

GENERAL BUSINESS TERMS AND CONDITIONS**1. Introductory and Common Provisions**

- 1.1. General Business Terms and Conditions are used for all legal and other relations and transactions between the Client and the Bank. The General Business Terms and Conditions form an integrated part of each agreement concluded between the Client and the Bank, unless specified otherwise by the specific agreement. The Bank shall provide each Client with the current wording of these General Business Terms and Conditions on their request.
- 1.2. The Bank means Všeobecná úverová banka, a.s., registered office at Mlynské nivy 1, 829 90 Bratislava 25, the Slovak Republic, CRNo: 31 32 01 55, registered in the Commercial Register of the District Court of Bratislava I, Section Sa, Insert No. 341/B with all legal and other relations and transactions related to its Czech organizational unit Všeobecná úverová banka a.s., Prague Branch, registered office at Pobřežní 3, 186 00 Praha 8, the Czech Republic, CRNo: 48 55 00 19, registered in the Commercial Register of the Municipal Court in Prague, Section A, File No: 7735.
- 1.3. The Bank conducts its business activities in the Czech Republic since May 1, 2004 on the basis of the so-called Single European Banking License, i.e. on the basis of a banking license granted by the National Bank of Slovakia as a banking supervision authority in the home state of the Bank. The Bank is authorized to conduct the following activities on the territory of the Czech Republic:
 - a) accept deposits from the public;
 - b) grant loans;
 - c) financial leasing;
 - d) system of payment and settlement;
 - e) issue and manage means of payment;
 - f) grant guarantees;
 - g) trade for their own account or for the account of the Client, the authorization in question in the area of trading with foreign exchange values
 - 1 money market instruments;
 - 2 funds in foreign currencies;
 - 3 in the area of futures, and options, including FX- and interest- related deals
 - 4 with transferable securities
 - h) participation in the issue of securities and provision of related services
 - i) consultancy in the capital structure, industry strategy, and related issues and consultancy and services in the area of mergers and purchase of companies;
 - j) money brokerage;
 - k) custody and management of securities;
 - l) provision of banking information;



- m) safekeeping of valuables
- 1.4. With respect to the aforementioned in 1.3., the Bank is not registered in the list of payment institutions, register of providers of payment services in small extent, list of electronic money institutions, or registry of issuers of electronic money in small extent, kept by the Czech National Bank. The Czech National Bank, with the registered office Praha 1, Na Příkopě 28 supervises over the Bank's activities in the area of payment system.
- 1.5. The Client means the person the Bank has concluded the Agreement on any banking deal or provision of banking service with either in writing or in any other way. If the Client prior to the conclusion of an agreement or prior to the amendment to the agreement with the Bank submitted such documents to the Bank certifying that they have less than 10 employees and the annual turnover or annual balance sheet amount of up to EUR 2,000,000, they will be considered a small entrepreneur. Should the Client fail to prove such facts to the Bank, it shall apply that the Client is not a small entrepreneur.
- 1.6. In addition to the General Business Terms and Conditions the Bank can issue or apply Special Business Terms and Conditions. The referred Special Business Terms and Conditions form an integral part of the respective Agreement concluded between the Bank and the Client. Should the provisions of Special Business Terms and Conditions be discordant to the General Business Terms and Conditions, provisions of the Special Business Terms and Conditions apply.
- 1.7. Should the provisions of any individual agreement be in contradiction with the General Business Terms and Conditions or Special Business Terms and Conditions, the Agreement is governed by provisions defined in the individual Agreement. Any matter not governed by the provisions of the respective individual agreement concluded between the Bank and the Client or the Special Business Terms and Conditions is directly governed by the General Business Terms and Conditions herein.

2. Opening and Maintenance of Bank Account

- 2.1. The Bank shall open and maintain Clients' bank accounts in the Czech currency and/or other currencies upon the Agreement on Current Account, Term Deposit, or any other agreement concluded between the Client and the Bank (hereinafter the "**Agreement**"). If the bank account is used for making payment transactions (within the meaning as defined in Clause 7.1. hereunder), it is a "**payment account**" and the agreement being a basis for its opening shall be considered "**Payment Services Agreement**". Pursuant to these General Business Terms and Conditions the Client shall present the Bank with the document proving his/her identity before the account is opened.
- 2.2. The Bank shall inform the Client on the outstanding amount of funds on the account in the form of account statement or another form agreed upon with the Client. The Bank shall provide the Client with the account statement at least once a month.

3. Deposit Interest

- 3.1. The Bank shall pay interest on funds deposited on Client's account pursuant to the valid Interest Rates or the Agreement. The interest rate defined in the Agreement takes precedence over the current Interest Rates. The Bank shall disclose current Interest



Rates in its branches and on the Internet, while the amount of the interest rates is specified by the Bank upon market practice, current market situation, and with respect to the character of the deal or contracted relation. Current Interest Rates are an integral part of these General Business Terms and Conditions.

- 3.2. The Bank shall deduct the withholding tax from the interest paid on funds, should the valid legislation define so.
- 3.3. The interest calculation is performed upon the real number of days within the maturity period for the interest, fees and charges, based on the year consisting of 360 days (while the first day is counted and the last day is not counted in). The calculation of interest, fees and charges on funds denominated in GBP applies the year consisting of 365 days (likewise, the first day is counted and the last day is not counted in).
- 3.4. Unless agreed on differently, the Bank shall credit the interest defined in the Agreement or the current Interest Rates to the Client's account always on the first day following the calendar month, in which the respective period of interest terminated.
- 3.5. In case of savings books maintained by the Bank, the Bank shall credit the interest to the Client's account always on the last banking day in the months of June and December.

