

These Payments Execution Rules (hereinafter the "Rules") are a Notice as envisaged in the General Business Terms and Conditions issued by the Bank (hereinafter the "General Conditions") and set forth terms and conditions for the execution of cash and cashless transactions (hereinafter also the "payments") on accounts, which are governed by the Frame Agreement on Products and Services and Terms and Conditions of Products and Services. You hereby undertake to abide by the Rules.

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Chapter 1. General Conditions for Payments

1. Basic Provisions

- 1.1 **Payment transactions.** We execute payment transactions on the accounts in accordance with your Orders, whether cash transactions (depositing the funds into the account, withdrawing the funds from the account) or cashless ones (transferring the funds). You can submit your Orders in KB+ Internet Banking, unless we have agreed with you otherwise. We shall execute the Orders in the manner and within the deadlines set out in these Rules. The deadlines are counted from the moment the Order becomes effective. If a conversion between a foreign currency and CZK or between foreign currencies is necessary when making payment transactions, we shall make the currency conversion in accordance with the principles set out in Article 21 of the General Conditions.
- 1.2 **Authorisation of payment transactions.** Unless provided otherwise by law¹, a payment transaction shall be authorised as long as you approve it. You confirm your consent to the payment transaction using a Method accepted by us as arranged in the Frame Agreement or in another manner agreed with us, unless we allow you to do otherwise in a particular case. If we allow you to do so, you may consent to the payment transaction by your handwritten signature on a paper-based document or by an electronic signature accepted by us attached to a document issued electronically.
- 1.3 **Unauthorised and/or erroneously executed payment transactions.** If you discover an unauthorised or incorrect payment transaction in your account, you shall be obliged to notify our Contact Centre by telephone without any unnecessary delay or visit our point of sale in person, however no later than 13 months from the day on which funds have been credited/debited to the account. After the aforesaid deadline has elapsed in vain, you shall not be able to claim at court your rights ensuing from the unauthorised and/or erroneously executed payment transaction. We shall be liable for any damage you may suffer as a result of the unauthorised or erroneously executed payment transaction under the terms set forth herein and in the Conditions.
- 1.4 **Required particulars of an Order.** Your Order Client must include all the following particulars and information:
- Type of the Order (e.g., Payment Order);
 - Payer's Unique Identifier;

¹ In particular Act No. 370/2017 Coll., the Payments Act, as amended.

- c) Payee's Unique Identifier;
 - d) An amount and the currency of the payment transaction;
- You may also state other optional data, in particular the following ones:
- e) Variable symbol (a string of digits of maximum length 10);
 - f) Specific symbol (a string of digits of maximum length 10);
 - g) Constant symbol (a string of digits of maximum length 10).

You must not use specific constant symbols prescribed by law or by us. We shall be entitled to execute an Order even if no constant symbol is stated, unless it contravenes law.

1.5 **Rejection of an Order.** We shall be entitled to reject an Order in case that:

- i) The Order fails to meet the requirements set forth in the Conditions, Rules, and General Conditions (e.g., under Article 7 thereof);
- ii) The Order is not authorised in accordance with the agreed-upon method of the authorisation of payment transactions; or
- iii) There are insufficient available funds in the account or funds to make a settlement adjustment.

The available funds shall also include an authorised debit balance or agreed overdraft credit facility, but not the funds that we are entitled to use to settle pay our claims against you in accordance with the General Conditions.

1.6 We shall be entitled to reject or postpone the execution of your Order if its execution would (or might) infringe, without limitation, the law of the Czech Republic or of the country in which the intermediary bank is located or the business policy of the intermediary bank. We are also entitled to reject an Order in cases provided for in the Insolvency Act. In order to implement the principles of social responsibility beyond the scope of the legal Sanctions, we shall be entitled not to execute any payment transaction in any currency whereby funds are to be transferred to Russia or Belarus, unless we allow otherwise in a particular case. Due to the reasons mentioned in this Article and in Article 1.7 hereof, we shall further be entitled not to accept payments to be credited to your account or, alternatively, the time necessary for the processing of incoming payments may be considerably extended due to their detailed examination. You hereby acknowledge that for the above reasons a payment may be returned or withheld by an intermediary bank. The restrictions under this article are further specified on our website.

1.7 We shall also be entitled to reject or postpone the execution of your Order for security reasons. We may also take action on any or all of your accounts that shall trigger a security limit (cap) on some or all payment transactions if you fail to comply with your legal obligations, or for security reasons. We shall deliver you the information about the adopted measure and the extent of the security limit (cap) in the manner set out in Articles 8 and 35 of the General Conditions. Unless we provide otherwise in the information about the measure, the security measure adopted shall become effective at the time of its adoption.

1.8 If we reject an Order, we shall notify you of this fact within the time limit set for the execution of such an Order by e-mail, push notification, via Internet banking or verbally in the case of cash deposits or withdrawals made at a branch, unless agreed otherwise with you. If possible, we shall also explain the reasons behind the rejection and suggest a way of correcting the faults. A fee may be charged for such notification as per the Tariff of Fees.

1.9 If several Orders should to be executed on the same day, we shall be entitled to determine the succession of the payments.

1.10 **Cancellation of an Order.** You may cancel (withdraw) an Order no later than on the last Business Day immediately preceding the required Moment of Effectiveness of the Order or, if we allow it, until its Moment of Effectiveness.

1.11 **Crediting the funds based on the Unique Identifier.** We shall credit the funds to the account in accordance with the payee's Unique Identifier even if we have found a discrepancy between the Unique Identifier and the name of the account and/or payee's other data and particulars we have available, as we are not obliged to check the consistency of these data, except for cases where such a payment transaction would contravene law.² In case that the funds cannot be credited due to an incorrect or non-existent Unique Identifier, we shall reject such a payment and send the funds back to the originating bank.

1.12 **Payment crediting and currency conversions.** We shall credit the funds to the payee's account notwithstanding the transaction currency. If the currency in which the account is kept is different from the transaction currency, we shall proceed as follows:

- If an incoming payment is to be credited to an account that is not a Multicurrency Account, we shall convert the payment currency to the currency of the account at the Exchange Rate prevailing at the time the payment is credited to the account. In the case of a cash deposit, we shall convert the payment currency to the currency of the account at the Exchange Rate prevailing at the time the Cash Deposit Order becomes effective;

² In particular Act No. 253/2008 Coll., On Selected Measures against Legitimation of Proceeds of Crime and Financing of Terrorism, as amended.

- If an incoming payment in a currency listed in our Exchange Rate List is to be credited to a Multicurrency Account, we shall credit it to the subfolder held in the same currency (if you have not yet established such a subfolder, we shall open it for you automatically), except for CNY, RUB and TRY, which shall always be credited to the subfolder held in the main currency at the Exchange Rate valid at the time of crediting the payment. In the case of payments made under a paper-based Order from accounts held by us which are not governed by the Rules, we shall convert the currencies and credit a payment to the main currency subfolder at the Exchange Rate prevailing at the time the payment is credited.

1.13 Transfers of funds (outgoing payments and collections) and cash withdrawals involving currency conversions. For currency conversions, we shall use the Exchange Rate prevailing at the time the Order becomes effective, regardless of the date of submission of the Order, unless stated otherwise. In the case of direct debit (including SIPO collections) we shall use the Exchange Rate valid at the time of posting. If it is necessary to make a conversion between two foreign currencies, the conversion shall always be made at the current Exchange Rate, first from the first foreign currency to CZK currency and then from CZK to the second foreign currency.

- If you make a cash withdrawal or a transfer of funds involving a currency conversion from an account that is not a Multicurrency Account, we shall use the Exchange Rate prevailing at the time the Order becomes effective. This also applies to multiple-round processing of cashless payments where the Exchange Rate prevailing at the Moment of Effectiveness may be different from that prevailing at the time the Order is received.
- If you make a cash withdrawal or a transfer of funds from a Multicurrency Account, we shall post such a transaction to the subfolder held in the currency of the withdrawal or transfer. If you do not have such a subfolder, we shall open one for you automatically. If there are insufficient funds in the given subfolder, we shall post the transaction to the respective currency subfolders in the following order: CZK, EUR, USD, GBP, CHF, CAD, AUD, PLN, NOK, SEK, JPY, DKK, HUF, RON, BGN. As for currency conversions, we shall use the Exchange Rate prevailing at the Moment of Effectiveness of the Order, even if the transaction is posted as part of a multiple-round processing. The Exchange Rate used does not depend on the time of submission of the Order, as the Exchange Rate prevailing at the Moment of Effectiveness may be different from that prevailing at the time the Order is received.

