

Payment Processing Rules of VÚB a. s., pobočka Praha

Valid from **1 May 2021**

These Payment Processing Rules supplement the valid General Terms and Conditions of VÚB a.s., pobočka Praha.

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1. Definition of terms

Due date in the case of a transfer of funds from the Client's payment account means the day on which the amount of the payment transaction is to be debited from the Client's payment account.

EEA means the Member States of the European Union and the Agreement on the European Economic Area, i.e.: Belgium, Bulgaria, Czech Republic, Denmark, Estonia, Finland, France, Croatia, Ireland, Iceland, Italy, Cyprus, Liechtenstein, Lithuania, Latvia, Luxembourg, Hungary, Malta, Germany, Netherlands, Norway, Poland, Portugal, Austria, Romania, Greece, Slovakia, Slovenia, Spain, and Sweden.

IBAN is the International Bank Account Number – an international standardized form of account number that has been developed in collaboration with the European Banking Standards Committee and that allows unambiguous identification of the account, the state, and the payee's banking institution.

Cut-off time means the time limit specified by these Payment Processing Rules within Business Hours, after which the received payment orders are considered accepted at the beginning of the following Business Hours.

Bank branch means Všeobecná úverová banka a.s., pobočka Praha, with registered office at Pobřežní 3, 186 00 Prague 8, Czech Republic, Company Identification Number: 48 55 00 19, registered in the Commercial Register of the Municipal Court in Prague, Section A, Insert 7735.

Terms and conditions mean the General Business Terms and Conditions of VÚB a.s., pobočka Praha.

Business hours mean the time during which the Client can enter payment orders at the Bank Branch and execute other banking operations. The Business Hours of the Bank Branch are published on the Bank Branch website www.vub.cz and in the premises of the Bank Branch. The Bank has the right to adjust the standard Business Hours during certain periods (e.g. during the Christmas holiday). The Bank informs the Clients about such a change in Business Hours via its internet website www.vub.cz.

VÚB Bratislava means **Všeobecná úverová banka, a. s.**, with registered office at Mlynské nivy 1, 829 90 Bratislava, Slovak Republic, Company Identification Number: 31 32 01 55, registered in the Commercial Register of the Bratislava I District Court, Section Sa, Insert 341/B.

Capitalized terms not specifically defined in these Payment Processing Rules have the meanings assigned to them in the applicable Terms and Conditions.

2. Payments between VÚB CZ and VÚB SK

These are **free of charge** payments (**with exception of payments through paper order**) between accounts maintained by the Bank Branch and VÚB Bratislava. Payments can be entered in the form of a paper order or in electronic form using the electronic channels InBiz, Inbiz International or MultiCash. Such payment can be entered as a foreign payment or as a SEPA payment, which will be processed as a foreign payment.

3. Domestic payment system

Domestic transfer means a payment transaction in Czech currency that does not include the exchange of currencies between payment accounts maintained by payment service providers in the Czech Republic on the basis of a clear instruction from the Client in the form of a paper payment order (with the possibility of using the Bank's web forms) or in electronic form. The date of issue of the payment order may not be later than the date of submission of the payment order to the Bank.

In addition to the mandatory requirements specified in the Terms and Conditions (especially Article 7.6 of the Terms and Conditions), the payment order must, in the case of express payment, contain the text "EXPRESS" in the heading of the paper payment order, and in the case of electronic orders the payment must be marked as express.

Optional requirements for payment orders are as follows: symbols (variable, constant, specific) in the specified structure and additional information to the payment (*remittance information*).

If the payment order does not contain the due date, the Bank will execute the payment order with the due date of the current day. If the payment order does not contain mandatory requirements, the Bank will refuse to execute the payment order and will return it to the Client as impracticable. The conditions for the rejection of a payment order are specified in the Terms and Conditions (especially in Article 7.8 et seq.). The Bank will not be liable for damages incurred by the Client or third parties due to the rejection of payment orders in compliance with the law and the Terms and Conditions, nor for damages incurred by the Client or third parties due to incorrectly or insufficiently filled in or forged payment orders.

A payment received from another bank, which requires currency conversion, is processed according to the Exchange Rate List valid at the time of processing the payment.

The Bank will process a non-cash payment, the Due Date of which is later than the date of submission of the payment order, or a payment submitted after the Cut-Off Time, during which currencies are exchanged, at the exchange rate according to the Exchange Rate List valid at the time of processing the payment order. If the Client's payment order does not contain the Due Date that is later than the date of submission of the payment order, such order will be processed at the exchange rate valid at the time of submission of the payment order.