4. Deposit Insurance

- 4.1. The Bank, as the entity conducting business on the basis of the Banking License issued by the National Bank of Slovakia, shall, pursuant to the Act No. 118/1996 Coll. on Deposit Protection as amended by later regulations (hereinafter referred to as "ADP") participate within the defined scope in the Bank Deposit Protection System in the Slovak Republic and contribute to the so-called Deposit Protection Fund. Clients' deposits are protected within the Bank Deposit Protection System in the Slovak Republic. The deposit insurance terms and conditions are to be found on the Bank's website www.vub.cz and at all Bank branches.
- 4.2. With respect to the classification of the Client – a legal entity into the respective category for purposes of deposit protection, the Client – a legal entity, in compliance with ADP, shall notify the Bank at least once per year within 15 calendar days after closing of the accounting period for which the Client prepares financial statements or within the other period defined by the Bank, whether they have the duty of having the financial statements certified by an external auditor.
- 4.3. Unless the Bank receives the notification within the defined period under item 4.2, the Bank will deem, pursuant to the ADP, the Client – a legal entity failing to meet criteria for deposit protection.
- 4.4. Deposits of the clients – natural persons are within the Bank Deposit Protection System in the Slovak Republic protected at any time. Clients – natural persons do not have the notification duty under item 4.2.

5. Credit Interest

- 5.1. Interest rates for loans provided to the Client by the Bank or the method of their charging is defined in the respective Loan Agreement. Interest rates can be defined as fix or floating rates. The fix rate means interest rate its fix percentage is defined in the respective Loan Agreement. Floating rate means an interest rate defined as the total of respective Reference rate for the loan currency and margin in the amount specified by



the Loan Agreement. The Reference rates mean PRIBOR, EURIBOR, and LIBOR rates defined per annum and specified by the Bank and rounded up to two decimal places as follows:

5.1.2. PRIBOR Reference Rate:

- a) means the interest rate offered for deposits denominated in CZK shown on the screen of the REUTERS service (or on the monitor of potential succession service) on the Quotation date for the period equaling the respective period of interest or closest to the period of interest herein. If PRIBOR fails to be determined by the method specified above, item 5.1.2.b) applies;
- b) if PRIBOR is not available on the respective Quotation day according to the aforementioned item 5.1.2.a) PRIBOR will be defined by the Bank as arithmetic mean of interest rates of inter bank deposits-sale in CZK for the respective period of interest and loan amount available for the Bank from at least three reference banks acting on Prague Interbank market and selected by the Bank on the Quotation day;
- c) if PRIBOR fails to be specified upon item 5.1.2.b) , the respective PRIBOR will be equal to PRIBOR specified in compliance with the aforementioned item 5.1.2.a) in the closest preceding business banking day on which PRIBOR is available.

5.1.3. EURIBOR Reference rate

- a) means the interest rate offered for deposits denominated in EUR shown on the screen of the REUTERS service (or on the monitor of potential succession service) on the Quotation day for the period equaling the respective period of interest or the closest to the period of interest herein. If EURIBOR fails to be specified by the method mentioned herein, item 5.1.3.b) applies;
- b) if EURIBOR is not available on the respective Quotation day upon the aforementioned item 5.1.3.a), EURIBOR will be defined by the Bank as arithmetic mean of interest rates of inter bank deposits-sale in EUR for the respective period of interest and loan amount available for the Bank from at least three reference banks acting on the relevant banking market and selected by the Bank on the Quotation day;
- c) if EURIBOR fails to be specified upon item 5.1.3.b) either, the respective EURIBOR will be equal to EURIBOR specified in compliance with the aforementioned item 5.1.3.a) in the closest preceding business banking day in which EURIBOR is available.

5.1.4. LIBOR Reference Rate:



- a) means the interest rate offered for deposits denominated in USD, GBP, CHF or CAD shown on the screen of the REUTERS service (or on the monitor of potential succession service) on the Quotation day for the period equaling the respective period of interest or closest to such period of interest. If LIBOR fails to be specified under the method specified herein, item 5.1.4.b) applies;
 - b) if LIBOR is not available on the respective Quotation day upon the aforementioned item 5.1.4.a) LIBOR will be defined by the Bank as arithmetical mean of interest rates of inter bank deposits-sale in USD, GBP, CHF or CAD for the respective period of interest and loan amount available for the Bank from at least three reference banks acting on the relevant banking market and selected by the Bank on the Quotation day;
 - c) if LIBOR fails to be specified upon item 5.1.4.b) either, the respective LIBOR will be equal to LIBOR specified in compliance with the aforementioned item 5.1.4.a) in the nearest preceding business banking day in which LIBOR is available.
- 5.1.5. For other currencies not mentioned above the Interest Rate shall be governed by the relevant provisions specified in the individual Agreement concluded between the Bank and the Client.
- 5.2. The following terms will have the meaning bellow for purposes of items 5 and 6 of the General Business Terms and Conditions:
- 5.2.1. Period of Interest means period of interest defined in the respective Loan Agreement. If the period of interest is not defined in the Loan Agreement it means a calendar month for overdraft loan if drawn in full or in part, maturity period of the respective S/T loan for S/T loan if drawn in full or in part (i.e. loans not exceeding 12-month maturity period) and a year for M/T loan or L/T loan if drawn in full or in part (i.e. loans with longer maturity than 12 months). Interest is calculated upon true number of days within the period, for which the interest is due and based on the year calculating with 360 days (with the first day counted and the last day not counted in).
 - 5.2.2. The loan amount, unless specified on differently in the Loan Agreement, for overdraft loan means maximum total loan amount which can be drawn down upon the Loan Agreement in form of overdraft and for S/T, M/T, and L/T loan the amount of respective S/T, M/T and L/T loan.
 - 5.2.3. Banking day for the loan provided to the Client by the Bank in CZK means the day when financial institutions are open to the public and when payment clearing is performed in Prague; for the loan provided to the Client by the Bank in EUR it means the day when financial institutions are open to the public and when payment clearing is performed in Prague and when payment settlement system TARGET (“Trans-European Automated Real-Time Gross-Settlement Express Transfer”) is opened; for the loan provided to the Client by the Bank in different currency than CZK and EUR means the day when financial institutions are open to the public in Prague, London, and New York at the same time.
 - 5.2.4. Quotation day means the first day of the relevant period of interest for overdraft loan. For S/T, M/T and L/T loans the quotation day means for the first period of interest the



day two banking days preceding the date of proposed loan drawing if the date is specified in the relevant Client's application for loan drawing and for the following periods of interest it means the day two banking days preceding the first day of the relevant period of interest.

