



These Personal Credit Card Terms and Conditions describe in detail the rights and duties arising from an existing contract under which a personal credit card has been issued in compliance with rules of the relevant Card Association. Please read this document thoroughly. We shall gladly answer any of your questions.

CREDIT PROVIDED ALONG WITH THE CREDIT CARD

Article 1. Credit

- 1.1 Credit.** You shall be entitled to draw down the Credit using the card in accordance with the Contract, up to the Credit Limit, either in whole or in part, and even repeatedly. The Credit Limit is set forth in the Contract and denominated in the Credit Currency. You may also draw down the Credit by cashless transfers; however, only in case we approve such Drawdown on the basis of an Application. We shall express our approval by facilitating the Drawdown (by making the Credit available). In particular, we shall not be required to facilitate Drawdowns by cashless transfers in cases where an event of default as per Article 5.1 hereof shall or may occur or where no card is activated in respect of the Card Account.
- 1.2 Drawdown.** Should the drawn amount of the Credit exceed the Credit Limit for any reason, the said portion of the Credit shall immediately become due and payable. We shall be entitled to demand that you pay default interest as per applicable law on the said amount until a complete repayment of the portion of the Credit drawn in excess of the Credit Limit.
- 1.3 Payment of fees.** The fees relating to the Drawdown shall be debited to the Card Account without your further consent, provided: (i) the Contract foresees repayment of the Credit principal from a Current Account maintained by us; or (ii) we agree on this type of payment of fees. In case (i) we fail to agree on this; or (ii) we agree that such fees should be debited to a Current Account maintained by us; however, such Current Account is subsequently cancelled; or (iii) we agree that such fees should be debited to a Current Account maintained by us and, at the same time, the Drawdown is made by cashless transfer via direct banking services in this specific case while do not operate your Current Account via direct banking services, the fees relating to the Drawdown shall become part of the drawn Credit Limit as at the due date in all the above cases.
- 1.4 Disbursement.** The Credit shall be considered disbursed as soon as it is debited from our funds and credited to you.
- 1.5 Credit Limit change by the Bank.** We shall be entitled to reduce or cancel the Credit Limit in the manner prescribed for Contract amendments under Article 31 of the General Conditions. Such change (except for cases referred to in Article 5 hereof) shall come into effect no less than 63 days from the date on which we informed you about such change. You shall be required to repay the Credit up to the new Credit Limit, or the whole amount of the Credit including interest and service payments, as at the effective date of the change.

Article 2. Repayment of Principal and Interest

- 2.1 Repayment.** You shall repay the drawn-down (utilised) Credit principal and the interest from your Current Account in a manner agreed upon in the Contract. In case you are delayed with any repayment, you will not be entitled to draw down the Credit and you will be required to settle any outstanding payments to us immediately, incl. interest and service payments. If you are not able to repay a due portion of the principal or interest in the manner agreed upon in the Contract, you shall be required to agree with us on an alternative way of repayment of the due amount prior to the due date thereof. You shall be required to repay any and all debts arising under the Contract in the Czech currency.
- 2.2 Rules of repayment.** You may repay the Credit in part or in full at any time during the term of the Contract, either by transferring funds or depositing cash into the Card Account. Any amount you pay to the Card Account not later than 5 calendar days before any Due Date shall be considered as prepayment (early repayment) of the drawn-down (utilised) Credit principal. If such an amount exceeds the actually utilised Credit principal, the difference shall be used to cover the interest accrued. Any repayment made less than 5 calendar days before any Due Date shall be first used to cover a regular monthly instalment of the drawn-down (utilised) Credit principal and the interest accrued, or an appropriate portion thereof. If such repayment made by you exceeds the specified regular monthly instalment, the difference shall be used to cover the portion of the drawn-down (utilised) Credit principal not yet due in the manner described in the second sentence of this Article 2.2.

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- 2.3 Repayment amount.** You may either transfer or deposit financial funds to the Card Account in the amount corresponding to the drawn-down (utilised) Credit principal, interest accrued and other debts arising under the Contract.
- 2.4 Card Account overpayment.** In case you make a payment to us that exceeds any debts existing under the Contract, we have the right to register an overpayment of the Card Account (provided this is technically feasible) that would be used to cover any future debts arising under the Contract. Newly incurred debts under the Contract will first be settled using such overpayment. A Card Account overpayment may only exist insofar as strictly necessary – e.g. in case of merchants' refunds to the Card Account in connection with claims concerning purchased with the relevant card.
- No interest shall be paid in connection with your overpayment. In case the Contract is terminated and we do not have any receivables from you under the Contract, we shall transfer such excess amount to you - in the amount registered in the Card Account as of the Contract termination date – to a Current Account maintained by us or to any other account notified to us by you upon the Contract termination.
- 2.5 Payments.** Any and all payments made by you under the Contract must be free of any deductions. If the law requires you to make deductions on any payment, you shall be required to increase the respective amount so that, after the deductions are subtracted, we receive an amount equal to that we should have obtained under the Contract. You assume the risk of changes in circumstances within the meaning of the applicable provisions of the Civil Code¹.
- 2.6 Receivables settlement order.** If you are required to repay several due debts to us and the provided payment is not sufficient to satisfy all of them at once, your payment shall be used to settle your debts according to the Rules.
- 2.7 Automatic repayment.** In the Contract, you can arrange for an automatic repayment of the drawn-down (utilised) Credit principal (Charge functionality). This functionality may be subject to fees as per the Tariff of Fees.
- 2.8 Blocking funds in the Current Account.** If an automatic repayment is agreed in respect of the drawn Credit principal and interest by means of a transfer from the Current Account maintained by us without your further consent and such a transfer (payment) falls on a Business Day (except Mondays), we shall be entitled to block such funds in the Current Account (i.e. prevent you from using such funds) up to the specific amount of the repayment of the Credit, starting from the day on which the planned repayment should be made. If the date of the repayment falls on a Monday or a day other than a Business Day, the blocking of funds referred to above can be made on the day that immediately follows after the last Business Day before the day, on which the planned repayment of the Credit is to be made.

Article 3. Interest Rate

- 3.1 Interest rate.** The interest rate used for calculation of interest on the Credit is set forth in the Notice on Interest Rates. We shall be entitled to modify the interest rate unilaterally, depending on market developments, our cost of financing and other relevant circumstances. Any change/amendment to the Notice on Interest Rates shall come into effect at the moment a new version of the Notice is published on our website, unless stated otherwise in such Notice; we shall be required to inform you about such interest rate change sufficiently in advance; however no later than one month prior to its effective date, either in an Account statement related to the card or in another appropriate manner (e.g. via direct banking services or by sending a written notice to the Contact Address). You shall be entitled to reject the change and consequently terminate the Contract with an immediate effect or, as the case may be, withdraw from the Contract in case of a substantial increase of the interest rate; however no later than on the Business Day immediately preceding the effective date of the proposed change, always in the manner foreseen by Article 15.2 hereof. If you fail to reject the proposed change in the manner described above and, consequently, neither terminate the Contract nor withdraw from it in case of a substantial interest rate increase, you shall be deemed to have accepted the proposed change as from the effective date proposed by us.
- 3.2 Calculation of interest.** Interest under the Contract shall be calculated using a 360/360 day count; a calendar year shall therefore be deemed to have 360 days for the purpose of the calculation.
- 3.3 Grace period.** If you:
- Meet any and all obligations you may have to us in a due and timely manner; and

¹ Act No. 89/2012 Coll., the Civil Code, as amended.

