



These Terms and Conditions Applying to Debit Cards describe in detail the rights and duties arising from the existing contract under which the debit card has been provided in compliance with rules of a relevant Card Association. Please read this document thoroughly. We shall gladly answer any of your questions.

## Article 1. Providing and Renewing the Debit Card

- 1.1 Application for the provision of the card.** You may apply that the debit card be provided to you or to any third person. In justified cases, we shall be entitled to reject your application and not to provide the card. We shall not provide the card to the Holder, either, in case that he/she cannot be identified in compliance with law<sup>1</sup> or the data and information on the Holder we have in our files differ from those contained in your application.
- 1.2 Handing over the debit card and PIN code.** In the Contract, you can choose from the following manners of handing over the debit card and PIN code to the Holder, which are specified in the Guide and for which specific fees can be charged as per the Tariff of Fees.
- 1.3 Authorisation to collect the debit card.** The Holder may authorise a third party to collect the debit card in person. In that case, the PIN code shall be delivered to the Holder by post or in another manner.
- 1.4 Delivery of a damaged envelope or undelivered envelope.** Upon accepting an envelope containing a debit card or a PIN code, the Holder must check that it is not damaged in any way. If it is in fact damaged, you may refuse to accept it and have the right to apply for the provision of a new card. In this case, please contact the KB Card Support at +420 955 512 230 (available 24/7). You should follow the same procedure if you do not receive an envelope with your card / PIN code within 10 Business Days of submitting a card application. We guarantee that the manner in which the PIN code is generated and distributed is not known to anybody else but the Holder.
- 1.5 Activation of the debit card.** All cards provided by us are provided as inactive. The process of activation of a card is described in the Guide. The Holder shall not be entitled to use the card until it is activated.
- 1.6 Validity.** The debit card may be used until the last day of the expiry month/year as stated on the card. Notwithstanding the foregoing sentence, the original card shall expire as soon as the card renewed pursuant to Article 1.8 hereof is used.
- 1.7 Failure to accept or activate the debit card.** If the Holder refuses to accept the debit card or fails to activate it within 360 calendar days from the receipt of our notification, or from the date at which the card has been dispatched through the agency of a provider of postal services, or from the acceptance of the card, the card shall be cancelled, and so shall any related extra services provided pursuant to Article 7 hereof. This does not apply if a Digital Card is active. If the card has been ready for the collection at the Point of Sale, we shall destroy it and the envelope with the PIN code after the lapse of the aforesaid deadline. 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 provision of the card (in particular an annual fee for the provision of the card) pursuant to Article 3.1 hereof.
- 1.8 Renewal.** We shall provide the Holder with a new debit card before the expiry date of the old one. In case the MojeKarta service is used, we shall provide a new card displaying the latest approved personalised design available at the moment of manufacturing of the new card. The last sentence applies also to a card renewed in accordance with Article 8.4 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 cases where a card is renewed pursuant to Article 8.4 hereof. In this case, you shall have to return the blacklisted card to us. We shall not be obliged to renew the card in case that it had not been used for last 12 months before its expiry date.
- 1.9 Non-provision of the new debit card.** If the Holder does not wish that a new debit card be provided pursuant to above Article 1.8, either you or the Holder shall be obliged to notify the Client's Point of Sale in writing by the 20<sup>th</sup> day of a month preceding the last month of validity of the card at the latest. The automatic card renewal may also be deactivated via the Mojobanka internet banking within the same period of time. In case that we receive your or Holder's refusal of a new card after the above deadline, we shall be entitled to debit from the Account any and all costs incurred in connection with the provision of the card (in particular an annual fee for the provision of the card) pursuant to Article 3.1 hereof.
- 1.10 Holder's rights.** You hereby agree that the Holder – other than you - specified in the Contract may execute

<sup>1</sup> In particular, Act No. 253/2008 Coll., On Selected Measures against Legitimisation of Proceeds of Crime and Financing of Terrorism, as amended.

