

# Information provided to entrepreneurs prior to concluding a contract with Citfin, spořitelní družstvo



## 1 Basic information about the company Citfin, spořitelní družstvo

Citfin, spořitelní družstvo, (hereinafter referred to as Citfin) with a registered office at Radlická 751/113e, 158 00 Prague 5, Company ID No.: 25783301, incorporated in the Commercial Register at the Municipal Court in Prague, Section DR, File 4607.

### 1.1 Information concerning the authorisation to provide services

**Citfin conforms to the regulations from the Czech National Bank, as a supervisory body with a registered office at Na Příkopě 28, Prague 1.**

Citfin is a business company which, based on its permission to operate as a Savings Association, provides Clients with the following services:

- a) Establishing and managing multi-currency accounts on which the Client can take advantage of multiple currency sub-accounts under one Account number, on which the main currency is CZK (in which the Client is charged all fees). The Client can have sub-accounts within the framework of one account managed in these currencies AED, AUD, BGN, CAD, DKK, EUR, GBP, HKD, HRK, HUF, CHF, ILS, JPY, MAD, MXN, NOK, NZD, PLN, RON, RUB, SAR, SEK, SGD, THB, TND, TRY, USD, ZAR,
- b) Non-cash spot exchange transactions,
- c) Executing domestic and international payment services

### 1.2 Amendments to the Act on Credit Unions

Pursuant to the Act on Credit Unions, the Citfin is a party to the deposit insurance system. Deposits are insured in accordance with the terms of Act No. 21/1992 Coll., On banks. All the clients' receivables associated with deposits that are registered as credit balances on accounts held at Citfin are insured.

The adoption of Act No. 333/2014 Coll., amending Act No. 87/1995 Coll., On Credit Unions, has altered some of the requirements in regard to the operation of credit unions.

The Citfin hereby notifies its clients that its deposit insurance is not applicable to membership deposits; meaning that currently CZK 1 of the membership deposit and after the effect of changes (see below), the CZK 1,000 membership deposit will not be insured. The account balances are insured in accordance with the rules concerning deposit insurance.

As of the 1<sup>st</sup> January 2018, the minimum amount of the membership deposit will be CZK 1,000.

- a) Currently, for clients of Citfin, the amount of the membership deposit is CZK 1,
- b) During 2017 Citfin will inform its clients concerning the changes to the Articles (i.e. an increase in the membership deposit from CZK 1 to CZK 1,000, with effect from the 1<sup>st</sup> January 2018) and also the implications of these changes.

### 1.3 Operational information, contact details and ways of communication with clients

Citfin's hours of operation are every working day between 8:00 a.m. and 5:30 p.m.

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For communication with Citfin, the Client can use the following communication channels. The official language in which Citfin communicates with its clients and in which clients receive information from Citfin is the Czech language (unofficially it is also possible to communicate in English):

## Company Seat/Postal Address:

Avenir Business Park, Building E,  
Radlická 751/113e,  
158 00 Prague 5

## Telephone, e-mail:

### General contacts:

Green line: +420 800 311 010  
Reception: +420 234 092 000

**BIC/SWIFT:** CITFCZPPXXX

**Business Department** – information about Citfin services, concluding contracts and changes in contracts

Tel: + 420 234 092 011 e-mail: [business@citfin.cz](mailto:business@citfin.cz)

**Dealing Department** – concluding exchange trades, current exchange rate quotations, consultation on presumed developments on the foreign exchange market

Tel: + 420 234 092 020 e-mail: [dealing@citfin.cz](mailto:dealing@citfin.cz)

**Payment Services Settlement Department** – realising incoming and outgoing payment transactions

Tel: + 420 234 092 322 e-mail: [info@citfin.cz](mailto:info@citfin.cz)

**Call Centre** – the possibility of placing payment orders through Phonebanking, Internet banking technical support

Tel: + 420 234 092 333 e-mail: [info@citfin.cz](mailto:info@citfin.cz)

## Citfin website:

[www.citfin.cz](http://www.citfin.cz)

Existing clients can use the electronic banking platform Bankserviss or Phonebanking as a method of communication.