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b) Repay the full amount of the drawn-down (utilised) Credit principal specified in a relevant Card Account statement so that the aforesaid amount is credited to the Card Account no later than the 20th day of the month in which the statement is issued, you shall not pay any interest on the drawn-down (utilised) amount of the Credit principal for the period of time to which the relevant Card Account statement relates.

3.4 Limitation of interest payments. In the event any general legislation limits the amount of contractual interest payments, any provisions of the Contract relating to the amount of such interest shall not apply to the extent such payments exceed the limitation.

Article 4. Your Duties

4.1 Creditworthiness assessment. Throughout the duration of any receivables arising under the Contract, we shall be entitled to examine and assess your financial situation, quality of the security (collateral), as well as other circumstances that could affect your ability to pay your debts arising under the Contract in a due and timely manner.

4.2 Duty to inform. You agree to submit to us, upon our request and without any undue delay, the following documents in writing:

- Certificate of your incomes (tax return, documents confirming employment income and other similar income, etc.);
- Documents confirming the receipt of social benefits;
- Permanent residence certificate;
- Trade licence;
- Documents necessary for assessing the recoverability and security of the Credit;
- Other documents we may reasonably require in connection with the provision, drawing, repayment or security of the Credit.

4.3 You shall inform us without any delay about any circumstances that may affect your ability to repay the Credit to us or result in deterioration or lapse of the security of your debts arising under the Contract.

4.4 Notification of changes. You agree to notify us by a registered letter of any changes to your personal data, particularly the permanent residence address, mailing address and/or employer, no later than 5 Business Days after such a change occurs.

4.5 Assignment of rights and receivables. You undertake not to assign, transfer or encumber with third-party rights your rights or receivables under the Contract without our prior written consent. Any assignment or transfer of such rights or receivables carried out by you without our consent shall be null and void. You also undertake not to transfer your rights and duties under the Contract to any third party without our prior written consent. Any transfer of such rights and duties carried out by you without our consent shall be null and void.

4.6 Compensation of cost. You shall compensate us, upon our request, for any and all reasonable cost, including all fees and charges, incurred in relation to the execution, performance, amendment, termination or breach of the Contract and any and all contracts entered into pursuant to the Contract or in connection therewith, including contracts arranging the security of your debts to us under the Contract, as well as any costs we may incur in connection with the protection or execution of any of our rights under the Contract and any contracts entered into pursuant to the Contract or in connection therewith.

Article 5. Events of Default and Other Serious Occurrences and Their Resolution

5.1 List of events. Any of the instances of a breach of the Contract listed below under paragraphs a) to d), as well as any other serious occurrence listed below under paragraphs e) to j), shall be deemed an Event of Default, if:

- a) You are in default with payment of any financial debt arising under the Contract;
- b) You fail to meet any duty or commitment imposed on you by the Contract, or you (or the person providing the security) fail to meet any duty or commitment imposed by the contract by which the security is established pursuant to the Contract, made between you or the provider of the security on one hand and us on the other, provided this is not another Event of Default and such breach is not remedied within the period of 10 calendar days from the day, on which the given duty or commitment was to be met;

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- c) Any statement made under the Contract or security documentation, any document, certificate or another representation made by a third party is or proves to be inaccurate, incomplete or misleading and we reasonably believe that such fact affects or may affect your ability to perform your obligations arising under the Contract;
- d) Legal action is taken against you or you are finally convicted of an offence after the Contract is concluded;
- e) Your financial situation deteriorates to the extent that the repayment/return of the provided Credit might be threatened (e.g. your assets are subject to an execution of judgment, distress, or exercise of a lien, or insolvency proceedings concerning your assets or other proceedings with similar legal effects are opened before a court of law);
- f) Security under the security documentation of your debts to us incurred in connection with the Contract ceases to exist, deteriorates, becomes ineffective or is declared as such by you or the provider of the security or such security is disputed in any other way; or insolvency proceedings or other proceedings with similar legal effects are opened before a court of law concerning assets of the provider of the security by which your debts or a portion thereof are secured;
- g) You breach any obligation under another contract entered into by and between you and us;
- h) You die or are pronounced dead;
- i) You are limited in your legal capacity; or
- j) The credit turnover in your accounts maintained by us substantially decreases over the period of three consecutive months compared to the moment the Credit was granted.

5.2 Bank's measures. In case of an Event of Default or another serious occurrence, we shall be entitled to the following, taking account of the seriousness of such event:

- a) Terminate the Contract;
- b) Not to release your funds deposited in accounts maintained by us up to the aggregate amount of our outstanding receivables from you arising under the Contract;
- c) Settle our outstanding receivables from you arising under the Contract or in connection therewith by debiting the accounts maintained by us. For the purpose of the settlement pursuant to the foregoing sentence, we shall also be entitled to use the funds in your deposit accounts or deposits, and to do so even prior to the agreed maturity of such deposit accounts or deposits. In such case, we shall be entitled to charge you with a fee for early withdrawal and other charges in accordance with the relevant Product Terms and Conditions. We shall also be entitled to satisfy our receivables from the debit balance up to the amount of an authorised overdraft of your current accounts maintained us;
- d) Reduce or cancel the Credit Limit;
- e) Suspend or block the card temporarily;
- f) Request additional security for debts corresponding to our receivables from you arising under the Contract;
- g) Request immediate repayment of the entire Credit or a drawn (utilised) portion thereof, plus interest and service payments.

5.3 Notification of measures. We shall be entitled to apply, at our discretion and taking account of the seriousness of a given breach of the Contract or the circumstances referred to in Article 5.1 hereof, one or several measures mentioned above in Article 5.2 hereof, either simultaneously or successively. We shall notify you in writing of the measures to be applied as well as of the reason for such measures and of the effective date thereof, unless such notification could frustrate the purpose of the measure or be in conflict with any applicable legislation. Any measure shall, at the earliest, come into effect on the date of the Event of Default, unless we set forth otherwise, or on the day of delivery of the notice in the manner specified in this Article.

5.4 Reduction of the Credit Limit by any unused amount of the Credit. We shall be entitled – for objective reasons, particularly if we have a reason to believe that any of the events specified in Article 5.1 hereof may occur – to cancel the drawing of any undrawn (unutilised) portion of the Credit, effective immediately. We shall notify you of such fact and reasons thereof in advance or immediately afterwards, without any undue delay, unless such notification would be in conflict with any applicable legislation.

5.5 Contract termination. The Contract shall be terminated on the day, on which you receive a notice of termination. You shall be required to repay the drawn-down (utilised) Credit principal, including any interest, fees and charges, as at the termination date. The termination shall not prejudice our right to claim any interest on the Credit as per the Notice on Interest Rates if you fail to repay the drawn-down (utilised) Credit principal after the Contract is terminated.

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Article 6. Default Interest

- 6.1 Default interest.** If you are in default with the payment of any financial debt to us arising under the Contract, we may claim default interest in the amount foreseen by the applicable legislation, starting from the first day of such default until the full repayment of the outstanding amount.
- 6.2 Payment of default interest.** Default interest shall become due and payable as of the moment we become entitled to such interest. The default interest shall be paid in the manner set forth for repaying the Credit principal and contractual interest on the Credit as agreed upon in the Contract. This shall not prejudice our right to settle the default interest in accordance with Article 5.2(c) hereof.
- 6.3** The settlement of the default interest shall not prejudice your obligation to indemnify us for any loss or damage incurred by us as a result of your default and not covered by default interest.