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with us amendments to such Contract, provided the subject matter of such amendments is solely (i) the change of data relating to such Holder; or (ii) refusal of the automatic card renewal relating to such Holder; or (iii) request for a duplicate card for such Holder that may be subject to a fee according to the current Tariff of Fees charged to the Account; or (iv) request for an early card renewal for such Holder; or (v) request for a replacement card after a card is Blacklisted; 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 2. Debit Card

- 2.1 Ownership.** We are the exclusive owner of the debit 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 copy it. After the right to use of the card expires, the Holder shall be obliged to give the card back to us without any unnecessary delay or to destroy it with scissors. Failing this, it shall be deemed a considerable breach of the Contract and you shall be held fully accountable for possible misuse of the card. You shall be obliged to recompense us, without any unnecessary delay, for any subsequent loss and amounts of settled transactions.
- 2.2 Non-transferability.** The debit card is non-transferable. The Holder shall not allow any individuals other than the Holder to use the card. This also applies to the Digital Card.
- 2.3 Functioning and the signature strip.** Unless we agree otherwise, the provided debit card shall be contactless, as a rule a plastic card with a chip. In case the provided card features a signature strip, the Holder is required to put his/her signature onto the signature strip immediately upon the receipt of the card. You may also convert the debit card into a contactless Digital Card, provided that we make it possible. The manner of activation and use of the Digital Card is described in the Guide.
- 2.4 MojeKarta service.** The MojeKarta service is a Banking Service that allows you to select your card design. Your debit 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.
- 2.5 MojeKarta service and compensation for damage.** You shall be obliged to recompense us for any damage possibly suffered, particularly in connection with an infringement of copyright or any other rights of third parties, or with placing your personalised design on the debit card, or in the event that you fail to return back to us the card with a design from our selection that was blacklisted pursuant to Article 1.8 hereof.
- 2.6 Replacing a debit card type.** If, throughout the effective period 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 provide 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.
- 2.7 Settlement authorisation.** By signing the Contract, you authorise us to settle any and all transactions made with the debit card, as well as any and all fees and costs relating to the use of the card, by debiting them from the Account or, alternatively and temporarily, from your other account held with us, this all based on your request and under our terms and conditions.

## Article 3. Fee for the Use of the Debit Card

- 3.1 Fee for the debit 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 30<sup>th</sup> 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 5<sup>th</sup> 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.
- 3.2 Annual fee refund.** You shall not become entitled to a refund of the paid annual fee for the use of the card if the debit card ceases to be valid before the expiry date. Upon the termination or cancellation of the Contract, we shall refund to the Client – Consumer a proportional part of the annual fee charged as per the Tariff of Fees.

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- 3.3 Fees for Banking Services and their payment.** Fees for the Banking Services provided to you in connection with the use of the debit 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.

