

CONDITIONS

For Issue and Use of LBBW Bank CZ a.s. Payment Cards

1. GENERAL CONDITIONS

1.1. LBBW Bank CZ a.s. (hereinafter referred to as "LBBW Bank") issues MasterCard payment cards as an electronic means of payment that goes together with personal and corporate Czech-crown and Euro current accounts. The current offer of payment cards and related auxiliary services is published in information materials of LBBW Bank. Legal matters concerning the issue and use of LBBW Bank payment cards are subject to the law of the Czech Republic.

1.2. The Conditions for Issue and Use of LBBW Bank Payment Cards (hereinafter referred to as "Conditions") constitute an integral part of the Payment Card Issue Application/Contract. After the application/contract is signed, the Conditions become binding for both contracting parties. By signing the Payment Card Issue Application/Contract, the account holder affirms to have thoroughly read the Conditions. The account holder may request the issue of additional cards for other persons. In such a case, the account holder is fully liable for ensuring that such additional cardholders comply with these Conditions.

1.3. The account holder must notify LBBW Bank of all changes of information concerning payment cards issued for the account holder's accounts and holders of such cards specified in the Payment Card Issue Application/Contract. The account holder is liable for all damages incurred due to a failure to comply with this requirement.

1.4. The cardholder is entitled to request changes of an already issued card by making a written demand to the LBBW Bank branch that administers his account. Changes concerning insurance and the payment card limit are subject to approval by the account holder.

1.5. The payment card is the property of LBBW Bank. As a rule, it is issued in the name of the cardholder and is not transferable to another person. There is no legal entitlement to the issue of a payment card. LBBW Bank reserves the right to reject an application of an account holder for the issue of a card without stating a reason. If an application is rejected, the bank will inform the account holder by mail or telephone.

1.6. LBBW Bank is entitled to debit fees and charges for services related to the issue and use of the card by the cardholder and for settling transactions completed with the card from the account of the account holder in accordance with the effective List of Fees and Charges of LBBW Bank. The card issue fee is charged at the time the card is issued, regardless of whether the cardholder takes possession of the card.

1.7. As an administrator of personal data, LBBW Bank is entitled to enter into a contract with a provider of services in accordance with Section 6 of Act No. 101/2000 Coll. on Protection of Personal Data, as amended. By signing the Payment Card Issue Application/Contract, the account holder gives consent for disclosure of personal data to contractual partners, as necessary for the issue and use of payment cards.

1.8. These Conditions for Issue and Use of LBBW Bank Payment Cards conform to the "Sample Conditions for Issue and Use of Electronic Payment Means" issued by the Czech National Bank in accordance with Section 16 of Act No. 124/2002 Coll. on Transfers of Funds, Electronic Payment Means, and Payment Systems, as amended, with these differences:

- **Art. V.**

Duties of the Issuer, Section 7 d): LBBW Bank does not inform the account holder in writing of the exchange rate used for foreign-currency transactions.

- **Art. VI**

Liability of the Issuer, Sections 1 and 2: LBBW Bank is not liable for the non-completion of a transaction or non-provision of a service if the same is directly or indirectly beyond the control of LBBW Bank, see paragraph 3.4. of these Conditions.

- **Art. VIII**

Liability of the Holder, Sections 1 and 2: The liability of the account holder for transactions completed with a lost, stolen, or misused payment card ends at 24:00 on the day when the loss or theft is reported by telephone to LBBW Bank, see paragraph 5.4. of these Conditions.

2. ISSUE OF THE CARD

2.1. An application for the issue of a card is made by the account holder to the LBBW Bank branch that administers the account holder's current account. The account holder must provide complete and truthful information and is fully liable for damages incurred by LBBW Bank due to submitting false or misleading information, including criminal prosecution.

2.2. As to the issue of a card for an account, the bank and the account holder enter into a written contract for a definite or indefinite period of time. The expiration of a contract for a definite period of time coincides with the expiration date of the card. In the case of a contract for an indefinite period of time, the bank issues to the account holder a new card automatically as of the expiration date of the original card, unless the holder refuses the issue of a new card in writing **at least six weeks prior to the expiration date** of the original card. The cardholder may also request the issue of a new payment card at an earlier date.

2.3. The card is valid until the last day of the month/year embossed on the card. The card may not be used after the expiration date. The account holder agrees to destroy all expired payment cards that are not returned to the bank after expiration.

