Payment Services

#### 1.2.1 Contracts on Payment Services

The Client and the Bank agree on the Payment Services within the framework of separate contracts or contracts, under which the provision of another Banking Services is agreed. Unless agreed otherwise (either by specifying the term during which the obligations are in effect or their scope) or unless it is not a contract for making a single payment transaction, the contract is agreed for an indefinite period of time. A contract for making a single Payment Transaction is usually agreed between the Bank and the Client orally or upon a request made by the Client and carried out by the Bank. The Bank usually issues a confirmation that a single Payment Transaction has been made (however, the document can have a different title).

#### 1.2.2 Available Payment Services

The Bank provides the Client with a wide range of Payment Services consisting of making Payment Transactions, whether or not by using the Payment Account, issuing and keeping funds and any other Payment Services or services related to the Payment Services, as agreed by and between the Client and the Bank.

#### 1.2.3 General Information on the Bank

The information on the Bank as the payment services provider will be obtained by the Client through the General Business Conditions and public websites. The Bank is on the list of entities that are subject to supervision by the Czech National Bank (CNB) with its registered office at Na Příkopě 28, Praha 1, postcode 115 03. The lists are available via the [www.cnb.cz](http://www.cnb.cz) website. Should the Client have any reservation regarding how the Bank is proceeding when providing the Banking Services to which the Technical Conditions apply, they may file a complaint with the CNB.

#### 1.2.4 Complete Information on Payment Services

The information regarding the Payment Services is included in both these Technical Conditions and in the contract under which the relevant Payment Service is agreed, and the Product Conditions that are an integral part of the contract. For a full understanding of the information and undertakings related to the relevant Payment Service, it is necessary also to refer to any other documents that are binding for the Client.

### 1.2.5 Availability of the Framework Agreement Terms

For the term of obligations hereunder, the Client may require the Bank to provide them with the terms and conditions of the framework agreement on payment services and information that the Bank is obliged to provide to them before entering such agreement. Through the framework agreement on payment services, the Bank agrees to carry out Payment Transactions as specified in such agreement for the Client.

### 1.3 Payment Orders

#### 1.3.1 Basis Requirements

The Client shall provide the Bank with a Payment Order to make a payment (where acting as the Payer) or to make a collection (where acting as a Payee). The Client shall provide the Bank with a Payment Order only in the agreed manner. The order must always include the details that are determined as mandatory in these Technical Conditions or in another agreement between the Bank and the Client.

#### 1.3.2 Moment of Acceptance

The Payment Order is accepted when it is received by the Bank. The Payment Order must be presented to the Bank in an agreed manner and format. However, the Payment Order is only accepted, if all conditions to carry out the order agreed between the Bank and the Client in the Contract, GBC, Technical Conditions or other contractual documents and conditions stipulated by law are fulfilled at the given moment. These conditions particularly include coverage of the Payment Order amount, i.e. sufficient Disposable Balance of the Account, from which the funds are to be debited, including any charges related to the realization of the Payment Transaction. In addition, these conditions include the provision of any required details to realize the Payment Transaction, and at the same time, consent to the Payment Transaction given by the Client as the Payer. The Payment Transaction is authorized by giving consent to realize the Payment Transaction. In the event of a Payment Order for an Instant Payment, the conditions for acceptance also include current readiness of the Recipient's bank to realize such Payment Transaction and availability of the payment system for acceptance of the Payment Order and delivery to the Recipient's bank.

#### 1.3.3 Moment of Acceptance Postponement

Should the Moment of Acceptance fall within the time outside the Operating Hours of the Bank, or upon the deadlines (the cut-off time) to present the Payment Order during the Operating Hours, the Payment Order is accepted at the beginning of the next Operating Hours of the Bank. The deadlines (cut-off time) for the presentation of the Payment Order to the Bank during the Operating Hours of the Bank are specified in the Information on Payment Systems Time-limits.

#### 1.3.4 Order of Moment of Acceptance

Should a Moment of Acceptance for more than one Payment Order to transfer Funds from one Account occur on the same day, the Bank may determine the order of how such Payment Orders are to be executed regardless of the order of authorisation or presentation of each of the Payment Orders to the Bank; the same applies to collective Payment Orders.

#### 1.3.5 Verification of Payment Order Content

The Client provides the Bank only with such Payment Orders that have been completed freely by the Client, in line with the Client's needs and with regard to which the Client verified the correctness of details given in the Payment Order.

### **1.3.6 Verification of Obstacles Preventing Payment Orders from Being Made**

Before presenting the Payment Order to the Bank, the Client must establish whether there is any obstacle that would prevent the Funds from being transferred to the Recipient's Account, and should they learn of such obstacle, they must inform the Bank of this without undue delay.

The Client particularly acknowledges that Payment Transactions in American dollars (USD) are made via correspondence banks in the United States of America that must withhold and not return any Funds transferred to countries or credited to the Accounts of persons against which or whom sanctions, embargoes or other forms of payment restrictions are applied by the United States of America; the Client must provide the Bank only with such Payment Orders to transfer American dollars that are not intended for the countries or credited to the Accounts of such persons against which or whom the United States of America apply sanctions, embargoes or other forms of payment restrictions. Immediately before presenting a Payment Order to the Bank, the Client must familiarise themselves with the list of countries or person against which or whom the United States of America apply sanctions, embargoes or other forms of payment restrictions, particularly at [www.treas.gov/ofac](http://www.treas.gov/ofac). In the event of payments in any currency into countries or for the benefit of persons against which or whom sanctions, embargoes or other forms of payment restrictions are applied by the United Nations Organisation, European Union or other international organisations and states, the provisions of this article shall apply accordingly.

### **1.3.7 Additional Information and Documents, Client Identification**

Should the Bank require additional information or documents or materials regarding a Payment Order made or regarding the data of an Incoming Credit Transfer in connection with the fulfilment of obligations imposed by the applicable legal regulations, particularly those for the purpose of the prevention of money laundering and financing of terrorism, the Client must immediately accommodate such request. In such a case, the Payment Order is not accepted or the Incoming Credit Transfer amount is not credited until such time when the assistance required by the Bank is provided. The same applies to a Payment Order to make a Cash Payment Transaction for which the Client's assistance for identification purposes is required by the Bank. The Bank is not late to timely realize a Payment Transaction until properly provided with the Client's assistance as requested.

### **1.3.8 Refusal of Payment Orders by the Bank**

If the conditions for carrying out the Payment Order are not fulfilled or if stipulated by a special legal regulation or individual legal act which is binding upon the Bank or an explicit agreement between the Bank and the Client, the Bank may refuse to carry out the Payment Order. The Bank may also do so should it have a reasonable suspicion that the Client or Bank may incur harm by carrying out the Payment Order, or that statutory obligations may be breached by carrying out the Payment Order or that there may have been an unauthorised or fraudulent use of a Payment Tool or personal security elements of the Client or its Signatory. The Bank is entitled to refuse to make Payment order also in the event that the Payment Order cannot be executed in a manner which the Client requires (for example, in the currency specified by the Client Payment order). In addition, the Bank may refuse to carry out an Indirectly Given Payment Order if it is presented through an entity which is not authorised to provide such a service or which fails to properly establish its identity to the Bank. Also, the Bank may refuse to carry out a Payment Order for an Instant Payment if the Recipient's bank is not ready to realize such Payment

Transaction or if a relevant payment system is not available for the acceptance of such a Payment Order. If in the case of a Domestic Payment Transaction all other conditions for the realization of a standing or single order for an Outgoing Credit Transfer are met except sufficient Disposable Balance of the Payer's Account, the Bank usually attempts to realize the relevant Payment Order for 2 Banking Days after its maturity and thus does not proceed to refuse it immediately after the maturity date, unless specified by the Client otherwise.

Information on the refusal to carry out the Payment Order as well as of the reasons for the refusal and the procedure for remedying the defects will be provided by the Bank to the Client via Direct Banking Services or similar services. Should the Client not have Direct Banking Services available or if the refusal of the Payment Order which was presented through the Business Location or at the Business Location, then the information on the refusal may be primarily obtained through the Business Location. In the event of a Payment Order presented upon the Payer's request through the Recipient, the Client will obtain the information on the refused Payment Order immediately when the Payment Order is initiated via the Recipient.

### **1.3.9 Withdrawal of Payment Orders by the Client**

The Client may withdraw a Payment Order if it has not been accepted. A Payment Order may not be withdrawn following the expiry of the Bank's Operating Hours immediately preceding the day when the Payment Order is to be accepted. A Payment Order presented by the Payer via the Recipient may not be withdrawn once it has been given by the Payer to the Recipient. An Indirectly Given Payment Order may not be withdrawn once it has been provided by the Client to another payment services provider.

## **1.4 Payment Transactions**

### **1.4.1 Payment Transaction Alternatives**

The Bank shall make Payment Transactions as Domestic Payment Transactions or Foreign Payment Transactions, either as Cash Payment Transactions or Cashless Payment Transactions. Cashless Payment Transaction shall mean any Payment Transaction which is not a Cash Payment Transaction (i.e. it does not primarily involve handling legal tender).