## Article 4. Use of the Debit Card

- 4.1 Use.** The Holder should use the debit card in accordance with the Contract. You and the Holder shall be liable for making sure that the card is not used against the law of the place where it is being used. In accordance with the card functionality settings or for security reasons, as appropriate, we shall be entitled to limit or reject certain types of operations made using the card or some types of transactions as such. Similarly, we shall be entitled to reject an online card payment with a merchant, where the payment transaction was not authorised with one of the methods for electronic signature creation issued to you on the basis of an Electronic Signature Agreement or such transaction was not otherwise subject to two-factor authentication pursuant to applicable European legislation. We shall not examine whether or not a specific transaction made using the card is justified.
- 4.2 Weekly limits.** The Holder shall be entitled to execute transactions using the debit card up to the weekly limit (cap) arranged in the Contract or based on your request and under our terms and conditions. Due to serious reasons, in particular those of technical nature, we shall be entitled to change the limit at any time, of which we shall notify you. Depositing cash through an ATM machine (cash point) has no effect on the weekly limit arranged for the card.
- 4.3 Drawing funds up to the balance or permitted overdraft (authorised debit balance).** The Holder shall only be entitled to draw funds using the debit card up to the current balance of the Account or up to the permitted overdraft (authorised debit balance), if it has been arranged, taking heed of all other transactions debited from the Account.
- 4.4 Blocking of funds in case of On-Line Transactions.** Starting from the moment at which we approve an On-Line Transaction made using the debit card (the moment of an authorisation request concerning the card and balance in the Account), the relevant transaction shall have a "pending transaction" status, and until the settlement of the transaction, we shall be entitled to block in the Account an amount of money equal to the amount of the transaction specified in the authorisation request and, consequently, reduce the available balance in the Account by the aforesaid amount. The blocked amount (with the "pending transaction" status) may differ from the actual transaction amount we shall eventually debit. A cancellation of the blocking of the funds does not necessarily mean a cancellation of the transaction as such; consequently, the transaction may eventually be settled. If the transaction is an international transaction and the Account is denominated in CZK, the amount to be blocked in the Account shall be converted from the original transaction currency to CZK using the Card Association's rate. If the Account is denominated in a foreign currency, the amount to be blocked in the Account shall be converted from the original transaction currency to CZK using the Card Association's rate and then from CZK to the currency in which the Account is denominated using the current "*deviza nákup*" Exchange Rate (foreign currency buy rate – cashless). In case the Account currency corresponds to the transaction currency, there is no conversion and the card hold is created using the original amount. If the transaction is denominated in CZK and the Account is denominated in a foreign currency, the amount to be blocked in the Account shall be converted from CZK to the foreign currency using the current "*deviza nákup*" Exchange Rate (foreign currency buy rate – cashless). The manner in which the Exchange Rates are used during the blocking and the subsequent settlement is clearly described in the Guide.
- 4.5 Information on the Account balance.** Information on the Account balance might not, in certain cases and for technical reasons, reflect the current situation and the most recent changes, particularly with respect to debit card transactions. In case of the On-Line Transactions, any changes to the current balance are usually registered in the payment cards authorisation system immediately. Starting from that moment of the execution of the On-Line Transaction, the amount of the given transaction shall be blocked and we shall decrease the available balance in the Account by the aforesaid amount. Funds may similarly be blocked in the Account also in case of certain Off-Line Transactions. In case of Off-Line Transactions where funds have not been blocked, the balance in the Account shall not be decreased by amounts of such transactions until they are settled. The Holder's obligation referred to in Article 4.3 hereof shall not be affected by the aforesaid.
- 4.6 Authorisation of transactions.** The Holder shall be obliged to authorise individual transactions in a manner specified in the Condition and, particularly, in the Guide. Depending on a specific type of a transaction, the authorisation may be performed by entering the PIN code, unlocking a mobile device in case of payments by means of some types of Digital Cards, attaching the Holder's signature, holding the debit 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 along with a one-time transaction password or another password, as appropriate, or – if we allow you to - via any of

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the methods for electronic signature creation issued to you on the basis of an Electronic Signature Agreement when a payment to a merchant is made on the Internet. This particularly concerns the following transactions: authorizing of standard transactions executed using payment terminals, authorizing of contactless card transactions, authorizing of transactions executed without the direct use of a card, authorizing 3D Secure payments, and authorizing of transactions executed using ATM machines (cash points).

**4.7 Authorisation of Internet transactions.** The Holder may use the debit card to make Internet transactions in accordance with the parameters set forth in the Contract. The parameter changing procedure is described in the Guide.

**4.8 3D Secure.** All debit cards we provide are 3D Secure active cards.

**4.9 Non-execution of 3D Secure transactions.** We shall be entitled not to execute 3D Secure transactions if we have a reasonable suspicion that the debit card used during the transaction has been misused. We shall allow the 3D Secure transaction as soon as the reasons for suspicion that the card has been misused cease to exist.

**4.10 Annulment of transactions.** After a transaction is authorised, neither the Holder nor the Bank may annul it.

**4.11 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).

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.

- If the Account is denominated in CZK, the amount expressed in EUR obtained from the Card Association shall be converted to CZK using "deviza prodej" Exchange Rate (foreign currency sell rate – cashless), effective as at the moment of the initial recognition of the transaction, and the resulting amount shall be debited from your Account.
- If the Account is denominated in EUR, the amount in EUR shall be debited from your Account at the Card Association's exchange rate.
- If the Account is denominated in a foreign currency, other than EUR, the amount expressed in EUR obtained from the Card Association shall be converted to CZK using "deviza prodej" Exchange Rate (foreign currency sell rate – cashless). This amount expressed in CZK shall be subsequently converted to the Account currency using "deviza nákup" Exchange Rate (foreign currency buy rate – cashless) effective as at the moment of the initial recognition of the transaction, and the resulting amount shall be debited from the Account.

If the original transaction and the Account are denominated in the same currency, no conversion occurs.