In the case of currency exchange in excess of CZK 770,000.00 (or the equivalent in a foreign currency), the Bank may process the payment at an individual exchange rate set by the Bank or the Client may agree with the Bank on an individual exchange rate (for over-limit and under-limit payments with currency exchange). Failure to execute a payment order to which the already set individual exchange rate has already been applied, due to a lack of funds to execute it, or cancellation at the Client's initiative, may be associated with the Client's obligation to reimburse the costs associated with the cancelling of the individual exchange rate.

When entering a payment order via electronic channels MultiCash, InBiz International or InBiz, it is necessary that the Client, in the case of an individual exchange rate agreed with the Bank, states in the box "Purpose of Payment" or "Additional Information" one of the agreed code words: FX TRADE (with space), TRADE (without space) or SPOT. When entering a payment order via a paper payment order, it is necessary to only use a VÚB Prague's standard form – "Payment Order in Foreign Currency" (a form or a web form – Payment Order in Foreign Currency), where the agreed word will be entered by the Client in the box "Purpose of Payment". Without entering the code word, the below-limit payment will be processed at the exchange rate according to the Exchange Rate List valid at the time of processing the payment.

The Bank will try to process (recycle) each payment for which a client does not have sufficient funds on their account throughout the Due date of the payment order, in case of certain payment types also throughout the following days. The Bank at a defined point will reject such recycled payment if there still are insufficient funds on client's account.

Payment Scheme	Payment Type	Recycling intraday till	Number of Recycling Days	Multiday Recycling with Conversion
Cross-border Credit Transfer	Foreign Payment - Urgent VUB CZ - VUB SK	16:45	0	No
Cross-border Credit Transfer	Foreign Payment - Standard (incl. standing order, payments input electronically and through paper order)	16:45	3	Yes
Cross-border Credit Transfer	Foreign Payment - Standard VUB CZ - VUB SK (incl. standing order, payments input electronically and through paper order)	16:45	3	Yes
Cross-border Credit Transfer	Foreign Payment - Urgent (incl. standing order, payments input electronically and through paper order)	10:50	0	No
CZ CT Non-priority	Domestic Payment - Standard (incl. standing order, payments input electronically and through paper order)	20:00	3	Yes
CZ CT Priority	Domestic Payment - Urgent to Clearing (incl. standing order, payments input electronically and through paper order)	13:45	0	No
CZ CT Priority	Domestic Payment - Urgent Intrabank (payments input electronically and through paper order)	16:00	0	No
SEPA B2B Direct Debit	SDD B2B Intrabank	16:00	0	No
SEPA CORE Direct Debit	SDD CORE Intrabank	16:00	0	No
SEPA Credit Transfer	SEPA Payment	20:00	3	Yes
Cross-border Credit Transfer	Foreign Payment - Standard - individual FX / SPOT	16:00	0	No
Cross-border Credit Transfer	Foreign Payment - Urgent - individual FX / SPOT	10:50	0	No
CZ CT Priority	Domestic Payment - Urgent - individual FX / SPOT	13:45	0	No
CZ CT Non - priority	Domestic Payment - Standard - individual FX / SPOT	16:00	0	No
SEPA Credit Transfer	SEPA Payment - individual FX / SPOT	16:00	0	No

Standard domestic payments are made by the Bank so that the funds are credited to the account of the beneficiary's provider no later than at the end of the next work day after the day of receipt or due date (the later date is decisive) of the payment order. To make a standard payment, it is necessary to submit or send (in electronic form) a payment order at the specified time (see the Time Limits below).

Express domestic payments are made by the Bank so that the funds are credited to the account of the beneficiary's provider on the work day of receipt of a payment order, or as of the Due Date of a payment order (the Due Date must fall on a work day). Fees for express domestic payments are charged according to the current Price List. To make an express payment, it is necessary to submit or send (in electronic form) a payment order at the specified time (see the Time Limits below).

4. Foreign payment system

Unless expressly stated otherwise, the provisions of the Rules on Domestic Cashless Payments apply mutatis mutandis to foreign payments.

4.1 SEPA payments

SEPA Payment means non-cash transfers in EUR currency within the SEPA area. The current list of SEPA coun-

tries can be found at <http://www.ecb.europa.eu/paym/retpaym/html/index.en.html>. Mandatory requirements for SEPA payments are set out in the Terms and Conditions (especially in Article 7.6 of the Terms and Conditions).