### **1.4.2 Unique Code for Payment Transactions**

The Bank will assign a unique transaction code to each Payment Transaction. When dealing with the Bank with regard to a specific Payment Transaction, the Client must always designate such Payment Transaction with the transaction code assigned by the Bank.

### **1.4.3 Consent to Make Payment Transactions**

The Client, as the Payer, must authorise every Payment Transaction in a manner agreed with the Bank. The authorisation shall mean each act of the Client expressing their consent to make one Payment Transaction or a series of Payment Transactions. If the Payer's consent is given with the Payment Transaction, the Payment Transaction is authorised. The authorisation of the Payment Transaction shall mean signing the Payment Order in one's own hand according to the Signature Specimen, use of the Electronic Identification Tool to confirm the executed Payment Order or use of the Payment Tool and attachment or entry of the agreed Personalised Security Element in any other case, unless agreed otherwise. In justified cases, e.g. in connection with the medical condition of the Client, the Bank may also accept a Payment Transaction authorisation expressed by the Client in another unambiguous manner.

In the event of a Payment Order requested by the Recipient, the Bank also requires the Client, acting as the Recipient, to confirm the execution of and presentation of the Payment Order to the Bank; such

confirmation shall be expressed by the Client in a similar manner as the consent to making a Payment Order. The confirmation may also be referred to as the authorisation.

#### **1.4.4 Consent to Make Collection and Payment Transactions, for Which the Payment Order Is Given by the Payer Through the Recipients**

Consent to make a Payment Transaction for which the Payment Order is given by the Recipient, i.e. to make a collection, is given directly by the Client to the Bank, even in a situation when the Client gave consent to make the Payment Transaction to the Recipient, unless agreed otherwise for a specific Payment Transaction or Payment Transactions. Consent to make the Payment Transaction for which the Payment Order is given by the Payer through the Recipient, is primarily expressed by the Client using the Payment Tool and relevant Personalised Security Element. Consent to make a collection must always include the statement of consent to make the collection, a Unique Identifier for the Recipient, the Unique Identifier of the Client acting as the Payer, a numerically expressed limit of the amount up to which the received Payment Order can be carried out, the collection frequency, the designation of the date from which consent to make collection is given and a record of the act by which consent to make the collection is given by the Client. Consent to make a collection is given by the Client in a similar manner as consent to make a Payment Transaction under Article 1.4.3 of the Technical Conditions.

#### **1.4.5 Expected Collection Amounts**

By specifying or agreeing upon a limit of the Funds up to which the Payment Order given by the Recipient or Payment Order given by the Payer through the Recipient can be executed, the Client represents that the Payment Order is expected to be carried out up to such limit. Therefore, the Client is obliged, should the expected limit for the execution of the Payment Order under the previous sentence change (including but not limited to, the expected amount decreasing), to inform the Bank of such change without undue delay, including the new limit of the Funds, in a manner by which the agreed limits of the Funds are updated with the Bank, particularly via Direct Banking Services or through Business Location.

#### **1.4.6 Returns of Funds from Authorised Payment Transactions**

The Client and the Bank agreed that the Client may file a written and personal request (they may not be represented) to return any Funds from the authorised Payment Transaction to which the order was given by the Recipient or Payer through the Recipient, on condition that:

- (i) the request for a return was filed within 8 weeks from the date when the amount of the Payment Transaction was debited from the Account,
- (ii) no exact amount of the Payment Transaction was set at the moment of authorisation, and
- (iii) the amount of the Payment Transaction does not exceed the amount that the Client might have expected in the given circumstances; at the same time, the Client may object based on the unforeseeability of the change of the exchange rate based on the agreement under Article 1.7 of the Technical Conditions.

In the event of a request under the preceding sentence, the Client must provide the bank with any information and documents demonstrating that the conditions for returns of the Funds stipulated in (iii) above have been fulfilled together with the request. Should the Client fail to provide the Bank with such information or documents, or should such information or documents fail to demonstrate sufficiently the legitimacy of such request, the Bank will refuse to return the Funds to the Account.

The Bank will reinstitute the Account in its original condition, or if this is not possible, will return to the Client the amount of the Payment Transaction, any fees paid and lost interest within 10 Banking Working Days following the date when the Client filed the request and demonstrated the fulfilment of conditions to have the amount of the Payment Transaction returned. Should they fail to do so, the Bank will inform the Client, within the same time period, of the reason for refusal with additional information on the supervisory authority and manner of the out-of-court settlement between the Client and the Bank. In the event of collection in EUR currency, the Bank will return the amount of the Payment Transaction based on the Client's request even if the conditions under Articles (ii) and (iii) above are not complied with.

#### **1.4.7 Non-existence of a Claim to Have the Funds from an Authorised Payment Transaction Returned**

The Client may not request any returns of the Funds under the provisions of Article 1.4.6 of the Technical Conditions, if:

- (i) consent with the Payment Transaction execution has been granted directly to the Bank and, at the same time
- (ii) where applicable, the information of the exact amount of the Payment Transaction was provided to the Client or made available by the Bank or the Recipient at least 4 (four) weeks before the acceptance of the Payment Order.

#### **1.4.8 Withdrawal of Consent with the Payment Transaction**

The Client, as the Payer, may withdraw the consent with the Payment Transaction, as long as they may still withdraw the Payment Order to make this Payment Transaction. Consent with collection may not be withdrawn following the expiry of the Operating Hours preceding the day that was agreed by the Payer and the Recipient as the day when the amount of the Payment Transaction was to be debited from the Payer's Account. Consent of the Payer with the Payment Transaction for which the Payment Order is given by the Recipient may not be withdrawn once the Payer has given the consent to the Recipient.

#### **1.4.9 Impossibility of Withdrawing Consent for Payment Transactions**

The Client may not withdraw the consent with any Payment Transaction where the Bank acts as the Recipient and such Client, as the Payer and by the execution of which any receivable of the Bank against the Client or against any entity, for the benefit of which the Client provides security, is settled. The Client may not withdraw consent with the Payment Transaction in line with these provisions of the Technical Conditions from the moment when the relevant Contract, under or in connection with which the receivable may come into existence, is concluded, including but not limited to Loan Agreements, Contract for the Maintenance of Account, and Contract for the Provision of Security.

#### **1.4.10 Deadlines for Payment Transactions execution**

The Client and the Bank have agreed on the deadlines Payment Transactions execution and also deadlines by which the Payment Orders are to be presented to the Bank, through Information on Payment Systems Time-Limits. In the case of some Payment Transactions and currencies, the Bank allows the Client to determine, via selected communication channels, whether the Client requires to carry out the Payment Order within a shorter time frame than the standard maximum deadlines for the Payment Transaction execution, which is also agreed through Information on Payment Systems Time-Limits. If such request of the Client exists, the Bank will carry out the Payment Transaction within the agreed shorter time frame. Should the Client present a Payment Order that is payable immediately with a request to make the Payment Transaction within a shorter time frame to the Bank following the specified deadline, the Bank will agree with the

Client how the Payment Order will be carried out, and if this is not possible or if an agreement is not reached, the Bank will refuse the Payment Order.

#### **1.4.11 Information preceding Payment transaction execution**

The Client, acting as the Payer, may ask the Bank, before making the Payment Transaction for which the Client is presenting the Payment Order, to be notified of the maximum time frame for making the Payment Transaction and the consideration the Client has to pay for making the Payment Transaction, through Information Contacts.

#### **1.4.12 Information following Payment Transaction Execution**

The Bank shall provide the Client with information regarding the Payment Transaction when it is carried out without undue delay via Direct Banking Services – Internet Banking, as part of the overview of the history of Payment Transactions. This overview allows information on Payment Transactions to be stored and saved and further used. If the Client does not have the Internet Banking service available, the information on the Payment Transaction is available once the transaction is made via similar direct and electronic Banking Services agreed with the Bank. Should the Client not have agreed any of these services with the Bank, the Bank will make the information on the Payment Transaction available to them once it is made through the Business Location. In addition to the procedure above, the Bank will also provide the Client with information on the Payment Transactions e.g. via Account statements together with other information regarding the provided Banking Services.

#### **1.4.13 Notification of Unauthorised or Incorrectly Made Payment Transactions**

The Client must familiarise themselves with the information regarding the Payment Transaction made immediately when it is provided to them by the Bank and should they learn of any inconsistencies, or should they believe that the Payment Transaction has not been carried out correctly or has not been properly authorised by them, if they acted as the Payer, and will inform the Bank of this without undue delay. The Client will do so via the Information Contacts or Business Location. Should the Client fail to give the Bank such notification by the date above, however no later than within 13 months from the date when the Payment Transaction amount was debited from the Account and the Bank will object to late notification, the court or competent authority will not award the right to remedy the unauthorised or incorrectly made Payment Transaction to the Client.

