

## **Appendix 2 – General Business Terms**

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### **Citfin – Finanční trhy, a.s.**

With the Registered Office at Radlická 751/113e, 158 00 Prague 5, Company ID No.: 25079069, registered in the Commercial Register held by the Municipal Court in Prague, Section B, File 4313 and in the list of payment institutions maintained by the CNB under its identification number (hereinafter referred to as the “Citfin Company”)

### **GENERAL BUSINESS TERMS**

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## 1. Definitions

**The Current Market Value** of an Open Forward Trade is calculated based on the Volume of the Trade reassessed in accordance with the current exchange rate on the interbank market.

**Authentication** is understood as verification of the identity of the Client (an authorised person) by means of an Authentication Code that is sent to a mobile phone or generated by utilising the Token device.

**Authorisation** refers to a process that results in the Client's approval of the parameters of the order. By Authorisation the Client expresses the correctness of the order and agrees to its execution.

**Authentication Code** is a numerical code provided in an SMS sent to the mobile phone number listed in Appendix No. 1 to the Framework Agreement or as a Token Code generated by the Client (the authorised person) using the Token Device. This is a one-time code that cannot be reused and has a limited validity duration. The authentication code is a unique means of identification of the Authorised Person within the meaning of the Act on Payment Systems. Authentication Code is utilised for the verification of the identity of the Client (the authorised person) in regard to his/her Business Cooperation with Citfin, specifically for the undertaking of Exchange Transactions, when supplying information concerning Payment Transactions and the balance in the Client's Payment Account to the authorised person, and also in the course of the use of BankServis and Phonebanking electronic communications.

**Authorisation code** refers to the numeric code delivered in the SMS sent to the mobile telephone number listed in Appendix No. 1 to the Framework Agreement or a Token Code generated by the Client (the authorised person) using the Token device. This is a one-time code that cannot be reused and has a limited validity period. Authorisation Code is used by the Client to approve the parameters of the order. By communicating the Authorisation Code to Citfin the Client (the authorised person) confirms the accuracy of the order and agrees to its execution.

**Authentication/Authorisation Device** is a registered mobile phone or a Token Device passed to the Client (the authorised person). The Client's (the authorised person's) registered mobile number or the registered number of the Token Device issued by Citfin for the Client (the authorised person) is listed in Appendix No. 1 to the Framework Agreement.

**BankServis** is an Internet banking facility of Citfin utilised for entering payment orders. This service is provided to the Client free of charge.

**Non-cash transaction in foreign currency** is the purchase or sale of funds in Czech or a foreign currency for funds in another currency that is carried out by a wire transfer of funds from one payment account to another.

**Total Current Market Value of the Open Futures** is calculated as the sum total of the Current Market Value of the individual Open Futures held by the Client. The Total Current Market Value of Open Futures is calculated in CZK; the value held in foreign currencies is converted into CZK in accordance with the current market exchange rate on the interbank market.

**Total Advance** payment made by the Client towards settling the Futures is calculated as the sum of all the funds transferred by the Client to the CPA as advances (Initial Advances together with Remedial Advances) to cover the Open Futures and that are immobilised on the Client's CPA in favour of Citfin. The Total Advance is listed in CZK, the values held in foreign currencies are converted into CZK in accordance with the current market exchange rate on the interbank market.

**Total Potential Profit** is calculated as the sum total of all the Potential Profits (in positive or negative values) of the individual Open Futures of the Client. The Total Potential Profit is listed in CZK, the values held in foreign currencies are converted into CZK in accordance with the current market exchange rate on the interbank market.

Citfin API is a service which enables the Client to use selected Third-Party Services based on the Client's authorized instruction through an automated online interface enabling a data channel to link the Citfin system with Third-Party operated applications.

**CNB** is the Czech National Bank that acts as a supervisory authority in regard to the activities of Citfin in the areas of investment and payment services. The seat of the Czech National Bank is at Na Příkopě 28, Prague 1, Postal Code: 110 00.

**Derivative Contract** is a contract the subject of trade of which is a financial instrument specified in Section C, Points 4-10 of Annex I to Directive 2004/39EC (it involves for example options, swaps, forwards, etc.).

**Foreign Exchange Account** is an account maintained in a foreign currency.

**Foreign Currencies** are funds held in a foreign currency.

**EEA** means the European Economic Area, which includes all the Member States of the European Union and additionally Norway, Iceland, Liechtenstein and Switzerland.

**EMIR** is Regulation No. 648/2012 of the European Parliament and the EU Council on OTC derivatives, central counterparties and trade repositories, in the wording of all its possible amendments and supplements, which apply to participants in derivative contracts. Access options for regulations relating to EMIR are listed on [www.citfin.cz](http://www.citfin.cz).

**Form for the notice of an incoming Payment Transaction** is used to transmit information from a Client of Citfin concerning an expected incoming payment/ Payment Transaction from a third party.

**Forward/Forward trading** is understood as the buying or selling foreign currencies at the current fixed exchange rate agreed, on the basis that the settlement shall take place on the agreed date (however no sooner than two days and no longer than 1 year following the transaction).

**Forward Points** reflect the difference between the Exchange Spot Rate with the settlement date of two business days after the Exchange Trade has been negotiated and the exchange rate agreed for a specific Exchange Trade with a different settlement date; their main component is the difference between the exchange rate values of currencies, with Forward Points being generally quoted on the markets.

**IBAN** is an international standardised form of an account number that was created in cooperation with the European Committee for Banking Standards (ESCB) that enables the clear identification of the account, banking institution and country of the payee in the case of cross-border transfers.

**Client** is any individual or legal entity that has signed a Framework Agreement with Citfin, on the basis of which it/he/she is provided with the services referred to in Article 3 hereof. Its statutory body or an authorised representative may act on behalf of the legal entity based on a specific written power of attorney for conducting the relevant legal activity carrying the officially certified signatures of the members (or a member) of the statutory body.

**Confirmation of the Exchange Transaction (hereinafter referred to as the "Confirmation")** means the written confirmation of an already concluded Exchange Transaction that has been mandatorily concluded by telephone.

**Correspondent bank** is a financial institution through which Citfin provides for the payment of services outside the scope of its competence, in particular bank payments.

**Owner** means the Client who entered into a Framework Agreement with Citfin.

The **Citfin API Manual** means any manual or guide or otherwise named document issued by Citfin in connection with the Citfin API Service. The manual contains instructions and information for the Client regarding proper use of the Citfin API Service, as well as warnings about the basic security policies related to the use of the Citfin API Service. Citfin publishes the manual on its website and Citfin is entitled to unilaterally change it at any time.

**Alternative authentication** defines the verification of the identity of the Client (authorised person) by means of a sequence of additional questions, the answers to which only the Client (authorised person) can know.

**Indirect payment order** is a Payment Order given by the provider of the Indirect Payment Order Service, who the Client has authorized within the Citfin API service.

**Exchange volume** is the type and amount of currency to be exchanged within an Exchange Trade.

**Authorized person** means the natural person/individual authorized by the Client to deal with the CPA.

**Order** is the arranging of an Exchange Trade as a spot transaction that is executed automatically when the pre-agreed value of the exchange rate is reached.

**Open Forward Trade** is a properly agreed and as yet unsettled forward trade arranged between the Client and Citfin.

**Phonebanking** is a service that enables Clients to submit payment orders by telephone. This service is charged in accordance with the current Rate Schedule.

**Payer** is a user, from the payment account of which funds shall be debited to execute a payment transaction or the entity that makes available the means of payment for the payment transaction.

**Means of payment** is a device or a set of procedures agreed between Citfin and the Client, which are related to the Client and by means of which the Client gives

a Payment Order, i.e., Phonebanking and Bankservis and Authentication/Authorisation Device.

**Payment order** is an instruction to the provider, by means of which the Payer or the Payee requests the execution of Payment Transaction.

**Payment Account held by Citfin for the Client** (hereinafter referred to as the "CPA") is an independent account that is used by Citfin for executing Payment Transactions/Exchange Transactions in accordance with the Client's instructions and for recording such Payment Transactions/Exchange Transactions.

**Payment Transaction** is a transfer of funds.

**Potential Profit** from an Open Forward Trade is calculated as the difference between the Volume of the Exchange, i.e. the value of the Open Futures at the time of the transaction agreement and the Current Market Value of the Open Futures. The Potential Profit may have either a positive or a negative value, in respect of changes in the exchange rate.

**Identification duty** means the requirement to provide identification in accordance with Act No. 253/2008 Coll. On some measures against money laundering and terrorist financing.

**Percentage Coverage** of the Open Futures is calculated as a quotient of the numerator that is equal to the sum of the Total Advance and the Total Potential Profit, from which is deducted the sum of the absolute values of all the Client's CPAs with a negative balance, and the denominator is equal to the Total Current Market Value of the Open Futures.

**Recipient** means the user to whose payment account funds should be credited, based on a payment order, or to whom funds should be made available, based on the payment order.

**Framework Agreement** is a contract between the Client and Citfin that governs the conditions for the execution of individual Payment Transactions/Exchange Transactions by Citfin on behalf of the Client. The Framework Agreement is concluded in Czech language, in accordance with Czech law, indefinitely, while Citfin does not charge the Client any additional fee for its conclusion.

**Independent account** is a current account with Citfin for the execution of Payment Transactions/Exchange Transactions between the Client and Citfin held at a bank or savings and credit cooperatives. A list of independent accounts is presented in the separately updated Appendix No. 5 to the Framework Agreement.

**Payment Account Information Service** is a service provided by a Third Party communicating the Account-related information as part of the Citfin API service.

**Indirect Payment Order Service** is a service provided by a Third Party giving a Payment Order to transfer funds from the Account on behalf of the Client (payer) as part of the Citfin API service.

**Exchange Trade** refers to Futures and to the Spot Transactions (including Order).

**Spot Rate** is the exchange rate valid at the time of negotiation of the Exchange Trade with the usual settlement in accordance to the custom of the specific market. The usual settlement of currency trades is two business days after negotiation of the Exchange Trade:

**Spot trade** is the purchase or sale of foreign currency at the current fixed Spot Rate based on an agreement that the settlement must take place no later than two business days following the trading event.

**Rate Schedule** means the current Rate Schedule of Citfin that sets forth specifically the levels of fees for the payment services provided, in accordance with the contracts concluded between the Client and Citfin.

**SSI (Standard Settlement Instructions)** accounts represent the Client's accounts that the Client chooses in the Framework Agreement for the settlement of Exchange Trades concluded through online trading. Every SSI account is always intended for one specific currency.

**Swap** is the sale or purchase of one currency for a different currency, together with its subsequent repurchase or resale at the conclusion of a specified time-period at a pre-agreed rate. Swaps are used to overcome a temporary shortage of liquidity in one currency, in conjunction with an excess of liquidity in another currency.

**SWIFT** is the acronym for the Society for Worldwide Interbank Financial Telecommunication. The system is utilised for interbank electronic communication and for the execution of payments.

**Futures** are Forwards and Swaps.

**Token** is a device that is utilised as an electronic key, enabling the generation of the Token Code. The Token is lent to the Client; in the event of the termination of the contractual relationship, the Client is obliged to return the borrowed Token not later than within 5 business days of the expiry of the notice period, failing which the Token is deactivated by Citfin.

**Transactions** refer to non-cash transactions in a foreign currency (Spot Transactions) and, in addition, to Forwards and to Payment Transactions as defined by the APS.

**Permanent data carrier** means any instrument which enables one to store designated information in a way that is accessible for its future use, for a period of time adequate for its purpose, and which allows the reproduction of the stored information in the same state. Citfin considers a permanent data carrier to be primarily the message storage in the application Bankservis, the Client specified email address in the contract documents or paper documents, as well as any other forms of carriers and communication technology, which the legislation or judicature considers as a permanent information carrier.

**Third Party** is a payment service provider other than Citfin, i.e. provider of the Payment Account Information Service and/or the Indirect Payment Order Service.

**GBT** means the currently valid version of the General Business Terms of Citfin that govern the contractual relationships between the Client and Citfin for all the products provided to which the Client has subscribed. The General Business Terms are an integral part of the Framework Agreement, it being understood that the provisions of the Framework Agreement and/or sub-contracts concluded under the Framework Agreement shall prevail over the General Business Terms.

**Capital Market Act** means Act No. 256/2004 Coll., On the Capital Market, as amended. The Citfin Company holds a Licence issued by the CNB as a Trader in Securities.

**APS** means Act No. 284/2009 Coll., On Payment Systems, as amended. The Citfin Company holds a Licence issued by the CNB as a Payment Institution.

## 2. Initial Provisions

### 2.1

These General Business Terms published by Citfin (hereinafter referred to as the "GBT") are applicable to every individual legal relationship concluded between Citfin and its Clients in respect of the agreed-upon performance that Citfin renders to its Clients and they stipulate the rights and obligations of the parties resulting from a specific contractual relationship.

### 2.2

These GBT form an integral part of every Framework Agreement that Citfin concludes with its Clients. By its signature on the Framework Agreement, the Client expresses its explicit and voluntary consent with these GBT and, at the same time, acknowledges its obligation to fulfil all the obligations that these GBT impose on him/her. If the Framework Agreement contains provisions that differ from the provisions of these GBT, the provisions of the Framework Agreement shall prevail.

The Citfin Company is entitled to unilaterally change the GBT with regard to the change of legislation, conditions in the capital market, possibly with regard to the changes caused by the development of the technology and business policy of Citfin. Citfin is obligated to publish the new wording of the GBT at least 2 months prior to the effective date of the new wording of the GBT on its website [www.citfin.cz](http://www.citfin.cz) and notify the Client concerning the new wording of the GBT by means of a notification delivered on a permanent data carrier even if it concerns amendments that are not required by a new legislation.

The Client is obliged to become acquainted with the new wording of the GBT. The Client expresses its explicit and voluntary consent with any new wording of the GBT that comes into force following the date of concluding the Framework Agreement, also by performing any activity towards Citfin leading to the conclusion of a trade, as specified in Article 3.2 a)-c) of these GBT. If the Client does not agree with the changes, s/he is authorised before the effective date of changes in the GBT to withdraw from the Framework Agreement in writing, free of charge. Termination in such a case, becomes effective on the date when it was delivered to Citfin. If the Client does not express their disagreement with the changes in the GBT in writing by the date of the effectiveness of such changes, changes in the GBT are considered as being agreed by the Client and are effective for the Client on the effective date of the changes of the GBT.

