

## 1. General Information about Citfin – Finanční trhy, a.s.

**Citfin – Finanční trhy, a.s.**, Radlická 751/113e, 158 00 Prague 5, Company ID: 25079069, incorporated in the Business Register maintained by the Prague City Court, Section B, Insert 4313 ("Citfin FT").

### 1.1. Authorization to provide investment and payment services

Citfin FT is regulated by the Czech National Bank, Na Příkopě 28, 110 00 Praha 1, as the supervisory authority.

Citfin FT is a corporation authorized to trade securities within the meaning of Act 256/2004 Coll. on trading in capital markets, as amended ("Capital Markets Act"), an authorized payment institution within the meaning of Act 370/2017 Coll. on payments systems, as amended ("Payment Systems Act"), and is licensed to engage in the following:

- a) Online spot and forward trading
- b) Payment transactions - transferring cash in local or foreign currency for domestic clients to other bank accounts
- c) Payment transactions - receiving cash in local or foreign currency from other bank accounts

### 1.2. Operations, contact data and communications with clients

Citfin FT operates every workday from 8:00 am to 5:30 pm.

Clients can communicate with Citfin through the communications channels below. The official language Citfin FT uses to communicate with clients and in which they receive information from Citfin is Czech (unofficially, communications can take place in English, too).

**Head Office/Postal Address:** Citfin - Finanční trhy, a.s.  
Avenir Business Park, Building E  
Radlická 751/113e  
158 00 Prague 5

**Phone, Email:** **General Contacts:**  
Green Line: +420 800 311 010  
Reception: +420 234 092 000

#### **Business Department - services provided by CitfinFT, concluding and amending of contracts**

Tel: +420 234 092 011      Email: [obchod@citfin.cz](mailto:obchod@citfin.cz)

#### **Dealing Department - concluding transactions, quoting current exchange rates, forecasting anticipated trends in the consulting in foreign exchange markets**

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

#### **Payment Settlement Department - executing outgoing and incoming payments**

Tel: +420 234 092 322      Email: [platby@citfin.cz](mailto:platby@citfin.cz)

#### **Call center - entering payment orders through Phonebanking, technical support for internet banking**

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

#### **Citfin FT website:**

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

**Citfin - Finanční trhy, a.s. data box:** 7s2n782

Existing clients can communicate through electronic banking, either [Bankservis](#) or Phonebanking.

## **2. General information about payment services and payment instruments**

### **2.1. Investment services and investment instruments provided**

Citfin FT is a corporation authorized to trade securities within the meaning of Act 256/2004 Coll. on trading in capital markets, as amended ("Capital Markets Act"), an authorized payment institution within the meaning of Act 370/2017 Coll. on payments systems, as amended ("Payment Systems Act"), and is authorized to purchase or sell foreign currency on its own account and to provide services to third parties to purchase or sell foreign currency digitally on its own or outside accounts, as well as to provide payment services extending to payments from a client's account to other bank accounts agreed with the client and to receive payments from other bank accounts agreed with the client to the client's account. Citfin FT is authorised to carry out foreign exchange transactions through online transfers of funds from accounts and as spot and forward transactions.

#### **2.1.1. General characteristics of investment instruments provided**

a) Swaps

Swaps are agreements between two parties to exchange future payments from an underlying asset such as dividends and exchange rate changes in share prices or stock indices, interest payments on bonds or loans, or changes in commodity prices.

They are used to hedge risks, for speculation and most importantly to reduce transaction costs by taking advantage of domestic operators having access to more favorable interest rate terms in local markets than foreign entities, thus offering each other more favourable terms.

Swaps are negotiated by both parties individually. They are traded over-the-counter.

b) Forwards

Forwards are a non-standardized futures contract that bind both of the parties, who agree individually on the specific terms of the transaction. Because they are not standardized, these contracts are mainly traded in over-the-counter markets as "OTC derivatives". Unlike futures, forwards are physically fulfilled, in other words the underlying asset is delivered.

It is a contract to exchange the underlying instruments at a set date in the future. Forward trades can be transactions involving interest rates, shares, commodities or currencies. It may be an exchange of a fixed amount of cash in one currency for a yet unknown, variable amount of cash or, alternatively, a debt instrument, loan, deposit or credit (interest rate or credit forward), or an exchange of a fixed amount of cash in one currency for a fixed amount of cash in another currency (currency forward), for an equity instrument (equity forward) or for a commodity instrument (commodity forward).

The forward price indicates how much of an underlying instrument can be bought or sold at a certain date in the future. It may be higher (forward premium) or lower (forward discount) than the current market or spot price of the underlying instrument, depending on the cost of the transaction and the market's expected spot price.

The advantage of forward contracts is their flexibility, due to the ability of the parties themselves to agree upon the specific terms of the transaction (i.e. the quantity and delivery date of the underlying asset). However, it also makes them less liquid.

### 2.1.2. Citfin FT offers its clients the following type of futures:

- a) **Standard currency forward** - a financial derivative that can be used to hedge today's exchange rate for a specific date in the future.
- b) **Window forward** - buying or selling foreign exchange at a fixed rate, with the transaction to be settled at intervals of several days. The interval can range from two to sixty days from when the futures contract is agreed. A window forward can be opened for up to one year.
- c) **Par forward** - a series of currency forwards with different settlement dates for the same pair and a uniform exchange rate. A futures contract can be negotiated for up to one year for a specific settlement date.
- d) **Par window forward** - a series of currency forwards with different settlement dates for the same currency pair and a uniform exchange rate, where a window from two to sixty days can be chosen as the settlement interval for each futures contract. Such a futures contract can be negotiated for up to one year.
- e) **Currency forward10** - buying or selling foreign exchange at an exchange rate fixed by agreement, with the futures contract settled within an agreed time frame of ten days. This financial derivative is offered without an advance payment by the client.
- f) **Currency swap** - selling or buying one currency in exchange for another and subsequently repurchasing or reselling it after a certain period of time at an exchange rate agreed beforehand. A currency swap overcomes any temporary liquidity shortage in one currency while there is excess liquidity in another currency.
- g) **Currency swap10** - selling or buying one currency in exchange for another and subsequently repurchasing or reselling it within an agreed period of time of up to ten days. A currency swap10 overcomes any temporary liquidity shortage in one currency while there is excess liquidity in another currency.