#### **1.4.14 Return of Payment Transaction Amount to Another Payment Services Provider**

If the other payment services provider or Recipient requests reimbursement of Funds already credited to the Client's Account and if there is no mandatory settlement involving banks, the Bank, upon agreement with the Client, is entitled to return the Funds in the amount they were credited to the Bank as part of the Payment Transaction in order to be credited to the Client's Account, and to the Payer's Account from which they were remitted. At the same time, the Client must pay the Bank the fees as if the returned Funds were a one-time Payment Transaction performed on the Client's initiative. If the currency in which the Client's Account is maintained and the currency of the payment remitted to the Bank in the Payment Transaction are not identical, the Bank will use for the exchange of currencies the Exchange Rate indicated in the Exchange Rate List applicable on the date on which the currency exchange occurs in connection with the return of the payment. Therefore, the Bank will debit such Funds from the Account so that, at the current exchange rate, the Payment Service Provider requesting repayment of the funds may be paid an amount corresponding to

the amount credited to the Bank in order to be credited to such Account. If there is insufficient balance on the Account, the Bank is not obliged to return the Funds in this manner.

#### **1.4.15 Special Conditions for Making Payment Transactions on Multi-Currency Accounts**

Despite the general assumption of an acceptance of the Payment Order, being the sufficient Available Balance on the Account for the benefit of which the Payment Order is to be carried out, pursuant to the Article 1.3.2 of the Technical Conditions, the following limitations shall apply with regard to Multi-Currency Accounts. If there are insufficient Funds for the execution of a Payment Order on the relevant active currency item of the Multi-Currency Account, by which the Client gives an instruction to make the payment in the currency of such currency item, and to pay the fee associated with the Payment Transaction, such Payment Order may be refused by the Bank, even if there are enough Funds in another currency item of the same Multi-Currency Account. The preceding sentence shall apply accordingly to the Payment Order in the currency for which there is not an active currency item in the Multi-Currency Account, if there are no sufficient Funds in the main currency item Multi-Currency Account to make the Payment Transaction and to charge the fee related to the Payment Transaction.

#### **1.4.16 Bank's Assistance with Placing a Payment Order**

If the Client asks the Bank for assistance with placing an electronic Payment Order, the Bank's staff shall provide such service to the Client via Business Locations or Telephone Banking. In such case, the staff shall inform the Client about the data required for the Payment Order to be accepted by the Bank and the appropriate fields of electronic forms to be completed with such data. If requested, the staff shall also complete the electronic form. In doing so, the staff shall exclusively rely on information submitted by the Client. Prior to expressing his or her consent to realize the Payment Transaction, the Client is obliged to duly check whether the data contained in the Payment Order match the intention to be fulfilled thereby and the data available to the Client for placing the Payment Order. Provision of the service is subject to a fee as particularly agreed in the applicable Pricelist of products and services. The fee is due and payable if the Client authorizes the relevant Payment Order in a manner agreed with the Bank.

### **1.5 Payment Tools**

#### **1.5.1 Security of Payment Tools**

Should the Bank and the Client agree on a service consisting of the issuance and maintenance of the Payment Tools (such as Credit Cards or Direct Banking Services), the Client must take all reasonable steps to protect Personalised Security Elements and inform of the loss, theft, misuse or unauthorised use of the Funds immediately when they learn of this. The manner of notification shall be agreed between the Client and the Bank in the relevant Contract or in the Product Conditions that are an integral part thereof. The Bank will provide the Client upon request with a document proving that such notification has been made.

To avoid any damage and to handle the Payment Tools and data that can be used to make the Payment Order or express consent to the execution of a Payment Transaction with care, the Client is required to prevent third parties from using or acquainting themselves with details of the Payment and Electronic Identification Tools, unless they are explicitly authorised to do so by the Bank and the Client. If the Client cannot prevent disclosure of such data to third parties as a result of the circumstances in which the Payment Tools are genera-

lly used, they are obliged to act in such a manner as to at least limit the disclosure of such data by third parties. The Client is also required to prevent the notification or disclosure of Personalised Security Data to third parties and to act accordingly with respect to other means and data through which a Payment Order may be given, to authorise Payment Transactions or give the Bank other Instructions or consent in connection with the provision of Payment Services, even with regard to data and means that are not related to the Payment Tools. Should the Client breach such obligation, such conduct is considered a material breach of the relevant Contract and may result in the conclusion that there has been gross negligence by the Client.

### **1.5.2 Blocking of Payment Means at the Bank's Initiative**

The Bank may block the Payment Tools for the security purposes of the Payment Tools, in particular when there is suspicion of an unauthorised or fraudulent use of the Payment Tools or a significantly increased risk that the Client will be unable to repay a credit or loan that can be drawn via such Payment Tools. The Bank will inform the Client that their Payment Tools have been blocked and where applicable also to the reason, by telephone, by a message transmitted via the Electronic Channel or in writing, unless this is prohibited by law or should such information jeopardize the purpose of blocking the Payment Tools.

## **1.6 Fees, Cost Reimbursement**

### **1.6.1 Additional Costs of the Bank**

Should the Bank incur additional costs related to the provision of the Banking Service, being a Payment Service, as a result of the expenses related to the involvement of other banks or payment service providers in the provision of the service, the Client is obliged to settle them. For example, this includes situations when the details of the Payment Order are not kept correctly or if they show other inconsistencies for which the Recipient's Bank requires the settlement of increased costs related to the execution of the Payment Transaction or related to additional communication with the Bank or indirectly with the Client, being the Payer. At the same time, the Client must pay any fees related to the involvement of other banks in the Payment Transaction execution for OUR Fee Types for outgoing Payment Transactions or BEN Fee Types for incoming Payment Transactions, if the selection of such Fee Type is possible (However, with regard to incoming Payment Transactions, the Bank will always take into consideration the Fee Type provided by the Payer's Payment Service Provider). The amount of fees for the provision of some Banking Services agreed in the Price List may not be given in the Price List in the final amount.

### **1.6.2 Settlement of the Fee from the Amount of an Incoming Payment Transaction**

The Client acknowledges that the Bank shall deduct the fee for provision of the Banking Services from the amount of the Funds that are to be credited to the Account as part of the Payment Transaction.

### **1.6.3 SHA Fee Type**

For Payment Transactions where the Payment Service Provider of the Payer and Recipient is located in a EEA country, only the SHA Fee Type is applicable. If the Client specifies the Instruction for the Application of another Type of Fee in the Payment Order to execute such a Payment Transaction, the Bank shall not refuse the Payment Order, but will carry it out while using SHA Fee Type. However, in the case of a special agreement between the Bank and the Client, the application of the OUR Fee Type may also be used for the above-mentioned Payment Transactions.

## **1.7 Exchange Rates**

### **1.7.1 Reference Exchange Rates**

In the Exchange Rate List, the Bank may announce both the exchange rates set by the Bank on the basis of the current market situation and conditions for the application of such exchange rates. For the purposes of Payment Services Contracts, the exchange rates specified in the Exchange Rate List are reference exchange rates that the Bank must disclose no later than immediately before the actual exchange of currency is made. The Bank may, on the basis of the current market situation, unilaterally and without prior notice, change the Exchange Price List and publish the changes in the Appropriate Manner without undue delay, especially by publishing the Exchange Rate List on the Public Website. Unless otherwise agreed, the exchange rate used by the Bank for a particular currency exchange shall be the reference exchange rate specified in the current Exchange Rate List. For the conversion, the Bank will always use the exchange rate in accordance with the Exchange Rate List applicable at the time of processing the sale or purchase of the Funds by the Bank.

### **1.7.2 Application of Exchange Rates**

The Bank sells to the Client the Funds in foreign currency in cash at the cash exchange rate „Sale“ or „We Sell“ (hereinafter referred to as „We Sell“) and purchases cash in a foreign currency at the cash exchange rate „Purchase“ or „We Buy“ (hereinafter referred to as „We Buy“). In case of non-Cash Payment Transactions, the Bank sells to the Client the Funds in foreign currency at the non-cash foreign exchange rate of „Sale“ or „We Sell“ and purchases Funds in foreign currency at the non-cash foreign exchange rate of „Purchase“ or „We Buy“; the same rule will apply to the conversion of charges from CZK to the currency of the Account from which they are charged. If the currency of the Payment Transaction and the currency of the Account to which the Payment Transaction is to be credited or from which it is to be debited are different and neither of the currencies is CZK, then:

- (i) the amount of the incoming Payment Transaction will be converted to CZK at the „We Buy“ foreign non-cash exchange rate and the amount in CZK will then be converted to the currency of the Account using the „We Sell“ foreign non-cash exchange rate.
- (ii) the amount of the outgoing Payment Transaction currency will be converted to CZK using the „We Sell“ foreign non-cash exchange rate and the amount in CZK will then be converted to the currency of the Account using the „We Buy“ foreign non-cash exchange rate.

However, with respect to a particular Payment Transaction or group of Payment Transactions, another rule for determining the exchange rate to be used for conversion of currencies may also be specified.