- 5.2.5. The Bank shall be authorized to change the interest rates and the exchange rates at any time, unilaterally, and without prior notice, if the change is based on the change in the referential or exchange rates. The change in the interest rates must be notified to the Client without undue delay in line with these General Business Terms and Conditions.

6. Payments, Change of Circumstances, and Increase of Credit Costs

- 6.1. Payments performed by the Client to the Bank related to any loan will be made without deduction of any current or future tax or charges of any kind claimed, collected, deducted or charged by any relevant body, unless the deductions are legally defined. In such event the Client pays the Bank the increased amount, which after deduction represents the amount that the Bank should receive if the duty of tax or deduction payment did not arise. The Client shall not pay the increased amount upon the aforementioned statement if the Bank has the tax duty owing to the other reason than it is the Lender upon the relevant Loan Agreement or the Bank should be entitled to receive the payment without deduction or levy if the exception were applied to the relevant tax body.
- 6.2. If the Bank fails to provide loan drawing under the conditions defined in the relevant agreement due to extraordinary circumstances within banking and/or financial market, the Bank shall forthwith inform the client. The drawing will be postponed based on the Bank notification in writing sent to the Client. The Bank shall set the drawing date to the closest Banking Day when the Bank may provide the requested loan drawing.
- 6.3. If the Bank, owing to amendments to legal regulations or their interpretations or management decisions or decrees of the relevant central bank (including regulations concerning generation of obligatory reserves, bank's liquidity, limitation and distribution of risk or any other regulation related to banking sector or currency regulation) discovers the costs related to the entire loan or its part arose or increased or payments provided by the Client upon the Loan Agreement in favor of the Bank decreased the Bank shall forthwith inform the Client on the relevant facts and on the amount of increased costs or decreased repayment provided by the client upon the Loan Agreement.
- 6.4. The Bank shall inform the Client in advance on projected cost increase or payment decrease due to the aforementioned facts under item 6.3 if possible with regard to all circumstances. The Client can decide within five (5) banking days after receiving the notification on projected cost increase whether he/she pays the increased costs or decreased payments at the time of their occurrence or whether he/she prematurely repays the loan or its part. If the Client fails to notify the Bank in writing within the period specified in the preceding sentence on his/her decision to prematurely repay the loan or its part or if the Client was not informed in advance on cost generation or increase or payment decrease he/she shall pay the costs or the amount by which the



payment was decreased upon the relevant Loan Agreement within the reasonable period. The Client shall pay the costs increased in compliance with item 6.3 above within the duration period of the reason owing to which the cost increase arose.

- 6.5. If amendment to legal regulations or their interpretation occurs or the Court or administrative body issues the decision owing to which the Bank cannot provide the loans any more, the Bank shall forthwith inform the Client in writing on this fact together with duly rationale. Within the period of such impediments the Bank shall not provide the Client any other funds pursuant to the relevant Loan Agreement. The Bank shall invite the Client to the negotiation on resolution of the situation. If the Bank and the Client do not agree on any resolution within thirty (30) calendar days from the date of Bank's invitation to negotiation the Client shall repay the drawn down amount of the loan including fees and charges within the period of the following sixty (60) calendar days at the latest. In order to prevent disputes it is negotiated that provisions of Act No. 513/1991 Coll. sec. 352, art. 1 and 3 of the Commercial Code as amended by later regulations and provisions of sec 353 of the Commercial Code are not applied.
- 6.6. If circumstances, resulting to Client's cost increase or termination of the loan or its part, specified in the aforementioned paragraphs of item 6 of the General Business Terms and Conditions occur the Bank shall propose the Client reasonable and acceptable measures to mitigate impacts of unfavorable circumstances. In order to prevent disputes it is agreed the Bank shall not propose or perform any measures if upon Bank's opinion their performance could or should have unfavorable impact on its business, operations, financial situation or could cause substantial disadvantage to the Bank with respect to expenses, losses or tax duties.

7. Payment Services and Payment System

7.1. The Bank shall provide the following payment services to the Clients:

- a) A service, making the deposit of cash to the payment account of the Client kept with the Bank possible;
- b) A service, making the payment of cash from the payment account of the Client kept with the Bank possible;
- c) Transfer of funds based on the Client's order or based on the impulse of the Beneficiary on the basis of a consent granted by the Client to the Bank (hereinafter the „**direct debit**“);
- d) Making of collection, by means of which the loan is granted to the Client;
- e) Making transfer of funds, where neither the Client, nor the beneficiary make use of the payment account at the bank;

namely on the basis of an instruction to make a deposit of funds to the payment account of the Client, withdrawal of funds from the payment account of the Client, or transfer of funds (hereinafter the „**payment transaction**“ only), under conditions included in the Payment Services Agreement concluded between the Bank and the Client.

7.2. An instruction to make a payment transaction (hereinafter the „**payment order**“) may be submitted in the written form on a Bank form intended for this purpose, while the



Bank shall accept also other forms of payment orders on condition that the data on such a payment order are completely identical to the data on the form issued by the Bank, or other agreed payment instrument, particularly by electronic banking.