1.14 Payment of fees, our receivables, and currency conversions in the Multicurrency Account. If we are entitled to charge any receivables and fees according to the Tariff of Fees, we shall always deduct them from the main currency subfolder of the account. If there are insufficient funds in the main currency subfolder of the Multicurrency Account, we shall deduct the amount in question from the main currency subfolder notwithstanding that such transaction may result in a less-than-zero balance (unauthorised debit balance) in the account. For a currency conversion, we shall use the Exchange Rate prevailing at the time of posting the transaction.

1.15 Unauthorised debit balance in a Multicurrency Account. If an unauthorized debit occurs in the Multicurrency Account for any reason, we shall make up the debit balance until it is settled in full by transferring funds from the respective currency subfolders in the following order: CZK, EUR, USD, GBP, CHF, CAD, AUD, PLN, NOK, SEK, JPY, DKK, HUF, RON, BGN. For currency conversion we shall use the exchange rate prevailing at the time of the settlement.

1.16 Our duty to inform. If you are a consumer, we shall provide you, at your request and prior to debiting the funds from your account, with information about:

- a) a maximum legal deadline for the execution of the given transaction, and
- b) a fee you shall be obliged to pay for such a transaction.

The provision under the above paragraph (a) shall not apply to transactions outside the European Economic Area (hereinafter EEA) and transactions carried out in the currencies other than those of EEA member states.

1.17 Reducing a payment transaction amount. If you are a payee, we shall be entitled to deduct our fees, charges, and other costs from an amount of any payment transaction, as well as fees, charges, and costs charged by other entities through whose agency we execute the transaction. However, we must not deduct any amounts from payments (payment transactions) made from the your account if you are a payer, except for transactions outside EEA.

1.18 Payment initiation service (indirect submission of a payment order).³ If a third party that is entitled to provide the payment initiation service forwards to us, on your behalf and via Internet, a payment Order related to your payment account, we shall execute it in accordance with the Rules. When you log into a third party application, you shall be redirected to our environment where you can authorize the Order. This link can be removed at any time in KB+ Internet Banking.

1.19 A standing Order for an outgoing payment can be submitted using the payment initiation service only if it is a payment to another bank located in the Czech Republic and it cannot be changed or cancelled via the payment initiation service, but only via KB+ Internet Banking.

³ As envisaged in Article 2(1)(k) and related provisions of Act No. 370/2017 Coll., the Payments Act, as amended.

- 1.20 Orders for payments in CZK or in a foreign currency, SEPA direct debit mandates, and cashless foreign payments forwarded using the payment initiation service provider shall not be subject to multiple-round processing.
- 1.21 Payments submitted through the payment initiation service must not be in excess of the transaction limits set out in Articles 5.3 to 5.5 hereof. All Orders submitted via KB+ Internet Banking or through the payment initiation service are included into these limits, except Orders for payments between your accounts, unless they involve a currency conversion.

2. Unauthorised or Erroneously Executed Payment Transactions on Accounts

- 2.1 **Liability for unauthorised payment transactions.** If we execute an unauthorised payment transaction to the debit of your payment account, we shall be obliged to restore the balance in your account to the original amount (as though no funds were debited) as soon as you inform us about the unauthorised payment transaction (lodge a complaint), however no later than on the next succeeding Business Day. If the balance in the relevant account cannot be restored, we shall be obliged to refund to you the amount of such a payment transaction plus the remuneration already paid and lost interest. Should we find your complaint unjustified, we shall be entitled to deduct from your account the amount of the restored transaction, including any interest accrued thereon, if applicable, even if it should result in a debit balance in the account.
- 2.2 In case of an unauthorised payment transaction, you shall bear the full liability for any damage resulting from a use of a lost or stolen payment instrument, or misuse thereof, incurred before you have notified us of the loss, theft, misuse⁴ or unauthorised use of the payment instrument in accordance with the Conditions, unless specified otherwise below. Further, you shall bear the full damage caused by an unauthorised payment transaction resulting from your fraudulent activities or a breach of the duty to use the payment instrument as required by the Conditions.
- 2.3 **Liability for incorrectly executed payment transactions.** We shall be liable for any incorrectly executed payment transaction, which means a payment transaction executed in violation of your Order.
- 2.4 If you lodge a complaint for an unauthorised or erroneously executed payment transaction, we must provide you with evidence that a procedure was followed to verify that an Order was given; the payment transaction was authorised, correctly posted, and accounted for and that it was not affected by a technical failure or other fault.
- 2.5 Being liable for an unauthorised or erroneously executed payment transaction shall not exempt us from liability for any damage or unjust enrichment resulting from such an unauthorised or erroneously executed payment transaction. However, any compensation we may provide shall be considered part of a potential compensation for any damage or unjust enrichment.
- 2.6 We shall neither be liable for an unauthorised or erroneously executed payment transaction nor for a possible failure to meet required deadlines for the execution of a payment transaction, if we have been prevented from performing our obligation by unusual or unforeseeable circumstances beyond our control, whose consequences we could not avert.
- 2.7 **Special arrangements for Clients-consumers.** The following provisions of this Article 2 shall only apply to payments credited/debited to payment accounts of Clients-consumers. These provisions take precedence over the general provisions of Articles 2.1 to 2.6 hereof; however, they shall not apply to transactions outside the EEA.
- 2.8 You shall bear any damage resulting from any and all unauthorised payment transactions due to a use of a lost or stolen payment instrument, or misuse thereof up to the total amount of EUR 50 or equivalent. The amount shall be converted using the Czech National Bank rate as at the date you shall have notified us of the loss, theft or unauthorised use of the payment Instrument. You shall bear the full loss resulting from any unauthorised payment transactions in the case that you have caused the loss by your fraudulent activities or by an intentional or flagrantly neglectful failure (i) to use the payment instrument in accordance with the Terms and Conditions of Products and Services, or (ii) to meet your duty to notify us of the loss, theft, misuse or unauthorised use of the payment instrument without any unnecessary delay after ascertaining such fact. You shall not bear the loss resulting from unauthorised payment transactions, if such loss is incurred after you have notified us of the loss, theft, misuse or unauthorised use of the payment instrument, or if we have failed to ensure that you can report the loss, theft, misuse or unauthorised use of the payment instrument whenever necessary, except for cases of your fraudulent behaviour.
- 2.9 If you are a payer, we shall be liable to you for any erroneously executed payment transaction, unless we clearly demonstrate that an amount of the erroneously executed payment transaction has been duly and timely credited to the receiving bank's account.
- 2.10 If we are liable to the you – as a payer – for an erroneously executed payment transaction and you notify us that you do not insist that the payment transaction be executed, we shall be obliged to restore forthwith the balance in your account to the original amount (as though the erroneous payment transaction were not executed) or, if the balance in the relevant account cannot be restored, make an amount of such an erroneous payment transaction, plus the remuneration already paid and lost interest, available to you. This provision shall not be applied if we clearly demonstrate that the amount in question was credited to the receiving bank's account before you have informed us that you she would not insist that the Order be executed.

⁴ The term "misuse" of a payment instrument, password, PIN etc. shall also apply to cases where such an Instrument is used without Client's authorisation.

