

CHANGE TO TERMS AND CONDITIONS FOR NOTICE ON PAYMENT SYSTEM

Dear Client,

This is to inform you of forthcoming changes to our business terms and conditions.

In response to the developments in Ukraine, the processing of all payments to Russia and Belarus, regardless of the currency, will be restricted starting in March of this year. For this reason, the terms and conditions applicable to the Notice on the Payment System have been amended.

The new terms and conditions will enter into effect **starting 1 June 2023**. The amended version can be found at **kb.cz/en/documents**.

Moreover, kindly take note of another important change. This concerns a **sanction measure** that we have adopted **starting 1 March 2023** in connection with blocking payments remitted to Russia and Belarus, regardless of the transaction currency. This measure was adopted to reduce security risks, and the measure will remain in effect until revoked.

The full text of the sanction measure can be found at **kb.cz/en** under Individuals – Accounts – Payments and Cash Services – Foreign Payment Transactions – Documents.

If you do not use transactions of this type, kindly disregard this notice.

Your Komerční banka

Overview of Changes to Notice on Payment System in Effect Starting 1 June 2023

Starting 1 June 2023, this Notice on the Payment System, as amended by the amendments listed below, will constitute an integral part of the agreement within the meaning of Article 2.2 of the General Business Terms and Conditions. The new text is underlined and written in italics, and the cancelled text is ~~crossed-out~~ and written in italics.

Article 1.13 has been amended as follows:

The Bank shall be entitled to reject or postpone the execution of the Client's Order if the execution thereof is liable to infringe, without limitation, (i) the law of the Czech Republic or of the country in which the intermediary bank is located, or (ii) the business policy of the Bank, the Société Générale Financial Group, or another intermediary bank. Unless otherwise made possible by the Bank in a specific case, the Bank shall have the right, in the interest of adhering to the principle of corporate social responsibility over and above legal Sanctions, to refuse the conduct of any payment transaction in any currency remitted to the territory of Russia or Belarus. Furthermore, the Bank shall have the right to refuse or postpone the execution of the Client's Order due to security reasons. In addition, due to the reasons laid down under this article of the Notice on the Payment System, the Bank shall have the right to refuse to accept payments remitted in favour of the Client's Account, and, where applicable, the duration of the processing of incoming payments may be significantly prolonged due to a detailed examination thereof. Furthermore, the Client hereby acknowledges that for the reasons stated above, a payment may also be returned or withheld by an intermediary bank.

Articles 3.1, 7.1, 27.4, 49.1, and 49.4 have been amended in the sense that, as of 30 June 2023, the products KB Bank Cheque and KB Private Cheque, as well as all transactions involving these products, will be terminated.

Article 52 has been amended as follows:

- 1.1 The Notice replaces and supersedes the Notice on the Payment System in force from ~~1 January 2023~~ 7 March 2023.
- 1.2 This Notice enters into force on ~~7 March 2023~~ 1 June 2023.