## 3. The Subject of the Contractual Relationship

### 3.1

The Citfin Company is a business company that is authorised, based on holding a licence as a trader in securities, within the meaning of Act No. 256/2004 Coll., on Capital Market Business, as amended, and basis on holding a licence for the activity of a payment institution within the meaning of Act No. 284/2009 Coll., On Payment System, as amended, to cashless purchase or sale foreign currency on its own account and to provide services to third parties, the subject of which is the cashless purchase or sale of a foreign currency on its own or for a third party's account, and additionally to provide

payment services in regard to the brokerage of Payment Transactions from the account of the Client in favour of other bank accounts, as agreed with the Client, and to receive payments from other bank accounts, as agreed with the Client, in favour of the Client's account. The Citfin Company is authorised to execute trades with foreign exchange values by means of bank transfers of funds from accounts and as Spot or Future transactions. The Citfin Company declares and assures its Clients that all funds that are entrusted to Citfin by its Clients for the execution of Payment Transactions within the meaning of Article 3.2 hereof are held in the accounts of banks or savings cooperatives and are separated from the funds owned by Citfin and from the funds of other parties, with the exception of additional funds that have been entrusted to Citfin by the same Client for the execution of a Payment Transaction.

Czech National Bank, based at Na Příkopě 28, 110 00 Prague 1, supervises the activities of Citfin in the area of investment and payment services.

### 3.2

The Citfin Company provides its Clients with the following types of services, that may be mutually complementary and combined:

- a) the execution of Spot and Future Transactions,
- b) the execution of Payment Transactions/transfers of the Client's funds in domestic or foreign currency in favour of other bank accounts,
- c) execution of Payment Transactions/receiving funds in both domestic and foreign currencies from other bank accounts.

The individual trades (agreements for the provision and acceptance of the performance) are then concluded between the parties, in accordance with the general Framework Agreement and these GBT.

### 3.3

Citfin shall enter into any agreement, including a Framework Agreement, or a specific transaction only with a Client whose application for a contractual relationship has been successfully assessed by Citfin with respect to the criteria and obligations imposed on Citfin by generally binding legislation, including anti-money laundering legislation. Citfin is authorised to refuse to enter into any agreement, including a Framework Agreement, or a transaction with the Client.

### 3.4

The Client – a natural person – is obliged to inform Citfin before concluding a contractual relationship whether he/she/it is acting as a consumer or whether is acting within his/her/its business activities or within the independent exercise of his/her/its profession.

## 4. Establishment, management and cancellation of the payment account held by Citfin on behalf of the Client (CPA); Client's authentication

### 4.1

Upon the conclusion of the Framework Agreement Citfin automatically establishes the CPA for the Client, which is used for the carrying-out of Payment Transactions/Exchange Transactions and for keeping records of all the funds entrusted to Citfin by the Client in connection with the carrying-out of Payment Transactions/Exchange Transactions and for recording all the payment transactions/exchange transactions of the Client

conducted by Citfin in accordance with the Framework Agreement and with these GBT.

### 4.2

The CPA is administered separately for each Client from other clients' CPAs and, in accordance with its/his/her requirements, in any of the currencies that Citfin offers (CZK, EUR, USD, GBP, CHF, NOK, SEK, JPY, PLN, CAD, HUF, DKK, AUD, RON, RUB and CNY). The Client, when communicating with Citfin, uses the identification number, which is its Company ID No. or his/her Personal ID No. This number is always used for the identification of the Client, specifically when making a deposit to the CPA and also as a variable symbol on the Payment Order.

### 4.3

To ensure safety when entering into Exchange Transactions, communicating the balance on the CPA, management of the balance and execution of payment transactions on the CPA through telephonic communication, the Authentication of the Client (as well as of any authorised person) will be required that will be implemented by an employee of Citfin.

The Authentication process will proceed as follows: the Client, or any authorised person, will advise in a telephonic communication with Citfin that s/he intends to obtain information concerning the state of the funds on the CPA, or handle the CPA in any other manner (conduct Exchange Transactions, Payment Transactions, etc.).

- a) If a Client or an authorised person is verified via an Authentication Code sent in the SMS, Citfin subsequently immediately sends to the Client (or the authorised person) to his/her Authentication Device, the registered mobile number of which will be specified in the Framework Agreement, a unique, automatically generated numerical code. This code must be communicated to the employee of Citfin during the telephone communication.
- b) If a Client or an authorised person is authenticated via an Authentication Code that has been generated by the Client (the authorised person using the Token device s/he is prompted to generate the Token Code by using his/her Token device and to communicate this code during the telephone communication with the staff of Citfin.

Should this authentication code not be communicated by the Client or by an authorised person or should it be communicated erroneously, Citfin will not provide that person with any information concerning the CPA and will not allow him/her to conduct any payment transaction. The Client is obliged to immediately inform Citfin of any loss, theft or misuse of any Authentication Device, as well as of a change of the number of this device in the event of a mobile phone. The Client must immediately confirm all oral information in writing. Immediately after that Citfin blocks the device. This blocking can also be carried out upon the written request of the Client, either temporarily or permanently. Using the Change Form that is attached to these General Business Terms, the Client is entitled to apply for the registration of a new Authentication Device, or for a new number for the mobile phone, for a change of the telephone number or for another manner of Authentication that will replace the original one.

### 4.4

In the case that the Client (an authorised person) cannot be authenticated via the Authentication Code for technical reasons on the part of Citfin, Citfin is entitled to request Alternative Authentication of the Client's instruction (or of an authorised person) using the birth number or client

number of the Authorised Person, which the Authorised Person receives after activating the Bankservis application.

The Citfin Company is not liable for any damage caused by improper Payment Orders of the Client nor for any damage caused as a result of a lost or stolen Authentication Device that has not been reported by the Client in accordance with the relevant provisions of these GBT. The Client is obliged to inform Citfin of the loss, theft or misuse of any Authentication Device without delay, as well as change the device number as per the provisions of these GBT.

#### 4.5

The fees that the Client is obligated to pay for services are listed in a specific Framework Agreement. Additionally, Citfin is entitled to charge fees for services provided, in accordance with the Rate Schedule, a current version of which is available at [www.citfin.cz](http://www.citfin.cz).

#### 4.6

The Citfin Company records all Exchange Trades/ Payment Transactions with a particular Client, both settled and unsettled, on the CPA. At the end of the relevant calendar month Citfin sends via Bankservis the Client a summary of all the transactions concluded and/or settled in the relevant calendar month, including the quantification of the amount of the Client's claim (if any) against Citfin within the meaning of Article 5.26. of these GBT, or the claims of Citfin against the Client. The Client may also obtain the information that is included in this summary in the manner defined in Article 9 hereof, if it so agreed in the Framework Agreement.

#### 4.7

The CPA will be cancelled automatically upon withdrawal from the Framework Contract, in accordance with Article 9.10 of the GBT.

#### 4.8

The Citfin Company is entitled to debit the Client without consent from the CPA in the following cases:

- a) charging fees for services in accordance with the Rate Schedule,
- b) when meeting legal obligations of Citfin in the context of enforcement proceedings,
- c) for the settlement of mutual claims and liabilities when terminating the CPA,
- d) in other cases stipulated by the Framework Agreement, these GBT and/or legal regulations.

If a claim is in a currency other than the balance of Client funds in their payment account, Citfin shall be entitled to exchange the Client's funds in accordance with the current market exchange rate of the interbank market.

The Citfin Company is authorised to debit funds from the CPA without the consent of the Client in implementing corrective settlement due to erroneous settlement of Citfin in accordance with applicable laws. Corrective settlement is implemented in the currency of the erroneous settlement. If there is an exchange of funds, Citfin is authorised to carry out an exchange of funds in which settlement was carried out erroneously, at the CNB's exchange rate valid on the date of the erroneous settlement.

#### 4.9

Citfin shall not pay interest on the Client's CPA balances, i.e., interest is not paid.

## 5. Performance of Exchange Trades

### Spot exchange trades

#### 5.1

In the case of Spot Exchange Transactions (hereinafter referred to as "**Spot Trades**"), the subject of an Exchange/ Exchange Trade contract is a commitment by Citfin to the Client to buy or to sell foreign currency, within the time-period specified, in exchange for a local currency or for a different foreign currency, in the agreed amount and at the agreed Spot Rate, and the commitment of the Client to provide to Citfin in advance the funds requisite for the implementation of the Exchange trade and thereby enable the settlement of the transaction.

#### 5.2

A Spot Trade is a transaction with a date of settlement within two business days from the arrangement of the trade ("T" day), that is T+0, on which the Exchange Volume must be credited to Citfin's Independent Account as of the exact time of the arrangement of the trade or immediately subsequently or, if applicable, at the latest at the time designated on the same day that Citfin has specified to the Client or thereafter referred to as T+1 or T+2.

#### 5.3

The Citfin Company does not set minimum limits for Spot Trades and executes them in the following currencies: CZK, EUR, USD, GBP, CHF, NOK, SEK, JPY, PLN, CAD, HUF, DKK, AUD, RON and RUB.

#### 5.4

The Spot Trade can be negotiated by phone (or via Online Trading in the Bankservis application, see below), and it is concluded at the exact time at which the parties agree, on the phone, all the following conditions of the trade:

- a) the identification of the currency that is required by the Client that is defined using the ISO code which is the subject of the business requested by the Client, i.e. that Citfin should purchase on behalf of the Client,
- b) the identification of the currency which is the subject of the exchange using the ISO code which SA should purchase from the Client,
- c) the amount of currency purchased for the Client Company or the amount of currency purchased by the Client,
- d) the effective exchange rate (Spot Rate),
- e) the type of transaction (spot),
- f) the settlement date, i.e. the day on which the exchange of funds should take place to the currency agreed upon between the Client and Citfin,
- g) the method of settlement.

### Orders

#### 5.5

In the case of an Order the subject of an Exchange/ Exchange Trade contract is a commitment by Citfin to the Client to buy or to sell foreign currency within the time-period specified in exchange for a local currency or for a different foreign currency, in the agreed amount and at the Spot Rate predetermined by the Client, and the Client's commitment to provide to Citfin the funds requisite for the settlement of this Exchange Transaction. The Citfin Company is required to realise exchange transactions only in the case that the exchange rate, which Citfin may offer with regard to the internal rules and the situation in the market and realise the exchange transaction at this exchange rate, is equal to the agreed Spot Rate on the



condition that the Day of Settlement of the Exchange Trade occurs two business days after its execution (T+2). Should such an opportunity not arise within the time-period specified, the exchange is not executed and the Order expires. The Client is entitled to alter the parameters of the Order, at any point in time prior to its implementation. Altering the parameters is carried out by means of the termination of the original Order and the implementation of a new one. The Client is also entitled to cancel the Order, at any point in time prior to its implementation. Any cancellation of the Order is carried out in accordance with the same protocol as the arranging of the Order, in accordance with Article 5.7 below. The Order expires automatically on its expiry date, when the company Citfin cannot offer the exchange rate in accordance with its internal rules and market situation during the validity of the Order.

#### 5.6

The Order can be concluded for the following currency pairs:

- a) EUR/CZK (a minimum value of the Exchange Trade in the amount of EUR 10,000),
- b) USD/CZK (a minimum value of the Exchange Trade in the amount of USD 10,000),
- c) other currency pairs are enabled, based upon the Client's request.

#### 5.7

The Order can be arranged only by phone and it is concluded at the exact time at which the parties reach agreement on the phone concerning all the following terms of the trade:

- a) the type of order (selected in accordance with the current offer of Citfin listed on [www.citfin.cz](http://www.citfin.cz))
- b) the identification of the currency that is required by the Client that is defined using the ISO code which is the subject of the business requested by the Client, i.e. that Citfin should purchase on behalf of the Client,
- c) the identification of the currency which is the subject of the exchange using the ISO code which Citfin should purchase from the Client,
- d) the amount of currency that has been purchased on behalf of the Client or the amount of currency that has been purchased directly by the Client,
- e) the type of transaction (Order)
- f) the Spot Rate at which the Order is to be implemented (the rate required, as defined by the Client)
- g) the validity of the Order (the period during which, if the exchange rate reaches a value equivalent to the agreed rate the exchange is concluded); the maximum validity of the Order is a period of 12 months from its conclusion. If an exchange trade is not carried out, the Order expires at 23.59:59 CET on the last day of validity of the Order (if this date is not a business day, then at 23.59:59 CET on the last business day before the expiration of the Order).

#### 5.8

In the case of the Order, the Exchange Transaction is realised (i.e. Citfin realises the agreed exchange transaction for its Client) only when Citfin can offer (with respect to the exchange rate development, internal business rules, policy and terms offered by its contractual partner) such an exchange rate and carry out the exchange transaction in it to correspond to the agreed Spot Rate in accordance with Article 5.7. Following the implementation of the Order, by the next business day at the latest, the Client is sent an e-mail containing the

information that the Order has been implemented. In connection with the implementation of the order a member of Citfin's staff will contact the Client by telephone and agree the following conditions for the settlement of the trade:

- a) an advance payment to an Independent account of Citfin, within the definition of Article 5.24,
- b) the settlement date, in accordance with Article 5.25 - the part that regulates the Spot Trades of these GBT, which must occur no later than two business days after the execution of the Order (T+2),
- c) guidelines for the settlement of the Exchange Transaction, pursuant to Article 5.26 of these GBT.

The Client acknowledges that in the case of stop-loss Orders, it may be difficult or impossible to achieve the agreed Exchange Rate under certain circumstances or to complete the implementation of the Order for the agreed Exchange Rate, in the event of a sudden unusual or unpredictable circumstance, independent of the will of Citfin (e.g. rapid change of the exchange rate on the market or in the case of a so-called "gap" in the market), so there is no guarantee that Citfin will realise the Order for the agreed Exchange Rate. The Client therefore acknowledges and agrees that the Orders will be realised on the basis of the best conditions, i.e. the best Exchange Rate, which Citfin can offer to the Client at the moment, without the need for further confirmation of the Client. The placement of a stop-loss order therefore does not necessarily imply the exclusion of losses on the part of the Client.

The Spot Rate is only applicable when the Order's maturity date occurs two business days after the Order was executed (T+2). If an earlier maturity date than two business days from the execution of the Order is agreed at the Client's request, SA is not required to execute the Order at the Spot Rate but at an exchange rate that corresponds to the Spot Rate that has been adjusted on the basis of Forward Points.

### Online Trading in the Bankservis application

#### 5.9

Unless stated otherwise, Online Trading in the Bankservis application is governed by the terms and conditions stipulated in this chapter.

#### 5.10

The Bankservis Online Trading service comprises the closing of the Spot Exchange Trade with an individually offered exchange rate through the Bankservis application.

#### 5.11

Online Trading is available to any Client or any authorised person with the defined rights of ownership specified in the Framework Agreement, providing that Online Trading is negotiated in the Framework Agreement.

Owner's rights enabling Online Trading:

- a) Active,
- b) Active with a limit of 2 signatures (the CPA's Owner),
- c) Active with a limit of 2 signatures (any authorised person).

A detailed description of the authorisation is contained in Point 10.1.