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Article 7. Issuing and Renewing the Credit Card

- 7.1 Card application.** Any individual over 18 years of age who has a current account with any bank in the Czech Republic is entitled to apply for a card. In justified cases, we shall be entitled to reject your application and not to issue the Card. We shall not be required to enter into the Contract.
- 7.2 Holder.** Pursuant to the Contract, you shall be entitled to two cards. A card can be issued to a third person over 18 years of age. We shall not issue a card to a Holder before he/she has been identified in compliance with the applicable legislation² or if the Holder's data and information we have available differ from those contained in your application.
- 7.3 Delivery of the card and PIN.** In the Contract, you can choose from different methods of card and PIN delivery to the Holder; these methods are specified in the Guide and may be subject to specific fees as per the Tariff of Fees.
- 7.4 Authorisation to collect the card.** The Holder may authorise a third party to collect the card in person. In that case, the PIN shall be delivered to the Holder by mail or in another manner.
- 7.5 Delivery of a damaged consignment or non-delivery of a consignment.** Upon accepting an envelope containing a card or a PIN code, the Holder is required to check for any potential damage. If the envelope is in fact damaged, you may refuse to accept it and apply for a new card. In this case, you should immediately contact the KB Card Support at +420 955 512 230 (available 24/7). You should follow the same procedure if you do not receive any consignment with your card / PIN code within 10 Business Days of filing a card application. We guarantee that the PIN code generation process/distribution is only known to the Holder.
- 7.6 Card activation.** All cards issued by us are issued as inactive. The card activation process is described in the Guide. The Holder shall not be entitled to use the card prior to its activation.
- 7.7 Validity.** The card may be used until the last day of the month/year of the expiration specified on the card. Notwithstanding the foregoing sentence, the original card shall expire as soon as the card renewed pursuant to Article 7.9 hereof is used.
- 7.8 Failure to accept or activate the card.** If the Holder refuses to accept the card or fails to activate it within 360 calendar days from the receipt of our notification, or from the day, on which the card is sent through a postal services provider, or from the card acceptance, the card shall be cancelled, including an activated Digital Card (if any) and associated ancillary services provided pursuant to Article 12 hereof. This does not apply if a Digital Card is active. If a personal collection of the card at a Branch is agreed, we shall destroy the card and the envelope with the PIN code after the aforesaid deadline expires. In case of the failure to accept or activate the card, we shall be entitled to debit from the Account any and all costs incurred in connection with the issuing of the card (particularly the card provision fee) pursuant to Article 9.1 hereof.

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

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- 7.9 Renewal.** We shall provide the Holder with a new card before the expiry date of the existing one. In case the MojeKarta service is used, we shall provide a new card displaying the latest approved personalised design available at the moment the new card is produced. This also applies to a card renewed in accordance with Article 14.4 hereof. However, we may (namely in situations where a license for the selected design expires), at any time throughout the validity term of the card, provide you with a new card with a design different from the one you had selected and to put the original card on the Blacklist; this shall also apply in case a card is renewed pursuant to Article 14.4 hereof. You are required to return the Blacklisted card to us. We shall not be required to renew any card that is not used during the last 12 months prior its expiration.
- 7.10 Non-provision of a new card.** If the Holder does not wish to receive a new card pursuant to above Article 7.9, either you or the Holder shall be required to notify the Client's Branch in writing no later than the 20th day of the month preceding the last month of the card validity. You can also cancel the automatic card renewal using your MojeBanka internet banking; the same deadline shall apply. If we receive the given notice after the above deadline, we shall be entitled to debit from the Card Account any and all cost incurred in connection with the issuing of the card (particularly the card provision fee) pursuant to Article 9.1 hereof.
- 7.11 Card issued in specific cases.** If any of the situations listed below occur, whereas no Cause of Termination referred to in Article 15.1 hereof occurs and we have not terminated the Contract pursuant to Article 5 hereof, and, at the same time, the Holder no more owns any functional card, you shall be entitled to apply for a new card with us:
- The last card is destroyed;
 - Card issued under the Contract expired – unless it is renewed pursuant to Article 7.9 hereof;
 - Last card issued under the Contract is Blacklisted and, at the same time, the Holder refuses to be issued with a new card pursuant to Article 14.4 hereof or fails to accept or activate a newly issued card pursuant to Article 7.8 hereof.
- The provisions of Article 7 hereof shall be applied accordingly to the application and issuance of new cards.
- 7.12 Holder's rights.** You agree that the Holder specified in the Contract (other than you) may enter into Contract amendments with us that would solely concern (i) change of data relating to such Holder; or (ii) refusal of automatic card renewal in connection with such Holder; or (iii) request for a duplicate card for such Holder that may be subject to fees foreseen by the current Tariff of Fees, to be debited from the Account; or (iv) request for an early card renewal for such Holder; or (v) reduction of agreed weekly limits for such Holder's card transactions; or (vi) application for a replacement card after a card is Blacklisted; or or (vi) request for a personalised card design or any change thereto for the Holder that may be subject to a fee according to the current Tariff of Fees charged to the Account, unless agreed otherwise with you.

Article 8. Credit Card

- 8.1 Ownership.** We are the sole owner of the card. By accepting the card, the Holder becomes entitled to use the card in accordance with the Contract. The Holder is not allowed to make any changes and/or alterations to the card or to duplicate it. After the right to use the card expires, the Holder shall be required to return the card to us without any undue delay or to destroy it by cutting the card. If he/she fails to do so, it shall be considered a material breach of the Contract and you shall be held fully liable for any unauthorised use of the card and will be required to indemnify us for any damage or charged transactions without any undue delay without any undue delay, for any subsequent loss and amounts of settled transactions.
- 8.2 Holder's status.** The Holder (if different from you) is an individual authorised to draw the Credit and dispose of the funds in the Card Account using the card, acting at your expense and responsibility. You shall be required to arrange your relationship with the Holder(s), which would prevent them from any unauthorised use of the card, overdraft of the Credit Limit or any other damage caused to you or us by drawing the Credit and/or Holder's use of the card. You undertake to instruct the Holder on the Contract, the Conditions (including the subject matter of the consents given by the Holder), the Guide, and rules for providing ancillary services associated with the card, and undertake to ensure that the Holder shall comply with the duties set therein. By activating the card pursuant to Article 7.6 hereof, the Holder shall confirm that he/she has acquainted himself/herself with the aforesaid documents and agrees to them. Any and all actions taken by the Holder in connection with the card shall be made on your behalf and at your expense.
- 8.3 Non-transferability.** The card is non-transferable. The Holder shall not allow any individuals other than the Holder to use the card. This also applies to a Digital Card.