If an already executed Debit Transaction is accompanied with a Credit Transaction through a merchant whose transaction is processed by another bank, we shall not be liable for any difference between the converted amounts resulting from the fact that some time has elapsed between the settlement of the Debit and the Credit Transaction.

For the settlement of transactions for Payment to the debit card, see 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 circumstances<sup>2</sup>, electronically and free of charge via your Internet (online) banking. You have the right to refuse the delivery of such information (messages). The delivery of information foreseen herein shall not be applied in respect of Clients, who are not Clients – Consumers pursuant to the General Conditions.

**4.12 Costs charged in case of a breach of the Contract.** We shall be entitled to debit to the Account any costs incurred as a result of a breach of the Contract committed either by you or by the Holder.

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

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

<sup>2</sup> Regulation (EU) 2021/1230 of the European Parliament and of the Council.

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- 4.15 Limitation of services.** We reserve the right to alter or cancel the setting of the debit 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.
- 4.16 Blocking the debit card.** We shall be entitled to block the debit card, including its digital version, i.e. the Digital Card, temporarily for serious reasons, particularly for security reasons, even without the Holder's consent. 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 electronic mail 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 debit 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.
- 4.17 On-line administering the debit card.** You shall be allowed to change/amend your identification data and debit card parameters agreed upon in the Contract, 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 make it possible for you to do it via a relevant Internet banking service.
- 4.18 Locking the debit card.** The Holder shall be entitled to lock his/her debit card, including the Digital Card, i.e. to disable any On-Line Transactions, as part of on-line administering or based on his/her request, under the terms and conditions stipulated by us. By locking the debit card (plastic card), its digital version shall also be locked, but it does not apply in reverse. Locking the card shall not result in either its blocking or Blacklisting and the card can still be used for Off-Line Transactions. When locked, the Digital Card cannot be used for off-Line Transactions, either. The Holder shall subsequently be entitled to unlock the locked card in the same manner.

## Article 5. Complaints

- 5.1 Lodging complaints.** If you disapprove of any item settled (amount debited) as part of a transaction made using the debit card or of a fee charged for a provided Banking Service, you have the right to lodge a complaint at the Point of Sale, or in another manner specified in the Guide, without any unnecessary 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 (account statements), in which the disputed transaction was or should have been included, without being prevented from doing so by particularly serious reasons, you shall be deemed to fail to lodge the complaint without any unnecessary 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 obliged to present copies of documents relating to the transaction complained about and your full address, including a telephone number or an email address. 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 cessation of complaints procedures caused by a failure to meet complaint requirements set forth by the relevant Card Association. If the complaints procedures are dependent on cooperation from another bank, you should see to it that the Holder collaborates and attaches his/her signature to the complaints report. Complaints relating to payment card transactions involving goods or services provided by a third party on the Internet or directly at a point of sale must be (where the relevant merchant fails to cooperate) lodged within 30 Business Days of the agreed (expected) date of delivery/provision of the goods or services.
- 5.2 Types of complaints.** It is namely possible to lodge complaints with regard to ATM cash withdrawals or deposits, duplicate transactions, unauthorised online transactions, and transactions involving goods or services.
- 5.3 Bank's complaint procedure.** If we find the complaint to be justified, we shall cancel the item complained about 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.
- 5.4** In case of complaints concerning transactions made in other banks' networks or abroad, or any fees associated with such transactions, the complaints procedures and deadlines for handling complaints shall be governed by complaints rules of a relevant Card Association. Complaints concerning other transactions made using the debit card shall be governed by our complaints rules unless set forth otherwise herein. Complaints relating to goods/services paid with the card shall be governed solely by the rules of the relevant Card Association, including any deadlines for resolving such complaints (i.e. outside the scope of the Payments Act<sup>3</sup>).
- 5.5 Responding to complaints.** We shall provide you with a response to your complaint within 15 Business

<sup>3</sup> Act No. 370/2017 Coll., on Payments, as amended.

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Days of the day it is lodged. In cases where the complaints procedures are affected by third parties' rules, we shall provide you with a response to your complaint no later than 35 Business Days of its receipt. Any complaints relating to transactions involving goods/services shall only be resolved on the basis of the complaint procedure result with a bank of the point of sale, where the relevant transaction took place, in full compliance with the rules of the relevant Card Association.