#### 5.12

Online Trading is available on business days between 8.00 a.m. and 5.30 p.m. The Citfin Company reserves the right, in exceptional cases, especially in the event of

technical defects or any external effects or force majeure, not to provide Online Trading services for a certain amount of time. The Citfin Company is not to be held responsible for any damage that may be caused in this manner.

#### 5.13

With Online Trading it is possible to exchange CZK, EUR, USD, CHF, GBP, PLN.

#### 5.14

The Maximum Exchange Trade Limit concluded through Online Trading is provided in the Bankservis application and at [www.citfin.cz](http://www.citfin.cz).

#### 5.15

The maximum daily limit, i.e. the sum of all the concluded Exchange Trades that were negotiated through Online Trading in a single day may not exceed the limit that is set by Citfin and is defined in the Bankservis application and at [www.citfin.cz](http://www.citfin.cz). In the event that the Client exceeds the maximum daily limit, the Citfin Company shall be entitled to cancel any Exchange Transactions beyond the daily limit that were negotiated through Online Trading and to carry-out a new Exchange Transaction in the form of a reverse/mirror transaction to the original Exchange Transaction under the same conditions as those that were originally negotiated and realised. The relevant Confirmation is then sent to the Client immediately.

#### 5.16

The process of concluding a Spot Trade through Online Trading, that is implemented through the Bankservis application:

- a) The Client or the authorised person selects the parameters of the transaction in the Online Trading tab, i.e.:
  - the currency sold by the Client,
  - the currency purchased by the Client,
  - the volume of trade in purchased or sold currency,
  - date of settlement:
    - i. T+0 – trade settlement on the current business day (for trade settlement on the current business day it is necessary to submit the Exchange Trade until the cut/off time published at [www.citfin.cz](http://www.citfin.cz)),
    - ii. T+1 - trade settlement on the next business day,
    - iii. T+2 - trade settlement on the second following business day.
- b) Upon the completion of the aforementioned parameters of the transaction, the Client or the authorised person will ask for the price, i.e. the currently offered exchange rate with the specified parameters.
- c) Subsequently the value of the offered exchange rate is displayed to the Client or the authorised person. The Client or the authorised person then has a time limit of 5 seconds to confirm the Spot Exchange Trade. If the Spot Exchange Trade is not confirmed within a given time limit, the Spot Exchange Trade is not concluded.
- d) If the offered exchange rate is accepted by the Client or the authorised person, i.e. the Client or the authorised person selects the "Confirm Trade" from the menu, the transaction is concluded with the parameters specified by the Client or the authorised person in his/her rate request and at a rate offered by Citfin.

#### 5.17

##### **Cancellation of the exchange transaction through the Bankservis application**

The Client acknowledges and agrees that Citfin is entitled to cancel the Exchange Trade effected via Online Trading in the Bankservis application Channel with immediate effect by the unilateral legal action in the following cases:

- a) the agreed exchange rate differs significantly from the current exchange rate offered by Reuters at the time of the conclusion of the exchange transaction,
- b) the trade was concluded using a wrong exchange rate (for example, a currency exchange rate for sale was used to buy the currency, due to technical problems on part of Citfin the exchange rate was incorrectly set, etc.).

In such a case, Citfin shall be entitled to execute a new reverse/mirror transaction to the original Exchange Trade, under the same conditions of the originally negotiated and executed transaction. The relevant Confirmation is then sent to the Client immediately.

##### **Futures exchange trades**

#### 5.18

In the case of Forward Exchange Trades (hereinafter referred to as the "**Forward Trades**"), the subject of an Exchange/Exchange Trade contract is a commitment by Citfin to the Client to buy or to sell foreign currency, within the time-period specified, in exchange for a local currency or for a different foreign currency, in the agreed amount and at the agreed exchange rate, and the commitment of the Client to provide to Citfin in advance the funds requisite for the implementation of the Exchange Trade and thereby enable the settlement of the transaction.

The Client acknowledges that the concluded Forward Trade is always settled by Citfin in full. The Client further acknowledges that, as a result of the development of the current exchange rate, a loss may arise from the concluded Forward Trade, even in the amount exceeding the Total Deposit advanced by the Client to CPA. The Forward Trade is a trade with a date of settlement subsequent to the term of T+2 (the second following business day) usually within one year after the trade has been settled. (Individually it is possible to agree a period longer than one year).

#### 5.19

For Forward Trades in EUR and USD, Citfin sets the following minimum limits for Exchange Trading: EUR 10,000 or USD 10,000. For Forward Trades in the currencies GBP, CHF, NOK, SEK, JPY, PLN, CAD, HUF, DKK, AUD, RON and RUB, Citfin sets a minimum value of the Exchange Trade corresponding to the equivalent of USD 10,000.

#### 5.20

The Forward Trade can be arranged only on phone and it is concluded at the exact time at which the parties agree, on the phone, all the following conditions of the trade. Such an agreement will be then considered as an instruction by the Client to execute a Forward Trade under the agreed terms:

- a) the identification of the currency that is required by the Client that is defined using the ISO code which is the subject of the business requested by the Client, i.e. that Citfin should purchase on behalf of the Client,
- b) the identification of the currency which is the subject of the exchange using the ISO code



- which Citfin should purchase from the Client (hereinafter referred to as the "Volume of the Exchange"),
- c) the type and the amount of currency that has been purchased on behalf of the Client or the amount of currency that has been purchased directly by the Client,
  - d) the exchange rate (the exchange rate is the rate based on the current Spot Rate at the time of concluding the Forward Trade and it includes a margin of Citfin that does not exceed three per cent of the exchange rate of the specific Forward Trade,
  - e) the type of transaction (Forward),
  - f) the Settlement Date is the date that an exchange of funds in the agreed currencies between the Client and Citfin Company is executed or the period in which the exchange of funds in the agreed currencies between the Client and Citfin has occurred,
  - g) the method of settlement.

#### 5.21

Should market manipulation pursuant to the Capital Market Act occur by executing the Client's instruction, Citfin is authorised not to conduct such a trade.

#### 5.22

a)  
If the Client undertakes Forward Trades with Citfin, Citfin is entitled to request the Client to transfer the funds intended for investment for the benefit of Citfin to cover the Open Futures on the CPA, as what is known as an Initial Advance or Remedial Advance; these terms are defined later in this Article 5.22.

b)  
The Client is obliged to transfer the amount of the Initial Advance (including its increase) and the Remedial Advance to the CPA from his/her bank account(s), so that they are credited to the CPA within 2 business days after the Client has been requested for their payment, unless provided otherwise in the Framework Agreement; specifically applicable is that the advance must be lodged prior to concluding the trade. The deadline of 2 business days commences from the date of the invitation, which Citfin may offer by telephone, e-mail, fax or another communication channel agreed in the Framework Agreement. Failure on the part of the Client to comply with this obligation will be considered as a serious breach of the Contract, bearing the consequences in accordance with Article 5.29 and 5.28 hereof, amongst others.

c)  
The Initial Advance (including any increase - see below) is intended to cover any negative value of the Potential Profit of the Open Forward Trade, i.e. losses that Citfin could suffer in connection with, or as a result, of a trade that is not settled by the Client.

d)  
The amount of the Initial Advance corresponds to the result from multiplying the Initial Advance rate defined in the Framework Agreement by the Volume of the Exchange of the Futures Trade to be concluded. With regard to the development of and the course of trading with the Client Citfin is entitled to unilaterally require from the Client an increase in the Initial Advance. At the request of Citfin, the Client is obliged to transfer to the CPA the funds intended for the increase of the Initial Advance.

e)  
If the Percentage Coverage of Open Futures drops to or falls below the value specified in the Framework Agreement as the Marginal Coverage, Citfin is entitled to require the Client to transfer additional funds to the CPA (i.e. a Remedial Advance) that shall be endorsed in favour of Citfin, in such a sum that, after the payment of the Remedial Advance and its immobilisation, the Percentage Coverage of Open Futures is higher than or equal to the value specified in the Framework Agreement as the Initial Advance. Without requiring the payment of additional financial resources as a Remedial Advance, Citfin is entitled unilaterally and in its favour to immobilise the resources available at the CPA, i.e. those which are not specifically intended for utilisation and in particular those that represent prepaid advances for the already properly settled and therefore closed Forward Trades, in the case of which the basis for their blocking in favour of Citfin was not applicable, or in the case of which entitlement for the cancellation of the immobilisation appeared, in accordance with paragraph f) below. Funds immobilised unilaterally in this manner will have the nature of a Remedial Advance.

f)  
If the Percentage Coverage of Open Futures suddenly drops to or falls below the value specified in the Framework Agreement as the Marginal Coverage and Citfin would not be able to require the Client to transfer additional funds to the CPA before completing the execution of the Future Trade, and the Client does not have available funds on the CPA that Citfin would be entitled to immobilise in accordance with Point e) above and, at the same time, Citfin would suffer a loss that could not be sufficiently covered by the Initial Advance, the Client is obliged to reimburse the loss in full at the request of Citfin within 2 business days (unless agreed otherwise between Citfin and the Client). Should the Client fail to pay the loss due caused by the execution of the Forward Trade in due time, Citfin shall be entitled to offset this claim unilaterally against any Client's receivable from Citfin that have arisen based on the Framework Agreement. The Citfin Company is also authorised to recover this claim in court proceedings.

g)  
If the Percentage Coverage of Open Futures rises by more than 1,5% above the value specified as an Initial Advance in the Framework Agreement, Citfin is obliged, at the Client's request, to release a part of the immobilised funds, but not more than the amount necessary in order that, after their release, the value of the Percentage Coverage is greater than or equal to the value specified in the Framework Agreement as an Initial Advance. The Citfin Company is obliged to release immobilised funds within 2 business days of a request by the Client.

h)  
In accordance with the principles set forth in these General Business Terms Citfin is entitled to block the Total Advance immobilised on the CPA in its favour until the settlement of all the Client's outstanding forward trades. After the settlement of all the Open Futures, upon the Client's request, Citfin is obliged to release all the immobilised funds. The Citfin Company is obliged to release these immobilised funds within 2 business days of a request by the Client.

#### Confirmation of the Exchange Transaction

#### 5.23

Following the concluding of a trade Citfin, without undue delay, sends to the Client, by fax or by e-mail, a confirmation of the trade using the Bankservis

application, which will include the terms of the trade agreed by telephone (see above) and the date of the conclusion of the trade, the identification of the persons who arranged the trade on behalf of the Client and on behalf of Citfin, the registration number of the trade, the date and the place of the issuance of the document and the address of the branch at which the transaction took place and also a request for sending the confirmation signed by the Client back to Citfin.

The Client is obliged to verify the information in the confirmation and if Citfin requests, the Client shall send a confirmation back to Citfin upon receipt without undue delay. In the event that the Client should fail to notify Citfin (through the Bankservis application, by fax or by e-mail) within 24 hours of receiving the confirmation of the trade that the data contained in the confirmation are not consistent, it shall be considered that he or she has verified the content of the confirmation and that he or she fully agrees with the content of the confirmation. The Contracting Parties take note that the confirmation is just a confirmation of already closed business. The Client is obliged to sign the confirmation in accordance with Article 8.2 of these GBT and send it back to Citfin without delay, either through the Bankservis application, by fax or in a scanned form as an attachment in e-mail correspondence.

#### **Settlement of Exchange Trade**

##### 5.24

Unless agreed otherwise, the Client is obliged to send the Volume of the Exchange to an Independent Account belonging to Citfin, so that these funds are credited to that account at latest one business day prior to the agreed date of settlement of the transaction. The breaching of this obligation on the part of the Client shall be considered as a gross violation of the Client's obligations in accordance with the contract concerning the Exchange Trade, which may result in the cancellation of the contract and Citfin is entitled to choose, at its discretion either the procedure pursuant to Article 5.29 or Article 5.28 of the GBT. In regard to any payment to an independent account belonging to Citfin, the Client is obligated, in the case of transactions in CZK, or for the purpose of the payment for transfers in foreign currencies, to indicate his/her Business ID No. or Personal ID No. if the Client does not have a Business ID No., as a variable symbol.

##### 5.25

Provided that the Client duly fulfils in a timely manner his/her obligations as defined above the trade will be settled on the agreed-upon date defined in the confirmation. Should s/he fail to do so, the date of the trade settlement shall occur, at the earliest, on the day on which the Exchange Volume is credited to the specified Independent Account belonging to Citfin and at the same time that it also appears on the daily bank statement of the Independent Account belonging to Citfin. Based on the criterion of force majeure, or, should the original date of the trade settlement falls on a holiday or a weekend (i.e. a Bank Holiday) in the country to which the traded foreign currency is related, Citfin reserves the right to conduct a delayed settlement of the trade.

##### 5.26

After the settlement of the transaction, Citfin is obliged to use the funds that result from the Exchange Trade in accordance with the instructions of the Client. If these instructions are not additionally specified by the Client and are known to Citfin at the time of the trade settlement, by the end of the business day following the day on which Citfin receives these funds it transfers them to one of its Independent Accounts that are held on behalf of Citfin by

banks or savings associations, with the proviso that during this period they are not transferred to the Client nor to another provider of payment services. The same strategy is applied to the funds that the Client transferred to Citfin's Independent Account and which are not a Deposit as per Article 5.22, nor are they designated for the settlement of the obligations of the Client towards Citfin nor were they transferred for the purpose of the settlement of the trade.

##### 5.27

The Client is aware of the fact that the Exchange Rate developments occurring between the negotiation of the Exchange Trade and its settlement do not have any influence on the Exchange Trade, which means that the possible loss to the Client or to Citfin related to exchange rate developments is not compensated for; all this takes place based on the condition that a due settlement of the trade should occur and that generally all responsibilities on the part of the Client are fulfilled.

##### 5.28

If the Client does not properly and timely transfer funds for the settlement of the trade or as an advance to cover exchange rate losses from Futures Trading, Citfin is entitled to:

- a) unilaterally settle it, i.e. to carry out the relevant unsettled and/or cancelled trade, as well as any other or all of the still unsettled transactions, and at the same time to,
- b) carry out, at the agreed exchange rate of the affected exchange trade, a new exchange trade in the form of a reversed/mirror transaction to the original Exchange Trade with the original type and amount of currency that Citfin should have purchased for the Client. Exchange Trades in the form of reverse transactions are subject to the provisions of Article 5.23 of these GBT on confirmation, and also to,
- c) carry out at the agreed exchange rate of the affected Exchange Trade a new Exchange Trade with the original type and amount of currency that Citfin should have purchased for the Client, the date of settlement shall be set by Citfin as not later than the following business day.