- 7.3. A payment transaction may be executed, if the Bank is provided data necessary for proper making of transaction. Mandatory particulars of a payment order include: payment transaction amount, payer's and beneficiary's bank accounts, i.e. data unambiguously identifying the account number and the bank code and the name of the payer and beneficiary, if it is required for the transaction type being executed. The payment order has to be legible; when the payment order is filled out by hand, it has to be filled out by blue pen and in block letters; when filled out by machine, by letters in black of at least 10 in size.
- 7.4. The moment when the Bank receives the payment order directly from the Client or on the impulse of the beneficiary shall be deemed the moment of the payment order receipt. Should the payment transaction be executed only at certain moment, i.e. when certain conditions are met, or at the end of a certain period (hereinafter the „**deferred payment order due date**“), the moment as specified above shall be deemed the moment of the payment order receipt. Should the moment of the payment order receipt fall outside of opening hours of the Bank or after the time limit set in the Rules of Payment Processing (hereinafter the „**moment close to the end of the working day**“), it shall apply that the payment order was received in the beginning of the following opening hours of the Bank. The opening hours of the Bank and the moment close to the end of the opening hours are specified in the Rules of Payment Processing.
- 7.5. The payment order shall not be received by the Bank, if the Bank justifiably rejects to execute the payment order. The payment order may be rejected particularly if:
 - a) The payment order fails to contain all mandatory particulars
 - b) The signatures or other identification codes on the payment order do not correspond to the signatures in the specimen signature, or to other identification codes that the Bank has at disposal, or
 - c) By executing the payment transaction, the respective legal regulations could be violated.
- 7.6. If there is not enough funds on the payment account, which the payment transaction is to be made from, on the payment order due date, the Bank shall try to execute the payment order in the period specified in the Rules of Payment Processing (the so-called cycle), while each following beginning of the Bank's opening hours during the payment order cycle shall be deemed a new moment of the payment order receipt. If the payment order cannot be executed during the payment order cycle due to the lack of funds on the payment account, the Bank shall be authorized to reject the execution of the payment order.
- 7.7. If possible, the Bank shall notify the Client of the rejection to execute the payment order without undue delay, as well as of the reasons of rejection and of the procedure for the elimination of mistakes being the reasons of rejecting the payment order execution.
- 7.8. The Client may recall the payment order by means of a written notification on the payment order recall until the moment of its receipt by the Bank (see Clause 7.4 above). After the moment of the Bank having received the payment order, the payment order may be recalled only upon meeting of the following conditions:
 - a) The Bank receives a written notification of recalling the Client's payment order before execution of the payment transaction;



- b) The Client pays the fee for the payment order recall as specified in the valid Price List of the Bank;
 - c) Recall of the payment order was agreed by the payment beneficiary in writing, if it concerns recall of the direct debit after the end of the working day preceding the day agreed between the Client and the beneficiary for debiting the funds from the Client's payment account.
- 7.9. The Bank shall execute the payment transaction in the periods stated below, except for cases when it is obliged to prolong the period on the basis of a legal regulation. Should the moment of the payment order receipt by the Bank or the moment of crediting the payment transaction amount to the Bank's account fall outside of the opening hours of the Bank or of the period of payment processing in line with the Rules of Payment Processing, it shall apply that the payment order was received or the funds were credited at the beginning of the following opening hours of the Bank.
- 7.10. If the funds are transferred from the payment account of the Client, the Bank shall ensure that the funds were credited to the beneficiary's account:
- a) In case of a payment transaction on the territory of the Czech Republic in Czech currency not later than by the end of the day following the day of the payment order receipt. Should such a transaction include a conversion from foreign currency to Czech crowns as well, the period shall be prolonged by one day;
 - b) In case of a payment transaction in the EUR currency, not later than within 3 working days as of the day of the payment order receipt;
 - c) In case of other payment transactions, not later than within 4 working days as of the day of the payment order receipt;
- while the period specified under b) and c) shall begin on the day following the day when the moment of payment order receipt occurred.
- 7.11. In case of a transfer of funds to the Client's payment account, the Bank shall ensure that the funds are credited to the payment account of the Client immediately after the funds were credited to the account of the Bank, or if it is a payment transaction in a currency different from the EEC (and Switzerland) or an account kept in a currency different from the EEC member state currencies (and Switzerland), until the end of the working day following the day when the funds were credited to the account of the Bank.
- 7.12. The paragraphs 7.10. and 7.11. above shall not apply in case of a payment transaction within the Bank on the territory of the Czech Republic in the Czech currency. In this case the Bank shall ensure that the funds are credited to the payment account of the Beneficiary at the latest at the end of the day, when the payment order was received.
- 7.13. The paragraphs 7.10., 7.11., and 7.12. above shall not apply in case of a cash deposit to the payment account of the Client. The Bank shall credit the funds to the Client's payment account kept in the currency of the EEC member state or Switzerland immediately upon their receipt. The Bank shall credit the funds to the Client's payment account kept in the currency different from EEC member state or Switzerland not later than the day following the day of the funds receipt.
- 7.14. Withdrawals from the Client's payment account or deposits to the Client's payment account in cash can be made only in the Czech currency or in the EUR currency. The Bank provides only non-cash payment traffic in other currencies. In case of payment transactions (deposits and withdrawals) in cash in the amount exceeding CZK 300,000 (or equivalent in EUR), the Bank requires notification of such a payment transaction at



least 48 hours in advance. If such a transaction is not notified, the Bank may reject execution of such a cash payment transaction.