## Article 6. Ancillary Services Provided with Debit Cards

- 6.1 Ancillary Services for Debit Cards (Services).** The possibility to use the Services is part of benefits associated with the use of certain types of debit 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.
- 6.2 Ancillary Services.** An Ancillary Service represents an integral part of the relevant debit card; consequently, the provision of such Service cannot be agreed separately in the Contract. Similarly, an Ancillary Service cannot be terminated without terminating the Contract or losing the right to use the card at the same time.
- 6.3 Optional Ancillary Services.** An Optional Ancillary Service represents an optional part of the relevant debit card. Therefore, it can be agreed separately (even later) in connection with the Contract; similarly such Service can be terminated separately either by 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.
- 6.4 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.
- 6.5 Terms and conditions of the Services.** The terms and conditions of the Services are available on our website presentation relating to the relevant debit 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.
- 6.6 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, in which the right to use the card expires under the Terms and Conditions or in which the termination notice is delivered.
- 6.7 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.
- 6.8 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 your data, acting in the capacity of a data controller, either individually or together with us. For more information about the process of your personal data by the Provider, see the Provider's website.

## Article 7. Liability

- 7.1 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 erroneously performed payment transactions shall be governed by relevant provisions of the Notice on the Payment System. Dissimilarly to 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. Our liability pursuant to the preceding sentence shall not apply in cases where the Holder causes such a loss by his/her fraudulent activities, or a breach of the duty to use the card as required by the relevant Contract or the duty to inform us of any loss, theft, misuse or unauthorised use of the debit card or in case of an Off-Line Transaction pursuant to Article 4.18 hereof.

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- 7.2** We shall not be held liable for unauthorised payment transactions and/or for any damage consequently incurred by you or the Holder in case that you fail to abide by the rules of the safe handling of the debit card, 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 10 hereof) or 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. If the card has been used without authorisation but a correct PIN code, one-time 3D Secure transaction password or another password, as appropriate, has been entered or authorisation took place in connection with an online payment at a merchant via any of the methods for electronic signature creation issued to you on the basis of an Electronic Signature Agreement, you shall be fully liable for all transactions made while the card has been used without authorisation, until the loss, theft or suspected misuse of the card is reported to us. The same applies to certain types of Digital Cards if a mobile device is unlocked in case of a payment.
- 7.3** We shall not be held liable for any erroneously performed payment transaction and possible resulting damage, if such transaction has failed due to using a device not approved to be used for the debit card processing. Any extraordinary or unexpected circumstances, and/or circumstances independent on our will, and/or such circumstances whose consequences we could not avert shall be deemed as circumstances exempting us from any responsibility for any erroneously performed payment transaction, i.e. in particular (but without limitation to): power failure, breakdown or partial malfunction of an ATM machine 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 erroneously performed transactions if the card is mechanically damaged.

## Article 8. Loss or Theft of the Card; Hold-Up of the Debit Card in an ATM Machine

- 8.1 Holder's duty to notify.** In case your debit card or mobile device, in which you use your Digital Card, is lost, stolen or could be misused or used without authorisation, you or the Holder shall be obliged to notify us, without any unnecessary delay after having discovered the loss or theft, either at the KB Card Support, or in person at the Point of Sale. If any of the aforesaid events happens abroad, you or the Holder shall notify us, without any unnecessary delay after having discovered the event, at the KB Card Support or in person through a point of sale of a bank that is a member of a relevant Card Association. A third party can make the notification as per this Article on behalf of you or the Holder.
- You or the Holder shall be liable for any damage incurred as a result of any use of a lost, stolen or misused card with respect to obligations set forth in Article 10 hereof, unless:
- You or the Holder notify us of a lost or stolen card without any undue delay after you learn that it was lost or stolen; however, in any case by the end of the day on which you learn it was lost or stolen; or
  - You fail to notify us of any unauthorised use of the card within 30 Business Days from the receipt of settlement reports (statements) that contain information of the disputed transaction made with a misused card;
- Irrespectively of when you actually discover the loss, theft or misuse.
- 8.2** When notifying of a loss or theft of the debit card, the notifying person shall be obliged 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 obliged to inform us about details of the loss, theft or suspected unauthorised use of the card he/she is aware of.
- 8.3 Bank's proceedings.** Having received the notification pursuant to Articles 8.1 and 8.2 hereof, we shall place the debit card(s), including debit cards in the form of a 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 Point of Sale.
- 8.4** Unless the Holder refuses to be provided with a new debit card while making the notification pursuant to Articles 8.1 and 8.2 hereof, we shall provide a new card to the Holder for a fee as per the Tariff of Fees. The provisions of these Conditions shall be accordingly applied to the handover of the new card and PIN code to the Holder. The provisions of this Article shall not apply to debit cards in the form of a Digital Card. If a Digital Card has been created in the original debit card, it shall be automatically transferred to the new card and the Digital Card number shall remain the same.
- 8.5 Alternative manner of delivery.** In case of emergency, we may agree with you or with the Holder upon an alternative place in the Czech Republic or abroad to which the new debit card and PIN code shall be delivered by a paid service.
- 8.6 Liability for transactions after a loss, theft or misuse has been reported.** In accordance with relevant