The minimum amount set for a futures contract is EUR 10,000 or USD 10,000. The minimum amount set for a futures contract in other currencies is USD 10,000.

## 2.2. Risks associated with investment instruments and investment services

Trading in investment instruments is associated with risks that may affect the profit or loss of each investment. Investing in investment instruments is not for everybody and, with any investment, there is the probability of not achieving the anticipated return or even losing part or even all of the amount invested, even in the case of so-called "securitized" products. Some investment instruments carry the risk of additional financial liabilities. As a general principle, the greater the risk, the greater the potential profit, but also the loss. As a rule, the risk decreases with the investment period, the so-called investment horizon. However, no investment horizon guarantees a risk reduction to zero. Rates of return from investment instruments achieved in the previous period do not guarantee future returns. The overall risk of investments can be reduced by investing in different types of investment instruments. Trading in investment instruments using a leveraged method is associated with significantly higher risk. Special risks may also be associated with the tax consequences of transactions in investment instruments. You are solely responsible for meeting your investment tax obligations. We recommend that you never buy investment instruments when you do not fully understand their conditions and risks, including the extent of potential loss.

Common risks associated with investing in investment instruments are:

- a) **Credit risk** (issuer risk or counterparty risk) – risk that the counterparty will default on its debt (inability to pay); in the extreme case, there is a risk of losing the entire investment;
- b) **Settlement risk** – risk that the negotiated transaction will not be properly settled (e.g., the purchase price will not be paid or securities will not be delivered);
- c) **Market risk** – threat of loss in the event of an adverse change in market conditions, in particular interest rate (interest rate risk), share prices (equity risk), commodity prices (commodity risk), exchange rates (exchange rate or currency risk); market risks also include:
  - Liquidity risk – there is a risk of loss if the investment instrument cannot be sold or purchased at the selected moment, or the transaction can only be realized at a disadvantageous price; and
  - Volatility (Fluctuation) risk – risk of short-term or long-term price fluctuations (poor timing of investment can lead to significant losses);

- d) **Operational risk** – risk of loss in the event of human errors, frauds or deficiencies of information systems;
- e) **Legal risk** – threat of loss in the event of unenforceability of contract terms;
- f) **Terminology risk** – different terms are interpreted differently in different financial markets and in some cases you may get an inaccurate picture of the true nature of an investment instrument;
- g) **Inflation risk** – it affects the real return of your investment instruments; a high inflation rate can cause you to realize lower returns or even losses;
- h) **Global risk** – risk of a change in the value of investment instruments as a result of a global downturn in economies and financial markets;
- i) **Sectoral risk** – risk of a change in the value of investment instruments in the event of the given sector decline;
- j) **Political risk** – risk of a change in the value or convertibility of investment instruments in the event of political situation change;
- k) **Derivates risk** – their value depends on the price of the underlying assets; some derivative investment instruments use leverage, i.e. their value depends on an increase or decrease in the price of the underlying assets according to the agreed ratio, therefore even a small change in the value of the underlying assets may cause a significant decrease in the value of the investment instrument or even a loss of the entire investment.

#### **Risks regarding Citfin FT futures trading**

The risk arising from futures trading is mainly related to the movement of the current exchange rate to the Client's disadvantage (a market exchange rate is more convenient for the Client than a futures exchange rate), which may result in a loss, even above the advance deposited.

#### **Risks regarding swaps**

For swap transactions, this is an exchange of assets (in the case of foreign exchange swaps, currency swaps for a certain period of time; however, the price remains at 100%), rights or obligations (in the case of interest swaps, it is an exchange of fixed interest rate for variable and vice versa) for a certain period of time. There is a risk that you will be able to buy or sell the exchanged assets at a (much) more favourable or unfavourable price at the time of its maturity, or that the interest earned or paid will be lower/higher than you expected.

#### **Risks regarding forwards**

For forwards (such as forward rate contracts), you make a commitment to buy or sell certain quantities of the underlying commodity or financial instrument in a given period or during a specified period at a fixed price, or to fix an interest rate for a certain period of time. The risk is that you may be able to acquire or sell the underlying commodity or financial instrument (such as foreign exchange) at a much more favourable/unfavourable price than the one set out in the contract you have concluded. The potential loss is limitless.

### **2.3. Protecting a client's property**

Citfin FT distinguishes at all times the assets it holds for one of its clients from the assets held for its other clients and from its own assets, keeping records of third party accounts where each client's assets are held.

Funds are deposited in a separate account consistently and unambiguously recorded with a unique identification code. The same client identification code is also used in the accounting system to guarantee a uniform approach and to optimize control procedures and mechanisms. Receivables from foreign exchange transactions are recorded in off-balance-sheet accounts when the transaction is agreed and in the balance sheet and income statement when the transaction is settled.

Citfin FT has effective rules and organizational measures in place to minimize the risk of loss or impairment of a client's assets or rights associated with them due to misappropriation, fraud, poor recordkeeping or negligence.

Citfin FT takes the following measures to ensure its clients assets receive maximum protection:

- a) Regularly checking the posting of exchange transactions
- b) Reconciling from documentation provided by third parties
- c) Reconciling from an assessment based on the client's own instructions to internal records of each client's investment instruments and funds

Citfin FT's strategy is to deposit funds from its clients exclusively in banks and credit unions established in a member state of the European Union. The banks and credit unions are selected by Citfin's senior management with prudence and professional care so as not to jeopardize the respective proprietary rights of its clients.

Citfin FT accounts are independently covered by deposit guarantee schemes operated according to rules set by individual EU countries.

Citfin FT is only entitled to use a client's investment instrument for trades on its own account or for trades on behalf of another client with the client's prior express consent, and the consent of a retail client has to be given in writing. Should a client's investment instruments be used for such trades, Citfin FT will promptly provide information to the client about its obligations under relevant legislation.