## 2 Basic Information on Investment Services and Investment Instruments Provided

Citfin, spořitelní družstvo  
Radlická 751/113e  
158 00 Prague 5 - Jinonice

tel.: + 420 234 092 000  
e-mail: [info@citfin.cz](mailto:info@citfin.cz)  
[www.citfin.eu](http://www.citfin.eu)

Company is registered in Commercial Register kept by  
Municipal Court in Prague,  
Section Dr, File 4607  
IN: 257 83 301  
TaxIN: CZ 257 833 01

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## 2.1 Establishing and Managing a Multi-currency Account

- a) The main currency on a multi-currency Account is CZK, in which all fees for Clients for payment transactions are charged
- b) The Client can use, within the framework of one Account number, currency sub-accounts in these currencies: AED, AUD, BGN, CAD, DKK, EUR, GBP, HKD, HRK, HUF, CHF, ILS, JPY, MAD, MXN, NOK, NZD, PLN, RON, RUB, SAR, SEK, SGD, THB, TND, TRY, USD, ZAR.
- c) Multi-currency Accounts are managed for free – other fees connected with transfers are listed in the Rate Schedule at [www.citfin.cz](http://www.citfin.cz) or in the specific Corporate Current Account Contract.
- d) The Client can connect the Account with corporate banking – in the ABO and CSV format.
- e) Account service is provided through the PB channels - Bankservis Internet banking or Phonebanking.
- f) The possibility of foreign exchange trading is available at the Dealing department - free and without limits.
- g) Multi-currency Accounts are credited interest in zones. The declared rates within the framework of all offered currencies are available in the Rate Schedule at [www.citfin.cz](http://www.citfin.cz).
- h) Deposit interest is credited in the following way:
  - monthly, on the last day of the calendar month.
  - on the day of cancelling the Account

A detailed description of establishing, managing, cancelling, and crediting interest to multi-currency accounts is governed by the Commercial Current Account Contract and the General Business Conditions. Fees for individual services and interest rates amounts for Commercial Current Accounts can be found in the Commercial Current Account Contract and the Citfin Rate schedule. Samples of these documents are located at [www.citfin.cz](http://www.citfin.cz).

## 2.2 Executing spot exchange trades

The Client can conclude a following type of foreign exchange trading business with Citfin:

- a) **Spot trade** - purchase and sale of currency with a settlement within 2 business days.
- b) **Order** - means the negotiation of an exchange transaction as a spot trade, which is automatically realised upon reaching a pre-agreed exchange rate value.
  - TAKE PROFIT ORDER – an instruction to automatically purchase/sell the currency at the Client's required rate. For example, in the event of purchasing the foreign currency, the Order is placed below the current market rate.
  - STOP LOSS ORDER – an instruction to automatically purchase/sell the currency at the Client's least acceptable rate. For example, in the event of purchasing the foreign currency, the Order is above the current market rate.
  - The combination of TAKE PROFIT ORDER and STOP LOSS ORDER – it is possible to take advantage of the combination of both types of Orders.

The Client can conclude spot exchange trades with Citfin. The method of concluding spot exchange trades:

- a) Every spot exchange trade is concluded on the basis of a verbal agreement between the Client and Citfin within the framework of telephone communication, when both parties (the Client and Citfin) negotiate all conditions of the exchange business.
- b) Immediately after the negotiation of an exchange trade, Citfin sends the Client a Confirmation of the exchange trade through the Bankservis Internet banking service, which the Client, in the event of an above limit transaction (a transaction above 5,000,000 CZK, or the equivalent in another currency), signs through Bankservis, and sends back to Citfin.
- c) Settling exchange business occurs within the framework of multi-currency Accounts on the day stated on the exchange trade Confirmation.