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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 debit card as from the moment the loss, theft or suspected unauthorised use of the card shall have been reported to us in the manner specified in Article 8 hereof. If the time of a specific transaction is not identifiable (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 the day on which the loss, theft or suspected unauthorised use of the card shall have been reported to us in the manner specified in Article 8 hereof.

- 8.7 Debit card gets stuck in an ATM in the Czech Republic and abroad.** If the debit card gets stuck in an ATM machine (cash point), the Holder shall be obliged to contact the KB Card Support immediately. If the card gets stuck in an ATM (cash point) abroad, the Holder shall be obliged to note down a date and time of the event, location of the ATM (cash point) and name of the bank operating the ATM machine (see a logo on the screen). Further information is available in the Guide.
- 8.8 KB Card Support.** The KB Card Support is available 24/7 via public telephone lines that are not protected against possible misuse of messages transmitted. We shall not be held liable for any damage suffered by you as a result of a possible misuse of messages transmitted to us via the KB Card Support.

## Article 9. Termination of the Contractual Relationship

- 9.1 Listing of instances.** The Contract shall cease to exist:
- After being terminated by you or us;
  - Upon the Conclusive Date or upon winding up or dissolution of the Client – legal person;
  - Upon the cancellation of the debit card, or upon its invalidation pursuant to Article 1.7 hereof;
  - Upon the expiry of the card unless its validity has been prolonged pursuant to Article 1.8 hereof;
  - Upon putting the card on the Blacklist, provided that you or the Holder have refused to be provided with a new card pursuant to Article 8.4 hereof, or if a Holder – other than you – applies for card cancellation and fails to return the card;
  - At the moment we learn of the cancellation of the debit card;
  - Upon fulfilment of the condition precedent, i.e., at the moment of delivery of a notice of withdrawal from the Contract for Opening and Maintaining the Account by the other contracting party;
  - If you terminate the contract for the opening and maintaining the Account while switching your payment accounts in accordance with applicable law<sup>4</sup>, as at the date you have specified in your application for payment account switching as the date at which we – as your hitherto supplier – should make steps requested by you;
  - Upon expiration of the period specified in Article 1.7 hereof;
  - Upon expiration of a notice period in the event of a withdrawal from the Contract for Opening and Maintaining the Account by either party; this shall not apply if the Contract for Opening and Maintaining the Account and the Contract are terminated separately.

Our right to terminate the Contract in accordance with the General Conditions shall not be prejudiced by the above provisions.