2.4. The cardholder must take possession of the payment card within six weeks of receiving a letter containing the PIN number or being asked by the bank staff to do so. If the cardholder fails to take possession of the card, the bank will cancel and destroy the payment card. The cardholder will not be entitled to a refund of the annual fee for the issue of the card and fees for additional services.

2.5. A part of the Payment Card Issue Application/Contract is the limit of transactions that can be completed with the payment card. The limit applies to a period of one week and regulates the maximum amount of funds that can be withdrawn and the number of transactions that can be completed with the payment card. The cardholder may complete transactions with the card only within the scope of the set limit and only up to the agreed account balance or the approved account overdraft. The account holder is liable for all transactions regardless of the limit and must pay for damages incurred by LBBW Bank as a result of incorrect use of the payment card or any unauthorized withdrawals exceeding the available account balance.

2.6. By signing the Payment Card Issue Application/Contract, the account holder authorizes the bank to settle **all** payments and transactions completed with the cardholder's card to the debit of the account holder's account, after the payment card is received by the account holder.

2.7. The cardholder must take possession of the card in person at the bank. An envelope containing the PIN number will be sent by registered mail to the cardholder's address specified in the Payment Card Issue Application/Contract. The cardholder must verify that the envelope containing the PIN number is undamaged. Only the cardholder knows the PIN number. It is prohibited to mark the PIN number on the card, keep it together with the card, or disclose it to any person, including family members. **The bank is not liable for any damages due to disclosure of the PIN number.**

2.8. Upon receiving the payment card, the cardholder must sign the same on the signature strip in the presence of an authorized LBBW Bank employee.

3. USE OF THE CARD

3.1. The cardholder may use the card in the Czech Republic and abroad to pay for purchases of goods and services from retail and service outlets and for withdrawing cash from bank machines (ATM), bank branches, and exchange outlets marked with the MasterCard symbol. The payment card must not be used for transactions that would be contrary to laws effective in the place where the transaction takes place.

3.2. The cardholder demonstrates his authorization to use the card for a transaction by entering the PIN number at an ATM machine (according to instructions for the use of the same) or the electronic cash register of the point of sale. If a retail outlet does not have equipment allowing verification of the PIN number, the cardholder demonstrates his authorization by signing the transaction slip which must be issued for every purchase (the signature must match the signature on the card).

3.3. When the card is used at a point of sale, the same is entitled to request authorization for completing the requested transaction and complete the transaction only if it is authorized by the bank or an organization empowered by the bank to issue authorizations.

3.4. LBBW Bank is not liable for non-provision of services and damages incurred by cardholders directly or indirectly due to circumstances beyond the control of the bank or its partners, especially power outages, equipment failures, defects of data processing systems or transmission lines, strikes, etc. Further, LBBW Bank is not liable for a refusal to accept the card by a point of sale or a branch of another bank.

3.5. If during a transaction with the payment card an incorrect PIN number is entered more than three times, the payment card will be automatically temporarily blocked for security reasons. The functionality of the card will be renewed on the first day of the period when the cardholder will be entitled to withdraw his new limit.

3.6. If the cardholder forgets the PIN number, a written application can be made for the reissue of the original PIN number.

4. SETTLEMENT, STATEMENTS, AND CLAIMS

4.1. Transactions completed with the payment card are charged to the debit of the account as a single total sum including all unsettled transactions once a month, usually on the last business day of the current month.

4.2. Transactions completed in a currency other than the currency of the account to the debit of which the transactions are charged are converted using the exchange rate applicable to sales of foreign currency in effect at the time the transactions are processed.

4.3. The cardholder may make claims regarding transactions showed on the account statement to the bank branch that administers the account for which the card was issued. The cardholder must make a claim in writing and present all available documents (copy of statement, sworn statement of the cardholder or account holder on discrepancies in transactions, copy of receipts of sale). If a claim concerning a transaction is accepted, the sum of the transaction will be credited to the account holder's account.

4.4. The account holder or the cardholder must make a claim within 60 days of the transaction date stated on the statement. The claim period is subject to effective claim processing rules of international card associations. LBBW Bank will inform the account holder in writing within five days of the claim status. The account holder will be informed of the outcome of the claim in writing 180 days of making a claim at the latest.

4.5. If, in accordance with the Conditions, the account holder or the cardholder make a claim concerning an erroneous transaction or demand rectification from LBBW Bank unsuccessfully, the account holder or the cardholder can submit the matter to a financial arbitrator who decides disputes between issuers of payment cards and cardholders concerning the issue and use of electronic payment means in accordance with Act No. 229/2002 Coll. on Financial Arbitrator, as amended.