### **Advances on futures contracts**

Advances deposited by clients for futures, as defined in the section describing them, are deposited in the account(s) designated for the futures and recorded. The list of accounts designated for the deposit and recording of advances is included in Annex 5 of the Framework Agreement. Funds are deposited into separate Citfin FT bank accounts (in accordance with the Confirmed Exchange Transaction), with Citfin FT arranging for the funds to be deposited by a client for transfer without undue delay to one of the accounts used for depositing advances on future contracts. All advances received from Citfin FT clients are deposited in the account(s) and recorded for all futures and they are recognized as a claim on the deposit within a special procedure defined in Section 41f of the Bank Act. Each advance deposited by a client is identified by a unique identifier. These deposits are included in statements sent to clients.

## **2.4. Categorization of clients**

Clients not classified as Professional Clients may apply for that classification, provided they are able to prove that they meet the conditions required by law. However, the protection provided to them when they were not classified as a Professional Client will be limited.

## **2.5. Evaluation of clients**

Citfin FT obtains important information about a client's professional investment knowledge and experience, financial background and investment objectives from a questionnaire and uses this information to assess whether the investment services Citfin FT will be rendering to the client are commensurable to the information the Client has provided.

## **2.6. Investment advice not provided**

Citfin FT's investment services do not include investment advice within the meaning of Section 4(2)(e) of the Capital Markets Act.

## **2.7. Rules for executing client orders**

### **2.7.1. General principles for executing orders**

When executing an order, Citfin FT bears the following in mind:

- a) Nature and features of the investment instrument to be traded
- b) Nature of the Client and particularly the classification into one of the established categories
- c) Nature of the order to be executed by the Client

Factors influencing how orders are executed depend on the investment instrument or service provided, where the factors by descending importance are:

- a) Price that can be achieved at the trading venue
- b) Total amount of fees charged to the client
- c) Speed at which the order can be executed
- d) Probability of executing the order
- e) Volume of the order
- f) Conditions for settling the transaction
- g) Type of order
- h) Any other factor that is significant in the client's order

Considering the importance of these factors in executing a client's order, Citfin FT takes an individual approach, in principle, toward the execution of each individual order.

If Citfin FT executes an order given by somebody not a Professional Client, the order will be executed on the best terms with respect to total performance, to be determined from the price of the investment instrument and costs associated with executing the order, including any expenses incurred by the client directly related to execution of the order.

Should there have been a special agreement between the client and Citfin FT on how the order would be executed, including the terms and conditions for execution of the order, that agreement will prevail over the rules for executing client orders.

As a general rule, client orders are executed as they are received, unless it conflicts with instructions specifically given by a client, or the nature of the Client's order or prevailing market conditions make executing it impossible or impractical, or a different procedure is required in the client's interest.

If there are significant difficulties in executing an order and were the order to come from a client that is not a Professional Client, Citfin FT will immediately advise the client of these difficulties.

Citfin CT is obliged to provide its clients that are not a Professional Client with adequate information about the executed order without undue delay after the order has been executed (and no later than the next trading day after execution of the order).

Were a client not a Professional Client, in accordance with the Framework Agreement and/or the General Terms and Conditions, to incur extraordinary liabilities, in particular through leverage trading, Citfin FT will communicate to the client losses that have exceeded the limit agreed beforehand without undue delay, but not later than the end of

- a) the business day in which the limit has been exceeded; or
- b) the next business day, if the limit is exceeded on a non-business day.

Citfin FT is required to communicate to a client the status of funds and investment instruments the client owns. The information must include:

- a) data identifying the investment instrument or the fund;
- b) amount and price of investment instruments or fund balances;
- c) extent to which the client's assets are used for transactions involving the financing of investment instruments;
- d) proportion of any yields the client has received from the use of assets or part thereof for transactions involving the financing of investment instruments and the basis on which they were accrued.

## **2.7.2. Method of determining prices and settling client orders**

The best possible exchange rate in currency futures (forwards or swaps) is determined by Citfin FT, at a client's request, checking the current exchange rate for the requested currency with Reuters as its information source and offers the client specific terms and conditions for the transaction, according to the current exchange rate, which Citfin FT can conclude with the Client on its own account at any moment.

## **2.8. Concluding futures contracts**

A futures contract can only be negotiated over the telephone and is concluded at the moment when the parties have thereby agreed on all of the terms and conditions set out below for the transaction, where the agreement shall be deemed to have been ordered by the client for the execution of a futures contract under them:

- a) Currency requested by the client for trading at his/her request and which Citfin is going to purchase for the Client, along with the ISO code;
- b) Currency to be exchanged, which Citfin is going to purchase from the Client, along with the ISO code;
- c) Amount of currency either purchased for or by the client;
- d) Exchange rate (the rate based on the current spot rate when the futures contract is concluded, adjusted by the pips expressing the difference between the interest of the currency sold and the currency bought for the period for which the forward trade has been concluded and Citfin FT's margin, which does not exceed three percent of the current exchange rate);
- e) Type of contract (futures);
- f) Settlement date of the transaction, which is the date on which either the funds in the agreed currencies are to be exchanged between the Client and Citfin FT, or the period in which funds in the agreed currencies are to be exchanged between the Client and Citfin FT; and
- g) Settlement method.

## **2.9. Other investment service related information**

### **2.9.1. Avoiding conflict of interest**

Conflicts of interest can arise in many situations when a financial institution offers different types of financial services. Citfin is guided by the principle that any conflict of interest has to be addressed. This covers both conflicts of interest between our company or employees and the interests of our clients and conflicts of interest between the clients themselves. In order as much as possible to prevent conflicts of interest, rules have put in place for managing them in a multi-level organisational structure with an appropriate division of responsibilities.

Should a conflict of interest arise despite these measures, Citfin FT will inform the Client thereof. Whenever a conflict between our interests and those of a client cannot be avoided, priority will always be given to the client's interests.

## **3. General information about payment services provided**

When a Framework Contract has been concluded with a client, Citfin FT automatically sets up at no charge a payment account it maintains for its clients ("Client Payment Account") for payments, exchange transactions and to register funds the client has entrusted to Citfin FT. The Client Payment Account is maintained separately for each client to cover its requirements in any of the following currencies: CZK, EUR, AUD, CAD, CHF, DKK, HUF, GBP, JPY, NOK, PLN, RON, RUB, SEK, USD, CNY. The Client Payment Account can be particularly used for the following:

- a) Executing outgoing domestic and foreign payments both to a client's and third party's accounts (outgoing payments to the client's business partner);
- b) Executing incoming domestic and foreign payments to a client's bank account or the Client Payment Account (incoming payments from the client's business partner);
- c) Buying or selling funds in a currency Citfin FT offers;
- d) Depositing initial and additional deposits when a client is using a futures product;
- e) Keeping records of all of a client's payments/exchange made by Citfin FT in accordance with the Framework Agreement and the General Terms and Conditions.