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- d) For settling transactions, the Client must have sufficient funds in the sold currency on the Account on the day of maturity, for covering the exchange trade.
- e) In the interest of increasing safety, the Client or an authorised person is verified by means of an authentication text message, before concluding the exchange business. The Client is sent the text message on the registered number of their mobile phone, or through a token code generated by their Token device.

**The exchange transaction (with the exception of Order)** is concluded at the moment when the Client and Citfin negotiate, by telephone, all the below mentioned conditions of business:

- a) Type and amount of the currency, which is the subject of the exchange business, which Citfin shall buy from the Client (hereinafter referred to as "Exchange volume").
- b) Type and amount of the currency, which Citfin should buy for the Client.
- c) Exchange rate.
- d) Date of the negotiation and the day of settling the trade, i.e. the day on which the exchange of funds should occur in the negotiated currency between the Client and Citfin.
- e) Way and date of settling the funds in the benefit of the Client.

The Client can carry out exchange business in the following currencies: CZK, AED, AUD, BGN, CAD, DKK, EUR, GBP, HKD, HRK, HUF, CHF, ILS, JPY, LMD, MXN, NOK, NZD, PLN, RON, RUB, SAR, SEK, SGD, THB, TND, TRY, USD, ZAR.

**An exchange trade "Order"** is considered as being effective at the moment that the parties agree by telephone in regard to all the following conditions of the trade:

- a) the type and the amount of the currency to be exchanged, i.e. that the Citfin Company will purchase from the Client (hereinafter referred to as the "Exchange Volume"),
- b) the type and the amount of currency that the Citfin Company will purchase on behalf of the Client,
- c) the type of trade (spot),
- d) the exchange rate at which the Order should be implemented (the requisite exchange rate as defined by the Client),
- e) the validity of the Order (the length of the period during which, in the event the exchange rate corresponding to the agreed rate being reached, the exchange transaction will be implemented); the maximum length of validity of the Order is for 12 months from the time when it was arranged.

The Citfin Company is only obliged to carry out an exchange transaction provided that the exchange rate that Citfin, with respect to its in-house rules and the situation on the market, can offer and realise the exchange transaction at a rate that is equal to the rate agreed.

Subsequent to the implementation of the Order, and no later than on the following business day, the Client will be sent an e-mail informing him/her that the Order has been implemented. Following the implementation of the Order Citfin's staff will contact, by telephone, the Client with whom the settlement date need to be agreed.

## Limits:

For spot exchange trans, there isn't a minimum limit set or a maximum transaction volume.

The minimum size of the Order for the transaction is set at EUR 10,000 or USD 10,000. At the Client's request the permissible volumes and the feasibility of the implementation of an Order in currencies other than EUR or USD will be provided.

The Client may also execute exchange trades through the Citfin exchange listing valid at the moment of executing this operation and publishing it in the Bankservis Internet banking platform.

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The detailed conditions for concluding prompt business are governed by the Commercial Current Account Contract and the General Business Conditions. Samples of these documents are located at [www.citfin.cz](http://www.citfin.cz).

## 2.3 Domestic and foreign payment systems

Citfin executes, upon the Client's request, outgoing payment transactions / the transfer of funds on to the Account of a third person in domestic or foreign currency, abroad or domestically, if the following conditions are fulfilled:

- a) The Client sends a payment order to Citfin signed by the Client (or an authorized person) through the PB channel (Bankservis Internet banking, or Phonebanking)
- b) The Client has sufficient funds on the Account for settling the outgoing payment transaction.
- c) The cut off time for sending payment orders is abided by.

### 2.3.1 Domestic non-cash payment services

A non-cash transfer of funds in CZK to and from domestic financial institutions, with the exception of the transfer between individual accounts led by Citfin with an identification code of 2060

Citfin performs domestic non-cash payment services by means of:

- a) One time payment orders,
- b) One time collection orders,
- c) Permanent payment orders,
- d) Permanent payment orders
- e) Consent to collection/non-refutable consent to collection,
- f) Centralized collection of resident payments (CCRP).