- 2.11 If we are liable to the you – as a payer – for an erroneously executed payment transaction and you fail to notify us that you do not insist that the payment transaction be executed, we shall be obliged to ensure as soon as possible that the amount of the erroneously executed payment transaction be credited to the receiving bank's account.
- 2.12 An incorrectly executed payment transaction is also a transaction executed in contravention of an Order you have submitted to the payment origination service provider, even if we executed it in accordance with the Order received from the payment origination service provider. In that case, we assume the obligations to you, that are expressly set out in Articles 2.10 and 2.11 hereof.
- 2.13 If we are liable to the you – as a payee – for an erroneously executed payment transaction, we shall be obliged to restore forthwith the balance in your account to the original amount (as though the erroneous payment transaction were not executed) or, if the balance in the relevant account cannot be restored, make an amount of such an erroneous payment transaction available to you.
- 2.14 The provisions of Articles 2.9 to 2.12 hereof shall not apply to payment transactions based on a payment order submitted by a payee or by a payer through a payee, in the case that we, as the receiving bank, have failed to perform our duty to forward the Order to the payer's payment services provider duly and timely. Upon your request, we shall demonstrate whether we have fulfilled this obligation.
- 2.15 If a payment transaction has been executed incorrectly or erroneously, we shall be obliged, upon your request to make reasonably diligent effort to trace back such a payment transaction and inform you of the result of the investigation.
- 2.16 **Refunding an authorised payment.** In case of an authorised payment transaction resulting from a payment order submitted by a payee or by a payer through a payee, you shall be obliged to demand, within 8 weeks from the moment the funds have been debited from the account, that the amount of the transaction be refunded to the account on the condition that (i) a specific amount of the payment transaction has not been detailed at the moment of its authorisation and, at the same time, (ii) the amount of the payment transaction is in excess of an amount you – as a payer – might have reasonably expected with regard to all circumstances. However, you shall not be entitled to demand that the amount of the authorised payment transaction be refunded if you have given your consent regarding the payment transaction directly to us and we or the payee have provided you with the information of the specific amount of the payment transaction (or have made such information available to you) at least 4 weeks before the Moment of Effectiveness of the aforesaid Order.
- 2.17 For the purpose of the foregoing Article 2.16 it is understood that the sentence “the amount of the payment transaction is in excess of an amount you – as a payer – might have reasonably expected with regard to all circumstances” shall not include in its meaning an amount that is lower than or equal to the cap you have set for your direct mandate. In addition to this, you cannot make a complaint over unexpected fluctuations in Exchange Rates.
- 2.18 You shall be obliged to provide us, along with the request for the refund as per Article 2.16 hereof, with information and documents substantiating that the prerequisites for the refund of the amount of the payment transaction set forth in Article 2.16 have been met, including the indication of the moment at which you have learnt about the specific amount of such a payment transaction. Until you meet the aforesaid obligation, the ten-day period required by the law for the refunding of the amount of the payment transaction shall not commence.

3. Currency Exchange

- 3.1 **Basic provisions.** If we allow you to do so, you may arrange a Currency Exchange with us, consisting of the exchange of two currencies within the individual subfolders of your Multi-Currency Account, which shall be settled without any unnecessary delay after it has been arranged, however no later than the first Business Day (D+1) after the arrangement of such Currency Exchange.

The Currency Exchange shall be executed using:

- a) the Rate, or
- b) the Agreed Rate / Exchange Rate, as long as your Multi-Currency Account tariff permits or we have permitted you to do so and none of the exceptions to the use of the Agreed Rate / Exchange Rate set forth under Article 3.4 hereof has occurred.

Unless we allow you to do otherwise in a particular case, we shall use the Rate to arrange the Currency Exchange in your Multi-Currency Account at our branch.

- 3.2 **Prerequisite of arrangement, the arrangement, and blocking of funds.** You agree that a prerequisite of arranging the Currency Exchange is that there are sufficient funds in the currency you wish to exchange in the relevant subfolder of the Multi-Currency Account you have designated for the settlement. If you do not have sufficient funds in such a currency, you shall not be allowed to arrange the Currency Exchange.

If this prerequisite is met, the Currency Exchange shall be arranged by a confirmation in KB+ Internet Banking by your acceptance of the Rate / Agreed Rate we have displayed to you and of other terms of the Currency Exchange. Once the Currency Exchange has been agreed using the Agreed Rate / Exchange Rate, we shall block the relevant amount of funds in the relevant subfolder of the Multi-Currency Account that you have designated for the settlement. The funds blocked in this manner shall be used to execute the Currency Exchange. If, for any reason, the agreed Currency Exchange is not executed, the funds shall be no more blocked.

- 3.3 **Using the proper rate.** We shall use the Rate or the Agreed Rate for the Currency Exchange, if your Multi-Currency Account tariff authorises you to do so or if we have enabled you to do so and none of the exceptions to the use of the Agreed Rate set forth under Article 3.4 hereof has occurred. As the situation in the foreign exchange market is constantly changing, it is possible that the actual exchange rate may change during the execution of the Currency Exchange. In such a case, we shall use the Exchange Rate instead of the Agreed Rate. You hereby acknowledge and agree that the amount of the Exchange Rate may be different from the amount of the Agreed Rate.
- 3.4 **Exception regarding the use of the Agreed Rate / Exchange Rate.** You agree that:
- Notwithstanding any other provision of these Rules, we shall be entitled, without giving any reason, not to offer you or arrange with you a Currency Exchange using the Agreed Rate / Exchange Rate and/or the Rate;
 - On Saturdays and Sundays you may only arrange the Currency Exchange with us using the Rate. We reserve the right to allow you, at our discretion, to arrange the Currency Exchange using the Agreed Rate / Exchange Rate on these days. We further reserve the right to prevent you from arranging the Currency Exchange using the Agreed Rate / Exchange Rate on other days, e.g. on certain holidays in the Czech Republic or in other countries;
 - If the amount of funds you wish to exchange with us is less than the equivalent of EUR 10 or more than the equivalent of EUR 100,000, we shall apply the Rate to such a Currency Exchange;
 - We shall only apply the Rate to Currency Exchanges relating to currencies which, in our opinion, are less usual;
- even if all the terms and conditions for the application of the Agreed Rate / Exchange Rate and/or the Rate are met.
- 3.5 **Debiting the funds.** By agreeing to the Currency Exchange, you agree to the debiting from the relevant subfolder of the Multi-Currency Account of the amount denominated in the currency you wish to exchange with us in the amount corresponding to the application of the Rate or the Negotiated Rate / Exchange Rate, as applicable.
- 3.6 **Non-disbursement of funds.** We shall be entitled not to credit funds to any subfolder of your Multi-Currency Account unless you provide sufficient funds in that subfolder of the Multi-Currency Account from which we are entitled to debit funds in connection with the Currency Exchange.
- 3.7 **Communication of information on the arrangement of the Currency Exchange and on its terms and conditions.** We shall inform you via KB+ Internet Banking about the finalized arrangement of the Currency Exchange, its parameters including the exchange rate we used, its amount, and about the execution of the Currency Exchange. To this end, we shall display a summary of the terms and conditions of the Currency Exchange in the transaction history of the relevant Multi-Currency Account no later than the following Business Day. A Currency Exchange shall be deemed arranged as displayed in KB+ Online Banking except where the display is manifestly erroneous and inconsistent with the ability to arrange such Currency Exchange at the time under the circumstances. The fact that the status of an executed Currency Exchange cannot subsequently be temporarily displayed in KB+ Internet Banking shall not affect the validity of such Currency Exchange. In the event that KB+ Internet Banking is unavailable, we undertake to provide you with information on all executed Currency Exchanges during Business Hours upon your request.
- 3.8 **Cancellation of the executed Currency Exchange by withdrawal – non-market conditions.** Both parties shall have the right to unilaterally cancel an executed Currency Exchange retroactively to the date of settlement of such Currency Exchange by withdrawing from the transaction if it is agreed, for whatever reasons, under manifestly non-market terms (subject to a reasonable margin on our part). We shall notify you of our intention to withdraw from an executed Currency Exchange by sending an email at your confirmed contact electronic address or, if applicable, by any other means. You shall be obliged to notify us without any unnecessary delay by sending an email at the electronic address of our Contact Centre or in person at our branch/point of sale. We and you undertake to take all possible steps to minimise any losses that may result from such a situation. If the withdrawal proves to be unjustified, the withdrawing party shall be liable to pay any actual damages incurred by the other party as a result of the withdrawal.
- 3.9 **Restrictions on the possibility of arranging the Currency Exchange.** We reserve the right to modify, suspend, limit or cancel any Currency Exchange and the services or features associated therewith at any time without a previous notice and without giving a reason, including, without limitation, (i) due to software updates, (ii) for reasons beyond our control (e.g., power outages), or (iii) if the arranging of the Currency Exchange makes us unable to meet our obligations under the law. The ability to arrange a Currency Exchange may be subject to restrictions applicable to certain persons or certain jurisdictions. We shall not be liable for any loss or damage you may suffer as a result of any of the above.