### **3.1. Outgoing payments - transferring payments/funds from a Client Payment Account in foreign or local currency to other bank accounts (client's business partner)**

The execution of an outgoing payment transaction from a Client Payment Account may be either directly related to the exchange transaction or the reason for it, or it may be indirectly related to the

exchange transaction, with the balance remaining in the Client Payment Account after the exchange reflecting the payment made from the funds therein.

At a client's request, Citfin FT will execute an outgoing payment or transfer of funds from the Client Payment Account to a third party account, either in local or foreign currency and either abroad or within the Czech Republic, if the following conditions are met:

- a) Citfin will either receive a payment order signed by the client (or an person authorized by the client) through either the Bankservis or Phonebanking applications, or it will sent indirectly to Citfin FT by a provider of an indirect payment order service whom the client has engaged as a service of Citfin API. Any such indirect payment order has to be authorized by the Client.
- b) The client has sufficient funds in the Client Payment Account to settle the outgoing payment transaction;
- c) Sending the payment before the cutoff time and having sufficient funds in the Client Payment Account no later than when the transaction matures, whose date is indicated on the Exchange Confirmation and the payment order.

### **3.1.1. Domestic payment orders must at all times include the following information:**

- a) Beneficiary's account number and its bank identification code
- b) Amount of the transfer stated numerically, including decimal places
- c) Currency to be transferred (ISO currency code in the CNB codebook)
- d) Purpose of the payment (information for the beneficiary)
- e) Maturity date, which is the date when the payment should be made
- f) Speed of the payment:
  - **Normal** - when NORMAL is specified in the payment order, there are sufficient funds in the Client Payment Account to settle the transaction and the order has been received before 4:30 pm at latest, the payment will be executed on the same day at NORMAL speed, unless otherwise agreed. Funds will be received by the beneficiary's bank at latest by the end of the next working day;
  - **Urgent** - when URGENT is specified in the payment order, there are sufficient funds in the Client Payment Account to settle the transaction, the order has been received by Citfin FT and everything has been received by the cutoff time for sending the payment that is indicated in [www.citfin.cz](http://www.citfin.cz). Funds will be received by the beneficiary's bank on the same working day;
- g) Signature of the client (or authorized person)

### **3.1.2. Foreign payment orders must at all times include the following information:**

- a) Name and address of the legal entity or natural person sending the payment
- b) Name and address of the beneficiary (legal entity of natural person) receiving the payment, including designation of the country
- c) Beneficiary's bank details
- d) Beneficiary's account number - to be provided in IBAN format if the transfer is going to be directed to an EEA country (the list of countries where IBAN format is required by CitfinFT can be found at [www.citfin.cz](http://www.citfin.cz))
- e) Exact name and full address of the beneficiary's financial institution and its SWIFT (BIC) or national code (the BIC of the transferring beneficiary institution should be indicated for transfers directed to EEA countries)
- f) Amount of the transfer stated numerically, including decimal places
- g) Currency to be transferred (ISO currency code in the CNB codebook)
- h) Purpose of the payment (information for the beneficiary)
- i) Maturity date, which is the date when the payment should be made
- j) Payment instructions:
  - BEN (beneficiary pays all bank charges and fees for sending the payment)
  - OUR (payer pays all the costs of transferring the funds)
  - SHA (payer pays fees charged for sending the payment and beneficiary pays fees charged for crediting the payment to his/her account)



- k) Speed of the payment:
- **Normal** - when NORMAL is specified in the payment order, there are sufficient funds in the Client Payment Account to settle the transaction and the order has been received by Citfin FT before 4:30 pm at latest, the payment will be executed on the same day at NORMAL speed, unless otherwise agreed. Funds will be received by the beneficiary's bank within four working days. Payment orders in euro submitted by 1:00 PM on a working day with a maturity date identical to the current calendar date will be credited to the beneficiary's account at latest by the following working day;
  - **Urgent** - when URGENT is specified in the foreign payment order, there are sufficient funds in the Client Payment Account to settle the transaction, the order has been received by Citfin FT and everything has been received by the cutoff time for sending the payment that is indicated in [www.citfin.cz](http://www.citfin.cz). Funds will be received by the beneficiary's bank at latest on the next working day;
- l) Payments in RUB must specify the extended payment parameters found at Citfin FT's website [www.citfin.cz](http://www.citfin.cz);
- m) It is recommended for payments in USD to enter the extended payment parameters found at Citfin FT's website [www.citfin.cz](http://www.citfin.cz);
- n) Signature of the client (or authorized person)

### 3.1.3. Periods for settling domestic and foreign payments

The cutoff times indicated in the tables indicate when a payment order has to be received by Citfin FT in order for the payment to be executed on the same day. Another conditions for making payments is sufficient funds in the Client Payment Account maintained by Citfin FT.

For foreign payments, national holidays celebrated in the countries of both the transaction currency and the beneficiary bank will affect when the funds will be credited to the beneficiary's bank account.

For transactions outside the EEA, the time it takes for the beneficiary's bank account to be credited depends on how the transaction is processed by the corresponding banks.

### 3.1.4. NORMAL payment orders

Funds will be delivered to the beneficiary bank when a client completes a NORMAL payment order and meets the conditions for executing a payment (receipt of the payment order before the cut off time and sufficient funds in the Client Payment Account maintained by Citfin FT)

- a) **Domestic payments** = payment is made the same day at NORMAL speed unless agreed otherwise. Funds will be received by the beneficiary's bank at latest by the end of the next working day;
- b) **Foreign payments** = payment is made the same day at NORMAL speed unless agreed otherwise. Funds will be received by the beneficiary's bank within four working days;
- c) Payment orders in euro submitted by 1:00 PM on a working day with a maturity date identical to the current calendar date will be credited to the beneficiary's account at latest by the following working day.