- 9.2 Termination by the Client.** You shall be entitled to terminate the Contract in writing at any time. A notice of termination shall come into effect at the date of its delivery. If you terminate the Contract and, at the same time, you are not the Holder, you shall be obliged to deliver to the Holder a copy of the notice of termination.
- 9.3 Termination by the Bank.** We shall be entitled to terminate the Contract in writing at any time. The notice of termination shall come into effect at the date of its delivery, unless we stipulate otherwise in the notice; however, even then the notice of termination cannot come into effect before the date of its delivery.
- 9.4 Blacklisting of the debit card after the Contract has ceased to exist.** We shall place the debit card on the Blacklist on the day the Contract shall cease to exist or, if we terminate (pursuant to Article 9.3 hereof) or cancel the Contract, at the moment of dispatching the notice of termination or cancellation of the Contract. If either you or the Holder fail to return the card to us while terminating the Contract pursuant to Article 9.1(a) hereof, we shall place the card on the Blacklist at your expense. The costs specified in the previous sentence shall not be applied in case of a Client - Consumer; moreover, the provisions of the previous sentence do not apply to debit cards in the form of the Digital Card. This provision shall not apply if the Contract ceases to exist for reasons referred to in Articles 9.1(i) or (j) hereof. A debit card in the form of the Digital Card, if any, shall also cease to exist upon the Blacklisting of the debit card.
- 9.5 Settlement performed after the Contract has ceased to exist.** Within 30 days after the Contract ceases to exist we shall be entitled to debit from the Account the amounts of transactions made using the debit card and fees for Banking Services provided in connection with the Contract. If you are not a Client - Consumer, you should undertake not to terminate a relevant Contract for Opening and Maintaining the

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



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Account and not to close the Account throughout the aforesaid period. This provision shall not apply if the Contract ceases to exist for reasons referred to in Articles 9.1(h) or (i) hereof.

- 9.6 Termination of contracts with Clients – Consumer.** Article 9.3 hereof concerning the cases where we terminate the Contract shall not apply to Clients – Consumers and the termination provisions in the General Conditions shall be applied instead. If terminating a Contract with a Client - Consumer, we shall not place the card on the Blacklist before the day on which the Contract ceases to exist.
- 9.7 Expiry of the Holder's right to use the debit card.** The right of the Holder, other than you, to use the debit card shall expire as at the date on which such Holder applies to us for card cancellation (in a manner acceptable by us). In case he/she returns the card to us with his/her application, we will destroy, in case he/she do not return it, we will blacklist it.

## Article 10. PIN Code; Protection of the Card and its Security Elements; Mobile Device Protection

- 10.1 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.
- 10.2 Protection of the debit card.** The Holder shall be obliged to keep the debit card in a safe place separately from his/her identity papers, take every necessary step to prevent the card from being misused, and protect it from physical damage and magnetic field (generated, e.g., by 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.
- 10.3 Protection of the PIN code.** The Holder shall be obliged to take any and all necessary steps to keep his/her PIN code secret. Further, the Holder shall be obliged to destroy any and all media containing any information about the PIN code. The PIN code, must not be noted down on the debit card, kept in the same place as the card or disclosed to third parties. The Holder shall be obliged to make any card transactions whereby the PIN code is entered by himself/herself, without third parties' presence. We shall not be held liable for any damage that may result from disclosing or making available to a third party the PIN code, our PIN code obtaining manual or one-time 3D Secure password or another password, as appropriate, or login information in case of a method for electronic signature creation issued to you on the basis of an Electronic Signature Agreement for the purpose of 3D Secure authorisation, from unauthorised observation of the PIN code within internet banking or from the breach of the mobile device protection specified in the following subsection.
- 10.4 Mobile device protection.** If you use your mobile device as a Digital Card or for the purpose of authorisation via KB Klíč, you hereby undertake to take necessary measures to prevent any possible misuse of the device by a third party. You are required to protect and to not disclose the one-time password intended for the Digital Card Activation. In particular, if your device uses a fingerprint scanner or face recognition technology for authentication/authorisation, identification elements of your own may only be stored in your device and you shall not allow any third party to add any identification elements into your device. The aforesaid similarly applies to other technologies possibly used for identifying the owner of the mobile device on the operation system level that we deem acceptable.
- 10.5 Protection of 3D Secure passwords.** The Holder shall be obliged 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 debit card.
- 10.6 Guide.** When using the debit card, the Holder is obliged to abide by the provisions of the Guide.

## Article 11. Definition of Terms

- 11.1** 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 debit card, protecting its Holder from the risk of an unauthorised transaction made over Internet at a merchant providing the 3D Secure service (whose Internet pages should be branded with the “Mastercard Identity Check” or “Visa Secure” logo).
- “**Account**” shall mean the Client's current account kept with the Bank and specified in the Contract.
- “**Ancillary Services for Debit Cards**” or “**Services**” shall mean the Ancillary Services and the Optional Ancillary Services.
- “**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.
- “**Blacklist**” shall mean a list of debit 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

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a card is blacklisted, the Holder shall be obliged to destroy it with scissors immediately.