The Client, on orders for clearance in domestic payment relations, fills in the requirements stipulated in legal regulations, particularly however, the following obligatory requirements:

- a) Banking connection of the payer
- b) Banking connection of the recipient
- c) The amount to be transferred expressed numerically including the 10 digit code
- d) Marking the transfer currency (ISO currency code in accordance with the CNB code list),
- e) Identification in accordance with the points concerning securing Account access in the GBC

The Client on the clearance order in domestic payment relations **can** additionally fill in this data

- a) Variable symbol
- b) Specific symbol
- c) Constant symbol
- d) A text message
- e) The day of issuing the clearance order

Payment orders for domestic non-cash payment services with the day of maturity the same as the current calendar day and the **type of payment Standard, can be placed through the PB channel to 5:00pm on working days**. This type of order will be cleared on the same day. Payment orders without a maturity date marked will be cleared on the following working day at the latest. The company Citfin shall ensure that funds debited from the Client's account are credited to the beneficiary's bank account by the next working day after clearing of a payment order.

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Payment orders for domestic non-cash payment services with the maturity date the same as the current calendar date with the type of payment Priority can be placed through the PB channel until 1:00pm on working days. These types of payments will be settled on the same working day. Citfin ensures that funds debited from the Client's account are credited to the beneficiary's bank account on the same working day.

## 2.3.2 Foreign non-cash payment services

Foreign non-cash payment services is understood as executing transfers of funds in CZK to and from Financial institutions and executing transfers in other currencies with the exception of the transfer of funds between individual Accounts managed by Citfin with an identification code of 2060.

Foreign non-cash payment services are executed by Citfin in the form of non-recurring payment orders

Clients fill in on the clearance orders for foreign payment services the following obligatory requirements:

- a) banking connection of the payer
- b) banking connection of the recipient
- c) the transfer amount stated numerically including marking of the ten-digit code
- d) specification of the transfer currency (ISO currency code according to the ČNB dial),
- e) purpose of the payment (information for the recipient)
- f) imposition of charges methods:
  - OUR (all fees are paid by the payer),
  - SHA (principal financial institution fees paid by the payer and the recipient's financial institution fees are paid by the recipient, who also pays any Correspondent bank fees),
  - BEN (all fees are paid by the recipient, the recipient receives the amount reduced by the expenses and fees of Correspondent banks).
- g) speed of the payment transaction:
  - **Normal** = funds are credited to the beneficiary's bank account no later than the fourth working day after the date on which the maturity date of the order occurred. The order with the type of payment Normal can be entered through the PB channel by 5:00 pm on workdays. Payment orders in EUR entered by 1:00 pm on workdays with a due date consistent with the current calendar date will be credited to the beneficiary's bank account by the next working day.
  - **Urgent** = funds are credited to the recipients' Account on the day when the maturity of the order came into force. With orders with the type of settlement "Urgent" only payments in the currencies EUR, USD, GBP, CAD can be executed. Orders with the type of settlement "Urgent" can be placed through the PB channel until 1:00pm on working days.

For transactions outside the EEA, crediting periods in favour of the payee's bank account depend on how the transaction is handled by the intermediary banks.

- h) for payments in RUB, expanded payment parameters must be listed, which are available on the company's website Citfin ([www.citfin.cz](http://www.citfin.cz)),
- i) for payments in USD currency, it is advisable to include the extended parameters of the payment, which are available on the company's website ([www.citfin.cz](http://www.citfin.cz)).

## 2.3.3 Internal non-cash payment services

Executing a transfer of funds between individual Accounts managed by Citfin with an identification code of 2060.