NORMAL PAYMENT Cutoff time for receipt of the payment order and crediting of funds to the Client Payment Account for settling payment transactions	
Currency	Time
all currencies handled by Citfin	4:30 PM

### 3.1.5. URGENT payment orders

Funds will be delivered to the beneficiary bank when a client completes an URGENT payment order and meets the conditions for executing a payment (receipt of the payment order before the cut off time and sufficient funds in the Client Payment Account maintained by Citfin FT):

- a) **Domestic payments** = funds will be received on the same working day;
- b) **Foreign payments** = funds will be received on the next working day.

Any client that enters URGENT in a payment order will be charged the rate published for the speed by Citfin - Finanční trhy, a.s. at [www.citfin.cz](http://www.citfin.cz).

<b>URGENT PAYMENT</b> <b>Cutoff time for receipt of the payment order and</b> <b>crediting of funds to the Client Payment Account</b> <b>for settling payment transactions</b>	
Currency	Time
CZK inside Czechia	12:30 PM
CZK outside Czechia	11:30 PM
EUR inside EEA*	3:00 PM
EUR outside EEA*	1:30 PM
USD	1:30 PM
GBP	8:30 AM
CHF	8:30 AM
NOK	8:30 AM
SEK	not possible
JPY	not possible
PLN	8:30 AM
CAD	not possible
HUF	8:30 AM
DKK	not possible
AUD	not possible
RUB	not possible
RON	not possible
CNY	not possible

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

### 3.1.6. Electronic banking with BankServis/Phonebanking

Citfin FT and its clients communicate between each other through Bank Servicing, an electronic banking application that includes Phonebanking. Bankservis is an application is available at [www.bankservis.cz](http://www.bankservis.cz).

Clients may use Bankservis:

- a) To enter payment orders
- b) To obtain information about the balance in the Client Payment Account
- c) To obtain an Exchange Confirmations and confirm them through the application
- d) To obtain an overview of payments in the Client Payment Account
- e) To obtain information about current open forward contracts

Electronic communication between Citfin FT and its clients through the Bankservis application is secured with electronic signature technology, whose use is subject to the provisions of Act 297/2016 Coll., on trust services for electronic transactions. The electronic signature is coded in an SMS

message with a special algorithm that verifies the client's entity and is created from the data sent to be signed. The authentication device is in this case the registered mobile phone specified in the Framework Agreement. Clients will be held responsible for another person's misuse of the authentication device. In addition, the Bankservis application is secured by the Globalsign certificate issued for the server [www.bankservis.cz](http://www.bankservis.cz) and communication between clients and Citfin FT is encrypted.

Prerequisites for clients and persons authorized by a client to use Bankservis are access to a computer with an internet connection and a registered mobile phone able to receive the authentication SMS over the network of any mobile operator in the Czech Republic.

Any client with Bankservis set up can call the Phonebanking service at +420 234 092 033 and provide Citfin FT staff with all the payment order's details.

### **3.1.7. Citfin API**

Citfin API lets clients access their Client Payment Accounts at Citfin FT through an automated online interface with a data channel that is designed to connect the Citfin FT system with third-party applications.

Citfin API allows a client to instruct a third party to enter the following third-party services:

- a) Indirect payment orders;
- b) Information about the Client Payment Account; and
- c) Querying the balance in the Client Payment Account

Further information and conditions for using Citfin API services are provided in Citfin FT's General Terms and Conditions and the API Manual that can be found at [www.citfin.cz](http://www.citfin.cz).

### **3.1.8. Settling outgoing payment transactions**

Before a payment from the Client Payment Account is made, Citfin FT will provide clients, at their request, with information about the time limit for executing a transaction and the fee(s) a client would be charged, along with a breakdown of the fees if there are several of them. The amount to be charged in outgoing payment fees is mentioned in the specific Framework Agreement or in the Exchange Confirmation that the client receives after the exchange transaction has been concluded. Citfin FT is required to credit funds to the account provided to the beneficiary by deadlines that are defined in Act 256/2004 Coll. on trading in capital markets, as amended.

After the payment is executed, Citfin FT will send the Client a "Payment Confirmation" through Bankservis or e-mail, as evidence of the payment transaction having been settled.

### **3.1.9. Accepting a payment order**

A payment order is deemed to have been accepted at the moment when Citfin FT receives it either directly from a client or at the client's initiative.

Should the client initiating the payment and Citfin FT agree to start executing it at a certain moment when specific conditions have been fulfilled or after a certain period of time has elapsed ("deferred maturity"), then the payment order will be considered as having been accepted at the time so determined.

An indirect payment order is deemed to have been accepted at the moment when Citfin FT receives a payment order authorized by a client that was sent through Citfin API from a provider of an indirect payment order service.

Were the payment order to be accepted outside of Citfin FT's business hours, it will be considered to have been accepted when Citfin FT next opens for business.

Payment orders received by Citfin FT after the end of business hours (and the cutoff time) that have been agreed with a client are deemed to have been accepted when Citfin FT next opens for business.

### 3.1.10. Irrevocability of payment orders

No payment order can be revoked by a client after its maturity date (which is indicated on either the payment order or Exchange Confirmation).

A client may request the revocation of a payment order even if the maturity date has already passed, but acknowledging that the request might not be granted. A fee may be charged to the client for the revocation of a payment order after it has matured at the rate published by Citfin FT.

An indirect payment order cannot be revoked once CitFin has sent information of its acceptance to a provider of an indirect payment order service.

### 3.1.11. Rejecting a payment order

Section 159(1) of Act 370/2017 Coll. on payment transactions only permits Citfin FT to refuse any execution of a payment order if contractual conditions for accepting it have not been met or such a refusal is provided in other legislation. Citfin can likewise reject a payment order for failure to comply with the conditions below for accepting the order that are specified in the General Terms and Conditions:

- a) The client has not transferred funds to settle the payment at a Citfin FT "Separate Bank Account" held with a bank or credit union.
- b) If any mandatory items for outgoing and incoming payment transactions specified in the General Terms and Conditions have not been entered or were entered incorrectly.
- c) If the payment transaction violates the laws of the Czech Republic or either the laws of the country where an intermediary bank operates or the bank's commercial policy. This provision particularly applies to outgoing or incoming payments where the recipient or the payer has an address in a high risk country and/or the beneficiary's or payer's institution is owned by entities in those countries. The current list of high risk countries can be found at [www.citfin.cz](http://www.citfin.cz).