**"Blacklisting"** shall mean a procedure of putting a virtual debit card on the Blacklist under the terms and conditions set forth by the Bank.

**"Card Associations"** shall mean international corporations granting the Bank a licence to issue and use payment cards Visa or MasterCard.

**"Client"** shall mean you, a natural or legal person that has entered into the Contract with the Bank and for which the Bank keeps the Account.

**"Conditions"** shall mean these Terms and Conditions Applying to Debit Cards that represent the Product Terms and Conditions as envisaged by the General Conditions.

**"Contract"** shall mean the contract under which the Bank undertakes to provide the Client with a debit card and related services.

**"Credit Transaction"** shall include any and all payments restored by merchants to the Account, cancelled transactions made at merchants, and complaints lodged with merchants.

**"Debit Transaction"** shall include any and all cash withdrawals, payments for goods/services made to merchants, and purchases made using a debit card via Internet.

**"Digital Card"** shall mean a debit 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 Pay<sup>5</sup>, 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.

**"Exchange Rate"** or **"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 further vital information about the debit card and its use, including the security rules, which the Bank is entitled to amend unilaterally; we shall be obliged to inform you of such a change by an Account statement or in another appropriate manner at least 1 month before the proposed effective date thereof. The aforementioned shall not apply in case of changes carried out solely for the benefit of the Client or changes resulting from the supplementation of existing banking services/products that do not affect existing fees. The Bank is required to inform you of such changes immediately after they are made in a manner described in the previous sentence. The Bank makes the Guide public on its Internet pages or, as the case may be, makes them available at its Points of Sale. This document is not a Notice as envisaged in the General Conditions.

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

**"KB Card Support"** shall mean the 24/7 telephone 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 the Points of Sale and on the Bank's website.

**"KB Klíč"** is 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 document or authorise payment transactions.

**"Off-Line Transactions"** shall mean any and all transactions executed using a card via electronic or mechanical devices whereby, as a rule, no funds are immediately blocked in the Account. The transaction is authorised locally by a payment terminal and is not settled until it is forwarded by the processing bank that serves the relevant point of sale where the transactions (payments) have been made.

**"On-Line Transactions"** shall mean any and all transactions executed using a debit card via electronic or mechanical devices whereby, as a rule, changes to the current balance in the Account are registered in the payment cards authorisation system immediately.

**"Payment to the Debit Card"** shall be 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 Code"** shall mean a personal identification number. By the PIN Code, the Holder proves his/her identity and authorisation to make electronic transactions using the debit card.

**"Point of Sale"** shall mean any of Bank's points of sale (branches).

**"Security Rules"** shall mean the Rules of Safe Use of Payment cards setting forth elementary principles of the safe use of a card, which the Bank is entitled to amend. The Bank makes the Security Rules public on its Internet pages and they are also available at the Points of Sale. This document is not a Notice as

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<sup>5</sup> Apple Pay is a trademark of Apple Inc., registered in the U. S. and other countries and regions.

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envisaged in the General Conditions.

## Article 12. Final Provisions

- 12.1 Governing law.** The Contract shall be governed by Czech law, in particular by the Civil Code<sup>6</sup> starting from its effective date, even in case of Contracts entered into before that date. However, the execution of the Contract, as well as any and all rights and duties arising under the Contract before the effective date of the Civil Code, shall be judged based on previous law.
- 12.2 Risk of changed circumstances.** We hereby jointly assume the risk of changed circumstances with respect to our mutual rights and duties based on and in association with the Contract, and we rule out the application of the provisions of Sect 1765(1) and 1766 of the Civil Code to our contractual relationship established under the Contract.
- 12.3 Amendments to the Conditions.** We are entitled to amend these Conditions from time to time in the manner set forth in the General Conditions.
- 12.4 Replacement of the previous Conditions.** These Conditions repeal and replace the Terms and Conditions Applying to Debit Cards effective from 28 October 2022.
- 12.5 Effectiveness of the Conditions.** These Conditions come into effect as of 7 March 2023.

FOR INFORMATION ONLY

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