### **1.7.3 Exchange Rate Surcharges**

In connection with the exchange of currencies, the Client must pay the Bank a surcharge, hereinafter referred to as the Exchange Rate Surcharge. The amount of the Exchange Rate Surcharge is agreed between the Bank and the Client in the Price List; if not agreed, the amount of the Exchange Rate Surcharge is zero. The amount of the Exchange Rate Surcharge is set as a percentage of the „Middle“ exchange rate for the currency of the Payment Transaction announced in the Exchange Rate List. The resulting exchange rate is then set for amounts of Payment Transactions so that the „We Sell“ rate is increased by the value of the Exchange Rate Surcharge and the „We Buy“ exchange rate is reduced by the value of the Exchange Rate Surcharge.

### **1.7.4 Exchange services – RB Exchange („RB směnárna“)**

The Client may agree on the possibility to exchange the currencies



among the currency elements of the Multi-Currency Account through some of the Direct Banking Services under the conditions stipulated hereunder. Such a service is called "RB Exchange" ("RB Směnárna") and is available for the respective Client categories. The instruction to exchange currencies among the currency elements of the Multi-Currency Account within RB Exchange service may be transmitted exclusively via Mobile banking while one of the currency elements and exchanged currencies has to be CZK. The currency exchange initiated by RB Exchange is executed on the basis of the Exchange Rate "Middle" announced in the Exchange Rate List and adjusted by 0,5% (increased in the case the Bank is selling foreign currency to the Client, or decreased in the case the Bank buys foreign currency from the Client). The Client may initiate exchange up to the amount of 40 000 Kč during the calendar month in the RB Exchange. The exchange transactions exceeding such amount will be executed pursuant to the respective Exchange Rates announced in the Exchange Rate List for the purchase or sale non-cash exchange transactions. RB Exchange service is available to the Client subject to the fee stipulated by the respective Price List.

## **1.8 Liability When Providing Payment Services, Prevention of Damage**

### **1.8.1 Bank's Liability for Unauthorised Payment Transactions**

The Bank shall promptly, not later than by the next business day following the date when it was notified of the unauthorised transaction or when the Bank learned of it, reinstitute the Payment Account in the condition in which it would have been had the unauthorised Payment Transaction not been made. If such a procedure is not possible, it shall make the Payment Transaction amount, the fees and possible interest available to the Client. The Bank is not obliged to do so within the specified time frame, should it have a reasonable suspicion that the Client acted fraudulently, and will communicate this in writing to CNB with justification. If the Client is liable for the unauthorised Payment Transaction in full or in part under Article 1.8.2 of the Technical Conditions, the procedure above will not apply. The Bank's liability under this provision of the Technical Conditions shall also apply to Payment Transactions made on the basis of an Indirectly Given Payment Order.

### **1.8.2 Client's Liability for Unauthorised Payment Transactions**

The Client, acting as the Payer, shall bear the loss from an unauthorised Payment Transaction in full if the loss arises as a result of their fraudulent behaviour or by wilful breach of or grossly negligence with regard to their obligations specified in Article 1.5.1 of the Technical Conditions or any obligations imposed to prevent the misuse and security of the Payment Tools or to notify its loss, theft or misuse or unauthorised use in a contract relating to the issue and maintenance of such Payment Tools or the relevant Product Conditions. The Client shall only bear the loss from the unauthorised Payment Transaction up to an amount equal to EUR 50 if the loss arises from the use of a lost or stolen Payment Tool or its misuse.

The Client shall not bear the loss under the paragraph above if the Client has not acted fraudulently and provided that the Client has been unable to learn of the loss, theft or abuse of the Payment Tool prior to the realization of the Payment Transaction or if the loss is a result of the Bank's actions. Also, the Client shall not bear the loss under the paragraph above if the Client did not act fraudulently and the loss was incurred after reporting the loss, theft or abuse of the Payment Tool, or due to the fact that the Bank did not provide appropriate means to report the loss, theft or abuse or unauthorised use of the Payment Tool. Furthermore, the Client shall not bear the loss

under the paragraph above if the Bank has breached the obligation to require strong authentication of a Payment Service user, when it is so required under the Payment System Act, yet it has not applied any of the exemptions from the obligation.

### **1.8.3 Bank's Liability for Incorrect Execution of Payment Transactions**

The Payment Transaction is made in relation to the Beneficiary's person correctly if it is carried out in accordance with the Recipient's Unique Identifier, even if the Client has provided the Bank with additional details of the Recipient. The Bank must remedy the Client, acting as the Payer for an incorrectly executed Payment Transaction, if it fails to demonstrate, and, if applicable, also to the payment service provider of the Recipient, that the Payment Transaction amount has been credited to the Account of the payment service provider of the Recipient. The Bank must also remedy an incorrectly executed Payment Transaction in relation to an Indirectly Given Payment Order, even if the Payment Transaction was carried out in contradiction to the Indirectly Given Payment Order which the Client submitted to another payment services provider, in spite of having been carried out in accordance with the content of the Payment Order that was presented to it by that other Payment Service Provider. However, the Bank is not obliged to proceed in the manner described above in the event of the Payment Order initiated by the Recipient or the Payer through the Recipient if the Payment Order has not been forwarded by the Recipient's payment services provider to the Bank.

If the Bank is liable for an incorrectly executed Payment Transaction and should the Client, acting as the Payer, inform the Bank, via the Business Location in person or through the Information Contacts intended for communication via telephone that they do not insist on the execution of the Payment Transaction, the Bank shall promptly reinstitute the Payment Account of the Client in the condition as if the Payment Transaction amount had not been debited. If such a procedure is not possible, the Bank shall promptly make the amount of the Payment Transaction, the settled consideration and any interest available to the Client. Such procedure is mandatory for the Bank only with regard to the amount that has not been credited to the Account of the payment service provider of the Recipient prior to the Client's notification, and provided that the Bank has demonstrated that such amount has been credited.

Should the Client not inform the Bank that they insist on the execution of the Payment Transaction or should they explicitly state that they insist on the execution of the Payment Transaction, the Bank shall promptly ensure that the amount of the incorrectly executed Payment Transaction is credited to the Account of the payment service provider of the Recipient and will reinstitute the Payment Account of the Client in the condition in which it would have been had the Payment Transaction been carried out correctly. If this is not possible, the Bank will make the incorrectly paid consideration and lost interest available to the Client.

If the Bank is liable to the Client, acting as the Recipient, for an incorrectly executed Payment Transaction, it shall promptly reinstitute the Payment Account in the condition in which it would have been had the Payment Transaction been executed correctly. If such a procedure is not possible, the Bank will make the amount of the Payment Transaction, the paid consideration and any interest available to the Client.

### **1.8.4 Maximum Spending Limits**

In connection with the security of Payment Transactions and the prevention of misuse of Payment Means agreed between the Bank and the Client, the Bank may set a Maximum Spending Limit. Such

Maximum Spending Limits may be set in relation to specific Payments means, Personalised Security Elements or manners by which the Client authorises Payment Orders or consents with Direct Debits. Maximum Spending Limits are specified primarily via the Technical Conditions or, where applicable, other Product Conditions. If necessary, the Maximum Spending Limit may also be set by the Bank by Other Appropriate Means. Although the Maximum Spending Limits are usually agreed between the Bank and the Client, the Bank may determine or change the Maximum Spending Limits unilaterally and inform the Client in a suitable way, especially Electronic mailbox, e-mail, or through the Public pages about any measures taken if there is a risk of damage on the Client's side.

#### **1.8.5 Limitation of Payment Transaction Amounts**

The Client and the Bank may, through the applicable Payment Services Agreements, Signature Specimen or Product Conditions that are part of them, agree to limit the amount of the Payment Transactions that the Bank will normally execute over a certain period of time. The Bank may refuse a Payment Order that would exceed such limitation. The limitation of the amount of a Payment Transaction may also apply to the method of presenting the Payment Order or some Payment Transactions for which the Payment Order is provided. Such limitations generally apply to Payment Tools, but may also apply to other methods of providing a Payment Order.

#### **1.8.6 Obligations of the Client's Signatories**

The Client must ensure that the Signatories are at all times properly familiarised with GBC, the Product Conditions, Technical Conditions, Contract and other documents that are applicable to the Account and regulate the terms of the provision of the agreed Payment Services, and duly comply with the obligations assumed by the Client. Instructions issued by the Signatory are deemed to be the Client's instructions.

#### **1.8.7 Corrective Settlement**

Should the Bank cause an error in the Payment Order amount or its Recipient in the execution of a Domestic Payment Transaction, it must correct the error by Correcting Settlement and harmonise it with the Payment Order submitted. If the error is made by another bank of the Payer when a Domestic Payment Transaction is made, the Bank may dispose of the Funds on the Client's Account, being the Recipient, to achieve compliance with the Payment Order submitted by the Payer.