Payment orders for non-cash internal payment services with a maturity date identical to the current calendar date can be **placed through the PB channel by 5:00 pm on working days. Such orders**

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will be settled on the same day. Payment orders on which the maturity date has not been specified, shall be settled not later than the following work day.

## 2.3.4 Cash payment services

Cash deposits in the benefit of the Client's account at Citfin may only be executed through a Collecting Account.

- a) CZK 226069801/0300 managed by Poštovní spořitelna;
- b) CZK 107-359400297/0100 managed by Komerční banka;
- c) EUR: CZ80 0100 0001 0703 5946 0257 managed by Komerční banka;
- d) USD CZ49 0100 0001 0754 1711 0267 managed by Komerční banka;
- e) EUR: SK05 1100 0000 0029 2386 4527 managed by the Tatra Bank Slovakia.

Deposits in the benefit of the Client at Citfin through Collection Accounts must be identified, by listing the Client Account number or the Client number in the variable symbol of the payment. Properly identified deposits are cleared within the time period and the methods stipulated by legal regulations.

Cash withdrawals from the Client's account at Citfin may be executed only through a check made out by Citfin in the Client's benefit to an account of Citfin's managed in another monetary institution. A cash withdrawal is possible only from the Collecting account number 226069801/0300 maintained by Poštovní spořitelna (ČSOB, a.s).

## 2.3.5 Settling arranged outgoing payment transactions

Before executing a payment transaction, Citfin provides the Client, upon their request, information about the maximum time period for executing the transaction and the fees the Client is required to pay, and if the fees contain more items, a breakdown of these items. The amount of the fees for outgoing payment transactions is listed in the price list of Citfin services, or in the specific Commercial Current Account Contract and the account statement for Internet banking. Citfin is obligated to credit the funds on the account of the provided recipient within the time period stipulated in ZPS, i.e. however the maximum time period is T+4.

### Acceptance of a payment order

The moment of acceptance of a payment order is the moment when Citfin obtains a payment order directly from the Client or from an inducement of the Client's through the PB channel.

### The irrevocability of a payment order

Citfin executes only those instructions concerning the funds on the Account, which they were given in accordance with the Account Contract and the GBT by Clients or Managing Clerks. Citfin is authorized to refuse orders of instruction which do not correspond with this requirement and to inform Clients about this fact.

Orders for the disposal of funds in the account are accepted by the Citfin only through the PB channel. Orders for disposal of funds are particularly the assignment of payment orders, amendments or additions to payment instructions in the assigned payment order or revocation of a payment order.

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## Refusing to execute a payment order

On the basis of § 105, paragraph 1 of the SPR, Citfin may refuse to execute a payment order only, if the terms and conditions for its acceptance are not fulfilled, or if so provided by applicable law. Citfin may refuse to execute a payment order if the Client fails to comply with the conditions for receipt of the payment order which are:

- a) if there is not the required coverage for the payment transaction on the account, or if the account balance after the order would be lower than the minimum account balance (available balance), or if the limit specified in Account Contract is exceeded. In the event that after execution of the Client's order the account balance is less than the minimum available balance, or if there is a debit balance on the account, full responsibility shall be borne exclusively by the Client for all consequences of such an overdraft.
- b) that the Client did not indicate or incorrectly stated the requisite information for outgoing or incoming payment transactions that are specified in these GBT, or
- c) in the event that the payment transaction is contrary to the laws of the Czech Republic or the laws of the State of the intermediary bank involved in the transfer, internal rules and regulations of the company Citfin, or the internal regulations of the intermediary bank. This provision applies specifically to sent and received payments, when either the recipient or the sender has an address in a High Risk Country and/or when either the sender's and/or the recipient's bank is an institution owned by entities based in such countries. The current list of High Risk Countries is available on the [www.citfin.cz](http://www.citfin.cz) website.