- 7.15. Should the deposit in case of cash payment transaction exceed the amount of CZK 100,000 (or its equivalent in foreign currency), the Client shall prove their identity. In case of cash withdrawal, the Client shall always prove their identity. If the Client's identity is not proved in line with these General Business Terms and Conditions, the Bank may reject the execution of the cash transaction.
- 7.16. If the cash or non-cash transaction exceeds EUR 15,000 (or its equivalent in foreign currency), the Bank is authorized to request the Client in addition to proving their identity, to prove the origin of funds being the object of the transaction as well. If the Client fails to do so, the Bank shall be authorized to proceed in line with the respective legal regulation.
- 7.17. The Client shall use the payment instrument in line with the Agreement on Payment Services. Particularly the Client shall take all adequate measures upon having received the payment instrument, to protect their personalized security elements, and to notify the Bank immediately upon having ascertained the loss, theft, misuse, or unauthorized use of the payment instrument.
- 7.18. The Bank shall be held liable for unauthorized payment transaction, except for cases when the Client bears loss of the unauthorized payment transaction.
- 7.19. The Client shall bear the loss of the unauthorized payment transaction
 - a) Up to EUR 150, if the Client is an individual or small entrepreneur, or in the full extent, if the Client is not an individual or small entrepreneur, if such a loss occurred due to the use of lost or stolen payment instrument and if it occurred prior to the notification of the theft or misuse of the payment instrument to the Bank, or by misuse of the payment instrument if the Client failed to provide for the protection of their personalized security elements.
 - b) In the full extent provided the loss was caused by their fraudulent actions or by breaching any of the obligations stated in the paragraph 7.17. above intentionally or due to gross negligence.
- 7.20. The Bank shall be held liable to the Client as the Payer of the payment transaction amount for a payment transaction executed incorrectly, unless the Bank proves that the beneficiary's bank shall be held liable, i.e. that the payment transaction amount has been credited to the account of the beneficiary's bank duly and on time. If the Bank is liable, the Client shall be notified of such a fact without delay and if the Client fails to notify the Bank within 2 working days that s/he does not insist on the execution of the payment transaction, the Bank shall ensure crediting the amount of incorrectly executed payment transaction to the account of the beneficiary's bank, otherwise the Client's payment account shall be brought into such condition as if the incorrect execution of the payment order has not happened, or the amount of the incorrectly executed payment order shall be given at disposal to the Client, if the return of the payment account into original condition is not possible. The Bank shall be held liable to the Client as the beneficiary of the payment transaction amount for incorrectly executed payment transaction, if the payer's bank is not held liable for the incorrectly executed payment transaction. However, the aforementioned shall not apply in case of a payment transaction initiated by the beneficiary, if the beneficiary's bank failed to meet the obligation to hand in the payment order to the payer's bank duly and on time. The Bank's liability for payment transaction executed incorrectly does not exempt the Bank from the liability for the loss or unjust enrichment. If the Bank has made a mistake, the



Bank shall take any steps necessary to eliminate the consequences of the mistake, namely at their costs.

- 7.21. The Client who is an individual or small entrepreneur shall notify the Bank of unauthorized or incorrectly executed payment transaction, namely without undue delay after having learned about it, however, not later than within 13 (thirteen) months as of the day of debiting the funds from the payment account. The Client, who is neither an individual, nor a small entrepreneur, shall notify the Bank of unauthorized transaction or payment transaction executed incorrectly, namely without undue delay after having learned about it, however, not later than within 2 (two) months as of the day of debiting the funds from the payment account. Should the Client fail to notify the Bank of the unauthorized or incorrectly executed payment transaction within the aforementioned time limit, even though the Bank has met its notification duty, the rights of the Client and the obligations of the Bank resulting therefrom shall cease.
- 7.22. The client who is an individual or a small entrepreneur shall be authorized within 2 (two) months as of the day of debiting the funds from their payment account, to request the refund of the amount of authorized payment transaction initiated by the beneficiary, if at the moment of authorization the exact payment transaction amount has not been specified and the payment transaction amount exceeds the amount which could have been reasonably expected by the Client in view of all facts. However, the Client may not object to unexpected change in the exchange rate provided that the agreed referential exchange rate was used.
- 7.23. The Client shall not have the right to refund of the authorized payment transaction amount executed on the basis of the beneficiary's impulse pursuant to the Clause above, if the Client is not an individual or small entrepreneur, or if they have granted the consent with the payment transaction directly to the Bank, and, where reasonable, information on the exact payment transaction amount has been communicated to the Client by the Bank, Beneficiary's bank, or by the beneficiary in writing at least 4 weeks prior to the payment order receipt.
- 7.24. The Client shall provide all information and documents to the Bank being a proof of having met the conditions for the refund of the payment transaction amount.
- 7.25. The Bank shall return the payment transaction amount within 10 working days as of receiving the Client's request and proving that the conditions for the refund of payment transaction amount have been met, or shall reject the refund and notify the Payer of reasons for such rejection including information on the way of the out-of-court settlement of disputes between the Client and the Bank and about the option of the Client to submit a complaint to the supervising authority.
- 7.26. Should the meeting of the obligation by the Client or by the Bank assumed in this Article 7 be prevented by a circumstance which is unusual, unanticipated, independent on the will of the obliged party and whose consequences could not have been averted by the obliged party, the obliged party shall not be held liable for failing to meet such an obligation.
- 7.27. If the Bank fails to settle the amount of the domestic payment transaction in the Czech currency or if it fails to use the bank connection in line with the Client's payment order thus causing a mistake in the settlement of the amount or in the bank connection, the Bank shall correct such a mistake by settlement correction in line with the legal regulations. The Bank shall be authorized to correct the settlement immediately upon having identified the error in settlement by debiting the amount of the unauthorized beneficiary account, however not later than within three months as of the error in the settlement (i.e. the date of the erroneous debiting of the amount from the Client's



account). The Bank shall be authorized to correct the settlement even on the basis of a request of another bank, should the Client be an unauthorized beneficiary of the payment being settled incorrectly by the requesting bank. In such case, the Bank shall be authorized within three months as of the error in settlement occurrence, to debit from the Client's account the amount corresponding to the correction in the settlement and to recount the interests as if the Client had never received the payment settled incorrectly. In case of correcting the Bank's own mistake in the settlement, the Bank shall pay the Client the loss corresponding to the interests which would have accrued on the basis of funds on the account for the period which the Client did not have the funds at disposal for. The Bank, in compliance with legal regulations, shall not correct the settlement, if settling correctly the payment order issued incorrectly by the Client has caused the mistake.