#### **1.8.8 Circumstances Excluding the Liability of the Bank**

If the fulfilment of the Bank's obligation regarding the agreed or provided Payment Services was prevented by unusual circumstances or circumstances beyond the Bank's control and the result of which could not be averted by the Bank, the Bank will not be liable for breach of the relevant obligation. In particular, the Bank cannot expect and affect the functionality of the payment systems, through which the Payment Transaction is settled and in the operation of which the Bank is not involved.

### **1.9 Special Provisions Regarding Some Payment Transactions or Payment Services Agreed With Clients Who Are not Consumers**

#### **1.9.1 Payment Transactions Executed Within the EEA Countries in Currencies of Other States**

In the event of Payment Transactions that are made between the Bank and a Payment Service Provider in any of the EEA countries, with the currency of the Payment Transaction not being the currency of any of the EEA countries, the terms of the Payment Services specified in the Contract between the Client and the Bank and the Act on Payment Transactions (however, the Act on Payment Transactions as

such, specifies some alternative rules for these Payment Transactions) will apply with the following variations:

- (i) the Bank is not obliged to disclose the information on the maximum time frame for execution of the Payment Transaction to the Client, even during the term of the Contract,
- (ii) any time frames applicable to such Payment Transactions in which the Client acts as a Payer shall determine the time at which the Bank is required to ensure that the amount of the Payment Transaction is credited to the Account of the first correspondent bank involved in the execution of the Payment Transaction,
- (iii) the Bank is not obliged to ensure that the amount of the Payment Transaction is transferred in full by all of the providers involved without any deductions.

#### **1.9.2 Payment Transactions Made by the Bank as the Sole Payment Service Provider in the EEA Countries**

In the event of Payment Transactions made by the Bank as the sole Payment Service Provider of the Payer or Recipient in the EEA countries, the terms of the Payment Services specified in the Contract between the Client and the Bank and the Act on Payment Transactions (however, the Act on Payment Transactions, as such, specifies some alternative rules for these Payment Transactions) will apply with the following variations:

- (i) the Bank is not obliged to disclose the information on the maximum period for execution of the Payment Transaction to the Client, even during the term of the Contract,
- (ii) the Payment Order may be given with any Fee Type,
- (iii) the Bank is not obliged to provide information on any returns of the authorised Payment Transaction for which the Payment Order was given by the Recipient or the Payer through the Recipient; nor is the Client entitled to request a refund of the amount of such a Payment Transaction;
- (iv) the Bank is not obliged to ensure that the amount of the Payment Transaction is transferred in full to all of the providers involved without any deductions,
- (v) any time frames applicable to such Payment Transactions in which the Client acts as a Payer shall determine the time at which the Bank is required to ensure that the amount of the Payment Transaction is credited to the Account of the first correspondent bank involved in the execution of the Payment Transaction.

#### **1.9.3 Payment Services Agreed with Clients Who Are not Consumers**

If a Client who is not a Consumer is a party to the Contract under which the Payment Service is agreed, the following variations will apply between the Client and the Bank in addition to the terms of provision of Payment Services specified by the Contract or the Act on Payment Transactions:

- (i) The Bank may also require a fee for the fulfilment of the obligations imposed on the Bank by the Act on Payment Transactions, provided that it has agreed its amount with the Client,
- (ii) The Bank is not obliged to provide or make available any information to the Client prior to the conclusion of the Payment Services Contract or during its term; the Bank provides the Client with information about Payment Services, more specifically about executed Payment Transactions, similarly as it provides them to other Clients, or in any other appropriate manner agreed with the Client or, if applicable, specified by the Bank,
- (iii) in the event of termination of the Payment Services Contract, the Bank will be entitled to a fee for the provision of Payment Services for the whole period for which it was paid,
- (iv) The Bank is not obliged to provide information about any returns

of the authorised Payment Transaction for which a Payment Order was given by the Recipient or the Payer through the Recipient; nor is the Client entitled to request a refund of the amount of such a Payment Transaction;

- (v) the Bank is not obliged to fulfil the duty to demonstrate the verification of the Payment Transaction, that it has been recorded, entered into the accounts and any technical failures or other defects have been eliminated, should the Client claim that there has been an unauthorised or incorrectly executed Payment Transaction,
- (vi) if an unauthorised transaction occurs due to the loss, theft or misuse of the Payment Tools, the Client, acting as the Payer, shall be liable to pay such loss in its entirety, except for when the loss is incurred after they reported the loss, theft or misuse of the Payment Tool,
- (vii) if the Payment Transaction is incorrectly executed, the Bank is liable for the situation if the Payment Transaction amount corresponding to the Payment Order and the agreed contractual terms and conditions has not been credited to the Account of the payment service provider of the Recipient. If the Bank has made a Payment Transaction in accordance with an Indirectly Given Payment Order it has received, it is not liable for an incorrect execution of the Payment Transaction, even if there have been discrepancies in the content of the received Payment Order and the Payment Order that the Client submitted to the service provider of the Indirectly Given Payment Order. When remedying such transaction, the Bank is not obliged to proceed in the manner prescribed by the Act on Payment Transactions. With regard to the established incorrectness of the Payment Transaction, the Client and the Bank will agree to remedy it in a way that meets the Client's needs while taking Account of the circumstances of the case, as may be reasonably required from the Bank. The liability of the Bank for any potential damage shall not be affected.

## **2.1 Domestic Payment Transactions (Making Domestic Payment Transactions)**

### **2.1.1 Alternatives to Payment Orders for Domestic Payment Transactions**

The Bank accepts the following Payment Orders for the execution of Domestic Payment Transactions:

- (i) Single Payment Order for outgoing credit transfer: this may be given to the Bank by some communication channels not only as a single order, but also as a collective order. Collective Payment Orders are processed as a set of Single Payment Orders. If the Available Account Balance is not sufficient to make all payments, only the items of the Collective Payment Order will be cleared up to the amount of the Available Balance. The Bank may choose the order of the execution of the individual Payment Orders at its own discretion.
- (ii) Direct Debit Order: this is given by the Client, acting as the Recipient, to the Bank to transfer the Funds from the Payer's Account with the Bank or from the Payer's Account with another Bank for their benefit. The conditions for accepting such Payment Order are verified by the Payer's Bank.
- (iii) Standing Order: this includes the execution of a series of Payment Transactions of the same amount for the benefit of the same Recipient at a frequency determined by the Bank's current business offer to the Client, acting as the Payer.
- (iv) Automatic Balance Transfers (referred to as Intelligent Savings): this is a Payment Order for Outgoing Credit Transfer whereby

the realization of Payment Transactions maintains the balance of the specified Account in the specified amount.

- (v) Single Payment Order for Instant Payment: it may be submitted via Internet Banking or Mobile Banking in favour of Recipients whose banks accept Instant Payments, provided that the respective amount must not exceed 400,000 CZK. The Bank is entitled to the stated maximum amount of the immediate limit payments may be reduced, in particular in accordance with the provisions of 1.8.4 conditions. Information about the current maximum amount limit Immediate payments are available on the Public Website. If the said prerequisites are met, the Bank shall carry out the Payment Order as an Instant Payment, unless it is authorized to refuse it.

If the Bank is entitled to refuse the Payment Order for Instant Payment and refuses it, it shall also ensure its realization in the time for a standard Payment Order, if the conditions for its acceptance and realization are met. However, the Client may rule out such procedure on the Bank's part by instructing it to solely carry out the Payment Order as an Instant Payment. The above does not apply to Indirectly Given Payment Orders, in which case the Bank only refuses a Payment Order for Instant Payment if the conditions for realization are not met.

### **2.1.2 Mandatory Terms of Payment Orders for Domestic Payment Transactions**

The Payment Order must have the following mandatory prerequisites (if missing or stated or completed erroneously or illegibly, the Bank may refuse the Payment Order)

- (i) indication whether it is a Payment Order for outgoing credit transfer or Direct Debit Order;
- (ii) Unique Payer Identifier,
- (iii) Unique Recipient Identifier,
- (iv) numerically expressed amount of the Payment Transaction,
- (v) denomination of CZK: if the currency is not stated and it is clear that the Client intends to present a Payment Order for a Domestic Payment Transaction, the Payment Transaction shall be executed in CZK, otherwise the Bank is entitled to refuse the Payment Order,
- (vi) the Client's authorisation.

In addition to the requirements of the Payment Order agreed between the Bank and the Client, the Client may, for some Payment Orders (for example, in connection with the nature of the Funds on the Account or the Recipient or Payer), be required to provide additional information such as the purpose of the Payment Transaction (e.g. in connection with the special Accounts of political parties and political movements). The Bank is not liable for such obligations by the Client and exercises no control over them.

### **2.1.3 Optional Terms of Payment Orders for Domestic Payment Transactions**

The Payment Order may also include:

- (i) a constant symbol (the Client may not enter symbols that are reserved for other transactions than the Client's payments, in particular 5, 6, 51, 1178, 2178, 3178; should the Client enter them, the Bank may refuse the Payment Order);
- (ii) a variable symbol;
- (iii) a specific symbol, whereas the symbols under (i) to (iii) in this article of the Technical Conditions are numerical figures comprised of ten (10) exclusively numerical characters as a maximum;
- (iv) the due date of the Payment Order, being the date on which the Payment Order is to be accepted; if not given, the Moment of



Acceptance occurs after all conditions that have been agreed as a prerequisite for its execution are met.