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- 8.4 Functionality and signature strip.** Unless we agree otherwise, the issued card shall be contactless – in the form of a plastic card featuring a chip. In case we issue a Card with a signature strip, the Holder is required to sign the card on the signature strip immediately upon the receipt of the Card. The Card may also be converted into a contactless Digital Card, provided we allow this. For instructions concerning Digital Card activation and use, see the Guide.
- 8.5 MojeKarta service.** The MojeKarta service is a Banking Service that allows you to select your own card design. Your card may feature personalised design of your choice under the terms and conditions set forth in the Guide and in line with our current offer. We may refuse to provide the MojeKarta service, even without cause, and we may issue a Card with a design different from the one you originally chose at any time throughout the validity of your Card, particularly if a license for the design of your choice expires. Furthermore, we may suspend or cancel this service, even without cause. The MojeKarta service also refers to a personalised design of previously provided cards.
- 8.6 MojeKarta service and compensation for damage.** You shall be required to indemnify us for any damage that might be incurred by us, particularly in connection with an infringement of copyright or any other third-party rights or in connection with placing your own personalised design on the card, or in the event you fail to return to us the card with a design from our selection that was Blacklisted pursuant to Article 7.9 hereof.
- 8.7 Replacing a card type.** If, throughout the term of the Contract, the type of the card originally agreed upon in the Contract is replaced by a new one, we shall be entitled to issue to the Holder a card of the new type. The same shall apply if a Card Association whose logo is displayed on the card is replaced by another one.
- 8.8 Settlement authorisation.** By signing the Contract, you authorise us to settle any and all transactions executed with the card, as well as any and all fees and costs relating to the use of the card, by debiting them from the Card Account or, as the case may be, from another of your account maintained by us, always on the basis of your request and under our terms and conditions.

Article 9. Fees for the Use of the Credit Card

- 9.1 Fee for the card and its payment.** You shall pay us a fee for the provision and use of the card as per the Tariff of Fees. If you are to pay an annual fee, it shall be paid in advance and it is charged by us no sooner than the 30th calendar day after your card is arranged. In subsequent years throughout the card validity, the fee shall be payable annually – on the same day and month. If you are to pay a monthly fee, it shall be paid in advance and it is charged by us no sooner than the 5th Business Day after your card is arranged. In subsequent months throughout the card validity, the fee shall be payable on the same day of the month. If the due date falls on a day other than a Business Day, the relevant fee shall be charged on the next business Day. You hereby undertake to keep sufficient funds in the Account to cover required fees until we deduct them.
- 9.2 Annual fee refund.** You shall not become entitled to a refund of the paid annual fee for the use of the card if the card ceases to exist before its expiration date. In such case, though, you shall not be required to pay the annual fee for the use of the Credit Card for a following calendar year. The provision of the foregoing sentence shall not apply to the settlement of the annual fee for the use of the card pursuant to Articles 7.10 and 7.11 hereof. Upon the termination of or withdrawal from the Contract, we shall refund to you a proportional part of the annual fee charged for the card.
- 9.3 Fees for Banking Services and their payment.** Fees for the Banking Services provided to you in connection with the use of the card are set forth in the Tariff of Fees and shall fall due as at the moment of the provision of a specific Banking Service.
- 9.4** Any and all fees charged to you in connection with the Contract shall be debited from the Account.

Article 10. Use of the Credit Card

- 10.1 Use.** The Holder shall use the card in accordance with the Contract. You and the Holder shall ensure that the card is not used in conflict with the applicable legislation of the jurisdiction, where it is used. In connection with the card settings or for security reasons, we may limit or refuse authorisation of certain card transactions or certain transaction types. Similarly, we may reject any Internet card payment with a merchant, unless such payment transaction is authorised using any of the methods for creating an electronic signature issued to you by us on the basis of a Contract on electronic signature or unless such transaction is subject to two-factor authentication within the meaning of the European legislation. We do not monitor whether or not specific card transactions are justified.

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- 10.2 Weekly limits.** The Holder shall be entitled to execute card transactions up to the weekly limit (cap) specified in the Contract or based on your request and under our terms and conditions. Due to serious reasons (particularly for security reasons), we shall be entitled to change the limit at any time. We shall notify you of such change.
- 10.3 Drawing funds up to the Currently Available Limit.** The Holder shall only be entitled to draw funds using the card up to the Currently Available Limit pre-set for the Card Account, taking account of all other transactions debited from the Account, so as not to draw funds in excess of the Credit Limit.
- 10.4 Credit card holds for Online Transactions.** Starting from the moment an Online Card Transaction is approved (the moment of an authorisation card request and Card Account balance), the transaction shall have an "intended for processing" status, until the settlement of the transaction, we shall be entitled to block in the Card Account an amount corresponding to the amount of the transaction specified in the authorisation request and, consequently, reduce the available balance in the Card Account by the aforesaid amount. The blocked amount/card hold (with an "intended for processing" status) may differ from the actual transaction amount we shall eventually debit. A cancellation of the card hold does not necessarily mean a cancellation of the transaction as such; consequently, the transaction may eventually be settled. If case of an international transaction, the amount to be blocked in the Card Account shall be converted from the original transaction currency to CZK using the Card Association's rate. The manner in which the Exchange Rates are used during the blocking and the subsequent settlement is clearly described in the Guide.
- 10.5 Information concerning the Currently Available Limit.** Information about the Currently Available Limit of the Card Account might not, in certain cases and for technical reasons, reflect the current situation and the most recent changes, particularly with respect to executed card transactions. In case of Online Transactions, any changes to the Currently Available Limit are usually registered in the payment cards authorisation system immediately. Starting from the moment an Online Transaction is executed, the amount of the given transaction shall be blocked and we shall reduce the Currently Available Limit by the aforesaid amount. This may also be the case for certain Offline Transactions. In case of Offline Transactions where funds are not blocked, the Currently Available Limit of the Card Account shall not be reduced by amounts of such transactions until they are accounted for. This shall not prejudice the Holder's obligation referred to in Article 10.3 hereof.
- 10.6 Authorisation of transactions.** The Holder shall be required to authorise individual types of transactions in a manner specified in the Conditions and, particularly, in the Guide. Depending on a specific transaction type, the authorisation may be performed by entering the PIN, unlocking a mobile device in case of payments via some types of Digital Cads, Holder's signature, holding the card close to a payment terminal, entering required information on merchant's website, communicating required information to the merchant, or entering the card data, in certain cases together with a one-time transaction password or another password or, if permitted by us, via a method for creating an electronic signature issued to you by us on the basis of a Contract on electronic signature for payments to merchants on the Internet. In particular, this concerns the following transactions: authorisation of standard transactions executed using payment terminals, authorisation of contactless card transactions, authorisation of transactions executed without the direct use of a card, authorisation of 3D Secure payments, and authorisation of transactions executed using ATMs.
- 10.7 Authorisation of Internet transactions.** The Holder may use the card to execute Internet transactions in accordance with the parameters set forth in the Contract. The parameter changing procedure is described in the Guide.
- 10.8 3D Secure.** All cards we issue are 3D Secure active cards.
- 10.9 Non-execution of 3D Secure transactions.** We shall be entitled not to execute 3D Secure transactions if we have a reasonable suspicion that the card used for the transaction was used without authorisation. We shall allow the 3D Secure transaction as soon as the reasons for suspicion that the card was used without authorisation cease to exist.
- 10.10 Annulment of transactions.** Neither the Holder nor the Bank shall be entitled to annul any transaction after it is authorised.
- 10.11 Settlement of transactions.** We shall debit/credit the transactions, which we receive for processing, from/to the Account on each Business Day. The settlement times depend on the submission of supporting documents by a merchant's bank – i.e. we cannot affect such times or preclude the settlement of transactions. Consequently, late transaction settlement cannot be the sole reason for a complaint relating to such transaction.