- 7.28. The Bank is concluding the Payment Services Agreement with the Client for an indefinite period of time, unless it is mentioned in the Payment Services Agreement that it is concluded for a definite period of time, or unless it results from the relationship nature that it is an agreement on one-off payment transaction. The legal relationships resulting from the Payment Services Agreement between the Bank and the Client shall follow the Czech rule of law.
- 7.29. The Client shall be authorized to ask the Bank for information related to the contents of the Payment Services Agreement concluded with the Bank anytime during the Payment Services Agreement validity. The Bank shall provide the Client with the requested information at the latest within 10 working days as of the delivery of the written request of the Client to the Bank.
- 7.30. The Bank shall be authorized to propose amendments to the Payment Services Agreement; while the Bank shall submit such a proposal to the Client not later than 2 months prior to the amendment to the Payment Services Agreement becoming effective. Should the Client not reject the proposal of the amendment to the Payment Services Agreement prior to the proposed date of the amendment to the payment services becoming effective, the Client shall be deemed to have accepted the amendment to the Payment Services Agreement. Should the Client reject the amendment to the Payment Services Agreement, the Client shall be authorized to terminate the Agreement prior to the date when the amendment becomes effective without any charge and with immediate effect. The notice period shall begin on the day of having delivered the written notice to the Bank.
- 7.31. The Client shall be authorized to terminate the Payment Services Agreement at any time in writing and without any charges, while in such case the Payment Services Agreement shall cease to exist by the lapse of the one-month notice period. The Bank shall be authorized to terminate the Payment Services Agreement concluded for an indefinite period of time, while in such case the Payment Services Agreement shall cease to exist by lapse of two-month notice period.
- 7.32. The Bank accepts the checks from the Clients only for a non-binding collection. Their value is cashed to the check owner only upon disbursement of the check by the foreign bank and it may be decreased by the fee of the corresponding foreign bank. The payment of check in the foreign currency shall be converted by the Bank in accordance with the valid exchange rate of the Bank stated in the List of Foreign Exchanges. The Bank honors the checks only to its owners if they may be verified as check owners. The check owner is a person the check is issued to, or transferred to, and which sufficiently proves their identity. The checks are taken over for non-binding collections only from the Clients of our Bank.

8. Contractual Relations between the Client and the Bank

- 8.1. The Client shall offset due from the Bank the receivables, which are performing, are denominated in the same currency and are not overdue and on conditions these receivables were recognized with respect to the reason and amount by the valid order of the court, arbitration board or other body or by the Bank. The Client may offset its receivables due only from the performing Bank's receivables. The Bank shall offset its receivables due from the Client regardless they are due or overdue and regardless the legal title of these receivables and their currency on any Client's receivables due from the Bank (regardless they are due or overdue, including Client's receivables related to funds on the account maintained by the Bank, for which the due date does not have to come). The Client agrees on this offsetting from the side of the Bank due from Client's receivables. Provisions of sec 361 of the Commercial Code shall not apply for purposes of this offsetting by the Bank.
- 8.2. For offsetting purposes the Bank shall convert the amount from one currency to the other by the current exchange rate average specified in the Exchange Rate List, if required. In case of conversion from one foreign currency to the other firstly the respective foreign currency will be converted to CZK and then from CZK to the other foreign currency by Bank's current exchange rate listed in the Exchange Rate List.
- 8.3. The Client declares that the limited period for all Bank's receivables due from the Client extends to ten (10) years by signing the Agreement with the Bank including the General Business Terms and Conditions in compliance with sec 401 of the Commercial Code. Relevant provisions of legal regulations apply for the commencement of the limited period.
- 8.4. The Client agrees that all Bank's receivables due from the Client can be assigned to the related party by the Bank, if not agreed on differently in the Agreement concluded between the Bank and the Client. The Bank shall inform the Client on assignment of receivables.
- 8.5. The debit outstanding balance of Client's account maintained by the Bank is due at termination of any agreement between the Bank and the Client or if there are more agreements and Agreement on respective account was not terminated before, at termination of business relations between the Bank and the Client.
- 8.6. The Bank shall withdraw from any contracted relations with the Client within the period of thirty (30) days unless the Agreement or relevant legal regulations define differently. The Bank shall immediately withdraw from any agreement with the Client in case of substantial breach of the Agreement by the Client. The Bank can apply the right if:
- a) The Client misled the Bank by misrepresenting facts, false statement, failing to notify, neglecting duties or other,
 - b) The Client misrepresented facts regarding his/her financial situation, or
 - c) Client's financial situation is deteriorating or threatened.
- 8.7. If the Client failed to pay the Bank the outstanding amount on the due date, he/she shall pay the default interest, which will be increasing on all outstanding overdue amounts from the due date (including this date) until the date of total repayment of the outstanding amount to the Bank (the date of total repayment is not counted in). Default interest is calculated on daily basis. Default interest rate, unless agreed on differently in



the Agreement between the Bank and the Client, shall correspond to basic annual interest rate specified for the referred contractual relationship between the Bank and the Client (reference rate) increased by percentage interest rate defined within Bank's Interest Rates. As of the date of issuance of the General Business Terms and Conditions the default rate is defined as reference rate + 15% of the amount due. The same interest rate applies if any agreement between the Bank and the Client terminates (including withdrawal from the Agreement) and the Client fails to repay Bank's receivable, which due to the termination became outstanding.