Optional requirements for SEPA payments are as follows: BIC code of the payee's bank, E2E (end to end) reference, VS (variable symbol), SS (specific symbol), CS (constant symbol) and information for the payee, payer's reference. If the client fills in the purpose code and purpose category, then such information must be listed in the ISO code list.

A SEPA payment can be entered on the basis of the Client's instruction in the form of a payment order in paper form (a form or web form) or an electronic form via electronic channels InBiz, InBiz International or MultiCash.

If a SEPA payment received from another bank contains in the box E2E symbols in the structure /VS.../SS.../CS..., then these symbols will be transferred to the client's account statement into individual boxes for symbols.

If the client filled in one of the symbols VS, SS or CS in his/her payment order, and also fills in E2E information, then the Bank will transfer to the beneficiary's bank, in the payment, only the symbols stated in the E2E structure /VS.../SS.../CS....

If the client wants to transfer a symbol in the payment operation with zeroes specified in its first position, he/she must enter such symbol in the E2E box in the structure /VS.../SS.../CS....

A SEPA payment can also be made on the basis of an entered standing order. Standing order payments are generated on its due date in the morning after the opening of the banking day, even during the weekend or public holiday, as long as the due date of the order falls on such day. A standing order payment entered on the day of requested due date will not be generated on that day.

If a payment is entered electronically as a foreign payment and if it meets the conditions for a SEPA payment, it is processed and charged by the Bank in the same way as a SEPA payment.

If the time limit for accepting payment orders set by the Bank is observed, the payment may be credited to the account of the payment service provider on the same business day (D+0), but this is not the Bank's obligation.

4.2 Standard foreign payments

Foreign payment means a payment transaction that does not meet the requirements of a SEPA payment and which is made in a foreign currency or in CZK currency to or from abroad, or a payment transaction carried out in a foreign currency in the territory of the Czech Republic.

Mandatory requirements for a foreign payment order are set out in the Terms and Conditions (especially in Article 7.6 of the Terms and Conditions).

In compliance with Regulation (EC) No. 260/2012 of the European Parliament and of the Council establishing technical and business requirements for credit transfers and direct debits in euro, the Bank requires, in relation to payments in EUR to the EEA, the payer's IBAN account number and the beneficiary's IBAN account number. Failure to provide such account number shall result in the processing of the payment as a foreign payment. In the event that the Client sends a foreign payment order that meets the requirements for a SEPA payment, the order will be processed by the Bank and will be charged as a SEPA payment. It is also necessary to indicate the beneficiary's IBAN account number in relation to payments in all currencies to the EEA.

In the event that the Client does not provide the SWIFT code – BIC of the beneficiary's bank, while such is available, the Client will also be charged a manual processing fee in accordance with the Price List. If the Client requests the cancellation of his/her payment order after the execution of the payment transaction, the Bank will consider this a request for the return of the payment from abroad (or from the national territory). In this case, unless the Terms and Conditions provide otherwise, (i) the Bank will contact the intermediary bank or the beneficiary's bank and will ask it to return the payment, (ii) the Bank will inform the Client about the acceptance of a request for the return of the payment in the full amount or reduced amount or about the rejection of the request by a foreign (or domestic) bank, and (iii) the Bank will charge the Client a fee according to the Price List together with possible fees of the foreign or the domestic bank.

If it is not possible to execute a payment order due to the beneficiary's incorrect IBAN or the BIC of the beneficiary's bank, the Bank is entitled to reject this payment order immediately, without charging a fee to the Client. The processing of the payment order is conditioned by available funds on the Client's account, i.e. for the payment, for the Bank's fee, for a surcharge in the case of an express payment, and for fees of other banks in the case of an OUR instruction.

To make a standard foreign payment it is necessary to submit a payment order at the specified time before the Cut-Off Time (see the Time Limits below).

Express foreign payment is a payment made by the Bank so that the funds are credited to the account of the beneficiary's provider or to the account of an intermediary bank on the working day of receipt or on the Due Date, which must be a work day (whichever is later). In addition to a standard payment fee as per the Price List, in this case an express payment fee is also charged in accordance with the Price List. An express payment surcharge is debited to the Client's account. To make an express payment, it is necessary to submit a payment order at the specified time (see the Time Limits below).