##### 5.29

In the event that the Client is in breach of his/her obligations in accordance with these GBT, the Framework Agreement or other related obligations (e.g. does not transfer properly and in a timely manner funds for the settlement of the trade or for advances to cover any exchange rate losses from Futures in accordance with Article 5.22 above) or if the Client, in exceptional cases, request the cancellation of an as yet still unsettled trade, Citfin is entitled to:

- a) Settle unilaterally, i.e. to effect the unsettled and/or cancelled trade involved, and in addition any others or all of the so-far unsettled trades and, at the same time effect, a new Exchange Trade at the current exchange rate of the interbank market, in the form of a reversed-mirror transaction to the original exchange trade with the original type and amount of the currency that Citfin was to purchase for the Client. The provisions of Article 5.23 of these GBT on Confirmation apply to the Exchange Trade in the manner of a simultaneous reverse transaction and, at the same time.
- b) Citfin will offset the difference in the value of the original Exchange Trade (see Point a) and the current Exchange Trade value against the Exchange Volume in the form of a reversed-mirror transaction (see b), provided that it has

already been credited to the account of Citfin and/or against the Deposits provided, as per Article 5.22 above. If the Exchange Volume has not yet been credited to Citfin's Independent Account and the development of the exchange rate of the newly agreed currency has been detrimental to the Client, the Client is obliged, based on this Clause, to transfer the difference computed, without delay to Citfin's Independent Account

#### 5.30

In accordance with Act No. 256/2004 Coll., on the Capital Market, as amended, for both Spot and Forward contracts the maximum transaction limits are defined by the amount of the limit that Citfin determines for the Client at the outset of the contractual relationship. Citfin may regularly reassess the amount of the limit (at least once a year) with regard to the Client's creditworthiness, while it is authorised to change the amount of the maximum limit during a contractual relationship by unilateral legal action as a follow-up to the current result of the Client's creditworthiness assessment. The maximum limit for Spot and Forward trades is regularly updated on the basis of documents submitted by the Client intended to determine the Client's creditworthiness, on the basis of which the Client is assigned the maximum transaction limit for Forward Trades. In the event that during the duration of the Forward Trade the maximum transaction limit for Forward Trades is reduced as a result of the Client's worsened creditworthiness, new Forward Trades may be negotiated only up to the amount of this currently set maximum transaction limit for Forward Trades. In the event that the maximum limit specified for Forward Trades is exceeded, Citfin is authorised to unilaterally increase the Initial Advance and the value of the Marginal Coverage to the Client as specified in the Framework Agreement in Article 9.4 i.e., on the date of the relevant call for payment of the increased Initial Advance, which also includes a notification of a change in the value of the Marginal Coverage.

Exchange transactions can be arranged on business days between 8:00 a.m. and 5:30 p.m.

#### Authorisation of Exchange Trades

#### 5.31

In order to enhance the security of Exchange Transactions, prior to the conclusion of each Exchange Transaction the Client (or another authorised person) will be invited for the purpose of authentication. The authentication process will be conducted as follows:

- a) If the Client is authenticated by means of an Authentication text message, Citfin sends the Client to his/her Authentication device the registered number of which will be agreed in the Framework Agreement, a unique, automatically generated numerical code. This authentication code, use to be communicated during the telephone communication with the employees of Citfin.
- b) If the Client is to be authenticated by means of an Authentication Code generated by the Client using the Token Device, s/he will be invited to generate a Token code, using his/her Token device, and to communicate this code during the telephonic communication with the staff of Citfin.

Should the code not be communicated or be communicated incorrectly, Citfin will not conclude the Exchange Trade. The authentication code is valid only for arranging a single specific Exchange Trade. The Client is obliged to inform Citfin immediately concerning any loss,

theft or misuse of the Authentication Device or about a change to this device number in the case of a mobile phone. The Client is obliged to immediately confirm in writing his oral information. The Citfin Company will subsequently immediately block the specific device. Blocking can also be carried out, on the basis of a written request by the Client, for a fixed period or permanently. Using the Change Form that is attached to these General Business Terms, the Client is entitled to apply for the registration of a new Authentication Device, or for a new number for the mobile phone, for a change of the telephone number or for another manner of Authentication that will replace the original one.

If, for technical reasons, the Client (the authorised person) cannot be authenticated by means of the Authentication Code, Citfin is entitled to require an Alternative Authentication of the Client's (authorised person's) instruction, through which Citfin can authenticate the Client (or the authorised person), by means of the birth number or client number of the Authorised Person, which the Authorised Person receives after activating the Bankservis application.

As part of the process of conclusion of the Exchange Transactions through the Dealing Department, the Authorisation is required from the Client (the Authorised Person), i.e. the confirmation of the Exchange Trade parameters. By Authorisation the Client (the Authorised Person) expresses the correctness of his/her order and agrees to its execution.

#### 5.32

The Client acknowledges and agrees that any telephone calls between the Client and Citfin that are executed in connection with the conclusion of the Exchange Trades are recorded and archived by Citfin's technical means.

In the event that it is impossible to use Citfin's telephone lines to conclude the Exchange Trade (technical reasons, power outages, etc.), Citfin shall not be liable for any damages and other costs on the part of the Client in connection with the fact that it could not conclude the Exchange Trade.

### 6. Execution of the Payment Transaction/ transfer of funds from the Client's Payment Account in a local or a foreign currency to other bank accounts

#### 6.1

Based on the conditions stated hereafter, Citfin, at the Client's request, will execute a payment transaction/ transfer of funds from the CPA in a local or a foreign currency to a foreign country or locally, on the basis of a payment order signed by the Client (or by an authorised person).

#### 6.2

Only the Client (or an authorised person) is permitted to handle balances and to conduct payment transactions on the CPA, on the basis of a payment order sent to Citfin via Bankservis or the Phonebanking application.

#### 6.3

The Client acknowledges that Citfin is authorised to offset the accounts receivable occurring for Citfin due to the fact that Citfin carries out a payment from the CPA on behalf of the Client and as instructed by the Client, against the Client's receivables from Citfin as specified in Article 5.26 of these GBT. In this respect, any payment transaction from the CPA made by Citfin is conditional on the

existence of the account receivable, as per Article 5.26 of these GBT.

#### 6.4

The execution of the Payment Transaction from the CPA, as specified in Article 6.1, and its offsetting, as specified in Article 6.3, will be executed based on the payment order, which contains exact instructions and data for the execution of the relevant Payment Transaction. The Client submits the Payment Order electronically via the Bankservis application, as described in Article 10 of these GBT, or via Phonebanking, as described in Article 10.9 of these GBT. The Payment Order is accepted by Citfin only after it has been authorised by the Client (or the authorised person).

The Citfin Company shall, upon the Client's request, carry out an outgoing payment transaction/the transfer of funds from the CPA to the account of a third party in the domestic or a foreign currency, at home or abroad, provided that the Client fulfils the following conditions, namely:

- a) sending to Citfin a Payment Order authorised by the Client (or an authorised person) or via Bankservis or Phonebanking,
- b) a sufficient volume of resources on the CPA to settle the outgoing payment transactions,
- c) compliance with the cut off time (in accordance with Article 6.6 below) for sending the payment order and the covering funds to the CPA prior to the value date (maturity date) of the trade, as determined on the confirmation of the Exchange Trade and on the Payment Order.

#### 6.5

If there is not a sufficient volume of funds on the CPA for the settlement of the outgoing payment transaction on the due date of the Payment Order, Citfin shall immediately communicate this fact to the Client in any form and indicate the obstacle to the execution of the Payment Order. The Client then has an additional period of 2 business days from the original due date of the Payment Order available to add the lacking funds to the account. If it does not do so, Citfin shall not execute the Payment order, respectively it expires without further compensation. The funds must be credited to the Independent account by 4:00 pm the next business day after the original due date of the Payment Order.

#### Domestic Payment Orders must contain:

- a) the name and the address of the residence of the payer,
- b) the payee's account number and the identification code of the payee's bank,
- c) the amount to be transferred, specified numerically, including the indication of any decimal places,
- d) identification of the currency to be transferred (ISO currency code, in accordance with the CNB),
- e) the purpose of the payment (information for the payee),
- f) the due date. i.e., the date on which the Payment Transaction should be executed,
- g) the speed of the Payment Transaction:
  - Normal – provided that the Client enters "NORMAL" on the payment order as the speed of payment, has sufficient funds for the settlement of the payment transaction on the CPA and delivers the payment order to Citfin before 4:30 p.m., the payment transaction will be carried out on the same day, with the speed of payment as "NORMAL", unless agreed otherwise. The funds are delivered to the payee's

bank, at the latest, before the end of the next business day.

- Urgent – provided that the Client enters "URGENT" on the payment order as the speed of payment, has sufficient funds for the settlement of the payment transaction on the CPA and delivers the payment order to Citfin prior to the cut-off time for sending a payment transaction, which is stated at [www.citfin.cz](http://www.citfin.cz), the funds are delivered to the payee's bank on the same business day.
- h) signature of the Client (or the Authorised Person).

#### Foreign Payment Orders must contain:

- a) the name and the registered address or the address of the residence of the payer,
- b) the name and the address of the registered office or the residence of the payee, including indication of the country,
- c) the payee's bank details,
- d) the payee's account number. In the case of transfers directed to states of the EEA it is necessary to indicate the payee's account number in the IBAN format structure. The list of countries, where IBAN requires an account number in the IBAN format structure, is available on [www.citfin.cz](http://www.citfin.cz). The Client acknowledges that if the IBAN is not specified the payment is impracticable and Citfin is not obliged to execute it,
- e) the exact name and the complete address of the payee's financial institution, the BIC (SWIFT address) or the national code for the payee's financial institution (in the cases of transfers directed to the EEA states it is necessary to indicate the BIC of the transferring institution of the payee) If the BIC (SWIFT address) is not in accordance with the payer's/payee's name, the payment is directed to the payer's/payee's Financial Institution in accordance with that BIC (SWIFT address),
- f) the amount to be transferred, specified numerically, including the indication of the decimal places,
- g) identification of the currency to be transferred (the ISO currency code, in accordance with the CNB),
- h) the purpose of the payment (information for the payee),
- i) the date on which the payment transaction should be executed,
- j) charging 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), or
  - BEN (all fees are paid by the recipient; the recipient receives the amount reduced by the expenses and fees of Correspondent banks).
- k) the speed of the Payment Transaction:
  - Normal – provided that the Client enters "NORMAL" on the payment order as the speed of payment, has sufficient funds for the settlement of the payment transaction on the CPA and delivers the payment order to Citfin before 4:30 p.m., the payment transaction will be carried out on the same day with the speed of payment

as "NORMAL", unless agreed otherwise. The funds are delivered to the bank of the beneficiary within 4 business days. Payment orders in EUR entered by 1:00 pm on business days with a due date identical with the current calendar date will be credited to the beneficiary's bank account by the next business day.

- Urgent – in the case of the foreign payment system, provided that the Client enters "URGENT" on the payment order as the speed of payment, has sufficient funds for the settlement of the payment transaction on the CPA and delivers the payment order to Citfin prior to the cut-off time for sending a payment transaction, which is stated at [www.citfin.cz](http://www.citfin.cz), the funds are delivered to the payee's bank, at the latest, on the next business day.
- l) for payments in RUB, expanded payment parameters must be listed, which are available, on Citfin's website ([www.citfin.cz](http://www.citfin.cz)),
- m) for payments in USD currency, it is advisable to include the extended parameters of the payment, which are available on Citfin's website ([www.citfin.cz](http://www.citfin.cz)),
- n) signature of the Client (or the Authorised Person).

#### 6.6

For domestic and foreign clearing deadlines please visit [www.citfin.cz](http://www.citfin.cz). This is the latest cut off time, by which the Client must deliver a payment order to Citfin in order that the payment should be made on the same day. An additional condition for the fulfilment of the payment transaction is a sufficient coverage of funds in the CPA.

Execution time for carrying out payments may be extended if Citfin proceeds in accordance with the legislation on measures against money laundering and terrorist financing. For foreign payment transactions, the period for crediting the funds to the beneficiary's bank account is affected by the national holidays of the currency of the transaction and the public holidays of the recipient bank's state. For transactions outside the EEA time limits credited to the beneficiary's bank account depends on the type of processing transactions of Correspondent Banks.

Prior to executing the payment transaction from the CPA Citfin provides the Client, upon its/his/her request, with information concerning the maximum period for the execution of the transaction and the fee that the Client will be obligated to pay for execution of the payment transaction and, in the event that the fee consists of additional items, also a breakdown of these items. The amount of the fee for outgoing payment transactions is always available to the Client in the individual Framework Agreement. The specific amount of this consideration will be confirmed to the Client in the confirmation of the Exchange Trade that the Client always receives following the conclusion of the Exchange Trade through the Bankservis application or by e-mail. The Citfin Company is obliged to credit the funds to the payee's provider account within the deadlines set forth in the APS, i.e. maximally within the T+4 deadline.

#### 6.7

Following the execution of the Payment Transaction, Citfin sends the Client a confirmation of the transfer of the funds via e-mail or through the Bankservis applications, which

serves as proof of the settlement of the Payment Transaction.

#### 6.8

In accordance with the legal regulations, in the case of a transfer within the European Economic Area (EEA) countries in currencies of the EEA member states that involves no currency exchange, the "SHA" type of bank fee is applicable. If any other type of fee is entered on the payment order, applicable to a payment within the framework of the aforementioned currencies and countries, Citfin has the right to alter the type of bank fee to SHA. For transfers outside the EEA Member States or in currencies of states other than EEA Member States, the Client has the right to stipulate any type of bank fees. The Client acknowledges that for transactions outside the EEA, the OUR fee type may be changed by the corresponding foreign bank to a SHA or BEN type of fee, in which case the payee may receive an amount reduced by the specific type of charge.

#### 6.9

Considered as the time of receipt of the Payment Order is the time at which Citfin receives the payment order directly from the Client or from an authorised person based on an initiative of the Client (or the Authorised Person).

If the Client who initiated the Payment Transaction and Citfin have agreed that the Payment Transaction shall commence at a specific point in time when specific conditions have been met, or at the end of a certain period (hereinafter referred to as "deferred payment of the payment order"), considered as the time of receipt of the payment is this designated time.

Should the time of receipt of the Payment Order fall at a point in time that is not within the operating hours of Citfin, it is considered that the Payment Order is received at the commencement of the subsequent operating period of Citfin.

Payment orders that Citfin Company receives after the cut off time agreed with the Client (i.e. after 4:30 pm) shall be deemed to have been received at the beginning of the subsequent business day.

#### 6.10

The Client may not revoke the Payment Order in the event that the time of the maturity of the Payment Order has already expired (i.e. the payment date that is defined on the Payment Order or on the Confirmation of the Exchange Trade).

The Client may request an appeal of Payment Orders, even if the maturity of the Payment Order has already occurred, but s/he must keep in mind that the request may not be granted. The Client may be charged for the revocation of the Payment Order after its maturity in accordance with Citfin's Rate Schedule.