In the event of Standing Order, the due date shall be no sooner than on the Banking Business Day following the date of delivery of such Payment Order to the Bank. If an earlier due date is given, the Bank shall execute the Payment Order as if the due date was not given by the Client.

In the event of Payment Orders for outgoing payment transactions or Direct Debit Orders being presented to the Bank on paper, the deferred due date may not exceed 30 days from the date when such Payment Order was presented to the Bank. Should the Client specify a deferred due date in conflict with this limitation, the conditions for accepting the Payment Order will not be met and the Bank may reject the Payment Order.

#### **2.1.4 Methods of Presenting Payment Orders for Domestic Payment Transactions**

The Bank will accept the Payment Order if it is presented in any of the following manners:

- (i) by electronic means of communication, while such method of presentation must be agreed between the Client and the Bank by the Contract (usually the Contract on Payment Tools); without such a concluded Agreement, the Bank may reject a Payment Order presented by electronic means of communication, such as by email. In cases requiring special consideration, the Bank may also carry out a Payment Order presented via an electronic means of communication for which no Contract has been agreed between the Bank and the Client and which allows, with a degree of reliability accepted by the Bank, the determination of the originator and the sender of the presented Payment Order; this also applies with respect to whether the presented Instruction includes all the mandatory prerequisites of the Payment Order specified by the Client explicitly or arising from its content and whether the Bank has no reasonable doubt whether the sender is in fact the originator of the Instruction and may instruct the Bank. The Client shall provide the Bank with the Payment Order via electronic means of communication by means of the remote transmission of the Payment Order data, by handing over the Payment Order via data carriers or by a telephone call. The types of Payment Order that may be given to the Bank as described above depend on the Bank's current commercial offer regarding individual electronic means of communication.
- (ii) If the Bank and Client concluded an agreement on the price for processing Payment Orders presented on paper, the Client is entitled to present to the Bank a Payment Order on paper via Business Locations (by handing it over to the staff of the Bank). Payment Orders on paper shall be solely presented on the Bank's forms designated for such purpose. Where a Payment Order is not executed by the Client in this manner, the Bank is entitled to reject the Payment Order. Payment Orders presented on paper are subject to the following limitations: A Payment Order for an Outgoing Credit Transfer of an amount above 100,000 CZK submitted via Business Locations (to the Bank's staff) must be signed by the Client before the Bank's staff member in accordance with the Client's Signature Specimen. In cases requiring special consideration, the Bank may also realize a Payment Order for an Outgoing Credit Transfer presented on paper, which is not executed on the Bank's form or is submitted to the Bank otherwise than explicitly agreed, or is for a higher amount than specified for the particular presentation method, while taking into account the circumstances of the case, whether the Payment Order meets

all mandatory prerequisites specified by the Client explicitly or arising from the content of the Client's Instruction, and provided that the Bank cannot have reasonable doubts as to whether the sender is in fact the originator of the Instruction and is authorized to instruct the Bank. The Client shall submit a Payment Order on paper to the Bank solely via Business Locations designated to attend the client group to which the Client belongs (for example, businesses and legal entities will be rendered assistance at Business Locations designated to attend them and identified as corporate centres). Information about the availability of service for particular client groups at a Business Location can be obtained, for example, on the Public Website.

- (iii) If the Client and the Bank conclude a relevant agreement, the Client may also present Payment Orders to the Bank in the manner provided for in such agreement.
- (iv) However, in the case of Payment Orders for the below Payment Transactions, such Payment Orders may be delivered only in paper form via a Business Location of the Bank due to the method used by the Bank to process them. These are Payment Transactions for payments of double the subsistence minimum to the Account Holder, if a receivable under the Account is subject to enforcement of judgment or if the case concerns disposition with the relevant portion of the balance of the Account that is subject to enforcement of judgment due to a debt of the spouse of the Account Holder, all if the statutory requisites for payments of such amounts are met. In such cases, Payment Transactions are solely made by withdrawal of Cash Funds pursuant to Article 4.1.1 of the Technical Conditions. Also, these include Payment Transaction settling the full or partial amount of debt enforced under an execution order from Funds in an Account that will be subject to enforcement of judgment, all prior to that issued execution order coming into legal force. However, a Payment Order for such Outgoing Credit Transfer may only be made to the credit of an account of the executor who has issued the execution order against a receivable under the Account.

#### **2.1.5 Direct Debit**

The Bank will only carry out a received Direct Debit from the Client's Account provided that the Client's consent to the collection is still effective, the amount of the Payment Order is within the limit allowed by the Client's consent, and the Account has a sufficient Disposal Balance. If the other conditions for the execution of a Direct Debit are met, except for a sufficient Available Account Balance, the Bank may carry out the Direct Debit following the date on which such conditions are met, however no later than within five (5) Banking Days. If there is no sufficient Disposable Account Balance on the fifth Banking Day following the date when the Direct Debit was received, the Bank will reject the Direct Debit.

In the event of a Direct Debit being made under the Direct debit - SIPO service, the appropriate reference number, which determines what payments are made in relation to this reference number, may be assigned to a single Client's Account. In the case of consent to collection under the Direct Debit - SIPO service, it may not contain all the details of the Direct Debit authorisation under Article 1.4.4 of the Technical Conditions, but first and foremost, the limit of the total amount of the Direct Debit, the indication of the relevant reference number and the date when the collection is to be made by Direct Debit - SIPO at earliest.

#### **2.1.6 Partial Execution of a Payment Order**

If the execution method of a Payment Order and its presentation to the Bank explicitly allows the Client to determine whether the Bank is

to execute a Payment Transaction at least from the part of the Funds that are available on the Account at the Moment of Acceptance of the Payment Order, the Bank will carry out the Payment Transaction from the Disposal Balance of the Account up to the amount of the Payment Transaction. If the execution of the Payment Order upon the Client's request and the available Funds in the relevant Account include the implementation of separate Payment Transactions, an appropriate fee is charged for each of the Payment Transactions for the execution of such a Payment Transaction.

### **3.1 Foreign Payment Transactions (Execution of Foreign Payment Transactions)**

#### **3.1.1 Alternatives to Payment Orders for Foreign Payment Transactions**

The Bank accepts the following Payment Orders for the execution of Foreign Payment Transactions:

- (i) Single Payment Order for SEPA outgoing credit transfer: this is a Payment Order for payments settled in EUR, but only between banks participating in the SEPA Credit Transfer scheme. Information on the participating banks may be obtained by the Client from the European Payment Council (EPC) website. The Payment Order may not contain any special instructions for the processing of the Payment Transaction. The Bank will make the Payment Transaction as a SEPA - outgoing credit transfer once the above-mentioned prerequisites regarding the Payment Order for outgoing credit transfer have been met.
- (ii) Single Payment Order to Perform Foreign Payment Transaction: this is a Payment Order for outgoing credit transfer for payments settled in CZK or another currency for the benefit of a Recipient whose Payment Service Provider operates outside the Czech Republic or a Payment Order for outgoing credit transfer for payment settled in other currency than CZK for the benefit of a Recipient whose Payment Service Provider operates in the Czech Republic.
- (iii) Single Payment Order for Foreign Payment Transaction performed within the Bank (Intra-bank Foreign Exchange Payment): this is a Payment Order for outgoing credit transfer for payments settled between two Accounts in another currency than CZK; subsequently, it is a Payment Order for outgoing credit transfer for payments settled in CZK between Accounts, where at least the Account of the Payer is maintained in another currency than CZK.

Payment Orders for Foreign Payment Transactions can be given in currencies according to the current Bank's business offer, especially in currencies included in the Exchange Rate List. The Bank carries out the Foreign Payment Transactions only under Single Payment Orders for outgoing credit transfer upon the Customer's request, acting as the Payer, unless specifically otherwise agreed.

#### **3.1.2 Incoming credit transfers - Foreign Payment Transactions**

For the purpose of an Incoming credit transfers - Foreign Payment Transactions (with the Client acting as the Recipient), the Bank will execute the Payment Transaction for the benefit of the Account, if both the Client's Account number and Client's name and surname, or the if Client is a legal entity, the trade of the Client, are stated within the data of the Payment Transaction provided by the Payment Service Provider of the Payer. If there are irregularities between these Payment Transaction Data or the name and/or surname or the Client's trade is missing, the Bank is not obliged to credit the amount of the Payment Transaction to the Account, due to doubts that it is intended for the Client, until the irregularities are clarified or missing

data supplemented. If such data are not clarified or supplemented, the Bank may refuse to carry out the Payment Transaction.

