

## PROCESSING OF CLIENT DATA

Dear Client,

Komerční banka, a.s. (hereinafter "KB") greatly appreciates your confidence in its banking products and services and for this reason would like to present the following Statement, by means of which it undertakes to adhere to the principles of protection of Client data.

As is the case with other KB Clients, you too wish to have a permanent guarantee that your money and personal data is absolutely secure. Our aim is to constantly improve the methods by means of which we provide protection for Clients and data about them and with regards to this, we would like to assure you that we do go to great lengths not to disappoint your confidence in our protection of Client confidentiality.

### **Your Komerční banka.**

#### **1. Principles of processing Client data in KB**

When processing Client data, KB adheres to the laws of the Czech Republic, especially Act no. 101/2000 Coll. on protection of personal data, Act no. 21/1992 Coll. on banks, Act no. 513/1991 Coll. the Commercial Code and Act No. 253/2008 Coll. on selected measures against legitimisation of proceeds of crime and financing of terrorism, CNB Decree No. 281/2008 Coll., on certain requirements for the system of internal principles, procedures and control measures against the legitimisation of the proceeds of crime and financing of terrorism.

KB is aware of its liabilities vis-a-vis its Clients and of its responsibility when processing Client data and also declares that it adheres to the following principles when processing such data:

- KB protects all information about its Clients in accordance with the strict principles of banking secrecy, discretion and protection of personal data;
- Over the whole period of processing Client data, KB ensures full control over such data, especially protection of such data against misuse or other unauthorised encroachment by third parties;
- KB only gains Client information to the necessary extent and only processes such information for the purposes as determined by law or consent by the Client – subject of personal data and is always particular about protection of the privacy and personal lives of its Clients;
- KB guarantees that in cases when it is not authorised or obliged to processes such information by law, that it may only process Client data with the demonstrable consent of the Client. The Client always has the possibility of objecting to such processing and not to provide KB with their consent, or as the case may be, to retract their consent. The Client is entitled at any time to contact KB in order to ensure removal of their Client data from systems used to offer business and services;

- KB does not hand on information about its Clients to third parties unless the Client is informed of this in advance, if necessary provides their consent to such action. This does not apply if handover of Client data is required by law. In such cases, KB does however only handover information to the necessary extent and while adhering to other conditions as set out by law;
- KB maintains Client data in the most precise form possible and constantly updates this information. It allows clients to gain information at any time about data, which is being processed about them (unless this is prohibited by law) and to correct out-of-date or imprecise Client data;
- KB may process Client data by means of its contractual partners. However, even in such cases, confidentiality of information and protection of this is ensured.

## 2.1 Compulsory communication of Client data

When concluding a contract or implementing a transaction with KB provision of certain Client data is compulsory.

This type of Client data (this especially concerns name, surname, date of birth and similar) is ascertained by KB from the appropriate identity card in the case of natural persons (above all from a personal ID card, passport, birth certificate or similar) and from an extract from the Commercial Register or foundation documentation in the case of corporate entities, to the extent as set out for the bank by legal regulations. Especially in the case of foreigners or as the case may be for corporate entities, written reference may also be required (e.g. from another bank) or independent verification of the information stated.

The extent of Client data, which KB is obliged to ascertain for the purpose of client identification according to the Act No. 253/2008 Coll. and to avoid material and legal risks for KB can be found in Appendix no. 1 to this Statement.

Making a copy of an ID card may only be performed with the explicit consent of the ID card holder. KB has acceded to making copies of personal documentation, especially in order to prevent criminal activity. Thus, when concluding contracts and on identification, you will not only be asked to present your ID document for the data stated there to be ascertained (it is KB's duty to ascertain this data), but also for a copy of this personal ID document to be made. Consent with making of such a copy of the personal ID card or travel document is however voluntary and you may decide not to grant this consent without any consequences. Not providing your consent does not mean that you may not in the future be again asked for acquisition of a copy of such a document when concluding contracts or when changing your personal data, you can however once again refuse the acquisition of such a copy.