- 8.8. If Bank receives payments lower than the amount of all Bank's outstanding receivables the payments shall be utilized for receivables repayment in the following order: (i) default interests and contractual penalties; (ii) contractual interests and further receivables' fees and charges and (iii) receivables' principal and all the other outstanding amounts; unless the Bank defines on differently.

9. The Authentication

- 9.1. The authentication of natural person is confirmed by presenting passport or ID card. If natural person is an entrepreneur, the authentication is confirmed by presenting passport or ID card or Trade Certificate, or other document confirming his/her trade license.
- 9.2. The authentication of legal entity is confirmed by the original or certified copy of the extract from the Commercial Register or other similar register not older than 30 days and confirming the authentication of natural person acting in the name of the Client. If the person acting in the name of the Client is not statutory body of the Client, presentation of the Power of Attorney to act on behalf of the Client is required. The Bank shall require presentation of current extract from the Commercial Register or other similar register for justified cases.
- 9.3. The Bank can request presentation of additional documents confirming authentication of the Client, if required by law or for performing planned business or his/her security. The Bank may refuse provision of the requested services, if the Client failed to confirm his/her identity in the specified form.
- 9.4. The Client shall forthwith inform the Bank on the loss of ID card. The Bank is not responsible for potential abuse of ID card.

10. Mutual Communication, Providing Instructions

- 10.1. The Account Holder only and exclusively shall conclude agreements, their amendments or terminations, produce and modify signature specimens and perform other activities related to account maintenance. The person different from the Account Holder shall dispose with the Account upon special Power of Attorney granted by the Account Holder, where signature of the Account Holder is officially certified. The Account Holder can authorize the other person until cancellation to dispose with funds on the Account on condition he/she presents the Bank with fully and duly completed signature specimen of such person in the relevant Bank's form and confirms his/her authentication in the form referred to under item 8 herein. If the Bank doubts on due authorization of person acting on behalf of the Client, the Bank may refuse provision of the requested service or execution of orders and instructions.
- 10.2. Any committed communication between the Client and the Bank shall be in writing. The written form is required for any agreements, covenants or instructions, which establish or may establish rights and/or duties for the Client and/or the Bank.
- 10.3. If the Bank requires documents or deeds, the Client shall, unless the individual Agreement concluded between the Client and the Bank specifies differently, present the original or certified copies of the documents, for international certification under super-legalization or under official seal, unless international agreement committed for the Czech Republic or current legislation defines differently.
- 10.4. Documents confirming facts for the Bank shall be presented in Czech or accompanied by certified translation. Communication between the Bank and the Client shall be in English or Czech, unless agreed on differently.
- 10.5. The instruction for the Bank must be signed in front of Bank's employee or must be officially certified. The payment order submitted to the Bank must be signed by the authorized person in compliance with the signature specimen. Signature specimen remains valid until the Bank receives Client's notification in writing regarding signature withhold or cancellation or until the Client presents new signature specimen to the Bank. If the Bank plausibly discovers (primarily upon extract from the Commercial Register) that the person authorized by the Client to dispose with the Account or funds on the Account does not execute activities based on which he/she was authorized to dispose with the Account or funds on the Account, the Bank shall refuse provision of required services or orders and instructions made by such person until the validity of the respective signature specimen is confirmed by the Client. The Client shall confirm his/her authenticity before execution of the instruction, if requested.
- 10.6. The Bank, for execution of Client's instructions, has the right to secure its services via related parties upon its own consideration and with respect to Client's requirements and interests.
- 10.7. The Bank and the Client shall forthwith notify each other on any events, facts, failures or faults that are important for their mutual relationship and shall forthwith reply to any queries arisen by the other party regarding the referred matter. The Client shall notify the Bank on his/her address, telephone, fax, and telex number for sending correspondence. The Client shall also notify the Bank on any change of the aforementioned information.
- 10.8. The Client shall forthwith inform the Bank on disagreement between his/her orders and confirmation in writing issued or sent to the Client by the Bank after execution of Client's order. If the Client fails to notify the Bank on any disagreement between his/her order and Bank's confirmation within three days after receiving the confirmation at the

latest, the Bank shall not be liable for any damage arising or resulting from such disagreement regardless it were or may have been even partially liable.

11. Electronic Banking

11.1. If the Bank concludes special ad hoc agreement with the Client, banking services may also be provided to the Client in electronic form and the Client may make use of the option to present the payment orders in the electronic form as well (hereinafter referred to as Electronic banking).

11.2. Legal relations between the Client and the Bank regarding Electronic banking are governed by:

- a) special Agreement on Electronic banking;
- b) special business terms and conditions for Electronic banking;
- c) the General Business Terms and Conditions herein.

11.3. Electronic banking services are charged pursuant to the valid Price List of the Bank.

12. Fees and Charges for Banking Services

12.1. The Bank shall be entitled to charge fees and charges for banking services provided in line with the Price List valid on the day of providing the banking service. The Bank shall be entitled to update fees and charges specified in the Price List. The Client shall be notified on any update. Current Price List is available on the Internet website www.vub.cz and in all branches of the Bank. Fees and charges agreed individually with the Client have priority over the current Price List.

12.2. If the Client, after Bank's notification on the change of the Price List, accepts services provided by the Bank it is assumed he/she accepted the change and the change of Price List shall become mandatory and take effect from the date defined in the amended Price List.

12.3. If the Client disagrees with changes in the Price List and fails to agree with the Bank differently the Bank shall be entitled to withdraw from any contracted relation affected by the change of the Price List.