In the event that Citfin notifies the Client about irregularities in the Payment Order (e.g. wrong SWIFT, IBAN, etc.), the Client can fix the payment instructions, until 4.30 pm the next business day from the date of notice. The notification is performed by phone or by a message in the Bankservis application and within it Citfin notifies the Client about the consequences of the possible failure of the Payment Order's correction. If the Payment Order is not changed by the Client, Citfin:

- a) shall not execute the Payment Order on the grounds that it is an impracticable payment (wrong IBAN, SWIFT Code) and shall inform the Client in any form or,
- b) processes/executes the Payment Order in accordance with the original data contained in it,

if it is a feasible payment. However, the Client acknowledges that in such a case, Citfin assumes no responsibility for any damage that may be caused the Client due to the execution of the wrong Payment Order.

#### 6.11

Pursuant to § 159, Paragraph 1 of The Payment System Act Citfin may refuse to execute a Payment Order only if the terms and conditions for its acceptance are not met, or if otherwise provided for by applicable law. The Citfin Company may refuse to execute a Payment Order should the Client fail to comply with the requisite conditions for the receipt of the Payment Order that are referred to in these GBT, namely:

- a) that the Client has not transferred sufficient funds for the settlement of the Payment Transaction to the "Independent Citfin Bank Account", held at a bank or a savings association,
- 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 Citfin to protect its interests or the internal regulations of the intermediary bank. This provision applies specifically to send 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.

In the event that Citfin should refuse to undertake a Payment Transaction for a Client, it must immediately inform him/her of this fact and provide a reason for refusing to undertake the transaction. If the reason for the refusal is in regard to the violation of Act No. 253/2008 Coll., On some measures against money laundering and financing of terrorism, as amended, in such a case Citfin shall proceed in accordance with this Act and with the in-house regulations of Citfin.

## 7. Execution of the Payment Transaction/ receipt of funds on behalf of the Client in both domestic and foreign currencies from other bank accounts

### 7.1

The Citfin Company, at the behest of the Client, shall execute Payment Transactions and/or accept the receipt of funds from incoming Payment Transactions for the benefit of the CPA, in such a manner that, in accordance with the Client's written notice of arrival, Citfin accepts the incoming payment to the CPA and subsequently disposes of the funds received in accordance with the Client's instructions.

Prior to executing the Payment Transaction on the CPA Citfin provides the Client, upon its/his/her request, with the information concerning the maximum period for the execution of the transaction and the fee that the Client will be obligated to pay for the execution of the Payment Transaction and, in the event that the fee consists of more items, also a breakdown of these items. The Citfin Company is obliged to credit the funds to the CPA within

the deadlines set forth in the APS, i.e. at the latest by the end of day following the date on which the funds were credited in favour of the Client to the payee's provider's account.

### 7.2

The Client is obliged to instruct the payer, i.e. the person making the Payment Transaction from abroad, duly and in a timely manner, concerning the account number, the name of the remitee, the bank of the remitee and the following details concerning the collection:

- a) the account number - must correspond to one of the numbers of the accounts maintained for the respective currency of incoming payments at the bank ING Bank N.V. and mentioned on [www.citfin.cz](http://www.citfin.cz) and in separate Appendix No. 5 to the Framework Agreement (Independent Bank Accounts of the Citfin – Finanční tržba, a.s. Company), the Client is obliged to regularly and continuously, or to always check the website mentioned above before instructing the payer of the Payment Transactions, whether the relevant accounts are still active and functional,
- b) the name of the Remitee – the identification of Citfin as it is shown in the heading of the Framework Agreement or in Appendix No. 1 to the Framework Agreement, as the identification of the contractual party,
- c) the name of the remitee's bank - identification of the bank as it is shown in separate Appendix No. 5 to the Framework Agreement (Independent Bank Accounts of the Citfin – Finanční tržba, a.s. Company) including the SWIFT code and also the identification of the correspondent bank,
- d) a description of the Collection on behalf of the CPA:
  - data concerning the Client, enabling the due identification of the payment by Citfin,
  - data concerning the payment (e.g. the invoice No.), enabling the due identification of the payment by the Client.

### 7.3

The Client is obliged to send prior advance notice to Citfin of the anticipated date of the receipt of the payment transaction, using the Form for the notice of advice of an incoming payment transaction in a scanned form as an attachment to an e-mail message sent to the e-mail address [platby@citfin.cz](mailto:platby@citfin.cz). The form for the notice of advice of an incoming Payment Transaction is available at the website of Citfin.

### 7.4

In identifying the received payment within the incoming Payment Transaction in favour of the CPA, Citfin is obliged to proceed with due diligence, thus it is not responsible for whether the incoming Payment Transaction in favour of the CPA is executed or not or if it is duly executed and on time. The Client acknowledges that the relevant payment service is provided from the time of the acceptance of the concerned amount to Citfin's Independent Account. The Citfin Company is not responsible for any documents, related to the Payment Transaction from a third party, including other payment institutions. The Citfin Company does not examine cash flow from the payer. It is crucial for it the moment of crediting on its Independent Account and then for the purposes of the identification payments, Citfin is governed solely and exclusively by the notice of an incoming Payment Transaction. The Citfin Company is obliged to inform the Client without any delay of the receipt of a duly identified collection on behalf of the CPA,



or, if applicable, after the collection has been credited to the Independent Account of Citfin, in addition to any discrepancy between the advice received by the Client and the actual collection on behalf of the CPA.

Identified Payment Transactions are credited to the CPA by the next business day from the receipt on the Independent Account of Citfin.

#### 7.5

If it is impossible to duly carry out the identification of the collection credited to the Independent Account of Citfin, the latter will proceed with due diligence to additionally identify the collection. Provided that it succeeds, it will invite the Client to make a written statement concerning the explicit identification of the collection of incoming Payment Transaction, at least in respect to the remitter and the reason for the collection and the amount anticipated. It is at the discretion of Citfin whether the Client explicitly identified the collection through its statement.

If Citfin or the Client do not identify the collection by its statement, Citfin will wait for 15 calendar days from the crediting of the collection to its Independent Account and following the expiration of this term it will verify the collection through the banks and invite the remitter to identify the collection. If Citfin does not succeed in identifying the collection within 45 days from its crediting to the Independent Account, it shall return the funds to the account of the remitter.

## 8. Citfin API Service

#### 8.1

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

#### 8.2

Citfin API enables the Client to authorize a Third Party to instruct Citfin to perform the following Third-Party services:

- a) Indirect Payment Order Service,
- b) CPA Information Service,
- c) CPA Balance Request Service,
- d) (hereinafter individually as the "API Service" or jointly as "API Services").

#### 8.3

Citfin API is accessible through self-login. The Managing Clerk is assigned an API Client Number, which together with the code generated by the Token is used to authenticate the Managing Clerk's Access to Citfin API.

#### 8.4

An instruction to authorize the use of individual API Services and to determine their scope is authorized by the Managing Clerk in the Citfin API via the code generated by the Token and is valid for 90 days from its granting. In the Citfin API, the Managing Clerk may refuse to authorize an instruction to use the API Service or subsequently withdraw the authorization to use any API Service by means of an authorized instruction.

#### 8.5

An Indirect Payment Order may be made by Citfin:

- a) only based on the Managing Clerk's instruction to use this API Service, which the Managing Clerk authorizes through a code generated by the Token, and

- b) if all the conditions for the execution of the required Payment Transaction pursuant to the relevant Article IV of the GBT are fulfilled (with the difference that the Payment Order is not entered by the Client Managing Clerk himself/herself), In such a case, Citfin is obliged to accept the Payment Order Indirectly and execute the required Payment Transaction. In such a case, Citfin immediately notifies the provider of this API Service that the Indirect Payment Order has been received and executes the Payment Transaction in accordance with the relevant Indirect Payment Order.

An Indirect Payment Order cannot be revoked after Citfin has sent information on the receipt of this Payment Order to the provider of Indirect Payment Order Service.

#### 8.6

The Client bears full responsibility for the misuse of access rights, passwords or authentication device, as well as for the unlawful conduct of persons who have been allowed to use the Citfin API.

#### 8.7

When communicating with the Citfin API, the Client is obliged to:

- a) take all measures to protect and ensure the security of electronic communication and the whole system, including security components (passwords, codes, mobile phones with Token installed),
- b) immediately notify Citfin of the loss, theft or any misuse of the Authentication/Authorization Device, where the Client must confirm the oral information in writing. Citfin shall block the relevant Token immediately upon notification by the User,
- c) immediately notify Citfin of the loss or disclosure of the access code, as well as of any changes related to a specific authorized natural person (e.g. other job, termination of employment) and request termination of the electronic communication option of the specific authorized person.

#### 8.8

Citfin is entitled to reject an instruction to execute the API Service:

- a) if it suspects unauthorized or fraudulent use of the Authentication/Authorization Device or Personal Security Components of the Client (access passwords, user element codes),
- b) if the Payment Order was issued through a person who is not authorized to provide the API Service,
- c) if the API Service provider failed to prove its identity, or
- d) if it is authorized or required to refuse it in accordance with applicable law.

#### 8.9

In the event that Citfin intends to refuse execution of the API Service, it shall inform the Client of the reasons for the refusal by means of a message sent to the Bankservis Internet banking, if this is not possible, it shall inform the Client without undue delay after the refusal. This does not apply if this would endanger security in the payment system. Citfin also informs the Czech National Bank of the reasons for its refusal without undue delay. Citfin shall also inform the Client in case of permanent blocking of API Service, if the Client repeatedly provides incorrect

authorization of the instruction to execute the API Service under Art. 10.4.

8.10

Detailed information on Citfin API operation is available in the Citfin API Manual on the Citfin website.

## 9. Common Provisions

9.1

The Client is obliged to make all the Payment Transactions for the benefit of Citfin only to the Independent Accounts listed in separate Appendix No. 5 to the Framework Agreement and at [www.citfin.cz](http://www.citfin.cz) at the time of the execution of the Payment Transaction and in the currencies in which these accounts are kept.

The Citfin Company executes Payment Transactions in favour of the accounts of the Client that are specified in the Appendix No. 1 to the Framework Agreement.

Payment Transactions concluded with the Client and/or requested by him/her will be executed within the agreed deadlines, as defined in Article 5.4f), 5.20f) and Article 5.2, 5.18, and 5.8b) of these GBT or on the date designated by the Client as the due date, in accordance with Article 6.4 hereof, provided that the Client on this date meets all its/his/her obligations and the terms arising from these GBT (e.g. in accordance with Articles 5.14 or 6.3 hereof) and from the Framework Agreement. The Citfin Company reserves the right to delay the settlement of the trade or the execution of other Payment Transaction in the case of force majeure or if the original settlement date in the CR or in the country to which the foreign currency traded relates falls on a holiday or on a day off (a Bank holiday). Information concerning the deadlines for the settlement of domestic and foreign payments are provided for the Clients through [www.citfin.cz](http://www.citfin.cz).

9.2

The Citfin Company deals only with the Client (or its/his/her statutory authority) or the Authorised Person listed in Appendix No. 1 to the Framework Agreement in regard to transactions in accordance with these GBT and the Framework Agreement. Other persons are authorised to represent the Client in negotiations with Citfin only based on a special power of attorney granted by the Client with a certified signature (the authorised person).

For the Client, trades based on these GBT and the Framework Agreement concluded between the Client and Citfin may be arranged only by the authorised persons, who fulfil the condition of identification as per Act No. 253/2008 Coll., On certain measures against the legalisation of proceeds from crime and the financing of terrorism, as amended. Any action that is performed by the Client in relation to Citfin in written form and/or anticipated in these GBT or in the Framework Agreement, must be signed in accordance with the specimen signatures that are attached in Appendix No. 3 to the Framework Agreement. The signatures of the persons, who are authorised to arrange the trades, on the documents that serve for identification in accordance with Act No. 253/2008 Coll., may also be used by Citfin as specimen signatures for the purposes of this Agreement. In accordance with Act No. 253/2008 Coll., § 4, paragraph 5, Citfin is obliged to ascertain whether the Client or the authorised person is a politically exposed person.

Understood as a politically exposed person for these purposes is:

- a) an individual who is or was entrusted with a prominent public office with a nationwide or regional significance, such as a Head of State, a Prime Minister, a Head of the Central State Administration and his/her Deputy (a Deputy or a State Secretary), an MP, a member of the governing body of a political party, a Head of the local government, the Supreme Court or the Constitutional Court judge or of another supreme judicial authority, against the decision of which, generally, with certain exceptions, there are no applicable remedies, a Member of the Central Bank's Board, a high-ranking officer of an armed force or corps, a member or a representative of the member, if it is a legal entity, of the statutory body of a commercial corporation controlled by the state, an Ambassador or a Head of the diplomatic mission, or a natural person who holds or was holding a similar function in another state, in any of the bodies of the European Union or in other international organisations,
- b) a natural person who:
  - is a person close to the person referred to in subparagraph a),
  - or a partner or a beneficial owner of the same legal entity or a Trust Fund or another legal organisation without legal personality, as any person occupying a position referred to in subparagraph a), or if s/he is known to be in any other close business relationship with any person occupying a position referred to in subparagraph a), or
  - a beneficial owner of a legal entity or a Trust Fund or another similar legal organisation without legal personality under foreign laws that is known to have been created for the benefit of any person occupying a position referred to in subparagraph a) or b).

The complete list of important public functions with national or regional importance is part of a national list of politically exposed persons issued by the Financial Analytical Office as Methodological Instruction No. 7 published at [www.citfin.cz](http://www.citfin.cz).

In the event that the Client, or the Authorised Person, meets one of the above conditions, he/she is a politically exposed person. The Client is obliged to inform Citfin of this fact. The notification shall be made in writing.

The political exposure of a person lasts for the period of his/her term of office and also one year after termination of his/her term of office.

9.3

The Client is obliged to notify the company Citfin in writing at the conclusion of the contract about the facts that connects it with other people in the economically connected group within the meaning of the relevant legislation, possibly facts that made him/her a person with

a special relationship to the company Citfin. An economically connected group is, if:

- a) a person has a qualifying holding in another person, except where such persons are in the relation of controlling and controlled person,
- b) the same person has a qualifying holding in two or more independent organizational entities,
- c) persons have the same member of the board, or another member of the statutory body, supervisory body or a common senior management or members of the board, supervisory board or senior management are loved persons or persons close to each other within the meaning of the Civil Code,
- d) persons are connected by guarantees or loans,
- e) persons are linked by business relations, such as the supply of goods.

The Client is also obliged to notify the company Citfin in writing of any changes in these facts in the course of the contractual relationship without delay.

Before concluding a contractual relationship, the Client – a natural person – is obliged to inform Citfin whether he/she is acting as a consumer or whether he/she is acting as part of his/her business activities or as part of the independent performance of his/her profession.

#### 9.4

The Client acknowledges and expressly agrees to having all telephone conversations recorded on a technical device of Citfin.