### **2.1.1 Processing of your personal ID number**

By law, banks are obliged to process your personal ID number, for the purpose of management and prevention of material or legal risks connected with bank business. With a view to this legal obligation, KB will always ask you for your personal ID number if you have been allocated one. Processing for other purposes (for example marketing) may however only take place with your consent.

## **2.2 Other Client data ascertained**

On conclusion of certain transactions with KB, you may also be asked for further Client data, unconditional ascertainment of which is not set out by legal regulations, but which are however important for evaluation and correct performance of bank business. KB ascertains such data:

- a) In the interest of fulfilling know-your-client requirements on prevention of money laundering and terrorism financing;
- b) In terms of caution in its business and evaluation of the credit risk of a specific transaction;
- c) In term of fulfilment of the requirements for gaining information about clients for performance of specific services (e.g. investment services pursuant to Act no. 256/2004 Coll., on undertakings on the capital market);

A common trait of such Client data, is thus the obligation on the part of the bank to ascertain such data and for this reason. KB is entitled to ask for these data at the entering or during the commercial relationship or repeatedly at other particular Client deals. Although you are not obliged to communicate such information to KB, nonprovision of this could, in certain circumstances, lead to refusal of a commercial relationship. Client data provided in this manner is always only processed by KB for the purposes permissible pursuant to legal regulations and on processing of such data, KB proceeds according to the rules as set out in paragraph 1 of this document (principles for processing).

### **2.2.1 Data for evaluation of Client risk level from the point of view of avoiding money laundering and terrorism financing.**

The Client data, which KB may ask you about at the entering and further during the mutual commercial relationship are stated in detail in the Annex no. 1 The aim is to assure sufficient information about clients to allow KB to regularly evaluate client transaction realized and to block misusing of KB's products and services for the money laundering purposes and terrorism financing.

### **2.2.2 Obligatory Client data ascertained for evaluation of the loan risk of a specific transaction**

On provision of banking services linked to loan risk for KB, you may also be asked for data on asset status (you can find an

example of this kind of data in Appendix no. 2). This Client data is fundamental for evaluation of your request and for setting the level of loan risk, which is linked with conclusion of the transaction for KB. Not knowing this information often means a higher transaction risk for the bank, which could be reflected in the price for the product or service, or as the case may be in absolute rejection of this. You must prove the accuracy and the truthfulness of this information with certain documents, especially confirmation of your income, whereas documents presented may be subject to further verification.

### **2.2.3 Obligatory Client data ascertained for provision of investment services**

Provision of investment services is a specific type of banking transaction and KB is, in the case of a relationship with a Client concerning investment services, obliged to also ascertain further information relating his/her expert knowledge in the investment area, investment experiences, investment targets and financial background of the Client. The questionnaire contains the questions, that shall be given to clients for the proper evaluation, whether the provision of investment service or advice about an investment tool corresponds to knowledge and skills needed for understanding of associated risks and as well assuring professional provision of investment services. If the investment advice is provided, KB will be obliged to ascertain information relating to the financial background and investment targets. In such a case, Client data is provided by you voluntarily, non-provision of this could however lead (i) to refusal of performance of Investment services, as in specific cases, performance of investment services could represent violation of obligation to provide services with professional care and pursuant to the specific requirements of the Client, or as the case may be (ii) increase in joint liability on the part of the Client for performance of the requested investment.

## **2.3 Klient data provided by the Client voluntarily on the basis of the consent**

You may be asked in KB to provide Client data for other processing purposes on the basis of your consent. This could also concern Client data, which you are obliged to state (point 2.1.), processing of which for other purposes is however subject to your consent. Possible non-provision will have no impact on the creation and duration of the commercial relationship between you and KB. In all such cases, when providing your consent, among other things you must be informed about the voluntary nature of your consent, the extent of Client data, purpose and duration of this processing.

### 3. Purposes for processing of Client data

The purposes for processing of Client data are such that your consent is not required by legal regulations (3.1.) or processing of such Data is performed on the basis of you providing your voluntary consent (3.2.).