Chapter 2. Cash Payments

4. Basic Provisions on Cash Payments

- 4.1 **Cash payments.** If we allow you to do so, you can deposit and withdraw cash to/from your account kept in CZK or in selected foreign currencies (as specified by us) at our branches.
- You can use your debit card to deposit cash in CZK to your account via an ATM. You can withdraw cash using your debit card from an ATM in the currency of the ATM. Currency conversion is subject to the procedure set out in Articles 1.12 and 1.13 hereof.
- 4.2 **Other cash services.** We also provide money changing services⁵ in currencies and denominations specified by us and an exchange of CZK banknotes and coins for other denominations.⁶ However, we do not provide an exchange of cash in a foreign currency for other denominations.
- 4.3 **Limitations on cash services.** The provision of certain cash services may be limited or excluded at some branches. We shall pay out or exchange the cash in CZK only down to the amount of the lowest valid nominal value of legal tender. If the required combination of banknotes and coins is not available, we shall be entitled to pay out cash in other nominal values of banknotes and coins than those you required.
- 4.4 We process cash payments and provide money changing services and exchange of banknotes and coins at our branches based on electronic Orders or oral instructions authorised in the manner specified under Article 1.2 hereof.
- 4.5 **Moment of Effectiveness of a cash payment Order.** The moment of effectiveness of the Order to deposit cash into the account or to withdraw cash from the account executed at a branch or via an ATM shall occur immediately after the deposit or withdrawal is made, provided that all contractual and legal conditions for its execution are met (e.g. sufficient available funds in the account). Failing this, we shall reject the Order.
- 4.6 **Deadlines for crediting/debiting the funds.** We shall credit cash deposits to the account or debit cash withdrawals from the account immediately after the Moment of Effectiveness of the Order.

5. Deadlines for Notifying Cash Withdrawals

- 5.1 You shall be obliged to notify any cash withdrawal in excess of CZK 100,000 or an equivalent in a foreign currency or to order the requested banknotes combination up to CZK 100,000 (including) or an equivalent in a foreign currency at the payout branch at least two Business Days before the required cash withdrawal date and, on the cash withdrawal notification day, no later than the hour at which the cash shall be withdrawn at the cash withdrawal date. If you wish to withdraw cash in a foreign currency or order the banknotes combination in a foreign currency, the notification period shall be at least five Business Days before the requested payout date.
- In the case we do not have the requested banknotes combination, we may pay out banknotes of different denominations than those you requested.
- 5.2 You may give verbal notice of the cash withdrawal at the payoff branch or, with the branch's agreement, notify it by telephone.
- 5.3 We may verify the notification of the cash withdrawal by calling you at the Contact Telephone number. If we are unable to verify the cash withdrawal in this way, we have the right to refuse the Cash Withdrawal Order.
- 5.4 If the above deadlines are not adhered to, we shall be entitled not to pay out the funds before the lapse of a given period or reject the Withdrawal Order, unless agreed upon otherwise with you. However, we shall be entitled to pay out the funds even if the above deadlines are not adhered to, provided that technical and operational circumstances enable such withdrawal.

⁵ Pursuant to Act No. 277/2013 Coll., on Currency Exchange, as amended.

⁶ Pursuant to Act No. 136/2011 Coll., on the Circulation of Banknotes and Coins.

Chapter 3. Cashless Payments

6. Basic Provisions on Cashless Payments

- 6.1 **Moment of effectiveness of a cashless payment Order.** A cashless payment Order becomes effective on its due date, on another date set out in these Rules, or on a date agreed with you, provided that all the contractual and legal conditions for its execution are met (e.g., there are sufficient funds available in the account). Otherwise, we shall reject the Order or, if there are insufficient funds available in the account at the Moment of effectiveness, we may reject the Order or send it to the multiple-round processing mode.
- 6.2 **Suspending an Order.** We may require you to provide an additional authorization of a payment transaction executed pursuant to an Order so that we can verify the submission of the Order. Until the Order is sufficiently authorised, we may suspend the execution of the payment transaction or change the processing mode. We shall not block the amount of the payment transaction executed pursuant to such an Order pursuant to this clause.
- 6.3 **Agent's limit.** The agent's limit is a cumulative limit with respect to handling the funds in your internet banking account by an agent (the other account holder), which you may change to the extent specified by us. You can set the agent's limit in respect of a specific account with a daily, weekly or monthly frequency. The frequency shall be linked to the relevant calendar period. The agent's limit includes one-off payments (both domestic and foreign), direct debit payments, SIPO collections, and standing orders submitted by the agent, always at the time of their authorisation.
Orders submitted by the agent in excess of the agent's cumulative limit shall not be executed and shall be rejected.
- 6.4 **Cumulative transaction limit for payments that involve a currency conversion debited from all your accounts.** We shall make cashless payments involving a currency conversion between accounts we hold for you up to a cumulative limit of CZK 100,000 or an equivalent in another currency, provided that the due date of the relevant Orders is the same as their submission date entry and you submit them between 18:00 hrs and 7:00 hrs on Business Days or entered at any time outside of Business Days. This limit applies collectively to all your accounts held with us.
A business day is a day that does not fall on a Saturday, Sunday, public holiday or other holidays in the Czech Republic.
- 6.5 **Transaction limit for payments depending on the Method.** The limit applicable to your cashless payments shall depend on the Method used to log into the internet banking and also on the manner in which we identify you. It is a daily and cumulative limit and applies to the Orders you submit using a particular Method to the debit of all your accounts and of the accounts you are entitled to operate. The limit in question includes one-off payments (both domestic and foreign), direct debit payments, SIPO collections, and standing orders, always at the time of their authorisation, but not payments between your own accounts held with our bank. You can find out the exact amount of the limit in the internet banking (both on the web and in the mobile application).
Orders in excess of the transaction limit under this article shall not be executed and shall be rejected.
- 6.6 **Processing the Orders.** Orders whose due dates fall on a Business Day following a day that is not a Business Day may be processed earlier, outside of Business Days immediately preceding the due date of the Order. If the below Orders, except for payments to be credited to a credit card account or to accounts that are not payment accounts, are submitted outside of a Business Day, we may process them even on another day than the Business Day immediately preceding the due date of the Order. Orders submitted on a Business Day after 20:20 hrs shall be processed on the Business Day preceding the due date of the Order:
Orders submitted on a Business Day after the deadline specified in the table below shall be processed on the Business Day preceding the due date of the Order, except for Orders with an advanced due date.:

Account type	Payment currency	Beneficiary account location	Order submission deadline
Other than Multicurrency Account	CZK	Czech Republic	20:20
Multicurrency Account	CZK	Czech Republic	20:20
	Supported foreign currency	KB	20:20

Payments involving a currency conversion made in a Supported Foreign Currency from a non-multicurrency account to an account held with us, which are entered on a Business Day before 17:00, shall be processed on their due date.

The aforesaid shall not affect the due date of the Order. The orders processed in this manner cannot be cancelled.