5. CARD PROTECTION, LOSS/THEFT

5.1. The cardholder must keep the card in a safe place separate from his personal documents and prevent its misuse by unauthorized persons. Further, the cardholder must prevent **disclosure of the PIN number to a third party**. The cardholder must not record the PIN number in any form that would allow another person ascertaining the same and **must not keep the PIN number together with the card**. The card must be protected against mechanical damage and the effect of strong magnetic fields.

5.2. In the event the card is lost or stolen, the cardholder must immediately notify the MUZO, a.s. Authorization Center, open 24 hours a day, by telephone at **272 771 111** or by fax at **267 197 291**. **At the latest on the following business day**, such a notification must be **confirmed in writing** directly to LBBW Bank by filling out a "Payment Card Blocking Order" by the cardholder or the account holder. A report on a lost or stolen payment card may be made by a third party. The third party must inform LBBW Bank of all circumstances concerning the loss or theft of the payment card, especially whether the PIN number was disclosed.

5.3. If the reporting person does not know the card number, he must provide other information based on which the card can be identified (cardholder's name, Birth Registration Number, account number, card issuer, card type). The reporting person must not disclose his PIN number to any employee of the bank.

5.4. The account holder will be liable for all costs and damages due to a misuse of the card. The account holder's liability for the use of a lost or stolen card will pass to the bank at 24:00 CET of the business day on which the card is blocked. If the PIN number is used in transactions completed with a lost or stolen card, the account holder will be liable for all related costs and damages with no limitation.

5.5. Based on a report on loss or theft of the payment card, the bank will block the card until it is revoked in writing by the person who requested the blocking or place the card on the stoplist and charge the account holder's account for the applicable fee according to the current list of fees.

5.6. LBBW Bank is entitled to debit the account holder's account for all fees and damages incurred by the bank as a result of a failure to comply with these Conditions on the part of persons holding cards issued for the account holder's account.

6. CARD CANCELLATION, CONTRACT CANCELLATION AND TERMINATION

6.1. The contract terminates on the last day of the month/year stated in the contract, which is usually the same as the expiration date of the card, upon being cancelled by either contracting party, or upon cancellation of the cardholder's right to use the card.

6.2. The account holder may at any time cancel the Card Issue Contract or revoke the right of a cardholder to use the card. Cancellation or revocation must have written form and be completed at the bank; it takes effect on the day the card is returned to the bank.

6.3. If the account holder is unable to return a card in accordance with the preceding paragraphs for serious reasons, the account holder can ask the bank to block the card or place it on the stoplist at the account holder's expense. In such a case, contract cancellation or revocation of a cardholder's right takes effect on the day of blocking the card or placing it on the stoplist.

6.4. LBBW Bank has the right to cancel the Card Issue Contract or revoke the cardholder's right to use the card in writing at any time. A cancellation or revocation takes effect on the day of being delivered to the other party. The cardholder or the account holder must return the applicable card to the bank within two business days of delivery of a cancellation or revocation. If the card is not returned by the deadline, the bank may block or place the same on the stoplist without further notification at the expense of the account holder.

6.5. Termination of the contract does not free the account holder from the duty to settle all obligations ensuing from the use of the payment card. The account holder remains liable for all transactions completed by the card before it is returned, blocked, or placed on the stoplist.

6.6. If the holder of an account for which a payment card has been issued wants to close the account, all payment cards issued for the account must be cancelled at least two months prior to the closing of the account. Otherwise, the account must remain open for at least two months after cancellation of all cards issued for the same.

7. EFFECTIVENESS

7.1. These Conditions took effect on March 1, 2006. LBBW Bank is entitled to make changes and additions to these Conditions or replace them with new Conditions. LBBW Bank will inform cardholders of any changes of the Conditions in writing. Unless the account holder expresses disagreement with the new wording of the Conditions and returns to LBBW Bank his payment cards within one month of receiving information on changes of the Conditions, the account holder must comply with the new wording of the Conditions. Effective wording of the Conditions can be obtained in any branch of LBBW Bank or on the Internet site <http://www.lbbw.cz/>.

Below are basic tips that will help you use your card.

I. BASIC TERMS

1.1. Payment card

A payment instrument issued to go with a client's account that allows cash withdrawals and cash-free payments for goods and services (hereinafter referred to as "card"). A card identifies its issuer and holder, and the account holder if applicable. Data used during cash transactions are recorded on the card.