Citfin FT will immediately inform a client of any payment it refuses to execute on the client's behalf and explain the reason for doing so. Should the reason for refusing be because the payment is a violation of Act 253/2008 Coll., on certain measures against the legalization of the proceeds from crime and the financing of terrorism, as amended, Citfin FT will proceed therewith in accordance with the legislation and its internal rules.

## 3.2. Incoming payment transactions - receiving cash in local or foreign currency from other bank accounts (from a client's business partner)

At a client's request, Citfin FT will execute a payment transaction to receive funds from an incoming payment to the Client Payment Account, as advised by the client in a written notice, and will subsequently handle the received funds in accordance with the client's instructions.

Before a payment to the Client Payment Account is made, Citfin FT will provide clients, at their request, with information about the time limit for executing a transaction and the fee(s) a client would be charged, along with a breakdown of the fees if there are several of them. Citfin FT is required to credit funds to Client Payment Account by deadlines that are defined in Act 256/2004 Coll. on trading in capital markets, as amended, in other words no later than the end of the business day subsequent to the day when the funds have been credited to the beneficiary provider's account in favor of the Client.

### 3.2.1. Brief description of incoming payment transactions

- a) **Customer information** - when a client issues an invoice, the customer will receive information about remittance through Citfin FT, including bank instructions, which are part of the General Terms and Conditions.
- b) **Incoming payment advice** - a client will email to CitFin information about any invoices issued to customers along with details about the envisaged remittance thereof at [platby@citfin.cz](mailto:platby@citfin.cz). The form for advising about incoming payments can be found at Citfin FT's corporate website.
- c) **Executing an incoming payment transaction** - CitFin will promptly communicate a remittance on the date when the payment from a customer is credited to the Client Payment Account and,

if a client wishes, also to provide the exchange rate at which CitFin can purchase the currency at the moment.

Were it not possible to properly identify an incoming payment credited to a Citfin FT Separate Account, due diligence will be exercised by Citfin FT to provide additional identification thereof. If the payment can be successfully identified, CitFin will ask the client to provide a written representation of the unambiguous identification of the incoming payment, at the very least in respect to the payer originating the payment, the reason why the client accepted it and the envisaged amount. It is at Citfin FT's discretion to determine whether the client's representation has clearly identified the incoming payment transaction.

Should neither Citfin FT nor the client's representation be able to identify the incoming payment, then Citfin FT will wait 15 calendar days before crediting the payment to the Separate Account and, upon the expiry of this period, it will verify the incoming payment through the banks and invite the payer to identify the received payment. If Citfin FT fails to identify the incoming payment within 45 days from when it has been credited to its Separate Account, the funds will be returned to the payer's account.

Detailed terms and fees for outgoing and incoming payments are governed by the specific Framework Agreement, the General Terms and Conditions and the rates published by Citfin – Finanční trhy, a.s., all of which can be found at [www.citfin.cz](http://www.citfin.cz).

### 3.3. Spot contracts

Clients may enter into the following types of spot contracts with Citfin FT:

- a) **Spot transaction** - buying and selling foreign currency to be settled within two working days
- b) **Order** - negotiating a spot foreign exchange transaction that would be automatically executed when a pre-agreed exchange rate is reached.
  - TAKE PROFIT ORDER - instructions to automatically purchase/sell currency on behalf of a client at a desired exchange rate. For example, when buying foreign currency, the order will be placed at below the current market exchange rate.
  - STOP LOSS ORDER - instructions to automatically purchase/sell currency on behalf of a client at its worst exchange rate. For example, when buying foreign currency, the order will be placed at above the current market exchange rate.
  - Combination of TAKE PROFIT ORDER and STOP LOSS ORDER - both types of orders can be used in combination with each other.

#### 3.3.1. Foreign exchange transactions:

- a) Every foreign exchange transaction is concluded :
  - by virtue of a verbal agreement between a client and Citfin FT over the telephone, with both the client and Citfin FT agreeing on all the terms and conditions thereof or
  - through Online Trading in the Bankservis application.
- b) Citfin FT will send the client immediately after the foreign exchange transaction has been negotiated an Exchange Confirmation either through Bankservis internet banking or in an email.
- c) In order for the transaction to be settled, clients will be required to send sufficient funds to the Separate Account to cover the exchange transaction no later than when it matures.
- d) The transaction is settled on the same day as indicated on the Exchange Confirmation.
- e) For increased security, clients and persons authorized by a client will be authenticated prior to the conclusion of any foreign exchange transaction with a SMS to be sent to the client's registered mobile phone number or in a code to be generated by a token.

**Spot transactions concluded by virtue of a verbal agreement (except orders)** are concluded when the client and Citfin FT have agreed over the telephone on all of the conditions for the transaction below:

- a) Currency or currencies and the amount to be exchanged, namely what Citfin FT will be buying from the client ("Volume");
- b) Currency or currencies and the amount that Citfin FT will be buying for the client;

- c) Exchange rate;
- d) Type of trade (spot, futures/forward);
- e) Settlement date of the transaction, which is the date on which the funds in the agreed currencies are to be exchanged between the Client and Citfin FT;
- f) Settlement method.

Clients may execute spot exchange transactions in the following currencies: CZK, EUR, AUD, CAD, CHF, DKK, HUF, GBP, JPY, NOK, PLN, RON, RUB, SEK, USD, CNY.

**Spot transactions concluded through Online Trading in the Bankservis application** are concluded when the client confirms the exchange transaction in the Bankservis application and agrees parameters of the transaction in the Online Trading.

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

- a) The client 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 and method of settlement:
- b) Upon the completion of the aforementioned parameters of the transaction, the client 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. The client 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, i.e. the client selects the "Confirm Trade" from the menu, the transaction is concluded with the parameters specified by the client in his/her rate request and at a rate offered by Citfin FT.