#### 9.5

Services (performance) provided by Citfin to the Client pursuant to Art. 6.1 and 7.1 of the GBT are in return for payment. The amount of the consideration is stated in the particular Framework Agreement. The company Citfin is also entitled to collect fees for the services according to the Rate Schedule, the current version of which is available at [www.citfin.cz](http://www.citfin.cz). The company Citfin reserves the right to update and modify the Rate Schedule, namely the procedure for changing the GBT as defined in Article 2.2 of these GBT. When the Client makes a proposal for the conclusion of any contract or agreement under these GBT to the company Citfin on a concrete day, this expresses the Client's agreement with the current version of the Rate Schedule. The consideration is payable in CZK or in the currency of the execution of the payment transaction from the CPA under Art. 6 of these GBT or received the payment transactions on behalf of the CPA under Art. 7 of these GBT, as agreed between the contractual parties. For conversion of foreign currencies into CZK, the exchange list of the CNB (currency - center) valid on the date when the payment transaction is credited to the independent account of Citfin is used, according to Art. 7 of these GBT, respectively on the day of execution of the payment transaction, as specified in Art. 6 of these GBT.

#### 9.6

If the duty arises for Citfin, in the performance of the contract concluded with the Client and in connection with the transfer of the financial funds by the Client and/or third parties to the accounts of Citfin, or vice versa by Citfin to the accounts of the Client and/or the third parties, to pay bank fees or for any other payments, the Client undertakes to pay such fees and payments to Citfin that are beyond the limit of the payments as specified in Article 9.5. above. Any other payments shall also denote all the payments, costs, performance, etc. of the correspondence banks, costs of identification of the collection, etc., unless the Client documents, that the costs involved were incurred due to the fact, that Citfin did not act with due

diligence in the given matter or unless Citfin violated a legal duty.

#### 9.7

The company Citfin mutually agree with the Client that Citfin receivables resulting from considerations or fees (see Art. 9.5 and / or 9.6 of these GBT) may be included by Citfin against the receivables of the Client for the Citfin, according to Art. 5.26 these GBT.

In the case of mutual accounts receivable of Citfin and the Client, as described above, denominated in different currencies, the parties agree that the rate of exchange will be Citfin's choice:

- a) the exchange rate declared by CNB (foreign exchange-mid-rate) valid on the offsetting date, or
- b) the exchange rate agreed within the frame of the exchange trade, as provided for in Article 5 of these GBT.

Without the prior consent of Citfin, the Client is not entitled to transfer, assign or pledge any rights or claims arising from in association with this Framework Agreement and the GBT. The Citfin Company is entitled to assign rights or claims from this Framework Agreement and the GBT to a third party without the consent of the Client.

#### 9.8

The Citfin Company and additionally the Client are obliged to inform the other Contracting Party without undue delay of any material circumstance that could have any influence on the execution of a specific trade, without any delay by telephone with a subsequent confirmation in a scanned form as an attachment to an e-mail message. The Client is obliged to inform Citfin about any facts that affect or might affect the Client's ability to perform his/her obligations in accordance with the Framework Agreement and the GBT in a timely manner.

The Client is obliged to announce to Citfin without any undue delay all the changes to the data required upon the conclusion of a contractual relationship and/or to those stated in the Appendix to the Framework Agreement and at the same time to document the change by the relevant valid document, from which the change is apparent in accordance with the legal regulations. In order to report the changes, the Client is obliged to use the forms defined in Appendix No. 1 to these GBT. The Client is further obliged to communicate and submit without undue delay changes in data concerning their legal status to Citfin, especially going into liquidation, insolvency proceedings, distress proceedings, decisions on bankruptcy (bankruptcy, reorganisation, debt relief), etc. The notification of the changes must be signed by the authorised person as per the specimen signature and sent to the company by fax or scanned as an attachment to an e-mail message and subsequently by mail. Failure to provide notice of the changes and the data in the above-mentioned manner will be considered as a breach of a material contractual duty on the part of the Client, which entitles Citfin to terminate the Framework Agreement pursuant to Art. 9.10 of the GBT. Citfin informs the Clients of its business activities and concerning the changes on its web pages [www.citfin.cz](http://www.citfin.cz) on an ongoing basis.

In accordance with Act No. 340/2015 Coll., on the Contract Register, the Client declares that he/she/it is not subject to the obligation to make contracts available online. Provided that this obligation applies to the Client, the Client is obliged to notify Citfin of this fact, on the basis of which a contractual relationship between the Client and Citfin is regulated.

To meet its obligations under the Framework Agreement, including the GBT, Citfin is entitled to use a third party, provided that there is no violation of the provision of services under applicable law or under this Framework Agreement and the GBT.

The Citfin Company is entitled to refuse to accept a document the authenticity, completeness or accuracy of which is doubtful and which it deems necessary for the proper provision of the required service, and in such a case it is entitled to request the Client to provide further information and documents that it considers necessary to prove the authenticity, completeness or accuracy of the information or documents in question. The Citfin Company is also entitled to request verification of the Client's signature on selected documents, and the Client is required to comply with such requests.

#### 9.9

In accordance with the legal regulations, Citfin shall not be liable for damage caused by circumstances that occurred independently of its control that it cannot avert or overcome and that prevent it from the fulfilment of its duties. If any of these circumstances occur, that could exclude liability, Citfin shall adopt measures for the purpose of the alleviation of the unfavourable impacts on the Client that may reasonably be expected of it.

#### 9.10

The Framework Agreement between Citfin and the Client is concluded in the Czech language, in accordance with the Czech legal order and for an indefinite period of time. All communications between the parties will be exclusively in Czech language, unless otherwise agreed. The Client expressly declares, that s/he was familiarised with the information within the meaning of §§ 80-93 of the PSA and § 1843, paragraph 1 of Act No. 89/2012 Coll., The Civil Code before signing the Framework Agreement, as well as in the course of its duration, if some of the legally required information is not contained in these GBT, with which the Client is always acquainted before the conclusion of the Framework Agreement. The Client is also entitled to require from Citfin any additional information necessary for the utilisation of the services provided by Citfin under the Framework Agreement and Citfin is obliged to provide such information to the Client without undue delay.

Either contracting party has the right to terminate the Framework Agreement without the need for stating a reason. On the Client's part, the notice period is one month and starts to run on the day following the delivery of the notice to Citfin.

The Client is also entitled to terminate the Framework Agreement for free if he/she disagrees with or rejects the changes proposed in accordance with Article 2.2 of these GBT, before the date when the changes take effect.

The notice given by Citfin is sent to the Client by registered letter to the mailing address of the Client or via a data message sent by Citfin to the Client's data box. Following the expiration of 5 business days from the sending of the registered letter, possibly upon passing a period of 10 days from the date of delivery to the Client's data box (provided that the Client has not logged in to the data box within this period), the notice is deemed to have been received. On the part of Citfin, the notice period is 2 months and starts to run on the first day of the calendar month following the delivery of the notice to the Client.

Following the cancellation of the CPA, Citfin shall notify the Client in writing of the date on which the CPA was cancelled, and the Client is obliged to send Citfin an order

with the balance available at the CPA via the Bankservis application or in paper form with a verified signature of the Client or via a data message sent to a Citfin's data box. If the Client fails to do so, Citfin shall proceed as described below in this article.

In accordance with § 1981 of Act No. 89/2012 Coll., the Civil Code, the Client is entitled to request the termination of the Framework Agreement by agreement. The request for termination of the Framework Agreement by agreement, possibly the draft agreement on the termination of the Framework Agreement (the Client may use a template of the agreement on the termination of the Framework Agreement, which is provided to the Client upon request) must be delivered to Citfin via the Bankservis application (by sending a message to Citfin) or in paper form with an officially verified signature of the Client; via the Client's data box by sending a data message to the Citfin data box. The draft agreement also includes the proposed date of termination of the Framework Agreement and cancellation of the CPA and an order with an available balance on the CPA. In the event that the draft agreement on the termination of the Framework Agreement does not contain an order with the available balance on the CPA, the Client is obliged to send the order with the available balance on the CPA to Citfin via the Bankservis application or in paper form with an officially verified signature of the Authorized Person before the date of cancellation, or via the Client's data box by sending a data message to the Citfin data box. The termination date of the Framework Agreement requested by the Client and stated in the draft agreement may not occur earlier than 3 business days after the date of delivery of the request by the Client to Citfin and no later than 90 calendar days from delivery of the draft agreement by the Client to Citfin. Acceptance of the Client's proposal to terminate the Framework Agreement by agreement is confirmed by Citfin by sending an agreement on termination of the Framework Agreement signed on behalf of Citfin to the Client's correspondence address or by a data message to the Client's data box.

The Framework Agreement is terminated on the date specified in the draft agreement (but not earlier than 3 business days after delivery of the Client's draft agreement to Citfin). The Client is then sent a written notice of the CPA's cancellation to the Client's mailing address or by a data message to the Client's data box. In the event that the Client does not deliver an order with the available balance at the CPA to Citfin before the day on which the CPA is cancelled, then Citfin shall proceed as described later in this article.

In accordance with § 2001 of Act No. 89/2012 Coll., the Civil Code, Citfin is entitled to terminate the Framework Agreement by withdrawal, in the event that the Client has substantially breached any of the obligations arising from the Framework Agreement, these GBT or legal regulations relating to payment according to the Framework Agreement and these GBT. Substantial breach of obligations means: failure to cooperate in the fulfilment of Citfin's obligations arising from Act No. 253/2008 Coll., on Selected Measures against Legitimation of Proceeds of Crime and Financing of Terrorism, misuse of the Authentication/Authorisation Device, reasonable suspicion of committing a criminal offense or from another similarly serious infringement or from a breach or circumvention of legal regulations, GBT and business terms of Citfin products or services. In the event of the withdrawal from the Framework Agreement, the CPA is cancelled on the day of delivery of the withdrawal to the Client. In this case, the withdrawal from the Framework Agreement is sent as a registered letter to the address specified in the Framework Agreement or sent by a data message to the

Client's data box. After the expiration of the period of 5 business days from sending the registered letter, or upon expiry of a period of 10 days from the date of delivery to the Client's data box (provided that the Client has not logged in to the data box within this period), the notification shall be deemed delivered. After the cancellation of the CPA, Citfin shall notify the Client in writing of the date on which his/her CPA was cancelled. In the event of withdrawal from the Framework Agreement by Citfin, the Client is obliged to send the order to Citfin with the balance on the CPA via the Bankservis application, or in paper form with a verified signature of the Client's Owner or via a data message sent from the Client's data box to the Citfin data box no later than 5 business days from the date of delivery of the withdrawal from the Framework Agreement by Citfin. If this order is not delivered by the Client to Citfin within the prescribed deadline, then Citfin shall proceed as described below in this article.

Prior to either the Client or the Citfin giving notice for any reason, the Client is obliged to ensure that all his/her transactions are duly settled no later than at the conclusion of the notice period and the Client's debts to Citfin in general are paid. During the notice period Citfin has the right to refuse to arrange a transaction, the settlement of which would occur by the end of or after the end of the notice period. In the event that any payment transaction of the Client remains unsettled on the closing date of the Framework Agreement, the Client expressly agrees that Citfin is entitled to proceed in accordance with Article 5.29 of the GBT. The Client is also obliged to return entrusted objects to Citfin within the term of notice, i.e. especially the Token Device, otherwise Citfin will charge a fee in accordance with the Rate Schedule, which the Client is obliged to pay.

Until the notice period is ended, the currently valid GBT and the Rate Schedule apply. In all cases of termination of the Framework Agreement, the Client is sent a written notice of cancellation of the CPA to the Client's mailing address.

Any balance of funds on the CPA will be transferred by Citfin in accordance with the Client's instructions. The order together with the balance on the CPA is due on the business day following a delivery of this order by the Client to Citfin. If Citfin does not have any instructions from the Client, it will transfer the balance to the supporting register. If the cash balance is in a currency other than CZK, Citfin is authorised to exchange this balance in accordance with the current exchange rate of Citfin.

#### 9.11

In the performance of the Framework Agreement, Citfin is authorised or obliged to identify the Client or the Authorised Person. The Client acknowledges and agrees that Citfin may make a photocopy of the submitted documents for purposes of the identification of the Client and authorised persons (e.g. certificate of incorporation, identity card). The acquisition of photocopies of documents is enabled by Act No. 253/2008 Coll., On measures against money laundering and terrorist financing. In accordance with the legal regulations and in their extent Citfin performs the identification of the trades, in particular of those, the value of which exceeds the amount set by the legal regulations. If the Client (or the authorised person) refuses to meet the required level of identification, Citfin is authorised to refuse to render the required performance/service. While maintaining the anonymity of the Client, Citfin is authorised to reject rendering the performance at any time. In accordance with the legal regulations concerning measures against the

legalisation of revenues from criminal activities, Citfin is authorised at any time during the term of the contractual relationship with the Client, to request the presentation of documents or information from the Client, in particular proof of the origin of the funds; this also applies for demonstrating the nature of the intended payment transactions. The Citfin Company is authorised or obliged to furnish the photocopies of these documents for its own needs, and the Client is obliged to allow the acquisition of the photocopies of documents. In the event of a refusal by the Client, Citfin is authorised to refuse to enter into a Framework Agreement between the Client and Citfin.

The Citfin Company is entitled to refuse or postpone the fulfilment of the Client's Payment Order, regardless of the currency of the payment, compliance with which could be, in particular, inconsistent with the laws of the Czech Republic or the laws of the country and the trade policy of the correspondent bank. For the reasons stated in the previous sentence, Citfin is also authorised to refuse payments to the Client. The Client takes notice and at the same time acknowledges that for the above-mentioned reasons the payment may be returned or also retained by the correspondent bank. This provision applies in particular to payments sent and received, for which the recipient or the sender is a person with an address in a High Risk Country and/or in the event that the bank of the recipient or the sender is an institution owned by entities from these countries. The current list of High Risk Countries is listed on the website [www.citfin.cz](http://www.citfin.cz).

#### 9.12

##### **Conflicts of Interests**

The Citfin Company has introduced measures to ensure that the possible conflicts of interest between it and its Clients and its Clients amongst themselves do not have any adverse influence on the interests of the Clients.

As a securities trader, Citfin is obliged, in accordance with the applicable legal regulations, to render investment services with due diligence, honestly, fairly, in a qualified manner and in the best interest of the Clients, and also to prevent conflicts of interests to the greatest extent possible.

With the aim of preventing a conflict of interest to the greatest extent possible, Citfin has developed a multi-level organisational structure with a corresponding division of responsibilities and has adopted additional organisational measures. If a conflict of interests cannot be averted by the aforesaid mechanisms, The Citfin Company shall inform the Client of the nature or the source of the given conflict of interest. In the case of an unavoidable conflict of interest between the interests of the Client and Citfin, the latter will always give preference to the interests of the Client rather than to its own interests. If an unavoidable conflict of interest should occur between the Clients themselves, Citfin shall ensure the just treatment of all Clients.