Any CZK transactions originating from domestic settlement with regard to an Account in foreign currency shall be settled from your Account using KB's "deviza nákup" Exchange Rate (foreign currency buy rate – cashless). If the currency of the original transaction corresponds to the card Account currency, no conversion shall take place.

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Any transactions originating from international settlement shall be converted to EUR based on the Card Association's exchange rate. If a transaction is executed in EUR, no such conversion shall take place.

An amount denominated in EUR obtained from the Card Association shall be converted to CZK using "deviza nákup" Exchange Rate (foreign currency buy rate – cashless), effective as at the moment of the transaction settlement, and the resulting amount shall be debited from the Card Account.

If a previously executed Debit Transaction is accompanied by a Credit Transaction and is executed through the agency of a merchant whose transaction is processed by another bank, we shall not bear any liability for a possible difference between the recalculated amounts resulting from the fact that some time has elapsed between the settlement of the Debit and Credit Transaction.

The manner in which the transactions made via the Payment to the Card are cleared is specified in the Guide.

For information regarding the differences between our selected exchange rates and the reference exchange rates of the European Central Bank, expressed as a percentage, see our website (specifically the "Exchange Rates" section). We shall notify you of such differences, in defined circumstances³, electronically and free of charge via a message from Internet (online) banking. You have the right to refuse the delivery of such information (messages).

10.12 Costs of a breach of the Contract. We shall be entitled to debit to the Card Account any costs incurred as a result of a breach of the Contract committed either by you or by the Holder.

10.13 Transaction statements. We shall inform you about settled transactions made using the card by an Account statement. Fees for provided services and executed transactions shall be listed separately.

10.14 Other services. Other services may be used along with the card, such as the Dynamic Currency Conversion, Cash Back, and Emergency Cash Advance, under the terms and conditions specified in the Guide.

10.15 Limitation of services. We reserve the right to alter or cancel the setting of card parameters, or to change, suspend, hold up or cancel some or all of services provided in association with the card at any time, in particular due to circumstances of a technical/technological nature.

10.16 Blocking the card. We shall be entitled to block the card, including its digital version (i.e. Digital Card) temporarily for serious reasons, particularly for security reasons, even if the Holder does not agree with such measure. We shall inform the Holder about the blocking and about reasons for such a step in advance, or if advance notice is not possible, immediately after the blocking of the card via telephone, by a text message (SMS) or via email using the contact information we have on file. In the event the reasons for the blocking are no longer valid, we shall either reactivate the card or put it on the Blacklist and provide the Holder with a replacement card after the old one is Blacklisted, subject to our prior agreement.

10.17 Online card administration. You shall be allowed to change/amend your identification data and card parameters, or authorise a third party to do so on your behalf, including submitting a new application for a card, under the terms and conditions stipulated by us, provided that we allow you to do so via relevant direct banking services.

10.18 Locking the card. The Holder shall be entitled to lock his/her card (incl. any Digital Card), i.e. to disable any Online Transactions, as part of online administration or based on his/her request, under the terms and conditions stipulated by us. Once a card (i.e. plastic card) is locked, its digital version is locked as well; however, not the other way around. Locking the card shall not result in either its blocking or Blacklisting and the card can still be used for Offline Transactions. In case a Digital Card is locked, it cannot be used for Offline transactions either. The Holder shall subsequently be entitled to unlock the locked card in the same manner.

³ Regulation (EU) of the European Parliament and of the Council 2021/1230.

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Article 11. Complaints

- 11.1 Lodging complaints.** If you do not agree with any item settled (amount debited) as part of a transaction made using the card or with a fee charged for a provided Banking Service, you have the right to lodge a complaint at the Branch or in another manner specified in the Guide without any undue delay after you learn of the aforesaid fact. If you fail to lodge a complaint within 30 Business Days from the receipt of relevant settlement reports (statements), in which the relevant transaction was or should have been specified, without being prevented from doing so by particularly serious reasons, you shall be deemed to fail to lodge the complaint without any undue delay after you have learnt of the aforesaid fact. The time period is derived from complaints rules of relevant Card Associations. While lodging the complaint, you shall be required to present copies of documents relating to the transaction subject to complaint and your full address, including a telephone number and email. Further, you undertake to provide, upon our request, additional information or documents required for the assessment of the complaint within 10 calendar days of the receipt of our request at the latest. Any delay in providing the requested documents to us might result in suspension of the complaint procedures caused by a failure to meet complaint rules/requirements set forth by the relevant Card Association. If the complaint procedures are dependent on cooperation from another bank, you should see to it that the Holder provides his/her assistance and attaches his/her signature to the complaint report. If the relevant merchant fails to cooperate, any complaints concerning payment card transactions for goods and/or services provided by a third party on the Internet must be lodged within 30 Business Days from the day of the agreed (expected) date of delivery of the goods/provision of the services.
- 11.2 Types of complaints.** In particular, it is possible to lodge complaints with regard to ATM withdrawals, duplicate card transactions, unauthorised transactions on the Internet, and transactions concerning purchases of goods and/or services.
- 11.3 Bank's complaint procedure.** If we find the complaint to be justified, we shall cancel the relevant item subject to complaint and credit an appropriate amount back to the Account, or take another suitable measure. In case of complaints regarding unauthorised transactions, we shall proceed according to relevant provisions of the Notice on the Payment System.
- 11.4** In case of complaints concerning card transactions – including associated fees – carried out within other banks' networks or abroad, the complaint procedures and deadlines for handling complaints shall be governed by complaints rules of the relevant Card Association. Complaints concerning other card transactions shall be governed by our complaint rules, unless set forth otherwise herein. Complaints concerning goods/services paid with your card shall be governed solely by the complaint rules of Card Associations; this also applies to any deadlines for resolving such complaints (i.e. outside of the scope of the Payments Act⁴).
- 11.5 Reply to complaints.** We shall provide you with a reply to your complaint within 15 days from the day it is lodged. In cases where the complaint procedures are affected by third-party rules, we shall provide you with a reply to your complaint within 35 days from its receipt (at the latest).

Article 12. Ancillary Services for Credit Cards (Services)

- 12.1 Ancillary Services for Credit Cards (Services).** The possibility to use the Services is part of benefits associated with the use of certain types of credit cards. The Services comprise insurance products, assistance services or other similar services and may be available as Ancillary Services or Optional Ancillary Services.
- We reserve the right to change offered Services at any time, incl. the cancellation of any Service, to update the contents of a Service or to introduce new Services; we are required to notify you of such changes in an Account statement, or by other means of communication agreed with you, no less than 2 months prior to the proposed effective date of such change.
- 12.2 Ancillary Services.** An Ancillary Service represents an integral part of the relevant credit card; consequently, the provision of such Service cannot be agreed separately in the Contract. Similarly, an Ancillary Service cannot be terminated without losing the right to use the card or terminating the Contract at the same time.
- 12.3 Optional Ancillary Services.** An Optional Ancillary Service represents an optional part of the relevant credit card. Therefore, it can be agreed separately (even later) in connection with the Contract; similarly such Service can be terminated separately either by us, you or by the Holder (subject to your approval). Currently offered Optional Ancillary Services may also be used by the Holder, subject to your approval, provided the Holder agrees with us on the possibility to use such Optional Ancillary Services.