7. Domestic Cashless Payments

- 7.1 **Domestic cashless payments.** These are transfers of funds based on domestic Payment Orders denominated in CZK or in a foreign currency between accounts we hold, as well as transfers of funds based on domestic Payment Orders denominated in CZK to another bank in the Czech Republic made through the CNB Clearing Centre. Domestic cashless payments can also be made on the basis of a standing Order for an outgoing payment denominated in CZK or a direct debit mandate (so-called collections) in CZK, a SIPO direct debit mandate, an Order submitted via MojePlatba service, and the Pay on Contact.
- 7.2 **Collection Order.** A Collection Order means a payment order to debit funds from your account submitted by a payee and received from the payee's account held with the Bank, or delivered to us from the CNB Clearing Centre, if you have set up a direct debit mandate in your account to the benefit of the payee.
- 7.3 **Deadlines for transfers within the Bank.** If you are a payee of funds transferred based on a Payment Order within the Bank, we shall credit the funds to your account before the end of the day on which the Moment of Effectiveness of the Order occurs. In the case of outgoing Payment Orders and direct debit payments pursuant to a direct debit mandate to the benefit of the payee's account kept with the Bank, we shall ensure that the funds transferred under the Order are credited to the payee's account before the end of the day on which the Moment of Effectiveness of the Order occurs.
- 7.4 **Deadlines for transfers from another bank.** If you are a payee of funds transferred from another bank in the Czech Republic, we shall credit the funds to your account as soon as they are credited to our account at the CNB Clearing Centre. In the case of Instant Payments made to your CZK account, we shall credit the funds to your account immediately after the Instant Payments has been approved by the XAMOS CNB system.
- 7.5 **Exception for crediting certain incoming payments.** Incoming payments received on a Business Day from 20:30 onwards or outside Business Days shall be processed (i.e., credited your account) on the same Business Day but with a due date of the next succeeding Business Day.
- 7.6 **Deadlines for interbank collection payments.** In the case of interbank payments, we shall ensure for the funds from the collection payment to be credited to the account of the receiving bank at the CNB Clearing Centre in accordance with the Collection Order forwarded to us by another bank before the end of the next succeeding Business Day following the due date of the Collection Order.
- 7.7 **Settlement adjustment.** If any payment transaction made in CZK has not been executed correctly or if a relevant account number, bank code, and/or other particulars stated in your Order have not been used properly, every Czech bank or savings/lending cooperative that holds an account to which the funds were erroneously credited shall be obliged, upon our request, to deduct the erroneously settled amount from the account and surrender it to us so that the erroneously executed payment transaction can be done right. We shall be obliged to do the same if any amount is erroneously credited to the your account. In that case, we shall also be entitled to restore the balance in your account to the original amount (as though the payment transaction were not executed).

8. One-Off Order for an Outgoing Domestic Payment

- 8.1 **One-off Order for an outgoing domestic payment.** A one-off Order for an outgoing domestic payment shall be initiated by your instruction for the execution of an outgoing CZK payment to another account held in the Czech Republic on the required due date.
- 8.2 **Processing of an Order for an outgoing domestic payment to another bank.** We shall preferably process an Order for an outgoing CZK payment to an account held with another bank in the Czech Republic as an Instant Payment. If it is not possible for whatever reason, we shall arrange for the funds under the Order to be credited to the receiving bank's account at the CNB Clearing Centre no later than by the end of the Business Day immediately succeeding the day on which the Moment of Effectiveness occurs.
- 8.3 **Exceptions to processing Orders for an outgoing domestic payment within the Bank.** We shall only process an Order for an outgoing CZK payment to an account held with us that is not governed by the Conditions if it is a CZK Payment Account (including a credit card account) or a term account.

8.4 Due dates of the Orders for an outgoing domestic payment. The due date of an Order for an outgoing domestic payment made in CZK from a CZK account that is not a Multicurrency Account shall be determined as follows, except for Orders with an advanced due date:

- a) If the Order is submitted on a Business Day before 20:20 hrs, the due date of the Order shall be identical with the date of its submission,
- b) If the Order is submitted on a Business Day after 20:20 hrs or on a day other than a Business Day, the due date of the Order shall fall on the next succeeding Business Day after the date of its submission.

The due date of an Order for an outgoing domestic payment made in a foreign currency from a CZK account that is not a Multicurrency Account to an account held with us and maintained in the currency of such payment shall be determined as follows, except for Orders with an advanced due date:

- a) If the Order is submitted on a Business Day before 17:00 hrs, the due date of the Order shall be identical with the date of its submission,
- b) If the Order is submitted on a Business Day after 17:00 hrs or on a day other than a Business Day, the due date of the Order shall fall on the next succeeding Business Day after the date of its submission.

The due date of an Order for an outgoing domestic payment made in CZK or in a Supported Foreign Currency listed in our Exchange Rate List (except CNY, RUB, and TRY) from a Multicurrency Account to an account held with us, and an Order for an outgoing domestic payment made in CZK from a Multicurrency Account to an account held with another bank located in the Czech Republic, shall be determined as follows, except for Orders with an advanced due date:

- a) If the Order is submitted on a Business Day before 20:20 hrs, the due date of the Order shall be identical with the date of its submission,
- b) If the Order is submitted on a Business Day after 20:20 hrs or on a day other than a Business Day, the due date of the Order shall fall on the next succeeding Business Day after the date of its submission.

However, Orders for outgoing domestic payments from an account that is not a Multicurrency Account, except for payments that involve a currency conversion, entered on a Business Day after 20:20 hrs or on a day other than a Business Day shall be processed, i.e. debited from your account, immediately upon receipt. This shall not affect the due date of the Order.

8.5 Multiple-round processing of a one-off Order for an outgoing domestic payment. We may process an outgoing CZK payment within the Bank, both involving and not involving a currency conversion, as well as an outgoing payment to another bank located in the Czech Republic in multiple rounds: they shall be settled on their due dates. If they are not, they may be settled on the following two (2) consecutive Business Days, provided there are sufficient funds in the account.

8.6 Instant Payments. These payments between banks are processed by the XAMOS CNB system, which decides whether or not an Instant Payment can be approved. Upon the approval, the Instant Payment becomes irrevocable and is executed within seconds, i.e., the payee's bank (receiving bank) makes the full amount of the Instant Payment immediately available to the payee (creditor) for further transactions, while the payer's bank (originating bank) notifies the payer (debtor) that the transaction has been forwarded to the receiving bank.

8.7 An Instant Payment between banks must not be in excess of CZK 2,500,000. This limit can be adjusted by the banks upon their mutual agreement. We have set a limit for a maximum outgoing instant payment at CZK 400,000. This shall be without prejudice to other limits set by us.

8.8 The Instant Payments are processed on a 24/7 basis, both on Business Days and on other days, except for the time when the scheduled maintenance of a payer's bank (originating bank) system, a payee's bank (receiving bank) system, or the XAMOS CNB system is performed. We shall notify you of the planned maintenance of our systems on its Internet pages or via Internet Banking. We shall not be liable to you for any damage caused by the non-functioning of the Immediate Payments due to a planned outage on our part, on the part of the XAMOS CNB system, and/or on the part of the bank that has accessed to the Immediate Payment scheme, or for reasons beyond our control or beyond the control of our suppliers, including any damage caused by such cases. If the non-functioning of the Immediate Payments for on our part is discovered outside our operating hours, we shall make every effort to put things right without any unnecessary delay.

9. Standing Payment Order (Outgoing Domestic Payments)

- 9.1 **Standing payment order.** A standing Order for an outgoing domestic payment shall be executed based on your instruction for repeated CZK payments of the same amounts of money to be made to the same payee located in the Czech Republic at regular intervals.
- 9.2 **Required particulars of a standing Order.** In addition to the required particulars of a payment Order set out under Article 1.4, a standing Order for an outgoing transfer must also contain the title of the standing payment Order and the required frequency of payments; failing this, we shall reject the Order.
- 9.3 **Exceptions to processing standing Orders within the Bank.** We shall only process a standing Order for an outgoing payment in CZK to an account held with us that is not governed by the Conditions if it is a CZK Payment Account (including a credit card account).
- 9.4 Due dates of the standing Orders. The due date of a standing Order for an outgoing payment in CZK shall be determined as follows:
- If the standing Order is submitted on a Business Day before 20:20 hrs, the due date of the first payment shall fall on the date you have requested, however not earlier than the date of receipt of the Order,
 - If the standing Order is submitted on a Business Day after 20:20 hrs or on a day other than a Business Day, it is possible to request that the first payment be made on the date of submission of the Order, but the first payment shall actually be made on the next succeeding Business Day.

However, if you submit a standing Order outside of a Business Day with a first payment due on a day that is not Business Day and there is no Business Day between the date of submission of the standing Order and the due date of the first payment, we shall make that first payment on the next succeeding Business Day.