#### 3.1 KB mainly processes Client data for the following purposes for which your CONSENT is NOT required

##### 1. Processing of Client data

- Obligatory Client identification pursuant to the legal regulations of the Czech Republic, especially Act No. 253/2008 Coll. on selected measures against legitimisation of proceeds of crime and financing of terrorism;
- Management of legal and material risks for bank transactions, especially - Negotiations on a contractual relationship and contractual fulfilment, including updating and record of contracts, change and amendment to these - Protection of the rights of KB, or other parties concerned;
- Archiving held on a legal basis, including storage of all information about bank transactions for a period of 10 years, as imposed on KB by the Act on banks.

##### 2. Handover of Client data to third parties

- Mutual provision of information about bank details, identification data and matters, which tell of the financial standing and credibility of their clients in terms of the Bank register of Client data pursuant to the Act on banks. More detailed information on the Bank register can be found at the following address: [www.cbcb.cz](http://www.cbcb.cz);
- Authorised publication of Client data, including handover of this to authorised persons in order to enforce a resolution (execution) or processing of erroneous payments pursuant to the Act on banks;
- Handover of Client information to state authorities, always only to that extent to which KB is obliged by the legal regulations, including to foreign authorities performing supervision on a consolidated basis over a party, which has qualified participation in KB;
- Handover of Client data to the entity controlling KB (Societe Generale) in order to prepare reports on a consolidated basis.

#### 3.2 KB mainly processes Client data for the following purposes IN TERMS of voluntary CONSENT provided by the Client

Processing of Client data for purposes of offering business and services and mutual provision of information about financial standing and credibility between members of the KB Financial Group and cooperating entities (e.g. IKS KB). The text of the consent is contained in art. 28 of the General Business Terms. This is voluntary and may be retracted at any time. When

concluding contracts or as the case may be amendments to these, you may be asked to express your consent even if you retracted your consent in the past or refused to provide this. KB does however respect your wish of explicitly refused consent.

The above-mentioned consent also includes consent to sending commercial communications via electronic means, for example via e-mail.

- We would like to point out that despite the fact that non-provision of consent has not effect on provision of services, provision of this consent does also gain you some advantages: for example advantageous offers in terms of product campaigns.
- Provision of consent for handing over your information to a non-bank register for the purposes of exchange of Client data on the financial standing and credibility of clients. This consent is voluntary as opposed to handover of Client data to the banking register, which is permitted by the Act on bank for the purpose of mutual provision of information between banks. You may decide not to provide your consent or retract such consent at any time (unless state otherwise in the consent), even in this case however that if you do provide your consent you will gain advantages: for example advantageous offers in terms of product campaigns.
- Handover and processing of Client data in terms of specific consent (for example, provision of information to a third party subject to request by the Client and similar).

#### **4. Updating of Client data – rights and obligations of the Clients**

Komerční banka has the legal duty to update Client data and for this reason, you may be asked about change to your personal data. You are entitled to ask KB to modify your personal data if you ascertain that the personal data stated does not correspond to the actual data.

In accordance with certain contractual documents, you are also obliged to inform KB of changes to your Client data. The accuracy of this data makes dealings with you easier and helps to avoid doubt or misunderstandings caused by the existence of outdated Client data.

#### **5. Rights of the Client in relation to protection of personal data**

If the Client makes written request to KB, they are entitled in accordance with the valid legal regulations, to provision of information about personal data begin processed about them, the purpose and nature of processing of such personal data and on recipients of such personal data.

If the Client ascertains or believes that KB is processing their personal data in conflict with protection of the private and personal life of the Client or in conflict with legal regulations, they are entitled to demand explanation from the Administrator, or as the case may be, are entitled to demand the KB correct such a defective status, which has occurred.

Regardless of the previous provisions of this paragraph, the Client is entitled to turn to the Office for Personal Data Protection with a request for provision of corrective measures in the event of violation of obligation on the part of KB.