In the case of a foreign standard payment, the Client may use the following codes in his/her payment order, in order to determine which party bears the fees of the Bank and foreign banks:

- a) **SHA/SHAR** – the Bank fees are paid by the payer, the fees of intermediaries/correspondent banks, and the beneficiary's banks are paid by the beneficiary; unless otherwise provided by legal regulations, the amount of payment transaction may be reduced by the fees of correspondent banks and the beneficiary's bank.
- b) **OUR/DEBT** – the Bank fees, the fees of intermediaries/correspondent banks, and the beneficiary's bank are paid by the payer. The fees pursuant to the preceding sentence can also be charged additionally. A payment order in CZK currency, EUR currency, or other currency in which the Bank executes transfers within the EEA with an instruction for OUR fees, regardless of conversion on the payer's account, will automatically change to a payment order with an instruction for SHA fees during processing.
- c) **BEN/CRED** – the Bank fees, the fees of intermediaries/correspondent banks, and the beneficiary's bank will be paid by the beneficiary; the amount of payment order may be reduced by the Bank fee, the fees of correspondent banks, and the beneficiary's bank. A payment order in CZK currency, EUR currency, or other currency in which the Bank executes transfers within the EEA with an instruction for BEN fees, regardless of conversion on the payer's account, will automatically change to a payment order with an instruction for SHA fees during processing.

If a payment order does not contain any fee instruction, the payment order will be executed with an instruction for a SHA fee.

Depending on the fee policy of other banks involved in the execution of payment operations, the Client, as a payer, may be charged fees of other banks even if he/she enters a payment order with a SHA or BEN instruction. In addition, such banks may also charge the Client, as a payer of payment, fees for the fact that the non-SEPA payment entered by him/her cannot be processed automatically due to incorrectly or insufficiently entered data. The amount of such fees is determined by the relevant bank.

5. Due date

Unless the Client determines otherwise when placing a payment order, the Due Date of payment transaction will arise upon acceptance of the payment order by the Bank.

If the Client determines when placing a payment order that the Due Date is to occur at a certain moment (deferred maturity), the Due Date must be determined so that it occurs no later than on the 100th day after the date of the payment order. If the Client determines the Due Date contrary to the previous sentence, the Bank will reject the payment. If the Client determines the Due Date that precedes the date of placing the payment order, it applies that the Due Date was determined as of the date of placing the payment order. If the Client submits a payment order with the Due Date older than 10 days, the Bank will reject such payment order.

If the Client determines a certain day (and not a certain time during the day) as the Due Date, then:

- a) if the Due Date is the same as the date of submission of the payment order, it applies that the Due date was determined at the time when the payment order reached the Bank; and
- b) if the Due Date is to arise after the date of submission of the payment order, it applies that the Due date was determined at the time of the beginning of the next following Business Hours.

If the Client submits a payment order with the Due Date that falls on a time period outside Business Hours, and such order does not require manual intervention into the payment in order to be processed by the Bank, then the Bank will settle the payment on the Client's account even over the weekend or on a bank holiday.

6. Time Limits for accepting payment orders (Cut-Off Times)

For the following categories of payment orders, the Time Limit for their acceptance (Cut-Off Time) is set as follows:

- **23:00** for standard domestic payments entered electronically (without the need for manual intervention to the payment)
- **12:00** for standard domestic payments entered electronically being credited on the same day (D+0) (without the need for manual intervention to the payment)
- **11:00** for standard domestic payments entered in paper form being credited on the same day (D+0)
- **15:00** for standard domestic payments entered in the form of paper payment orders
- **13:00** for express domestic payments sent electronically (without the need for manual intervention to the payment)
- **12:00** for express domestic payments sent in paper form (without the need for manual intervention to the payment)
- **23:00** for SEPA payments sent electronically (without the need for manual intervention to the payment)
- **15:00** for SEPA payments sent in the form of paper payment orders
- **12:00** for SEPA payments sent electronically (without the need for manual intervention to the payment) being credited on the same day (D+0)
- **11:00** for SEPA payments entered in the form of paper payment orders being credited on the same day (D+0)
- **15:00** for standard foreign payments entered in the form of paper payment orders
- **10:00** for express foreign payments entered in the form of paper payment orders
- **16:00** for standard foreign payments sent electronically (without the need for manual intervention to the payment)
- **10:30** for express foreign payments sent electronically (without the need for manual intervention to the payment)
- **16:00** for payments credited to an account maintained in VÚB Bratislava sent electronically
- **15:00** for payments credited to an account maintained in VÚB Bratislava entered in the form of paper payment orders

To determine the Cut-Off Time, Central European Time (CET) is applied with possible deviation pursuant to Act No. 54/1946 Coll., on Summer Time, and implementing government regulations.