Online Trading is available on business days between 8.00 a.m. and 5.30 p.m. With Online Trading it is possible to exchange CZK, EUR, USD, CHF, GBP, PLN.

**Orders** are concluded when the client and Citfin FT have agreed over the telephone on all of the conditions for the transaction below:

- a) Currency or currencies and the amount to be exchanged, namely what Citfin FT will be buying from the client ("Volume");
- b) Currency or currencies and the amount that Citfin FT will be buying for the client;
- c) Type of trade (spot);
- d) Exchange rate at which the order will be placed (the rate requested by the client);
- e) Expiry of the order (the period in which the exchange transaction will take place when the agreed exchange rate is reached) where the maximum period for an order is 12 months.

Citfin FT is only obliged to execute the exchange transaction when the rate at which it is able to bid and complete the exchange, taking into account internal rules and the market situation, equals the agreed rate.

Once the order has been executed, the client will be emailed a notice of the order's execution on the next working day. Following the execution of the Order, a Citfin FT staff member will telephone the client, having agreed together on the following conditions for settling the trade:

- Deposit of funds into a Citfin FT Separate account;
- Date of settlement;
- Instructions for settling the exchange transaction.

### Limits:

There is no minimum transaction limit for spot exchanges.

The minimum transaction amount for orders is EUR 10,000 or USD 10,000. Volumes and the option of executing orders in currencies other than EUR and USD are handled at a client's request.

The maximum amount to be exchanged is limited to the amount Citfin FT determines for a client when a contract has been signed between them, either for spot or forward trades, in accordance with Act 256/2004 Coll. on trading in capital markets, as amended.

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 FT and is defined in the Bankservis application and at [www.citfin.cz](http://www.citfin.cz).

Terms for concluding spot exchanges and orders are governed by the Framework Agreement and the General Terms and Conditions.

## 4. Other information about Citfin's responsibilities to its clients

- a) Framework agreements agreed between clients and Citfin are for an indefinite term.
- b) Information on how to terminate the Framework Agreement and notice periods is provided in paragraph 9.10 of the General Terms and Conditions.
- c) Clients should be aware that they may incur additional investment service costs, including taxes that are not paid by Citfin FT and clients will not be charged for them.
- d) Amendments to the General Terms and Conditions are always published on Citfin's website no later than two months before they or an updated version of the GTC comes into effect. Clients are notified of changes even if they are not required by new legislation.
- e) Mandatory disclosures are available at Citfin's website [www.citfin.cz](http://www.citfin.cz).
- f) Citfin's model framework contract, General Terms and Conditions, Investor Questionnaire, rates for services and other service-related information are published on [www.citfin.cz](http://www.citfin.cz). Clients have the right to obtain this information, including the contents of the Framework Agreement, upon request at the contacts listed below, either in written form or communicated over the telephone.
- g) Citfin is required to provide information as soon as possible to its clients, both before a Framework Agreement has been concluded and while there is a contractual relationship between them, through the contacts listed below unless the Framework Agreement or the General Terms and Conditions set a time limit for the information to be provided, and it particularly includes the contractual terms of the Framework Agreement for a specific client, information about newly-provided services and system outages.
- h) Detailed information about each product and doing business with Citfin can be found at [www.citfin.cz](http://www.citfin.cz). If there are any questions or queries, please contact the sales department at +420 234 092 011.

## Separate bank accounts for Citfin – Finanční trhy, a.s.

For settling payment transactions  
**ING Bank N.V., Prague branch**  
 Českomoravská 2420/15, 190 00 Prague 9  
 BIC/SWIFT Code: INGBCZPPXXX

Currency	Account Number / Sort Code	IBAN (also for incoming payments)
CZK:	10 00 39 09 04 / 3500	CZ93 3500 0000 0010 0039 0904
EUR:	13 30 39 09 07 / 3500	CZ02 3500 0000 0013 3039 0907
USD:	12 20 39 09 06 / 3500	CZ97 3500 0000 0012 2039 0906
GBP:	11 20 39 09 09 / 3500	CZ69 3500 0000 0011 2039 0909
CHF:	10 50 39 09 02 / 3500	CZ72 3500 0000 0010 5039 0902
NOK:	11 90 39 09 04 / 3500	CZ02 3500 0000 0011 9039 0904
SEK:	12 10 39 09 02 / 3500	CZ26 3500 0000 0012 1039 0902
JPY:	11 60 39 09 03 / 3500	CZ74 3500 0000 0011 6039 0903
PLN:	12 60 39 09 00 / 3500	CZ05 3500 0000 0012 6039 0900
CAD:	10 40 39 09 09 / 3500	CZ92 3500 0000 0010 4039 0909
HUF:	12 50 39 09 07 / 3500	CZ25 3500 0000 0012 5039 0907
AUD:	10 20 39 09 01 / 3500	CZ47 3500 0000 0010 2039 0901
RUB:	12 80 39 09 08 / 3500	CZ50 3500 0000 0012 8039 0908
RON:	13 00 39 09 06 / 3500	CZ74 3500 0000 0013 0039 0906
DKK:	10 70 39 09 18 / 3500	CZ95 3500 0000 0010 7039 0918
CNY:	11 70 39 09 07 / 3500	CZ48 3500 0000 0011 7039 0907

**ING Bank N.V., foreign bank branch**  
 Jesenského 4/C, 811 02 Bratislava  
 BIC/SWIFT Code : INGBSKBXXXX

Currency	Account Number / Sort Code	IBAN
EUR:	90 00 02 04 83 / 7300	SK70 7300 0000 0090 0002 0483

**Tatra banka, a.s. Slovak Republic**  
 Hodžovo nám. 3, 811 06 Bratislava  
 BIC/SWIFT Code: TATRSKBXXXX

Currency	Account Number / Sort Code	IBAN
EUR	292 288 2715 / 1100	SK90 1100 0000 0029 2288 2715
USD	282 481 7792 / 1100	SK77 1100 0000 0028 2481 7792