If an unavoidable conflict of interests should occur, Citfin may also reject the provision of the investment service. At the demand of the Client, Citfin shall provide additional information on the settlement of each such conflict of interests.

#### 9.13

##### **Information concerning the protection of the Client's assets**

At any moment in time Citfin distinguishes holdings of assets for one Client from assets held for another Clients and from its own assets, and keeps records of the third-



party account on which the individual Clients' assets are held.

The depositing of funds to an Independent Account is methodically and clearly stated through a unique identification code. The same identification code of the Client is also used for the accounting system for the purpose of the uniform approach and optimisation of the control procedures and mechanisms. Receivables from Exchange Trades are recorded at the time of trading on off-balance sheet accounts, while at the time the trade is settled they are recorded on the balance sheet and profit and loss accounts.

The Citfin Company has introduced effective rules and organisational measures that minimise the risk of loss or impairment of the Client's assets or rights associated with these assets as a result of misuse of the Client's assets, fraud, bad management or lack of evidence or negligence. The Citfin Company is committed to ensure maximum protection of the Clients' assets by implementing the following measures:

- a) regular checking of the accounting of the Exchange Transactions,
- b) reconciliation (confirmation of compliance) on the basis of a third-party document,
- c) reconciliation on the basis of an assessment of the Client's instructions with internal records of the investment instruments and funds of each individual Client.

The strategy of Citfin is the depositing of the Clients' funds exclusively at banks and savings and loan associations headquartered in European Union member states. The choice of bank and savings and loan associations is decided at Citfin by senior management and always proceeds with caution and with due care so as not to jeopardise the related proprietary rights of the Clients.

The Independent Accounts of Citfin participate in the deposit insurance system in accordance with the rules set by individual EU states.

The Citfin Company is authorised to use the Client's investment instrument for dealing on its own account or for dealing on behalf of another Client only with the prior express consent of the Client; the consent of the non-professional Client must be granted in writing. In the event of the use of the Client's investment instruments for such transactions, Citfin shall promptly inform the Client of its obligations under the applicable legislation.

#### **Advances from Futures**

Advances, as they are defined in the Futures Chapter, are deposited in the account(s) that are reserved for the depositing and recording of advances made by the Clients using Futures Trades. The list of accounts intended for the depositing and recording of advances constitutes a part of a separate Appendix No. 5 to the Framework Agreement. The Client shall deposit the funds in the Citfin's Independent Bank Account (in accordance with the Exchange Trade Confirmation), subsequently Citfin promptly transfers the funds deposited by the Client to one of the accounts used to make advance payments from Futures Trades. In these accounts that are used to the depositing and recording advance payments from Futures Trades, all advances received from Citfin's Clients are deposited and they represent a deposit receivable with a special regime under Section 41f of the Banking Act. Identification of advances of individual Clients is ensured by a unique Client's identifier. Clients' advances are included in the statement of the Client's CPA.

#### **9.14**

##### **The Client's Categorisation**

In accordance with the Act on Capital Market Business, Citfin categorises its Clients as professional and non-professional ones. The highest level of protection is provided to non-professional Clients. A Client with a lower level of protection may be transferred, subject to the conditions provided by the law into a category with a higher level of protection.

#### **9.15**

##### **Rules for the Execution of Instructions**

The Citfin Company executes the instructions of the Client in accordance with its rules and procedures for the execution of instructions concerning the investment instruments, the goal of which is to achieve the best result possible with respect to the conditions and the situation on the market. In the rules and procedures for the execution of instructions, Citfin has determined the individual steps of processing the instructions of the Clients to buy or to sell investment instruments, depending in particular on the category of the Client and the type of the investment instrument.

#### **9.16**

##### **Claims and complaints**

If the Client duly proves that Citfin has performed an Exchange Transaction, a Payment Transaction from the CPA or a collection on the CPA incorrectly or without authorisation and the Client does not insist that the Payment Transaction should be carried out, Citfin bears the responsibility for such an Exchange Transaction, such a Payment Transaction executed from the CPA or a Payment Transaction received on the CPA carried out incorrectly or carried out without authorisation and is obliged to refund the entire amount in question to the account from which it was debited. Provision is made for this by the relevant bank or savings cooperative.

The Client is obliged to notify Citfin in a manner specified by the Complaints Rules of Procedure concerning any unauthorised or incorrectly performed transfer (Payment Transaction) without undue delay, after having learnt about it; however, no later than 13 months from the date of the debiting of the funds from his/her account.

Clients complaints are settled in accordance with the generally binding legal regulations, based on the rules specified in Citfin's Complaints Rules of Procedure. The procedure for the resolution of complaints is available on Citfin's website [www.citfin.cz](http://www.citfin.cz).

#### **9.17**

The provisions of articles 9.18 – 9.22 apply to Clients, who close a Derivative Contract with Citfin. Such Clients acknowledge that the EMIR regulation establishes responsibilities for both Citfin and Clients and undertake to ensure that these obligations are properly followed.

#### **9.18**

##### **The declarations and assurances of the Client**

In accordance with EMIR, the Client declares and assures Citfin that it is:

- a) a non-financial contracting party under Article 2 Point 9, and that is under the clearing threshold in accordance with Article 10, Point 1 of EMIR, or it is an entity established and existing outside the European Union (hereinafter referred to as the "EU") whose position would correspond to the position of a non-financial contracting party



- in accordance with Article 2, Point 9 of EMIR, which is below the clearing threshold in accordance with Article 10, Point 1 of EMIR, if the Client is based and exists within the EU, the Client further declares that its/his/her realised Futures Trades have a hedging character,
- b) perform all of its obligations under EMIR.

After discovering that any declarations and assurances provided in Article 9.18, Point a) is not true, is misleading, or that there has been a change in its status as a Contracting Party under EMIR classification, or expects that such a situation will occur, the Client shall always without delay notify Citfin in writing or through a permanent data carrier about this and also provide all available information related to such a situation, as well as any information that Citfin may reasonably require for these purposes. The Client agrees that in the event it determines that any declarations and assurances in Article 9.18 b) is not true, or is misleading or expects that such a situation will occur, they will make all arrangements to fulfil all its obligations under the EMIR.

Notwithstanding the provisions of this section, Citfin is entitled to require all the obligations and commitments under EMIR from the Client so that the position of Citfin is in no way adversely affected. In the event of any negative impact on Citfin, or any damage on the part of Citfin on account of the non-fulfilment of the obligations and commitments arising from the EMIR by the Client, the Client is obliged to pay these damages to Citfin.

#### 9.19 Reconciliation of outstanding Futures

In order to fulfil the obligations arising out of the measures for a reconciliation of outstanding future contracts in accordance with Article 11, Paragraph 1, Point b) of the EMIR and in accordance with EU Commission Regulation No. 149/2013, as amended by all amendments and supplements, Citfin shall forward to the Client through a permanent data carrier:

- a) details on outstanding Futures and their value determined in accordance with the requirements of the EMIR,
- b) expected date of the reconciliation process of outstanding Futures Contracts, which will be determined in accordance with the relevant requirements of the frequency of execution of such a reconciliation of outstanding Futures Contracts with respect to that Client.

If a Client by the fifth business day following the receipt of the proposal for the reconciliation of the outstanding Futures notified by Citfin in accordance with Article 9.18 b) does not notify Citfin about any irregularities, then it applies that the Client agrees to the accuracy of the data.

If the Client finds any irregularity in the data on outstanding Future contracts and their value, s/he shall notify Citfin about it without delay. Irregularities are resolved in accordance with the procedure described in Article 9.20 below.

#### 9.20 Settlement of disputes

A dispute means a dispute between the Client and Citfin regarding the value of the given futures trade.

The Citfin Company and the Client agree that for the detection and resolution of disputes between them the following procedure will be used:

- a) Citfin and the Client may designate a dispute by sending notice to the other side of the dispute through a permanent data carrier.
- b) Not later than the day following the day on which the relevant party was served with a notice of dispute, the parties in good faith and without delay shall discuss the solution to such a problem, including the exchange of relevant information and with the help of a procedure, which is jointly agreed to determine the method of solving the problem and the method used to solve the problem.
- c) If the dispute regarding the value of outstanding futures contracts between Citfin and the Client is not resolved within 5 business days of receipt of the notification of a dispute, the parties shall refer the matter internally to the competent senior staff or external consultants.
- d) The Citfin Company and the Client agree to implement internal procedures under which any such dispute will be monitored throughout its existence and details of it recorded for later use, and these procedures will apply (without prejudice to the validity of any longer Archive period prescribed by legislation).

If there is a disagreement between the Client and Citfin over other data on outstanding futures contracts than about the value of outstanding futures trades, the internal procedures for the resolution of the dispute are provided for in the Citfin's Company Complaint Rules of Procedure.

#### 9.21 Notification obligation

Each participant in Derivative contracts, i.e. Citfin and the Client, is subject to the notification obligation under Article 9 of the EMIR and is required to report data about any alterations or termination on each futures trade.

The Citfin Company will report the requested data to trade repositories registered in accordance with Article 55 of the EMIR or recognised in accordance with Article 77 of the EMIR for the Client as well. If the Client shall ensure compliance with reporting obligations under the EMIR himself/herself, s/he must notify Citfin in writing sufficiently ahead of time, to avoid duplication of such data when reporting data on futures transactions concluded between the Client and Citfin to the trade repository.

The Citfin Company and the Client undertake to provide mutual assistance necessary for the fulfillment of reporting obligations under Article 9 of the EMIR. The basic requirement of the mutual interaction between the Client and Citfin is the sharing of the temporary or permanent legal entity identifier (the legal entity identifier – hereinafter referred to as the "LEI").

The Client is obliged to ensure the validity of the LEI for the entire duration of the Forward Trade. In the event that the Client's LEI is not valid, Citfin is authorised to refuse to enter into a Forward Trade with the Client.

#### 9.22 Confidentiality

According to Article 9 of the EMIR notification on data on the Client and his/her future trades to repositories registered in accordance with Article 55 of the EMIR or recognised in accordance with Article 77 of the EMIR or ESMA, Citfin shall not violate the duty of confidentiality imposed by the Framework Agreement, these GBT or legal or administrative regulations.

## 10. Electronic Communication, Phonebanking

### 10.1

If the Contracting Parties agree on this option in the Framework Agreement, mutual communication may take place between the Client and Citfin electronically, using the Bankservis application.

The Client can specify any number of authorised persons. Each authorised person can be assigned specific payment entitlements and limits, namely:

- a) Active - the Authorised Person may enter into transactions related to the transfers of funds from the specific CPA,
- b) Active - with a limitation of 2 signatures (co-signature of the CPA's Owner) - the Authorised Person may enter into transactions related to the transfer of funds from the CPA, with the transaction being authorised by the CPA's Owner (the Account Holder's statutory body),
- c) Active - with a limitation of 2 signatures (co-signature of another authorised person) - the authorised person may enter into transactions related to the transfer of funds from the CPA, with the transaction being authorised by another Authorised Person with active entitlement,
- d) Passive - the Authorised Person has access to information related to the balance and transactions on the specific CPA.

### 10.2

The Client is aware of the fact that the safety of the electronic communication while using the Bankservis application between Citfin and the Client is secured through the electronic signature technology, the use of which will reasonably be subject to the provisions of Act No. 227/2000 Coll. on the Electronic Signature. Electronic signatures are implemented via an SMS code or a Token Code. An SMS code or a Token Code is generated based on the signed data using a special algorithm that enables the authentication of the Client. In this instance the authentication/authorisation device is a registered mobile phone or the Token device specified in the Framework Agreement. The Client is responsible for the misuse of an authentication/authorisation device by another person.

The Bankservis application is further secured by a certificate from Globalsign issued for the [www.bankservis.cz](http://www.bankservis.cz) server that encrypts the communication between the Client and Citfin. The Client is not authorised to perform operations on the [www.bankservis.cz](http://www.bankservis.cz) server that are not encrypted using this certificate. The method and the use of the electronic signature in the relationship between Citfin and the Client shall be governed exclusively by the provisions of the Framework Agreement and these GBT and not by Act No. 227/2000 Coll.

### 10.3

Conditional for the use of the Bankservis application is that the Client or the Client's authorised person should meet the following prerequisites: access to a computer connected to the Internet and to a registered mobile phone activated in any mobile network in the Czech Republic for receiving authentication SMS or to the Token device provided by Citfin for receiving Authentication or Authorisation codes.

The Citfin Company forwards the authentication requirements to the Client/authorised person of the Client upon the signing of the Framework Agreement, or upon receipt of the signed text by Citfin, by registered mail, with acknowledgment of receipt for the attention of the person

for whom the authentication requirements are determined. Part of the authentication requirement is an envelope with a PIN code and a Client number that the Client receives following the activation of the Bankservis application. The Client is responsible for protecting all the authentication instruments from misuse.

The Citfin Company, through the Bankservis application, allows the Client/authorised person of the Client to communicate with Citfin via the public data Internet network, the address for login to the Bankservis application is [www.bankservis.cz](http://www.bankservis.cz).

The Client is permitted to use the Bankservis application 24 hours a day. The Citfin Company is authorised however, to restrict or to discontinue the operation of the Bankservis application for the period requisite for its maintenance. The Citfin Company is authorised, using Bankservis, to communicate to the Client any notice, as well as to provide him/her with information about the status of the Payment Transactions carried out, in accordance with the Payment System Act.

The Client is obliged to sign the Order for the administration of the electronic communication (hereinafter referred to as "OAEC") and to deliver this to Citfin, all based on the conditions defined below in Article 10.4. The OAEC is an integral part of the Framework Agreement.

### 10.4

The Client authorises a specific individual or individuals to conduct electronic communication with Citfin through an Order for the administration of the electronic communication.

### 10.5

Any action undertaken by the Client towards Citfin within the framework of the electronic communication utilising the Bankservis application must be authorised by the Client – provided that this is a physical entity – or by a person authorised by the Client.

### 10.6

The Citfin Company is entitled to reject the execution of the act, performance and/or the provision of information, if the condition defined in Art. 10.5 above has not been met.

### 10.7

In communication using the Bankservis application, the Client is obliged to:

- a) adopt all necessary measures to protect and to secure the integrity of the electronic communication and of the entire system, including its security components (access passwords, codes, registered mobile phones),
- b) inform Citfin immediately of the loss, theft or any misuse of Authentication/Authorisation devices (e.g. a registered mobile phone, a Token device) as well as about a change of the phone number of a registered device, with the proviso that the Client must confirm oral information in writing. The Citfin Company immediately blocks the device, i.e. the mobile phone number. Blocking can also be carried out based on the written request of the Client, either temporarily or permanently,
- c) inform Citfin immediately of the loss of or disclosure of the access code, as well as of all changes related to the specific authorised physical entity (for instance a different job position, termination of employment) and to demand the termination of the electronic communication option via a specific signature

- certificate or through the specific authorised person,
- d) in the case of a change of the registered mobile phone to prompt Citfin to conclude the Change Form (which is attached as Appendix 1 to these GBT) that takes this change into account.