⁴ Act No. 370/2017 Coll., on Payments, as amended.

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- 12.4 Provider.** The Services shall be provided by a third-party Provider on the basis of an agreement we may conclude with such Provider; the Services shall be subject to the applicable terms and conditions. Solely the Provider shall be responsible for the quality and scope of the Services provided.
- 12.5 Terms and conditions of the Services.** The terms and conditions of the Services are available on our website presentation relating to the relevant credit card. We may unilaterally amend such terms and conditions; however, we are required to notify you of any amendments in an Account statement, or by other means of communication agreed with you, no less than 2 months prior to the proposed effective date of such change. The aforementioned provision shall not apply if the relevant change is made solely for your benefit, without affecting the existing fee charged in connection with the relevant Service.
- 12.6 Service availability start and end date.** The period, for which you may use a Service, shall end on the last calendar day of the month, in which your card expires (unless it is renewed) or at the end of the day, on which the right to use the card expires under the Terms and Conditions or on which the termination notice is delivered.
- 12.7 Fees.** In the event a fee is charged in connection with the provision of / possibility to use the Services, you shall pay fees foreseen by the KB Tariff of Fees; in this regard, you agree that we may automatically transfer the relevant fees from your Account.
- 12.8 Disclosure of information.** You hereby acknowledge that any information, incl. any personal data, provided by you or the Holder or collected by us in connection with the Contract shall be disclosed to the Provider for the purpose of the provision / use of the Services – solely to the extent necessary for the provision of the relevant Service. The Provider shall process such data, acting in the capacity of a data controller, either individually or together with us. For more information about the processing of your personal data by the Provider, see the Provider's website.

Article 13. Liability

- 13.1 Our liability and exemptions from liability.** In case of a dispute with the Holder, we shall investigate a transaction complained about, using every means available. Our liability for any unauthorised or incorrectly performed payment transactions shall be governed by relevant provisions of the Notice on the Payment System. In derogation of the provisions of the Notice on the Payment System, we shall bear any loss resulting from unauthorised transactions made with a lost, stolen or misused card using contactless technology, which are not in excess of weekly limits set by us or the Card Associations. The liability pursuant to the previous sentence shall not apply, if the loss is caused by the Holder by his/her fraudulent conduct, or a breach of the duty to use the card as required by the relevant Contract or the duty to inform us without any undue delay of any loss, theft, misuse or unauthorised use of the card, or in case of Offline Transactions pursuant to Article 10.18 hereof.
- 13.2** We shall not be held liable for unauthorised payment transactions and/or for any damage consequently incurred by you or the Holder if you fail to comply with the rules of the card protection rules, the mobile device protection rules, the PIN code, one-time password for Digital Card activation or 3D Secure password set forth herein (notably under Article 16 hereof) and the Guide, or if the Holder fails to inform us of any theft, misuse or unauthorised use of the card, PIN code, one-time password for Digital Card activation or 3D Secure password within required deadlines, or if you failed to activate the Digital Card under the terms and conditions stipulated by us. However, if the card is used without authorisation but a correct PIN code or a one-time 3D Secure transaction password or another password has been entered, or a payment to a merchant on the Internet is authorised via a method for creating an electronic signature issued to you by us on the basis of a Contract on electronic signature, you shall be fully liable for all transactions made while the card has been used without authorisation, until the loss, theft or suspected unauthorised use of the card is reported to us. This also applies to certain types of Digital Cards, where a mobile device is unlocked in connection with a payment.
- 13.3** We shall not be held liable for any incorrectly performed payment transaction and possible resulting damage, if such transaction has failed due to using a device not approved to be used for card processing. Any extraordinary or unexpected circumstances, and/or circumstances independent on our will, and/or such circumstances, the consequences of which we could not avert, shall be deemed as circumstances exempting us from any liability for any incorrectly performed payment transaction, i.e. in particular (but not limited to): power failure, breakdown or partial malfunction of an ATM or payment terminal, refusal to accept the card as a means of payment for goods or services by a seller or provider (including another financial institution), etc. We shall not be held liable for any incorrectly performed transactions if the card is mechanically damaged.

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Article 14. Loss or Theft of the Card; Card Retained by an ATM

- 14.1 Holder's duty to inform.** In case the card or a mobile device, in which you use your Digital Card, is lost, stolen or used without authorisation or could be used without authorisation, you or the Holder shall be required to notify us, without any undue delay after having learned of such event, either at the KB Card Support or in person at the Branch. If any of the aforesaid events takes place abroad, you or the Holder shall notify us, without any undue delay after having learned of such event, at the KB Card Support or in person through a branch of a bank that is a member of the relevant card Association. A third party can make the notification as per this Article on your behalf or on behalf of the Holder. You or the Holder shall be liable for any loss incurred as a result of a lost, stolen or misused card being used, if – in the light of the duties specified in Article 16 hereof - you or the Holder fail to report the loss or theft of the card without any undue delay after you learn that the card has been lost or stolen; however, always by the end of the day on which you learn that card has been lost or stolen; in case of any unauthorised use of the card, such event must be reported to us within 30 Business Days from the delivery of settlement reports (statements) that contain information of the transaction subject to complaint, irrespective of the moment when you actually learn of the card loss, theft or unauthorised use.
- 14.2** When notifying of a loss or theft of the card, the notifying person shall be required to disclose to us essential data necessary to identify the card, i.e., the number of the card, Holder's personal data including a place of residence, and a type of the card. The notifying person shall further be required to inform us about details of the loss, theft or suspected unauthorised use of the card he/she is aware of.
- 14.3 Bank's proceedings.** Having received the notification pursuant to Articles 14.1 and 14.2 hereof, we shall place the card/cards (incl. any Digital Card) on the Blacklist, unless agreed otherwise. A fee for the Blacklisting as per the Tariff of Fees shall be debited from the Account. The Blacklisting shall become effective after we issue a confirmation of the Blacklisting following the notification, and the notifying person agrees to all its terms. We shall provide details of the time of the Blacklisting upon a written request served through the Client's Branch.
- 14.4** Unless the Holder refuses to be issued with a new card while making the notification pursuant to Articles 14.1 and 14.2 hereof, we shall issue a new card to the Holder for a fee as per the Tariff of Fees. The Conditions shall apply accordingly to the delivery of such new cards and PIN to the Holder. The provisions of this Article shall not apply to Digital Cards. In case a Digital Card was created in respect of the original card, it is automatically transferred to the newly issued card. The Digital Card number remains the same.
- 14.5 Alternative delivery method.** In case of an emergency, we may agree with you or the Holder that a new card and the PIN may be delivered to an alternative location in the Czech Republic or abroad, by means of a paid service.
- 14.6 Liability for transactions after a loss, theft or unauthorised use has been reported.** In accordance with relevant provisions of the Notice on the Payment System, we hold liability for unauthorised payment transactions and any loss or damage resulting from an unauthorised use of the card as from the moment the loss, theft or suspected unauthorised use of the card is reported to us in the manner specified in Article 14 hereof. If the time of a specific transaction cannot be identified (e.g. from a proof of payment or record of authorisation), we shall not become liable for an unauthorised use of the card before the next calendar day immediately following after the day, on which the loss, theft or suspected unauthorised use of the card is reported to us in the manner specified in Article 14 hereof.
- 14.7 Card retained by an ATM in the Czech Republic and abroad.** If the card is retained by an ATM, the Holder shall be required to contact the KB Card Support for immediately. If the card is retained by an ATM abroad, the Holder shall be required to note down a date and time of the event, location of the ATM and name of the bank operating the ATM (see a logo on the screen). Further information is available in the Guide.
- 14.8 KB Card Support.** The KB Card Support is operated nonstop, using public telephone lines that are not protected against possible unauthorised use of messages transmitted. We shall not be held liable for any damage incurred by you as a result of a possible unauthorised use of messages transmitted to us via the KB Card Support.