If the due date of any other payment made under the standing Order other than the first payment does not fall on a Business Day, we shall make such a payment on the preceding Business Day, as long as all contractual and legal conditions for making the relevant payment are met at the time so specified, including sufficient funds available in the account. Otherwise, we may refuse to execute the payment under the standing Order or may transfer it to the multiple-round processing mode.

- 9.5 **Multiple-round processing of a standing Order for an outgoing payment.** We may process a payment based on a standing Order in multiple rounds: it shall be settled on its due date. If it is not, it may be settled on the next succeeding Business Day, provided there are sufficient funds in the account, if the frequency of the standing Order is weekly, or on the following four (4) consecutive Business Days in all other cases. If there are insufficient funds in the account, though, the standing Order with a daily frequency shall not be settled on the succeeding days.
- 9.6 **Change or cancellation of a standing order by the Client.** You may cancel a standing Order under the terms and conditions set out herein for the cancellation of Orders. You can change all parameters of the standing Order, except for the payer's account number, no later than on the last Business Day prior to the day on which the next outgoing payment under the standing Order is due.
- 9.7 **Cancellation of a standing order by the Bank.** We shall be entitled to cancel a standing Order for an outgoing payment if the payee's account held with us has been cancelled or the payee's bank code has been cancelled by the Czech National Bank. We shall also be entitled to cancel a standing Order if we have not processed another outgoing payment under the Standing Order within 18 months of processing the last one, or if the amount to be transferred under the standing Order is repeatedly returned as the order cannot be executed (e.g. due to a wrong/non-existent receiving bank code, payee's account number, etc.).

10. Direct Debit Collections

- 10.1 Any direct debit collection must always be authorised by the payer, either by submitting a direct debit mandate to authorise direct debit collections from your account or through the mediation of a payee. The direct debit mandate is not an Order, i.e., is not a payment order as envisaged in the Payments Act,⁷ but an authorisation of payment transactions within the meaning of the aforesaid Act. We shall be entitled to designate the banks with which we conduct domestic payment transactions in the form of direct debit collections.

⁷ Act No. 370/2017 Coll., the Payments Act, as amended.

- 10.2 **Required particulars of a direct debit mandate.** A direct debit mandate must contain a Unique Identifier of the entity entitled to collect (draw) cashless funds from the your account. At the same time, you must enter the name of the direct debit mandate, set a limit for a single payment, and specify a period of time between two successive collections. The limit (cap) is an amount, which you may reasonably expect as a maximum aggregate amount of all collections by a single payee during a single period with regard to all contingent circumstances. We shall reject any direct debit mandate that lacks the above particulars.
- 10.3 **Deadline for submission of the direct debit mandate to the Bank.** You can submit the direct mandate debit at any time.
- 10.4 **Modification and cancellation of a direct debit mandate.** You can cancel or change your direct debit mandate at any time. You can change all parameters of the direct debit mandate, except for the payer's account number.
- 10.5 **Direct debit collection processing.** If the conditions for making a collection are not met on the due date, we may process and post the collection repeatedly on the next succeeding Business Day if the frequency of the collection is weekly, or on the following four (4) consecutive Business Days in all other cases. The collection shall be posted on the due date or on one of the multiple-round processing days even if you submit the direct debit mandate, or change its parameters, as long as you do it before 20:20 hrs. If the conditions are not met within this time period, we shall reject the collection on the next succeeding Business Day.
- 10.6 Cancellation of a direct debit mandate by the Bank. We shall be entitled to cancel a direct debit mandate if the payee's account held with us has been cancelled or the payee's bank code has been cancelled by the Czech National Bank. We shall also be entitled to cancel a direct debit mandate if we have not processed another collection under this direct debit mandate within 18 months of processing the last one.
- 11. SIPO Direct Debit Mandate**
- 11.1 **SIPO collection.** The SIPO collection is not a payment order as envisaged in the Payments Act. We shall not be obliged to notify you that a SIPO collection failed due to insufficient funds in your account.
- 11.2 **SIPO direct debit mandate.** You must provide the payer's account number, title of the SIPO direct debit, and payer's connection number in the SIPO direct debit mandate. The SIPO Direct Debit mandate must also contain a limit up to which SIPO direct debits may be collected from the given Account. If no limit is stated, we shall reject the SIPO direct debit mandate. The limit must be preset as close as possible to an amount you may reasonably expect as a maximum amount of a single SIPO collection with regard to all contingent circumstances. Česká pošta, s.p. shall inform you on the total amount of the SIPO direct debit schedule. The maximum amount of the limit must not be in excess of CZK 999,999 and can only be rounded to whole crowns.
- 11.3 **General time limits for SIPO collections processing.** We provide Česká pošta, s.p. with a file with instructions for changing the SIPO direct debit mandates (hereinafter also referred to as the "File") on the 24th day of each month. If the 24th day of the month is not a Business Day, the date of delivery of the File shall be the nearest Business Day preceding that date. We shall always close the File one Business Day before it is delivered to Česká pošta, s.p. Payments made pursuant to a SIPO direct debit mandate received by us after this deadline shall not be made until the second following month. The same time limit must be adhered to when cancelling or changing a SIPO direct debit limit (cap). If an instruction to set up, amend or cancel a SIPO direct debit is delivered to us by 20:20 hrs on the File closure date, the instruction shall be effective from the next succeeding calendar month.
- 11.4 **SIPO direct debit collection processing.** We shall always process SIPO direct debit collections 2 Business Days before the 15th calendar day of the month. In the event of insufficient funds in the account to be collected, we shall attempt to collect on an alternative date, i.e. 2 Business Days before the 23rd calendar day of the month. In the event that the 15th and 23rd calendar day are not Business Days, the collection date shall be 2 Business Days prior to the nearest Business Day preceding the 15th or 23rd day of the month.
- 12. Orders Submitted via MojePlatba Service**
- 12.1 Unless otherwise specified below, the provisions applicable to the one-off Order for an outgoing domestic payment shall accordingly apply to the Orders submitted via MojePlatba service.
- 12.2 You can use the service if you have subscribed to KB+ Internet Banking and use the KB Key Method or the Security Password. You may use MojePlatba service at merchants that facilitate this payment method.
- 12.3 Payments processed via MojePlatba service shall not be subject to the multiple-round processing.
- 12.4 The Bank shall not be held liable for cases where MojePlatba service is not accessible via the merchants' Internet pages
- 13. Pay a Contact**
- 13.1 **'Pay a Contact' Incoming Payment.** You may only receive a Pay a Contact payment to an account connected (via a relevant Internet banking service in the RAMOS register maintained by the Czech National Bank) to the telephone number provided by the payer as the Payee's Unique Identifier.

- 13.2 **Registering into the 'Pay a Contact' service.** You can get registered into the 'Pay a Contact' service in the KB+ Internet Banking mobile application. You can only register a telephone number with the area code +420 or +421, which we shall keep as your contractual contact details. You can only pair a current account kept in CZK (including a Multi-currency account) to a registered contact. Upon completion of your registration, we shall establish a profile in the Czech National Bank's register containing your registered telephone number, the number of the paired bank account, and the name and surname of the account holder. The telephone number so registered shall serve as your additional Unique Identifier for receiving payments into your paired current account.

Only a single telephone number may be paired with a single current account at any given time as part of the registration into the 'Pay a Contact' service.

Registering into the 'Pay a Contact' service is not a general consent by the registered payee to make non-cash payments of monetary claims through this service. The manner of performance of obligations between you and the payee is subject to your mutual agreement.

- 13.3 **Verification of registered data.** We are entitled to contact you at any time to verify your possession of the telephone number and the validity of your registered details related to the 'Pay a Contact' service. We shall carry out such verification at least once a year. If you fail to confirm possession of the telephone number and registered details in response to our request within the deadline and in the manner specified by us, we shall proceed in accordance with the provisions of Article 13 hereof applicable to the termination of the 'Pay a Contact' service.

If you suspect any misuse of your contact details used for registering into the 'Pay a Contact' service, in particular to another account or a third party account, you hereby pledge to inform us of such misuse without any delay.

- 13.4 **'Pay a Contact' Outgoing Payment.** Unless stated otherwise in this section, the provisions applicable to Orders for one-off domestic payments shall apply to the 'Pay a Contact' Outgoing Payment.