The fully up-dated version of this Statement can be found at the following address: [www.kb.cz](http://www.kb.cz). You can ask for an excerpt from this Statement from your bank consultant or at any KB branch.

## **6. Withdrawal of the consent with sending of commercial announcements via SMS**

The request for the withdrawal of a consent with sending of the commercial announcements via SMS according to the Act No. 480/2004 Coll., on certain information society services send on the e-mail: [mojebanka@kb.cz](mailto:mojebanka@kb.cz) (in the claim please state your name and surname together with the mobile phone number).

## **Appendix no. 1 – Client's data identified for the purposes of money laundering and financing of terrorism prevention**

If you are a natural person – citizen – Czech national, we always record the following data about you:

- Name, surname, including maiden name;
- Personal identity number, event. date of birth, in case where personal identity number was not allocated;
- Place of birth (municipality/town and country of birth);
- Sex;
- Permanent and as the case may be other residency address;
- Citizenship;
- Type, number and validity of identity document.

If you are a natural person – entrepreneur, we always record the following data about you:

- Same data as for natural person stated above;
- Business name (company name), incl. differentiating postscripts or other identification;
- Registered office/business premises and identification number.

If you a legal entity, we always record the following data about you:

- Trading name (company name) incl. differentiating postscripts, or other identification;
- Registered office/place of business and company identification number or similar foreign identification number;
- document authorising business (type, number and issuer of the document);

- for persons representing the legal entity in the particular deal are identified data as for natural person;
- for persons – statutory bodies or members of statutory bodies are identified data as for natural person, excluding data from personal ID cards;
- if statutory body, member of statutory body or governing entity of the legal entity is other legal entity, there are noted as well data of this entity.

Simultaneously you can be requested to provide some other information not covered above, for the bank purposes of preventiv money laundering and terrorism financing. These data could bet he information about the purpose of of applying for the bank product (bank account), financial details (expected income or client revenues), client employment (for natural person), subject of business (natural person – entrepreneur and legal entity), information of political exposure of client in compliance with the Act No. 253/2008 Coll., origin (source) of funds or providing other identification card.

## Appendix no. 2 - Client's data identified for assessment of the credit risk connected with bank business

### Natural person

- Net average monthly income for the past 12 months
- Average monthly income from lease
- Income from commercial activities
- Level of regular monthly household outgoings (rent, alimony, instalments, insurance payments, construction savings bonds, guarantee declaration)
- Numbers of members in the household
- Education
- Type of accommodation
- Permanent residency address since...
- Profession
- Company ID number/personal ID number and employer's branch classification of economic activity (OKEČ)
- Labour sector
- Marital status
- Number of children according to age groups

For a Gaudeamus loan we also require:

- Name of the educational institute
- Name of the faculty
- Address of the educational institute
- Length of study



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- Anticipated date of completion of study

In the event of provision of real estate as security for the loan, we require data from the Ownership Deed

Entrepreneur (natural person – entrepreneur)

- Title, name, surname
- Registered office/place of business
- Permanent residency
- Identification number
- Personal identity number
- No. of ID card
- Valid documents proving business licence/ performing business
- Financial statements (in case you perform accounting)
- Tax returns
- Actual statements in the scope of Balance Sheet and Profit and Loss Statement (in case you perform accounting)
- Additional data
- Ownership relationships / Ownership shares
- Declaration of ownership and commitments
- Declaration of health state (for credits with the payment ability insurance)
- Statements for the current accounts (new clients)
- Document of splitting co-ownership of spouses (in cases it is splitted)
- Statutory Declaration
- Consent with information transfer
- Client consent with personal data processing and using of personal ID number for client information registers and SOLUS

Legal entity

- Business name
- Registered address/company premisses
- Company identification number
- Valid documents proving business licence/ performing business
- Financial statements (in case you perform accounting)
- Tax returns
- Actual statements in the scope of Balance Sheet and Profit and Loss Statement (in case you perform accounting)
- Additional data



# KB

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