#### **3.1.3 Methods of Presentation of Payment Orders for Foreign Payment Transactions**

The Bank will accept a Payment Order if it is presented to the Bank in any of the following manners:

- (i) by electronic means of communication, while such method of presentation must be agreed between the Client and the Bank by the Agreement (usually the Contract on Payment Tools); without such a concluded Agreement, the Bank may reject a Payment Order presented by electronic means of communication, such as by email. In cases requiring special consideration, the Bank may also carry out a Payment Order presented via an electronic means of communication for which no Contract has been agreed between the Bank and the Client and which allows, with a degree of reliability accepted by the Bank, the determination of the originator and the sender of the presented Payment Order; this also applies with respect to whether the presented Instruction includes all the mandatory prerequisites of the Payment Order specified by the Client explicitly or arising from its content and whether the Bank has no reasonable doubt whether the sender is in fact the originator of the Instruction and may instruct the Bank. The Client shall provide the Bank with the Payment Order via electronic means of communication by means of the remote transmission of the Payment Order data, by handing over the Payment Order via data carriers or by a telephone call. The types of Payment Order that may be given to the Bank as described above depend on the Bank's current commercial offer regarding the individual electronic means of communication. If it is agreed with a Client who is not a Consumer that Foreign Payment Transactions can be made via a Collective Payment Order, they must provide the Bank with a batch of SEPA payments exclusively in the XML data format specified by the ISO 20022 standard and the Client may perform the delivery via MultiCash or X-Business electronic Banking Services.
- (ii) If the Bank and Client concluded an agreement on the price for processing Payment Orders presented on paper, the Client is entitled to present to the Bank a Payment Order on paper via Business Locations (by handing it over to the staff of the Bank). Payment Orders on paper shall be solely presented on the Bank's forms designated for such purpose. Where a Payment Order is not executed by the Client in this manner, the Bank is entitled to reject the Payment Order. Payment Orders presented on paper are subject to the following limitations: A Payment Order for an Outgoing Credit Transfer of an amount above 100,000 CZK submitted via Business Locations (to the Bank's staff) must be signed by the Client before the Bank's staff member in accordance with the Client's Signature Specimen. In cases requiring special consideration, the Bank may also realize a Payment Order for an Outgoing Credit Transfer presented on paper, which is not executed on the Bank's form or is submitted to the Bank otherwise than explicitly agreed, or is for a higher amount than specified for the particular presentation method, while taking into account the circumstances of the case, whether the Payment Order meets all mandatory prerequisites specified by the Client explicitly or arising from the content of the Client's Instruction, and provided that the Bank cannot have reasonable doubts as to whether the sender is in fact the originator of the Instruction and is authorized to instruct the Bank. The Client shall submit a Payment Order on paper to the Bank solely via Business Locations designated to

attend the client group to which the Client belongs (for example, businesses and legal entities will be rendered assistance at Business Locations designated to attend them and identified as corporate centres). Information about the availability of service for particular client groups at a Business Location can be obtained, for example, on the Public Website.

- (iii) If the Client and the Bank conclude a relevant agreement, the Client may also present Payment Orders to the Bank in the manner provided for in such agreement.

### 3.1.4 Mandatory Terms of Payment Orders for Foreign Payment Transactions

A Payment Order must have the following mandatory prerequisites (if missing or stated or completed erroneously or illegibly, the Bank may refuse the Payment Order)

- (i) Unique Payer Identifier,
- (ii) the Payer's Account currency (if not specified for a Multi-Currency Account, the currency is the main currency item),
- (iii) Unique Recipient Identifier (in the IBAN format for Payment Transactions to EEA countries and, in other instances, where possible), the name and surname or trade name of the Recipient, the address of the Recipient,
- (iv) country code of the Recipient,
- (v) with the exception of Payment Transactions in EUR within the EEA, also the name and identification of Recipient's Bank (BIC, or if BIC cannot be given, the exact and unabridged name and address of the registered office of the Recipient's bank),
- (vi) country code of the Recipient's bank,
- (vii) numerically expressed amount of the Payment Transaction,
- (viii) currency of the Payment Transaction amount,
- (ix) due date,
- (x) Fee Type (for some Payment Transactions, according to Article 1.6.3 of the Technical Conditions, only an SHA Fee Type can be selected and, in the case of another designation, the Bank will carry out the Payment Transaction according to the SHA Fee Type),
- (xi) the date and place of issue (only for Payment Orders presented on paper),
- (xii) the Client's authorisation.

If IBAN and BIC are not given in Payment Transactions within the EEA, the Bank may charge the agreed fees to the Client or reimburse the incurred costs. If EUR is the currency of the Payment Order and the payment service provider of the Recipient is located in an EEA country, such Bank's entitlement only applies to the Unique Recipient Identifier given in IBAN format (In such case, the Client does not have to give the BIC identifier code). In the event of a Payment Order for Intra-bank Foreign Exchange Payment, the mandatory data according to (iv), (v), (vi), (ix) – the date of acceptance of the Payment Order will not occur at the date when the Bank receives the order and when the conditions for its execution are met – and (x) described above are not mandatory.

In addition to the requirements of the Payment Order agreed between the Bank and the Client, the Client may, for some Payment Orders (for example, in connection with the nature of the Funds in the Account or the Recipient or Payer), provide additional information such as the purpose of the Payment Transaction (e.g. in connection with the special Accounts of political parties and political movements). The Bank is not responsible for, and does not control, the performance of such obligations.

### 3.1.5 Optional Terms for Payment Orders for Foreign Payment Transactions

The Payment Order may also include:

- (i) the reason for the payment (also information for the Recipient),
- (ii) the place and date of issue (unless it is a Payment Order presented on paper).

In the case of a Payment Order for Foreign Payment Transaction carried out within the Bank, the optional data may include:

- (i) the due date,
- (ii) a variable, constant and specific symbol (these are numerical data containing up to ten [10] exclusively numerical characters, with the same symbol as for the constant symbol as in Article 2.1.3 of the Technical Conditions),
- (iii) a message for the Recipient.

### 3.1.6 Impact of Correspondence Relationships

In order to execute a Payment Transaction, the Bank may determine the manner of such execution and determine the correspondent bank at its own discretion (even if the Client explicitly determined the bank through which they wish to execute the Payment Transaction). If, when considering the currently existing correspondence relations of the Bank or due to reasons on the Recipient's bank's side, it will not be possible to carry out the Payment Transaction in the currency specified in the Payment Order, the Bank may transfer the sum of the Payment Transaction where the payment service provider of the Recipient resides in an EEA country, in EUR, and in other cases in USD.

### 3.1.7 Revocation of a Received Payment Order

The Client may revoke a Payment Order, with regard to which the Moment of Acceptance has already occurred, but only on the condition that the amount of the Payment Transaction is still available to the Bank at the time of processing the request. Should the Client revoke the Payment Order and this condition is fulfilled, they must pay the Bank a fee agreed in the Price List. In such case, the Bank shall make the amount of the Payment Order to which the revocation relates, including any payment the Client may have paid for its execution, immediately available to the Client, and will credit it to the Account from which the amount of the Payment Transaction has been debited. The request for Revocation of the Payment Order will be communicated by the Client to the Bank primarily via the Information Contacts for Telephone Communications.

### 3.1.8 Other Banking Services Related to Foreign Payment Transactions

Upon the Client's request, the Bank will also provide the following services for which the Client must pay the price agreed particularly in the Price List and, where applicable, the costs of the Recipient's bank or correspondence banks:

- (i) upon the Client's request, the Bank will require information on the status of the Payment Transaction, in particular regarding the transfer of the amount of the Payment Transaction to the Recipient's disposition. By accepting the Client's request, the Bank agrees to provide assistance for the provision of a contact with the Recipient's bank, but is not obliged to provide the requested information. If the Payment Transaction has been carried out incorrectly and the Bank is responsible for such execution, it shall provide such assistance to the Client who is a Consumer, free of charge.
- (ii) in addition, upon the Client's request, the Bank will contact the Recipient's bank should the Client require reimbursement of the amount of the Payment Order. In such case, the Bank will inform the Client about the progress of the communication and its outcome; however, the Bank does not undertake to ensure the reimbursement of the Payment Transaction amount. If the amount of the Payment Transaction or any part thereof is transferred to the Bank and the Account where such amount is to be credited

is not maintained in the Payment Transaction currency, the Bank shall credit such amount to the Client's Account using exchange rates as per Article 1.6. of the Technical Conditions.

- (iii) The Bank shall, upon request by the Client, provide the Recipient's bank with more specific details or details supplementing the original Payment Order for its execution (whereby the request to supplement or specify the details of the Payment Order may originate from the Recipient's bank). However, the Bank does not give the Client any assurances that the Recipient's bank will subsequently carry out the Payment Transaction in accordance with the supplemented or specified details.