We shall process an outgoing Pay a Contact payment as long as the telephone number you (i.e., the payer) have specified as the payee's Unique Identifier in your Order is connected to the account number in the RAMOS register maintained by the Czech National Bank; the payment shall be credited to this account. We shall process the Pay a Contact payment immediately as an Order for a one-off domestic outgoing payment, preferably as an Instant Payment. If there is no account attached to the telephone number you (i.e., the payer) have specified in your Order, we shall reject the Order.

Unless we allow you to submit an Order for an outgoing Pay a Contact payment in a different amount, the limit for outgoing Pay a Contact payments shall be CZK 1 at a minimum and CZK 5,000 at a maximum. The bank may change the limit and you shall always find out the amount of the limit when submitting an Order via KB+ Internet Banking. Before authorising the submitted Pay a Contact payment, you undertake to check the payment details you have entered, in particular the telephone number (payee's Unique Identifier) and the name of the account holder (i.e. the intended beneficiary), which we shall display according to the current status of the profile in the RAMOS register. If the intended beneficiary does not match the name and surname of the account holder that we shall display to you according to the status of the profile in the RAMOS register maintained by the Czech National Bank, do not make the payment using the 'Pay a Contact' service and check with your intended beneficiary his/her payment details and the status of his/her registration (in particular whether the telephone number he/she has registered into the 'Pay a Contact' service is that number you have filled in, and whether the number is paired with an account held in his/her own name).

- 13.5 **'Pay a Contact' usage flag.** The 'Pay a Contact' service includes a usage flag. The flag notifies the counterparty who has the payee's telephone number in his/her telephone directory that a Pay a Contact payment can be made to that telephone number. This information may be available in the applications of payment institutions that have joined the Pay a Contact scheme.
- 13.6 **Displaying registered data to payers.** From the point of view of personal data processing and as a result of you being registered as the payee in the 'Pay a Contact' service, your first name and surname (i.e., the first name and surname of the account holder) is displayed to the payer when your registered telephone number is entered before making the payment.
- 13.7 **Expiry of the 'Pay a Contact' service registration.** Your registration into the 'Pay a Contact' service may be terminated by agreement, withdrawal or termination, or by fulfilling a condition subsequent. Starting from the moment of termination of your 'Pay a Contact' service registration, you shall no longer be able to use your telephone number as a Unique Identifier for incoming payments credited to your current account.

If, in accordance with Article 13.3 hereof, you fail to confirm your possession of the registered telephone number and/or other verified information in your profile pursuant to our request and in the manner specified by us (generally via KB+ Internet Banking in the mobile application within 7 calendar days), your registration into the 'Pay a Contact' service shall terminate upon the expiration of two months from the expiration of the deadline specified in our request.

We may cancel your registration into the Service with immediate effect if we suspect that your telephone number was misused during the registration into the 'Pay a Contact' service. We shall notify you of such cancellation via your Mailbox at your confirmed contact email address.

Furthermore, we shall be entitled to terminate your registration into the 'Pay a Contact' service at any time without giving any reason, with two months' notice.

Your registration into the 'Pay a Contact' service shall be terminated at the latest upon the cancellation of the current account paired with the registered telephone number.

You can cancel your registration into the 'Pay a Contact' service in the KB+ Internet Banking mobile application at any time. If you change the telephone number we are keeping as your contractual contact details registered in the 'Pay a Contact' service, your registration in the 'Pay a Contact' service shall expire at the time of the change of your telephone number.

14. Cashless Payments to/from Abroad

- 14.1 **Cashless payments to/from abroad.** Foreign payments (payments to/from abroad) are transfers of funds from a country to another country or transfers of funds in a foreign currency between banks located in the Czech Republic. We execute foreign payments in the currencies listed in the Exchange Rate List, except for CNY, RUB and TRY or other currencies excluded by law.
- 14.2 Unless we allow you to do otherwise in a particular case (e.g. by using a country-specific bank account number), you shall be entitled to submit Orders for foreign payments only if an account to which the funds should be credited is held in a country that support IBAN account numbers.⁸
- 14.3 **SEPA payment.** The SEPA Payment is an outgoing or incoming foreign payment in EUR whose amount is not limited. It is made between accounts held in any currency in the SEPA area by banks that are participating banks in the SEPA Payment and Direct Debit Schemes. Fees related to the transfer shall be shared by the payer/debtor and payee/creditor ("SLEV" or "SHA" fees).
- 14.4 **Deadlines for crediting funds from abroad.** If you are a recipient (payee) of funds transferred from another country or in a foreign currency, we shall credit the funds to your account as soon as we receive them, as long as:
- The funds are credited to our account no later than 16:00 hrs on a Business Day and, at the same time,
 - We receive all documents necessary to credit the funds to your account within this period.
- Failing this, the funds shall be credited the next succeeding Business Day.
- In case of those Transactions outside EEA whereby we have to conduct additional clarification or investigation, the funds shall be credited to your account as soon as we complete such activities. We shall use the Exchange Rate effective at the date of crediting the funds to your account for the currency conversion.
- 14.5 **Payment of fees related to transfers.** We shall charge fees as per the Tariff of Fees depending on the type of a fee specified in the payment instructions related to an incoming payment from abroad. If the payment instructions indicate that fees related to the transfer should be paid by you as the beneficiary of the payment ("BEN") or shared by the payer/debtor and you as the payee/creditor ("SLEV" or "SHA"), we shall charge the fees as per the Tariff of Fees and, at the same time, the payer's bank and/or intermediary bank may decrease the amount of the payment by related fees. If the payment instruction we receive specifies that the fees related to the transfer should be paid by the payer/debtor (order party) ("OUR"), the fees related to the transfer shall be paid by the payer/debtor. If there are any restrictions on payments in respect of your account, we shall be entitled to set off a fee for the processing of the payment and deduct it from the transferred amount before it is credited to your account.
- 14.6 **Information disclosed by SWIFT Society.** Pursuant to US law, the data and information related to international payment transactions may become part of information transmitted by SWIFT (the Society for Worldwide Interbank Financial Telecommunication) to the US Department of the Treasury as part of the Terrorist Finance Tracking Programme.

15. One-Off Order for an Outgoing Foreign Payment, Including a SEPA Payment

- 15.1 **One-off Order for an outgoing foreign payment, including an outgoing SEPA payment.** A one-off Order for an outgoing foreign payment shall be initiated by your instruction for the execution of an outgoing payment for the execution of an outgoing foreign currency payment or, CZK payment to a foreign country, or a foreign currency payment to another account held in the Czech Republic on the required due date.

⁸ A list of these countries is available at www.kb.cz (as of the date of issue of these Rules on <https://www.kb.cz/getmedia/1e55740f-47ca-4a62-84f8-dc8c7c52bbe1/zeme-ktere-pouzivaji-ucet-ve-formatu-iban-19032019.pdf.aspx>).

- 15.2 **Due dates of the Orders.** The due date of an Order for an outgoing foreign payment, including a SEPA payment, shall be determined as follows, except for Orders with an advanced due date:
- If the Order is submitted on a Business Day before the Order submission deadline (the point in time shown in the table below), the due date of the Order shall be identical with the date of its submission,
 - If the Order is submitted on a Business Day after the Order submission deadline (the point in time shown in the table below) or on a day other than a Business Day, the due date of the Order shall fall on the next succeeding Business Day after the date of its submission
- 15.3 **Deadlines of the submitting of the Orders on their due date (D) and of the processing of the Orders for outgoing foreign payments, including outgoing SEPA payments**

Type of payment		Order submission deadline		Day of crediting funds to an account held with the receiving bank
SEPA	Accelerated	EUR	11:00	D+0
	With conversion		17:00	D+1
	Without conversion		20:20	
Zahraniční platba	Accelerated	CZK, DKK, CHF, NOK, SEK, CAD, EUR, GBP, USD	11:00	D+0
	With conversion	AUD, JPY	17:00	D+2
	Without conversion		20:20	
	With conversion	All except AUD, JPY	17:00	D+1
	Without conversion		20:20	
Platba do naší pobočky na Slovensku	With/without conversion	BGN, CAD, DKK, GBP, HUF, CHF, NOK, PLN, RON, SEK	14:00	D+0
		CZK, EUR, USD	15:00	
		SEPA payment (EUR)		
	With conversion	AUD, JPY	17:00	D+2

If the Order is submitted by the time specified above, we shall credit the funds to the payee's (receiving) bank account no later than on the day specified above. If the Order is entered after the specified time, the due date shall be the next succeeding Business Day.

