



Rules applicable to the time order of the settlement of receivables (hereinafter the “**Rules**”) set down the time order of fulfilment of the due debts towards Komerční banka, a.s., (hereinafter the “**Bank**”), in the event that the client has more due debts towards the Bank and the fulfilment provided by the client does not cover the full repayment thereof.

By the term “**Debt**” it is deemed every single due monetary obligation of the client towards the Bank, for example a single principal instalment, single interest instalment, default interest, fees, charges and already determined expenses. By the term “**Legal Relationship**” it is deemed a legal title to single Debts origination (most frequently a credit agreement).

The debts are being settled according to following rules unless agreed otherwise between the client and the Bank or unless there are other binding rules arising from the legal regulations, which may not be deviated from.

1. According to the following rules, the [Debt] principal and interests arising from any Legal Relationships shall always be settled first pursuant to the ranking of their due dates (i.e. the performance provided shall always be set off against such principal or interests which are due at the earliest) as follows:
  - a. in the case of Debts arising from Legal Relationships which are consumer contracts and credit card contracts entered into in the period:
    - i. till 30 June 2021 (including) which are not yet due in accordance with the terms thereof (i.e. their final maturity date has not occurred), nor have they become due and payable as a result of acceleration; and
    - ii. from 1 July 2021 (including) onwards,the due principal amount shall be settled first, and any due interest payments shall be settled afterwards.
  - b. in the case of Debts arising from other Legal Relationships, the due interest payments shall be settled first, and any due principal amounts shall be settled afterwards.
2. Only after the full repayment of due principal and due interests are being settled the due default interests, after their full repayment are being settled the due fees, charges and contractual penalties in the sequence as determined by the Bank and only after full repayment of the previously mentioned the remaining part of the Debt is being settled.
3. Provided that the fulfilment of the client to the Bank does not cover all the due Debts from all the Legal Relationships, the Debts are being settled in the sequence based on their due date, starting with the Legal Relationship, under which the Debt due at the earliest has arisen.

These Rules shall become valid and effective as of 1.12.2021 and shall replace the previous wording of the Rules.