## **4.1 Cash Payment Transactions**

### **4.1.1 Types of Cash Payment Transactions**

Cash Payment Transactions can be made via a Payment Order for Payment Transactions carried out by:

- (i) depositing cash Funds at the teller's counter at the Business Location; (the funds are credited to the Account maintained by the Bank or transferred to an account maintained by another bank in the Czech Republic);
- (ii) depositing cash Funds in CZK via ATM (for the benefit of the Account for which a payment card was issued through which the Payment Transaction is authorised); the Bank will set a limit regarding the amount that can be deposited simultaneously or during a specified time period for this type of Payment Transaction, including the maximum number of banknotes that can be used for the deposit; at the moment of the Technical conditions effectiveness, there is a limitation of 200 banknotes per deposit and a maximum of CZK 350,000 per deposit, whereas the overall maximum limit for the deposit through the deposit ATM is CZK 700,000 per day;
- (iii) withdrawing cash at the teller's counter at the Business Location;
- (iv) withdrawing cash using a debit or credit card via ATM or with selected merchants through Cash Back;
- (v) withdrawing cash from selected Accounts via a voucher (being a written voucher that must be signed by the Client in accordance with the Signature Specimen issued for a designated person entitling them to withdraw a specified amount of Funds from the relevant Client's Account).

### **4.1.2 Limitations of Cash Payment Transactions**

At certain Business Locations, Cash Payment Transactions cannot be made at all or only to a limited extent, or only during certain Operating Hours. Limitations of the scope of Cash Payment Transactions that can be made at Business Locations consist in both the scope of Cash Payment Transactions as defined in Article 4.1.1 of the Technical Conditions and in currencies in which these Cash Payment Transactions can be made. The information is available at Business Location or via the Information Contacts designated for telephone communication. In the event of withdrawals of cash in excess of the amount of CZK 100,000 or its equivalent in another currency (determined at the time when the Bank's request for withdrawal of the Funds as per the exchange rates announced by the Bank is notified), or when requesting a special set of nominal values of banknotes and coins, the Client must give notice to the Bank at least two (2) Banking Business Days in advance. Should they fail to do so, the Bank will not be required to pay the requested funds in cash. If the Client gives notice of the request, they must then withdraw the requested cash. Should they then fail to take delivery of the Funds the withdrawal of which has been notified to the Bank, the Bank may demand payment of the fee agreed in the Price List, eventually charge it to the Client's

Account. When Payment Transactions are made in excess of the limit above or if a special set of notes and coins is requested, the Bank may insist on providing a list of their nominal values.

Should the Client intend to provide the Bank, in connection with a Payment Order for execution, with a set of coins in CZK, consisting of 100 pieces or more, they will inform the Bank of this at least two (2) Banking Business Days in advance. Should they fail to do so, the Bank may reject acceptance of the Payment Order as part of which a set of coins in CZK, consisting of 100 pieces or more are to be handed over. The Bank will accept banknotes in selected foreign currencies. However, with the exception of CZK, it does not have to accept coins. With regard to cash withdrawals, the Bank neither offers nor provides coins in foreign currency. As standard, the Bank provides withdrawals of Funds at Business Location in EUR and USD. Information on the availability of Funds in other currencies in which the Bank carries out Payment Transactions at a particular Business Locations shall be obtained by the Client through the Information Contacts for Telephone Communications or at the Business Locations. When the Client requests the provision of Funds for a Payment Transaction at a particular Business Location, the Client will proceed accordingly as when withdrawing cash in excess of the limit above.

### **4.1.3 Responsibility for Execution of Cash Transactions**

The Client is obliged to check the sum of the Funds immediately upon acceptance of the Funds in cash. When depositing Funds, the Client must immediately check the document regarding the Payment Order communicated to the Bank issued by the Bank, in all of its sections, in particular the amount and currency of the deposit and the Recipient's Account. Should they fail to do so, the document is a certificate of execution of the Payment Transaction in line with the Client's requirements. Should the Payment Transaction, executed as above, not correspond with the original intention of the Client, it is the Client's responsibility, and the Bank is not liable for any damage that may incur to the Client or to any other person.

### **4.1.4 Altered or Counterfeit Cash**

If there is a suspicion that banknotes or coins received by the Bank for the purposes of being deposited to the Account are counterfeited or altered, the Bank is entitled to withhold such banknotes and coins. If the value of the suspicious banknotes and coins has already been credited to the Account, the Bank may, until the authenticity of the banknotes and coins has been confirmed or refuted, block the Funds in the Account equal to the value of the suspicious banknotes and coins (such Funds cannot be disposed of and are not included in the Available Account Balance). In the event of suspicious banknotes and coins that are found not to be counterfeited or altered, the Bank will immediately unblock the corresponding amount in the Account and allow the Client to dispose of such Funds. In the event of suspicious banknotes and coins that are confirmed to have been counterfeited or altered, the Bank shall debit the amount equal to the value of such counterfeit or altered banknotes and coins from the Account and use it to cover its claim arising from unjust enrichment; if the Bank does not have sufficient funds in such Account, the Bank may debit the corresponding amount from any Account that the Bank maintains for the Client.

## **PART B – Effect**

### **5.1 Effect of Technical Conditions**

The Technical Conditions are effective from 1st of September 2021 and supersede the Technical Conditions valid from 1st of September 2020 and also valid from 1st of February 2021.

## PART C – Definition of Terms

**Cash Payment Transaction** means the deposit of cash Funds at the teller's counter at the Business Location, deposit of cash Funds to the Account via ATM, withdrawal of cash at the teller's counter at the Business Location, withdrawal of cash with a debit or credit card via ATM or at selected Business Locations through the Cash Back service and withdrawal of cash through a withdrawal order and any other Payment Transactions referred to as cash transactions in the Product Conditions.

**Information on Payment Systems Time-Limits** means the document „Information on Payment Systems Time-Limits of Raiffeisenbank a.s.“ constituting an integral part of the Technical Conditions and representing an agreement of the Bank and the Client on cut-off times for presenting Payment Orders during Operating Hours and on deadlines for the execution of Payment Transactions.

**Unique Identifier** means the Account number or that of an Account with another bank, in the format of IBAN plus BIC and also for domestic payments in the national format consisting of the Account identifier and the Payment Transaction code. However, with regard to Payment Transactions in EUR into EEA countries, the Unique Identifier of the Recipient is only the Account number or Account number with another bank in the IBAN format. The Unique Identifier of a Payment Tool is specified in the Product Conditions, if required for Payment Order execution

**Single-Currency Accounts** mean all Accounts other than those included in Multi-Currency Accounts.

**Information Contacts** means the telephone numbers of the information line and the email address that are listed on the Public Website and which are intended for the Client's communication with the Bank, among other matters to obtain information on Banking Services including Payment Services.

**Maximum Spending Limit** means the highest amount of the Payment or consent to Direct Debit up to which the Bank is required, with regard to the Payment Tool, Personalised Security Element, or method of authorising a Payment Transaction by the Client, to accept the Direct Debit consent or carry out such Payment Order.

**Currency of EEA countries** means the currency of the countries which are members of the European Union and the Contracting Parties by the EEA. The report is available, for example, on the Public Website.

**Indirectly Given Payment Order** (also referred to as „Payment Initiation“) means a Payment Order to realize a one-off Outgoing Credit Transfer, presented to the Bank via another payment service provider. It may only be presented to the Bank for realization in relation to the Payment Account to which the Bank provides the Client with the Direct Banking Services, namely Internet Banking. With regard to its authorisation or execution, some limitations (such as spending limits) and time frames for execution of Payment Transactions, such as for Payment Orders presented via Internet Banking, apply. A User who is entitled to enter and authorise the same types of Payment Instructions via Internet Banking may enter and authorise Indirectly Given Payment Orders.

**Instant Payment** means an Outgoing Credit Transfer that is a Domestic Payment Transaction and the amount of which is credited to the Recipient's bank usually within seconds and is instantly provided to the Recipient by the Recipient's bank. The Recipient's bank must support realization of Payment Transactions in this regime.

**Payment Account** means the Account maintained for the Client and whose primary and overriding purpose is to make Payment Transactions at the Client's discretion under the terms and conditions agreed with the Bank.

**Operating Hours** mean the part of the Banking Business Day when the Bank executing the Payment Transaction usually performs the activities necessary for the execution of this Payment Transaction.

**Domestic Payment Transaction** means a Payment Transaction which is executed based on a Payment Order to transfer Funds in CZK, including cashless transfer only within the Czech Republic.

**SHA/OU/BEN Fee Type** means that the Payer pays a fee to their bank, the Recipient to their bank, in the event of SHA disposition, the Payer pays all fees (i.e. also the fees of the Recipient's bank, or any intermediary banks), in the event of OUR disposition, or the Recipient pays all fees (i.e. also fees of the Payer and any intermediary banks), in the event of BEN disposition.

**Multi-Currency Accounts** means Accounts where several currency items can be maintained under one Unique Identifier (e.g. Accounts with eKonto tariffs and price programmes).

**Foreign Payment Transaction** means a Payment Transaction other than a Domestic Payment Transaction.

**Act on Payment Transactions** means the Act regulating rights and obligations of users and providers of payment services in the Czech Republic.

**EEA Countries** means countries that are members European Union and the EEA Contracting Parties. The report is available for example on the Public Website.