In case of transactions outside EEA and transactions within EEA denominated in non-EEA currencies, the deadlines for the crediting of the funds to a payee bank's account shall depend on the manner of processing a transaction by intermediary banks, though. Hence, the deadline for making outgoing payments may be extended by one Business Day in exceptional cases.

We reserve the right to change the listed times and currencies.

- 15.4 **Multiple-round processing of a one-off Order for an outgoing foreign payment.** We may process an outgoing foreign currency payment within the Bank, both involving and not involving a currency conversion, as well as an outgoing payment made abroad in multiple rounds: they shall be settled on their due dates. If they are not, they may be settled on the following two (2) consecutive Business Days, provided there are sufficient funds in the account.
- 15.5 **Payment of fees related to the transfer under transactions within EEA or the SEPA Area.** In case of the transactions within EEA and EUR payments made to countries outside EEA which, however, belong to the SEPA Area, the fees related to the transfer shall be shared by you (i.e., the payer) and the payee ("SLEV" or "SHA" fees). The Order shall be automatically designated with the "SLEV" or "SHA" charge code. As for the transactions within EEA executed in currencies other than EEA currencies, you hereby acknowledge that we shall charge you with a fee as per the Tariff of Fees and, at the same time, the receiving bank and/or intermediary banks may charge the payee with a fee set forth by these banks, or the transferred amount may be reduced by the amount of the aforesaid fees.
- 15.6 **Payment of fees related to the transfer in case of the transactions outside EEA.** In case of the transactions outside EEA, the fees related to the transfer shall be shared by you (i.e., the payer) and the payee. You hereby acknowledge that we shall charge you with a fee as per the Tariff of Fees and, at the same time, the receiving bank and/or intermediary banks may charge the payee with a fee set forth by these banks, or the transferred amount may be reduced by the amount of the aforesaid fees.

- 15.7 **Choosing an intermediary bank and refunding the transfer amount.** We shall choose, solely at our discretion, a foreign bank that shall process an Order for an outgoing payment made abroad, unless agreed upon otherwise between you and us. If the receiving bank or the intermediary bank fail to settle the outgoing payment to another country and send back to the Bank the amount of the payment less any costs incurred by themselves, we shall credit the reduced amount of the payment back to your account.

Chapter 4. Definition of Terms, Rules of Interpretation, and Final Provisions

Capitalised terms used herein shall have the meaning as defined in the General Business Terms and Conditions, Terms and Conditions of Products and Services, or below:

“Agreed Rate” shall mean the price of one currency expressed in another currency agreed by the parties to the Currency Exchange.

“Bank” shall mean our company, i.e., Komerční banka, a.s., registered office at Prague 1, Na Příkopě 33/969, Postal Code: 114 07, IČO (Company ID): 45317054, entered in the Commercial Register kept by the Municipal Court in Prague, Section B, Insert 1360.

“Banking Services” shall mean any banking deals, services and products provided by the Bank based on its banking licence, including investment services provided by the Bank acting as a security broker/dealer.

“Business Day” shall mean a day that does not fall on a Saturday, a Sunday, a public holiday or other holidays within the meaning of the applicable law, on which the Bank is open for the provision of Banking Services and on which other institutions that take part in the provision of Banking Services, or on which the provision of the Banking Services depends, are open and provide the relevant services.

“Business Hours” shall mean the Business Day from 9:00 hrs to 17:00 hrs Prague time, or other time if we change our business hours, unless otherwise agreed.

“Client” shall mean you, the Client-Consumer, who have agreed to the Terms and Conditions of Products and Services.

“Conditions” shall mean the Terms and Conditions of Products and Services, which are the Product Terms and Conditions under the General Business Terms and Conditions.

“Currency Exchange” shall mean the exchange of two currencies within the individual subfolders of the Multicurrency Account.

“Exchange Rate” shall mean an exchange rate we have used for the Currency Exchange.

“IBAN” shall stand for the International Bank Account Number, i.e. an internationally agreed system of unique identifying of a bank account, bank and payee's or payer's country.

“Instant Payment” shall mean an outgoing or incoming payment in CZK between banks in the Czech Republic, which have accessed to the Instant Payment scheme. As a rule, it only takes a few seconds.

“Moment of Effectiveness” shall mean the moment at which an Order is accepted as envisaged by the Payments Act, determined in accordance with the Rules, at which all contractual and legal prerequisites shall be met with respect to (i) the acceptance of cash and an Order by the Bank (in case of depositing cash) or (ii) the debiting of funds from an account (in case of cash withdrawal and other Orders), i.e., the moment at which the Bank shall (or should) receive or debit the funds.

“Multicurrency Account” is a current account in which you hold under a single account number (in different subfolders) several different currencies listed in our Exchange Rate List.

“Order” shall mean a payment order, i.e., an instruction in which you ask us to execute a payment transaction. An Order is, without limitation, an outgoing payment order, standing payment order, or Direct Debit order.

“Pay a Contact” shall mean an outgoing or incoming domestic payment in CZK made on the basis of a payment order in which the payer provides a payee's telephone number as his/her Unique Identifier.

“Payment Account” shall mean an account used for payment transactions. A Payment Account is not, e.g., a term account (deposit account).

“Rate” shall mean an exchange rate published by the Bank.

“SEPA Area” consists of member states of the European Economic Area (EEA) and territories that have voluntarily acceded to the SEPA rules. An updated list of all countries that apply the SEPA rules is available at the official website of the European Payments Council: www.europeanpaymentscouncil.eu.

“Supported Foreign Currency” shall mean any currency listed in our Exchange Rate List except CNY, RUB, and TRY.

“Unique Identifier” shall mean an unambiguous specification of a payment service user and his/her payment account expressed by IBAN (possibly with an account number attached) and/or BIC or another identification of the payee’s bank, or, in case of domestic payments, by an account number and bank code (payment system code)⁹ or, in the case of an outgoing domestic payment submitted by the payer as Pay to Contact, also a telephone number that is connected to the specific account number in the RAMOS register maintained by the Czech National Bank.

“XAMOS CNB” shall mean a payment system processing the Instant Payments between banks in the Czech Republic, which have accessed to the Instant Payment scheme.

Unless the context suggests otherwise, the following rules shall apply to the interpretation of these Rules:

- a) The term “bank” shall include any and all providers of payment services as envisaged in the Payments Act¹⁰,
- b) A “required date of payment” or “due date” shall mean the date you shall have specified in an Order as the day of deducting the funds from an account or making a payment,
- c) “Clearance” or “settlement” of Orders shall mean the crediting/debiting of funds to/from an account,
- d) A “transaction inside the EEA” shall mean any transaction whereby the payer and payee’s accounts are kept in a member state of the European Union or in a member country of the European Economic Area (EEA). The transaction inside the EEA shall include also domestic payment transactions,
- e) An “order” shall mean the “Order” or another instruction you shall have given to us,
- f) Any reference to Bank’s Internet pages shall mean a reference to www.kb.cz or other Internet addresses we currently use or shall use in association with providing our services or EL KB Service pursuant to the Terms and Conditions of Products and Services,
- g) A payment that does not involve a currency conversion – or a no-conversion payment – shall mean a payment made in the currency of the account to which the payment is debited/credited,
- h) A payment that involves a currency conversion – or a conversion payment – shall mean a payment made in a currency other than the currency of the account to which the payment is debited/credited.

These Rules come into effect as of 01 February 2024 and repeal and replace the Rules effective from 01 November 2023.

⁹ Decree of the Czech National Bank No. 169/2011 Coll., On the rules for the creation of account numbers for making payments.

¹⁰ Act No. 370/2017 Coll., the Payments Act, as amended.