**Komerční banka, a.s.**  
 Prague 4 branch, Nuselská 94, 145 06 Prague 4  
 BIC/SWIFT Code : KOMBCZPPXXX

Currency	Account Number / Sort Code	IBAN
CZK:	51-148 038 0237 / 0100	CZ38 0100 0000 5114 8038 0237
EUR:	51-148 040 0277 / 0100	CZ24 0100 0000 5114 8040 0277
USD:	51-148 039 0267 / 0100	CZ52 0100 0000 5114 8039 0267
GBP:	27-903 090 0297 / 0100	CZ98 0100 0000 2790 3090 0297
CHF:	27-192 534 0247 / 0100	CZ57 0100 0000 2719 2534 0247

**Česká spořitelna, a.s.**  
 Budějovická 1912, 140 21 Prague 4  
 BIC/SWIFT Code : GIBACZPX

Currency	Account Number / Sort Code	IBAN
CZK:	81 15 23 39 / 0800	CZ23 0800 0000 0000 8115 2339
EUR:	155 723 42 63 / 0800	CZ80 0800 0000 0015 5723 4263
USD:	155 770 12 63 / 0800	CZ13 0800 0000 0015 5770 1263



**Moneta Money Bank, a.s.,**  
**Karlovo nám. branch 19, 120 00 Prague 2**  
**BIC/SWIFT Code: AGBACZPPXXX**

Currency	Account Number / Sort Code	IBAN
CZK:	190 993 460 / 0600	CZ13 0600 0000 0001 9099 3460
EUR:	190 993 532 / 0600	CZ09 0600 0000 0001 9099 3532
USD:	190 993 516 / 0600	CZ53 0600 0000 0001 9099 3516

**Fio banka, a.s.**  
**V Celnici 1028/10, 117 21 Prague 1**  
**BIC/SWIFT Code: FIOBCZPPXXX**

Currency	Account Number / Sort Code	IBAN
CZK:	29 01 00 60 46 / 2010	CZ49 2010 0000 0029 0100 6046
EUR:	21 01 00 60 48 / 2010	CZ31 2010 0000 0021 0100 6048
USD:	29 01 00 60 54 / 2010	CZ27 2010 0000 0029 0100 6054

**Raiffeisenbank a.s.**  
**Hvězdova 1716/2b, 14078 Prague 4**  
**BIC/SWIFT Code: RZBCCZPPXXX**

Currency	Account Number / Sort Code	IBAN
CZK:	51 70 01 33 76 / 5500	CZ12 5500 0000 0051 7001 3376
GBP:	51 70 01 35 60 / 5500	CZ88 5500 0000 0051 7001 3560
EUR:	51 70 01 43 60 / 5500	CZ22 5500 0000 0051 7001 4360

**Citfin, spořitelni družstvo (savings society)**  
**Radlická 751/113e, 158 00 Prague 5**  
**BIC/SWIFT Code: CITFCZPPXXX**

Currency	Account Number / Sort Code	IBAN (also for incoming payments)
CZK:	10 00 029 / 2060	CZ29 2060 0000 0000 0100 0029
EUR:	10 00 029 / 2060	CZ29 2060 0000 0000 0100 0029
USD:	10 00 029 / 2060	CZ29 2060 0000 0000 0100 0029
GBP:	10 00 029 / 2060	CZ29 2060 0000 0000 0100 0029
CHF:	10 00 029 / 2060	CZ29 2060 0000 0000 0100 0029
NOK:	10 00 029 / 2060	CZ29 2060 0000 0000 0100 0029
SEK:	10 00 029 / 2060	CZ29 2060 0000 0000 0100 0029
JPY:	10 00 029 / 2060	CZ29 2060 0000 0000 0100 0029
PLN:	10 00 029 / 2060	CZ29 2060 0000 0000 0100 0029
CAD:	10 00 029 / 2060	CZ29 2060 0000 0000 0100 0029
HUF:	10 00 029 / 2060	CZ29 2060 0000 0000 0100 0029
AUD:	10 00 029 / 2060	CZ29 2060 0000 0000 0100 0029
RUB:	10 00 029 / 2060	CZ29 2060 0000 0000 0100 0029
RON:	10 00 029 / 2060	CZ29 2060 0000 0000 0100 0029
DKK:	10 00 029 / 2060	CZ29 2060 0000 0000 0100 0029

**ČSOB, a.s.**  
**Radlická 333150, 150 57 Prague 5**  
**BIC/SWIFT Code: CEKOCZPPXXX**

Currency	Account Number / Sort Code	IBAN
CZK:	288 680 497 / 0300	CZ34 0300 0000 0002 8868 0497
EUR:	288 680 649 / 0300	CZ04 0300 0000 0002 8868 0649
USD:	288 680 948 / 0300	CZ79 0300 0000 0002 8868 0948

**Accounts for depositing future contract advances**

For depositing and recording advances from futures

**Citfin, spořitelni družstvo (savings society)**

**Radlická 751/113e, 158 00 Prague 5**

**BIC/SWIFT Code: CITFCZPPXXX**

Currency	Account Number / Sort Code	IBAN (also for incoming payments)
CZK:	11 19 417 / 2060	CZ57 2060 0000 0000 0111 9417
EUR:	11 19 417 / 2060	CZ57 2060 0000 0000 0111 9417
USD:	11 19 417 / 2060	CZ57 2060 0000 0000 0111 9417
GBP:	11 19 417 / 2060	CZ57 2060 0000 0000 0111 9417
CHF:	11 19 417 / 2060	CZ57 2060 0000 0000 0111 9417
NOK:	11 19 417 / 2060	CZ57 2060 0000 0000 0111 9417
SEK:	11 19 417 / 2060	CZ57 2060 0000 0000 0111 9417
JPY:	11 19 417 / 2060	CZ57 2060 0000 0000 0111 9417
PLN:	11 19 417 / 2060	CZ57 2060 0000 0000 0111 9417
CAD:	11 19 417 / 2060	CZ57 2060 0000 0000 0111 9417
HUF:	11 19 417 / 2060	CZ57 2060 0000 0000 0111 9417
AUD:	11 19 417 / 2060	CZ57 2060 0000 0000 0111 9417
RUB:	11 19 417 / 2060	CZ57 2060 0000 0000 0111 9417
RON:	11 19 417 / 2060	CZ57 2060 0000 0000 0111 9417
DKK:	11 19 417 / 2060	CZ57 2060 0000 0000 0111 9417