12.4. The current Price List specifying fees and charges for provided services forms an integral part of the General Business Terms and Conditions herein.

12.5. Fees and charges and other costs are payable in the currency in which the related account is maintained. The Bank may collect the aforementioned fees and charges in CZK based on its own consideration.

13. Complaints. Liability for Damage, Resolution of Disputes

13.1. The Client shall submit any complaints or claims in writing or personally in the relevant branch within opening hours of the Bank. Each complaint submitted personally in the respective branch shall be taken in writing and presented to the Client for signing for the verification of its contents.



- 13.2. The Client may lodge a complaint about the Bank's activity to the supervising authorities specified in Clauses 1.3. and 1.4. above.
- 13.3. The Bank shall be held liable for the damage caused by failure or undue execution of Client's order only if the Client's order is made in compliance with legal regulations and the Agreement concluded with the Bank.
- 13.4. The Bank shall not be held liable for any damage or loss arising from Client's or related party proceeding whether caused by performing or failing to perform. The Bank shall not be liable for any losses or damage arising from Client's orders or instructions.
- 13.5. The Bank shall not be liable for any damage or loss arising from disconnect operations due to force majeure, social unrest, war, natural disasters or any other circumstances produced by government bodies in the Czech Republic or abroad, which the Bank may not influence.
- 13.6. The Client (pursuant to provisions of sec 725 – 728 of the Commercial Code) declares that he/she shall compensate to the Bank any damage or loss arising from Bank's activities based on Client's notifications or instructions submitted by the Client to the Bank.
- 13.7. The courts in the Czech Republic shall resolve the possible disputes between the Client and the Bank. The Financial Arbiter of the Czech Republic, with the registered office Washingtonova 25, Prague 1 shall be relevant for the resolution of payment system disputes between the Client and the Bank as well.

14. Bank Secret, Personal Data and Information Protection

- 14.1. The Bank shall disclose any information about the Client and Client's business either upon written consent of the Client or if requested to do so under legal regulations.
- 14.2. By signing this Agreement with the Bank, the Client agrees that their personal data be processed pursuant to Article 5 (2) of the Act 101/2000 Coll. on Personal Data Protection as amended, for purposes of banking services provision, risk and operational management, internal control, and Bank's reporting, namely until the end of the period specified in the Article 15 (1) hereof. The Client hereby also authorizes the Bank to provide their personal data to other entities, namely foreign ones as well for the purpose of offering deals and services.
- 14.3. Notwithstanding the preceding provision, the Client hereby entitles the Bank to disclose Client's information subject to personal data protection, Bank / Business secret to the members of the Všeobecná úverová banka group (i.e. Všeobecná úverová banka, a.s. and the parties directly/indirectly controlling VUB and/or parties directly/indirectly controlled by VUB and/or parties directly/indirectly controlled by the identical entity that indirectly/directly controls VUB) as well as representatives, legal, tax and other advisors of the above parties. In addition, the Bank shall be entitled to disclose the classified information to third parties in connection with exercised rights stemming from contracting relations between the Client and the Bank and Client's assigned receivables, and also to other banks within the intrabanking information system.
- 14.4. Based on Client's instruction, the Bank shall execute Client's international payments through the Society for Worldwide Interbank Financial Telecommunication network (hereinafter referred to as the "SWIFT"), which is currently the only company offering worldwide services that allow the Bank to provide for its clients global payment services. In order to ensure smooth payment process, all data arising from financial transactions are temporarily and simultaneously saved in identical format on several



servers in the SWIFT operating centers in Europe and the USA. The client hereby acknowledges, that pursuant to US legal regulations, their personal data indicated on the international payment transactions (name, address, account No., amount, payment purpose) may form part of the information disclosed by SWIFT to the US Finance Department for the purposes of fight against terrorism.

- 14.5. Pursuant to Commercial Code, Article 17, any communication or information that the Bank may provide to the Client within mutual contractual relations or other covenants is deemed the business secret. The Client hereby undertakes not to disclose or use such information in conflict of its purpose with view of personal gain.
- 14.6. The Client shall fulfill Bank's request to provide documents, information or any other form of cooperation, that may be important for the existing or future contractual relations, except for the instances, when the Bank's request turns to be unjustified.

15. Closing Provisions

- 15.1. These Business Terms and Conditions shall be effective also in the period from the expiry day of the Agreement entered into between the Bank and the Client / or their business relations until final settlement of all accounts, balances and disputes as may occur between the Bank and the Client.
- 15.2. The Bank shall be entitled to modify these General Business Terms and Conditions. The change in the General Business Terms and Conditions is an amendment to the Agreement between the Client and the Bank, and therefore it shall be proceeded in line with Clause 7.30. above. The current wording of the General Business Terms and Conditions, Interest Rates Overview, List of Foreign Exchanges, and the Price List are available on Bank's web site (currently at www.vub.cz) and at all branches of the Bank.
- 15.3. Should these General Business Terms and Conditions, Client's Orders, or any other documents be issued in addition to the Czech language also in a different language, the Czech version shall prevail.
- 15.4. The Client and the Bank shall do their utmost to resolve their disputes by out of court settlement. In the event of failed out-of-court settlement the disputes will be passed for settlement to the relevant court of the Czech Republic.
- 15.5. Pursuant to provisions of the Commercial Code art. 262 (1), the Bank and the Client have agreed, that the legal relations between the Bank and the Client will be governed by Commercial Code.
- 15.6. If a court or any relevant state body finds any of the GBTC provisions invalid or not effective, invalidity or non-efficiency thereof shall not impair validity of other GBTC provisions and all remaining provisions, which such invalidity or non-efficiency does not relate to, shall remain valid and effective to full extent.
- 15.7. These GBTC shall become effective on 1 November 2009 and supersede the preceding GBTC.