The Client is entirely liable for all acts, trades, performances, etc. rendered in its/his/her own name and on its/his/her own account using the Authentication/Authorisation device. The Citfin Company is obliged to terminate the validity of the authentication device without undue delay following the delivery of the request, as provided for in Points b)-d) above, however no later than on the first business day following the delivery of the request.

#### 10.8

Electronic communication via the Bankservis application represents a supportive tool for communication between the Client and Citfin. If it is impossible to use this application (technical reasons, network failures, etc.), the Client is authorised, and at the same time obliged, to use other means of communication in accordance with these GBT and with the Framework Agreement. The Citfin Company does not then bear any liability for any damage and/or other costs of the Client, that are incurred by the Client in connection with the fact, that it/he/she was not able to use the Bankservis electronic communication in a specific situation.

It is the Client's obligation to become familiar with the content of each message delivered to him through the application Bankservis without undue delay.

In the event of a failure of the Bankservis application and all other means of communication pursuant to these GBT and the Framework Agreement, communication between Citfin and the Client takes place via the website [www.citfin.cz](http://www.citfin.cz).

#### 10.9

##### Phonebanking

In order to utilise the Phonebanking service the Client is obliged to sign an Order for the administration of electronic communication (hereinafter referred to as the "OAEC") and to deliver it to Citfin, all this as provided for in Article 9.4 GBT. The OAEC is an integral part of the Framework Agreement.

Conditional for the use of Phonebanking is that the Client should meet the following prerequisites: a mobile phone activated in any mobile network in the Czech Republic for receiving authentication SMS or the Token device provided by Citfin for receiving Authentication/Authorisation Codes.

The Citfin Company enables its Clients to make payment orders through the Phonebanking service, in accordance with Article 6.4 hereof, and to communicate with Citfin via the public telephone network. The Phonebanking channel is available on selected telephone lines of Citfin that are listed at [www.citfin.cz](http://www.citfin.cz). The Client delivers all the details of the Payment Order in accordance with Article 6.4 of the GBT to Citfin so that it communicates the information to the operator (an employee of Citfin) through the pre-determined telephone lines. As part of that telephone call, the Client identifies it/him/herself through the Client number that the Client receives after signing the OAEC and:

- a) if the Client or the Authorised Person is to be authenticated via an Authentication SMS Citfin sends an Authorisation SMS to the Client with a unique code, which the Client shall then communicate to the operator or
- b) if the Client or the Authorised Person is to be authenticated via a Token Code, s/he will be asked to generate a code using his/her Token device and to communicate this code to the operator at Citfin by means of telephonic communication.

By communication of the code the Client permits the operator (Citfin's staff), as a shadow clerk, to access the Bankservis application and to implement the Client's commands. Subsequently, as part of the telephone call, the Client shall communicate the information concerning a Payment Transaction or entering a Payment Order into the system. Immediately thereafter the Client will be sent another Authentication/Authorisation SMS with a unique code, or the Client will be requested to generate an Authentication/Authorisation code using his/her Token device that the Client will also communicate by means of telephonic communication to the operator authorising him/her to make a Payment Transaction to a third party in accordance with the instructions and the data in the Payment Order. In the event that the Client requests a Payment Transaction in favour of a person whose data are not yet recorded in the system, i.e. it is the first payment transaction for the benefit of that person, the Client is obligated to deliver to Citfin a payment title in advance, i.e. a relevant invoice as a scanned copy in an attachment to an e-mail message. By communicating the Authorisation Code to Citfin's staff the Client or the Authorised Person confirms the Payment Order parameters, i.e. confirms its correctness.

The Client agrees that all telephone calls between the Client and Citfin, realised in connection with the use of the Phonebanking service are recorded and archived by the technical means of Citfin.

The Client can use the Phonebanking service on weekdays from 8.00 a.m. to 5.30 p.m. The Citfin Company reserves the right in exceptional cases, especially in cases of force majeure, to not provide the Phonebanking service for some time. The Citfin Company is not responsible for any damages caused by this.

## 11. Communication Channels

### 11.1

All communication with Citfin must take place through the following communication channels:

|                   |  |
|-------------------|--|
| Delivery Address: | Citfin - Finanční trhy, a.s., Avenir Business Park, Building E, Radlická 751/113e, 158 00 Prague 5   |
| Telephones:       | +420 234 092 000 Reception<br>+420 800 311 010 Green Line<br>+420 234 092 011 Sales Department<br>+420 234 092 020 Dealing Department<br>+420 234 092 322 Processing of payments (Middle office)<br>+420 234 092 333 Call Centre - submitting payment orders via Phonebanking, technical support for the Bankservis online banking |

|                    |  |   |
|--------------------|--|---|
| E-mail<br>Address: | <a href="mailto:recepce@citfin.cz">recepce@citfin.cz</a>   | Reception                                 |
|                    | <a href="mailto:business@citfin.cz">business@citfin.cz</a> | Sales Department                          |
|                    | <a href="mailto:dealing@citfin.cz">dealing@citfin.cz</a>   | Dealing Department                        |
|                    | <a href="mailto:info@citfin.cz">info@citfin.cz</a>         | Processing of payments<br>(Middle office) |
|                    | <a href="mailto:info@citfin.cz">info@citfin.cz</a>         | Call Centre                               |

Opening hours of Citfin every workday from 8:00 a.m. to 5:30 p.m.

## 12. Processing of personal data

### 12.1

The Citfin Company is authorised to provide personal information through third parties, always in accordance with the provisions on confidentiality according to Section 116 of Capital Market Act and 239 of APS, or Section 25a of Act No. 21/1992 Coll., on Banks.

### 12.2

The processing of personal data to the extent necessary for the conclusion of a Framework Agreement and its implementation is carried out in accordance with the Act on Personal Data Protection (No. 101/2000 coll.). Citfin collects and processes only those categories of the Client's personal data, which is essential to provide payments according to the Framework Agreement and the fulfilment of its obligations under the relevant legislation.

Detailed information on the processing of personal data and related client rights was received by the Client before signing the Framework Agreement, and this information is also listed on the Citfin website [www.citfin.cz](http://www.citfin.cz). If Citfin is obliged to obtain for certain handling or processing of the Client's personal data, his/her/its previous consent, it shall ask the Client for such granting in accordance with applicable legislation.

In accordance with Act No. 253/2008 Coll., On certain measures against money laundering and terrorist financing, Citfin is obliged to process personal data for the purpose of preventing the legalisation of proceeds from crime and the financing of terrorism as set out in § 1 of that law.

Citfin is entitled to process personal data without the Client's consent, if it is processing exclusively for the purpose of preventing payment fraud, its investigation and detection.

### 12.3

The Contracting Parties undertake not to disclose any confidential information to any third party for any purpose or use it, except in cases where (a) they obtained prior written consent of the other party, (b) such disclosure is required by generally applicable laws and regulations, (c) it concerns providing confidential information to a group of the Contracting Parties and its agents, lawyers, accountants, expert advisors, (d) in the event that one of the parties is enforcing its claim against the other party through the courts, if the use of such information is necessary for judicial proceedings, or (e) it is expressly permitted by these GBT or the Framework Agreement. For the purposes of this provision confidential information means any information concerning the business conditions of the contractual relationship between Citfin

and the Client, as well as information that the Contracting Parties shall provide each other and their respective advisors in connection with issues related to the contractual relationship. Confidential Information does not include information that is or will become publicly available (other than its unauthorised use or disclosure), or information provided by one of the parties by a third party who is authorised to provide such information.

### 12.4

The Client acknowledges that Citfin is required to identify and report taxpayers of other states in accordance with applicable laws or international agreements.

## 13. Final Provisions

### 13.1

All rights and obligations of the parties not modified in the Framework Agreement and/or these GBT shall be governed by the relevant provisions of Act No. 89/2012 Coll., The Civil Code, Act No. 284/2009 Coll., On Payment System, as subsequently amended, and Act No. 256/2004 Coll., On conducting business on the capital market, as amended. In the event of any conflict between the provisions of these GBT and the Framework Agreement, the provisions of the Framework Agreement should prevail. The Parties agree to exclude the application of the provisions of § 1765, Paragraph 1 and § 1766 of the Act No. 89/2012 Coll., The Civil Code on their contractual relationship based on the Framework Agreement.

### 13.2

In the event of an out-of-court settlement of disputes or dissatisfaction with the handling of complaints related to the payment services, the Client may contact the Czech Financial Arbitrator's office in Prague 1 at Washingtonova 25, [www.finarbitr.cz](http://www.finarbitr.cz), or the Client is entitled to file a complaint with the Czech National Bank, as a supervisory body, with its Registered Office at Na Příkopě 28 in Prague 1.

The general courts of the Czech Republic are responsible for any disputes arising from those legal relations. The Parties have agreed, that in the event of a dispute between the Client who is an entrepreneur and Citfin, the locally competent court is the court in accordance with the headquarters of Citfin. In the event of a dispute between the Client who is not an entrepreneur and Citfin, the locally competent court is the general court of the Client.

### 13.3

#### Unauthorised payment transaction:

The Client bears a loss from an unauthorised Payment Transaction:

- a) up to the amount corresponding to EUR 50, if this loss was caused by the use of a lost or stolen Means of Payment or the misuse of the Means of Payment,
- b) in full, if the Client caused this loss due to his/her/its fraudulent actions or by deliberately or from gross negligence breaching any of his/her/its obligations:
  - to use the Means of Payment in line with the GBT, in particular, is obliged immediately after receiving the Means of Payment to take all reasonable measures to protect his/her/its personalised security elements,
  - without undue delay, upon finding, to announce Citfin the loss, theft, misuse, or unauthorised use of the Means of Payment.

The Client does not bear a loss from an unauthorised Payment Transaction if he/she/it did not act fraudulently and:

- a) the loss happened after the Client announced the loss, theft, or misuse of the Means of Payment,
- b) Citfin has not ensured that appropriate means to notify at any time of the loss, theft, misuse, or unauthorised use of the Means of Payment were available to the Client,
- c) Citfin violated the obligation to require strong client verification.

Limit of EUR 50 for Client's liability in case of the loss, theft, or misuse of the Means of Payment is not applicable if:

- a) the loss, theft, or misuse of the Means of Payment could not be detected by the Client before making an unauthorised Payment Transaction, or
- b) the loss, theft, or misuse of the Means of Payment has been caused by Citfin.

If a loss from an unauthorised Payment Transaction is on the part of Citfin, then without delay, but no later than by the end of the following business day after detection or Client's notification of the unauthorised Payment Transaction:

- a) Citfin shall indicate the CPA, from which the amount of Payment Transaction has been deducted, and put it back to the balance in which it would be if deduction did not occur, or
- b) Citfin shall return the amount of Payment Transaction, deducted payment and lost interest to the Client if the procedure referred to in point a) cannot be applied.

The deadline for remedying of the unauthorised Payment Transaction shall not start running as far as Citfin has a reason to believe that the Client acted fraudulently, and it together with the reasoning, notified the supervisory authority.

#### 13.4

##### **Incorrect payment transaction completed by Citfin:**

If the Client announces that he/she/it no longer insists on completing an incorrect Payment Transaction, Citfin shall immediately:

- a) indicate the CPA, from which the amount of Payment Transaction has been deducted, and put it back to the balance in which it would be if deduction did not occur, or
- b) return the amount of Payment Transaction, deducted payment and lost interest to the Client if the procedure referred to in point a) cannot be applied.

This procedure shall apply only in relation to the amount of incorrectly carried out Payment Transaction, which has not been credited to the account of the service provider of the recipient before the Client reported to Citfin that he/she/it no longer insists on carrying out the Payment Transaction, provided that Citfin documents this crediting to the Client and where deemed appropriate also to the service provider of the recipient.

If the Client does not announce that he/she/it no longer insists on completing an incorrect Payment Transaction, Citfin shall immediately ensure crediting of the amount of the incorrect Payment Transaction to the account of the service provider of the recipient:

- a) putting the Client's payment account into the state in which it would be if Citfin carried out a payment transaction correctly, or
- b) returning incorrectly paid payment and lost interest to the Client if the procedure referred to in point a) cannot be applied.

If the Client indicated an incorrect unique recipient identifier, Citfin is considered to make a correct Payment Transaction, however, Citfin shall make every effort to return funds from this Payment Transaction to the Client.

Client rights and corresponding obligations of Citfin shall cease to exist if the Client has not reported an unauthorised or incorrect Payment Transaction to Citfin without undue delay after he/she/it learned about it, but no later than 13 months from the date of funds deduction from the CPA.

If the payment order for the Payment Transaction is submitted indirectly, the Payment Transaction, which was made in conflict with the payment order, and given by the Client to the Client's provider of the Indirect Payment Order Service, even though it was conducted in accordance with the received payment order, is deemed to be an incorrect Payment Transaction. A remedy obligation of incorrectly carried out Payment Transaction toward the Client is on the Citfin part in this case.

These GBT are valid as of the 15<sup>th</sup> May 2021.

The following Appendices constitute an integral part of these GBT:

Appendix 1: Change Form in accordance with Article 8.8 of these GBT

## 14. Appendix 1 - GBT – Change Form in accordance with Article 9.8 of the GBT

### Client:

Registered office/residing in  
 Company ID No./Personal ID No.:  
 Registered in the Commercial Register held by....., Section....., File.....  
 (hereinafter referred to as the "Client")

### 1. Bank Accounts of the Client:

| Currency | Account Currency | Bank Code |
|----------|------------------|-----------|
|          |                  |           |
|          |                  |           |
|          |                  |           |
|          |                  |           |

| Currency | Account Currency | Bank Code |
|----------|------------------|-----------|
|          |                  |           |
|          |                  |           |
|          |                  |           |
|          |                  |           |

### 2. Communication Channels:

|   |                   |
|---|-------------------|
| Tel.: E-mail:   |                   |
| E-mail:   | Delivery Address: |
| E-mail (in accordance with Act No. 227/2000 Coll. On Electronic Signature): |                   |

### 3. Authorised Persons:

|   |                  |                               |
|---|------------------|-------------------------------|
| Personal ID:                                    | .....            | Address:                      |
| Name and Surname :                              | .....            |                               |
| Position held:                                  | .....            |                               |
| Telephone number:                               |                  |                               |
| E-mail:   |                  |                               |
| Right to conclude Exchange Trades:              |                  |                               |
| The authorisation for electronic communication: |                  |                               |
| Type of authentication device:                  | Mobile telephone | Mobile telephone reg. number: |
|   | Token device     | Token device reg. number:     |

In....., on.....

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 Company Name  
 Statutory Body