Article 15. Termination of the Contractual Relationship

- 15.1 Cause of Termination.** The Contract shall cease to exist due to any of the causes listed below:
- Termination of the Contract by the Client pursuant to Article 15.2 hereof, even without cause;
 - Termination of the Contract by the Bank pursuant to Article 15.3 hereof, even without cause.

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15.2 Termination by the Client. You shall be entitled to terminate the Contract by a written notice. The 1-month notice period shall start on the day following the day on which you deliver the notice to us, unless we agree on a shorter notice period. In that case, you shall be required to repay any drawn part of the Credit including interest and service payments by the last day of the notice period (at the latest), unless we agree on a later deadline. Your termination of or withdrawal from of the Contract made pursuant to Article 3.1 or Article 15.2 hereof must be submitted in writing, with your signature either notarised or made before our employee (unless we accept another manner of authentication), and must be served to us through the Client's Branch.

15.3 Termination by the Bank. We shall be entitled to terminate the Contract by a written notice. In such case, the Contract shall cease to exist:

- a) On the 90th day from the day on which we terminated the Contract with you, provided that the Credit including interest and service payments has been repaid by that date;
- b) Upon expiration of the period of 10 months from the first day of the month following after the month in which we terminated the Contract with you; or
- c) On the day on which the Credit including interest and service payments was repaid; however not before the deadline set forth under Section 15.3(a) and not later than by the deadline set forth under Section 15.3(b) hereof.

This does not prejudice our right to terminate the Contract pursuant to Article 5 hereof or the General Conditions.

If the Contract is terminated pursuant to Section 31 of the General Conditions, the procedures and deadlines set forth in this Article 15.3 shall not be applied.

15.4 Unless we agree in writing on issuing a new Card before expiration of the deadline set forth in Article 15.2 and 15.3 hereof, it shall be considered as if no Cause of Termination of the Contract has occurred. The above clause shall not apply if we are required to issue a new Card pursuant to the Contract.

15.5 Expiry of the Holder's right to use the card. The Holder's right to use the card shall cease to exist:

- a) As at the date of the Cause of Termination of the Contract, except in cases where we terminate the Contract, in which cases the Holder's right to use the card shall expire on the 63rd day from the date of the Cause of Termination;
- b) As at the date at which we shall learn in a trustworthy manner about your or Holder's death;
- c) As at the date at which you shall inform us in writing that the Holder's right to use the card has been annulled;
- d) After the card issued to the Holder hereunder pursuant to Article 7.8 hereof has been destroyed;
- e) Upon the expiry of the card, unless it is renewed pursuant to 7.9 hereof;
- f) As at the date at which the Holder shall ask us in writing to cancel the card;
- g) As soon as we learn that the card issued to the Holder hereunder has been destroyed;
- h) If the card is put on the Blacklist and you or the Holder refuse to be issued with a new card pursuant to Article 14.4 hereof, or if the Holder – other than you – applies for card cancellation and fails to return the card, or if you or the Holder fail to collect the card or to activate it pursuant to Article 7.8 hereof;
- i) If we exercise our right to withdraw from the Contract pursuant to Article 5 hereof.

The right of the Holder – other than you – to use the card shall cease to exist on the day such Holder applies for card cancellation in a manner acceptable to us. In case the Holder returns the card together with his/her application, we will destroy the card; in case the card is not returned, we shall Blacklist it.

15.6 Blacklisting the card after the expiry of the Holder's right to use the card We shall place the card on the Blacklist as at the date of expiry of the Holder's right to use it pursuant to Article 15.5 hereof, even in cases where the Holder fails to return the card to us. Once the card is Blacklisted, the Digital Card (if any) shall cease to exist as well.

15.7 Settlement after the Contract termination. We shall be entitled to debit to the Card Account the fees for Banking Services provided to you under the Contract, including costs relating to exaction (recovery) of debts arising under the Contract, for 30 days from the termination of the Contract. You shall be required to pay such fees in a manner agreed upon in the Contract.

Article 16. PIN Code; Protection of the Card and its Security Elements; Mobile Device Protection

16.1 Change of the PIN code; forgotten PIN code. The Guide shall inform you how you can change your PIN code or receive it again in case of a forgotten PIN code.

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- 16.2 Protection of the card.** The Holder shall be required to keep the card in a safe place separately from his/her identity documents, take every necessary measure to prevent the card from being misused, and protect it from physical damage and magnetic field (e.g. from loudspeakers, transformers, magnetic locks or mobile telephones). The Holder must continuously make sure that the card has not been lost, stolen, misused or used without authorisation.
- 16.3 PIN protection.** The Holder shall be required to take any and all necessary measures to keep his/her PIN code confidential. Further, the Holder shall be required to destroy any and all media containing any information about the PIN code. The PIN code must not be noted down on the card, kept in the same place as the card or disclosed to third parties. The Holder shall be required to make any card transactions whereby the PIN code is entered himself/herself, without third parties' presence. We shall not be held liable for any damage that may result from disclosing or making available the PIN code, our PIN code obtaining manual, one-time 3D Secure password or another password, as appropriate, or credentials in case of any method for creating an electronic signature issued to you by us on the basis of a Contract on electronic signature for the purpose of 3D Secure authorisation, to a third party, from unauthorised observation of the PIN code within internet banking or from the breach of the mobile device protection specified in the following subsection.
- 16.4 Mobile device protection.** If you use your mobile device as a Digital Card or for authorisation via KB Klíč, you hereby undertake to take necessary measures to prevent any possible unauthorised use of the device by a third party. You shall protect and refrain from disclosing your one-time password intended for the Digital Card activation process. In particular, if your device uses a fingerprint scanner or face recognition for authentication/authorisation, your own identification elements may only be stored in your device and you shall not allow any third-party identification elements to be added to the device. This applies accordingly to any other technology for identification of a mobile device owner at the operating level system that may be accepted by us.
- 16.5 Protection of 3D Secure passwords.** The Holder shall be required to protect the one-time 3D Secure password or another password, as appropriate, and the one-time 3D Secure activation password so as to prevent any possible misuse of the card.
- 16.6 Guide.** When using the card, the Holder is required to abide by the provisions of the Guide.