## 2.3.6 Bankservis Internet banking/Phonebanking

The Client can handle funds on their Account through a direct banking channel by means of:

- a) Bankservis Internet banking
- b) Phonebanking services

The Client, through Bankservis Internet banking can:

- a) Send payment orders
- b) Gain information about the Account balance
- c) Gain and confirm the exchange trade Confirmation
- d) Get account statements, confirmation of payment transaction execution, exchange trade Confirmation etc.
- e) Set the sending of text messages/e-mail messages about account movement
- f) Connect their commercial accounting with the Bankservis Internet banking
- g) Send Citfin messages with claims, questions etc..
- h) Watch the current Account movements 24 hours a day, 365 days a year
- i) Execute the exchange of foreign currencies through the exchange list of Cifin, Savings Association

Clients can through the Phonebanking service (+420 234 092 333) fully manage their Account.

The safety of the electronic communication using the Bankservis application between the Client and Citfin is secured with electronic signature technology, on whose use is appropriately employed the stipulations of statute 227/2000 Coll., on electronic signatures. Electronic signatures are realized by a code in a text message, which is created on the basis of sent, signed data in a special algorithm, which allows for the verification of the identity of a Client. Authentication equipment is in this case registered to a mobile phone or a token stated in the specific Commercial Current Account Contract. The Client is responsible for the abuse of the authentication equipment by another person. The Bankservis application is furthermore secured by the certificate of the "Globalsign" Company issued for [www.bankservis.cz](http://www.bankservis.cz), which codes the communication between the Client and Citfin.

The conditions for using Bankservis are fulfilling the following requirements on the side of the Client / authorised person: access to a computer connected to the Internet and a registered mobile phone activated in the network of any mobile operator in the Czech Republic for the receiving of authentication text messages.



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## 2.3.7 Bankservis Internet banking/Phonebanking

### Citfin API

Citfin API allows access to the Client's account in Citfin, spořitelní družstvo through an automated online interface enabling a data channel designed to link the Citfin, spořitelní družstvo system with Third-Party operated applications.

Citfin API enables the Client to authorize a Third Party to or the following third-party services:

- a) Indirect Payment Order Service,
- b) Account Information Service and
- c) Account Balance Request Service

Closer information and conditions of using the Citfin API services are given in the General Business Terms of Citfin, spořitelní družstvo and the API Manual available on [www.citfin.cz](http://www.citfin.cz).

## 3 Citfin's information obligations to the Client

Commercial Current Account Contracts between the Client and Citfin are concluded on an indefinite basis.

Information about the method of repudiation from the Commercial Current Account Contract and the period of notice are in the General business conditions

Information about changes to the GBC of Citfin are always made public on the website and their existence is pointed out to the Client, also in the event that the change doesn't require any new legislation, within 2 months at the latest before the changes or the new wording of the GBC come into force

The obligatory published data are available on the website of Citfin [www.citfin.cz](http://www.citfin.cz).

The sample Commercial Current Account Contract, the General Business Conditions, the Business Conditions for individual products, Commercial Current Account, the Price list of services, and other information connected with using the services of Citfin are displayed on the web site of Citfin [www.citfin.cz](http://www.citfin.cz). This information, including the contents of the Commercial Current Account Contract, the Client has the right to obtain upon request in the below stated contacts. The information can be obtained in writing or shared over the telephone.

Citfin is obligated, before concluding a Commercial Current Account Contract and during the duration of Contractual relations to provide the Client with information in the shortest possible time through the below mentioned contacts. If the time limit is not stipulated in the Commercial Current Account Contract, or the General Business Conditions – this particularly concerns contractual conditions of a specific Client, information about newly offered services, system outage ETA.

Detailed information about individual products and methods of conducting business with Citfin are stated on the website [www.citfin.cz](http://www.citfin.cz), where the Rate Schedule is located, as well as samples of Contract documentation. (Corporate Current Account Contract, the General Business Conditions, Business Conditions for individual products, Commercial Current as well as the Code of Rules of Citfin.) In the event of any questions or ambiguities, contact the business department on tel. number +420 234 092 011.