Article 18. Definition of Terms

- 18.1** Capitalised terms used herein shall have the meaning as defined in the General Conditions or below:
- "3D Secure"** shall mean a manner of securing of the card, protecting its Holder from the risk of an unauthorised transaction made over the Internet at a merchant providing the 3D Secure service (whose Internet pages should be branded with the "MasterCard Identity Check" or "Visa Secure").
- "Account"** shall mean a Current Account or a Card Account from which fees and charges for services provided by the Bank to the Client under the Contract are deducted pursuant to the Contract.
- "Ancillary Services for Credit Cards" or "Services"** shall collectively mean the Ancillary Services and the Optional Ancillary Services.
- "Application"** shall mean an application by which the Client applies for Drawing non-cash resources. The Application, in a form and contents required by the Bank, should be submitted at the Client's Branch, over the telephone or in another manner.
- "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, registered in the Commercial Register administered by the Municipal Court in Prague, section B, entry no. 1360.
- "Blacklist"** shall mean a list of Cards that must not be used for any transaction. If a card is put on the Blacklist, the Holder shall not be entitled to keep using it (particularly for payment transactions). Once a card is blacklisted, the Holder shall be required to destroy it by cutting the card.
- "Blacklisting"** shall mean a procedure of including a card on the Blacklist under the terms and conditions set forth by the Bank.
- "Branch"** shall mean any branch of the Bank.
- "Card Account"** shall mean a Client's credit account maintained by the Bank, in which the Bank registers Client's debts to the Bank arising under the Contract.
- "Card Associations"** shall mean international associations granting the Bank a licence to issue and use Visa or MasterCard payment cards.
- "Cause of Termination of the Contract"** is defined in Article 15.1 hereof.
- "Client"** shall mean you, a natural person (non-business) that has entered into the Contract with the Bank. At the same time, the Client is considered a Client – Consumer as defined by the General Conditions.
- "Client's Branch"** shall mean a branch of the Bank that maintains the Card Account.

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“**Conditions**” shall mean these Personal Credit Card Terms and Conditions that represent the Product Terms and Conditions as envisaged by the General Conditions.

“**Contract**” shall mean the Contract for a Personal Credit Card entered into by and between the Bank and the Client.

“**Credit**” shall mean financial funds the Bank undertakes to provide to the Client for a prearranged period of time and up to a prearranged amount, under the terms and conditions set forth in the Contract.

“**Credit Limit**” shall mean a maximum amount of the Credit (prearranged ceiling) set forth in accordance with the Contract that may be used by you.

“**Credit Currency**” shall mean the currency in which the Credit Limit is denominated.

“**Credit Transaction**” shall include any and all payments refunded by merchants to the Account, cancelled transactions and complaints lodged with merchants.

“**Current Account**” shall mean a Client's current account in CZK maintained by a bank in the Czech Republic from which the drawn-down Credit principal and interest accrued are repaid pursuant to the Contract.

“**Currently Available Limit**” shall mean an amount up to which the funds can be drawn under the Credit at a given moment (taking into the account the amounts of executed transactions and funds blocked in the Card Account), i.e., the difference between the amount of the Credit Limit on the one hand and the sum of the outstanding Credit Limit and amounts of the funds blocked in the Card Account on the other. If the difference is less than zero, the Currently Available Limit shall be equal to zero.

“**Debit Transaction**” shall mean any and all cash withdrawals, payments for goods/services made to merchants, and purchases made using a card via the Internet.

“**Digital Card**” shall mean a card, which is a contactless digital version of your embossed card. You may use it with smart mobile devices (smartphones, tablets, smartwatches etc.) to pay at NFC contactless terminals in regular shops or to pay online. Digital Cards are made possible by Google Pay, Apple Pay⁵, Garmin Pay, and Fitbit Pay services provided by third parties; consequently, the extent of such services depends on individual service providers. For more information about the Digital Card and associated services, see the Guide.

“**Drawing**” or “**Drawdown**” shall mean the provision of Credit pursuant to the Contract.

“**Due Date**” shall mean the date on which the Client is required to repay the Credit, any part of the Credit principal, interest, or to make another payment to the Bank under the Contract.

“**Event of Default**” shall mean any event or situation described under Article 6.1 hereof, or an event or situation specified as an Event of Default in the Contract.

“**Exchange Rate**” shall mean an exchange rate published by the Bank and applicable to card transactions.

“**General Conditions**” shall mean the General Business Terms and Conditions issued by the Bank.

“**Guide**” shall mean the Payment Cards Guide, a document containing additional important information about the card and its use, including the security rules, which the Bank is entitled to unilaterally amend, whereas we are required to inform you about such change in an Account statement or in another appropriate manner no less than 1 month prior to the proposed effective date of such change. This does not apply to changes that serve solely for the benefit of the Client or changes arising from any supplementation of existing banking service/product, without affecting existing fees. The Bank shall inform you about such changes immediately after they are made in a manner foreseen by the previous sentence. The Bank publishes the Guide on its website; alternatively, it is available at any Branch; it is not a Notice as defined by the General Conditions.

“**Holder**” shall mean an individual authorised to use the card pursuant to the Contract, whose name is printed on the card. The Holder may be either you or a third person authorised by you.

“**KB Klíč**” shall mean a method for creating an electronic signature that is based on individual characteristics of an activated application for supported mobile devices as well as the knowledge of a security PIN or biometrics and that makes it possible to verify signatory's identity, electronically sign documents or authorise payment transactions.

“**Offline Transactions**” shall mean any and all card transactions executed via electronic or mechanical devices whereby, as a rule, no funds are immediately blocked in the Card Account. The transaction is authorised locally by a payment terminal and is not accounted for until it is forwarded by the processing bank that serves the relevant point of sale where the transactions (payments) were made.

“**Online Transactions**” shall mean any and all card transactions executed via electronic or mechanical devices whereby, as a rule, changes to the current balance in the Card Account are registered immediately in the payment cards authorisation system.

⁵ Apple Pay is a trademark of Apple Inc., registered in the United States of America and other countries

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“**KB Card Support**” shall mean a nonstop customer service line relating to payment cards. The Bank shall communicate to the Holder the KB Card Support telephone numbers along with the card. Should these telephone numbers be changed, the Bank shall notify the Holder of such change in advance. The numbers are also available at Branches and on the Bank’s website.

“**Payment to the Card**” shall mean a service that facilitates the acceptance of payments credited to the Account. The detailed characteristics of this service can be found in the Guide.

“**PIN**” shall mean a personal identification number used to identify the Holder and corroborate their authorisation to make electronic transactions using the card.

“**Rules**” shall mean the rules applied to the time order of the settlement (remittance) of debts set by the Bank and governing the sequence of settling of the Client’s due debts to the Bank in case that the Client has multiple due debts to the Bank at a certain moment, provided the payment made by the Client is insufficient to cover the Client’s debts to the Bank.

Article 19. Final Provisions

- 19.1 Governing law.** The Contract shall be governed by Czech law, in particular by the Civil Code⁶ starting from its effective date, even if the Contract is concluded Prior to such date. However, the Contract execution, as well as any and all rights and duties arising under the Contract prior to the effective date of the Civil Code, shall be interpreted in compliance with the existing legislation.
- 19.2 Risk of changes in circumstances.** We hereby jointly assume the risk of changes in circumstances with respect to our mutual rights and duties arising from and in connection with the Contract, and we hereby exclude application of the provisions of Section 1765(1) and Section 1766 of the Civil Code to our contractual relationship established under the Contract.
- 19.3 Amendments to the Conditions.** We are entitled to amend these Conditions from time to time in the manner set forth in the General Conditions.
- 19.4 Previous version of the Conditions superseded.** These Conditions supersede the Personal Credit Card Terms and Conditions effective as of 28 October 2022.
- 19.5 Effective date of the Conditions.** These Conditions come into effect on 7 March 2023.

⁶ Act No. 89/2012 Coll., the Civil Code, as amended.