1.2. Signature strip

Area on the card where the cardholder places his or her signature.

1.3. Account holder

An individual or an organization in whose name the account is kept (hereinafter referred to as "account holder").

1.4. Cardholder

A person to whom the card is issued and whose name and signature appear on the card. The cardholder may be the holder of an account for which the card is issued or another person authorized by the account holder to use funds in the account by means of a payment card.

1.5. Financial limit

Maximum sum of cash withdrawals and other transactions completed with the card in the course of a predetermined period of time.

1.6. Bank machine - ATM (Automated Teller Machine)

A device allowing the cardholder to make cash withdrawals from the account for which the card was issued up to the approved limit.

1.7. Point of sale (POS)

An electronic device allowing the cardholder to make cash-free payments for purchases of goods and services at retail outlets.

1.8. Imprinter

A mechanical device that copies information from the card and the merchant's label to a receipt of sale. It allows making cash-free payments for purchases of good and services.

1.9. PIN (Personal Identification Number)

A personal identification number (four-digit numerical code) assigned to the cardholder upon the issue of the card. The cardholder used the PIN number to demonstrate his authorization to use the card for cash withdrawals from bank machines and cash-free payments for goods and services.

1.10. Receipt of sale

A document on which the cardholder confirms reception of goods or services. Receipts of sale need to be kept for future reference.

1.11 eCode application

Application eCode is places on the card chip and allows generation of access codes for internet banking.

II. USE OF THE PAYMENT CARD

2.1. After receiving your payment card, make sure that your name and the expiration date are correctly embossed on the card. Sign the card immediately on the signature strip using a special pen in presence of a bank employee.

2.2. Guard your card carefully like cash. Loss or theft of your card will cause problems, and whoever finds it will have access to funds in your account. If your card is lost or stolen, contact MUZO, a.s. immediately (open 24 hours a day, 365 days a year) at:

tel.: + 420 272 77 11 11

fax: + 420 267 197 291

MUZO, a.s. will block your lost or stolen card within several minutes.

2.3. When traveling abroad, you can report a lost or stolen card to any bank marked with the MasterCard logo.

2.4. Always confirm your telephone report by sending to LBBW Bank a fax or registered letter bearing your signature and specifying the date (time). The account holder's liability for loss or theft ends on the business day following the day when a written report on loss or theft is delivered to the bank.

III. USE OF THE CARD FOR PAYMENTS

3.1. When making a payment, give the card to the salesperson. The salesperson will prepare a payment slip (receipt of sale, bill, etc.). Verify the payment slip, sign it (the signature must match your signature on the card), and return it to the salesperson. A copy of the payment slip will be given to you together with your card.

3.2. If deletions are made on the payment slip, ask for a new payment slip with no deletions or corrections. Keep the original payment slip or have it discarded in your presence.

3.3. The sum shown on a correctly issued and valid payment slip will be debited from your account. Keep this document, as it will serve as a proof of payment in case of a future claim. Verify all transactions on the card statement. If you find discrepancies, double entries, or transactions you did not complete, contact your branch immediately. Whenever possible, make sure that transactions with your card are completed in your presence.

IV. CASH WITHDRAWALS AT BANKS AND EXCHANGE OUTLETS

4.1. You can use your MasterCard to make withdrawals from your account in the local currency. You will be asked to present your passport when making a withdrawal.

4.2. When withdrawing cash at banks in the Czech Republic, you will have to present your personal identification card, passport, etc. Every cash withdrawal is authorized—your limit and funds in your account are verified.

V. CASH WITHDRAWALS FROM BANK MACHINES

5.1. You can use your card to withdraw cash from bank machines marked with the MasterCard logo. Insert your card in the bank machine, type in your four-digit PIN number, and enter the desired amount (always in the local currency). The system will verify your PIN number, limit, and account balance, return your card, and dispense cash. Take your card and the cash immediately! Exercise caution when typing in the PIN number; you can make two corrections only. After the wrong PIN is entered for the third time, your card will be blocked and possibly retained by the bank machine. If you are unsure of your PIN number, use a bank teller. If the bank machine issues a receipt, keep it for future claims.

5.2. If your card or the cash is retained in a bank machine, contact the branch to which the bank machine belongs immediately or as soon as possible (following business day).

5.3. Do not keep the PIN number together with your card. In your own interest, do not mark the PIN number in any form that would be discernible to another person. If you find out that your PIN might be misused for any reason, you must contact the bank immediately. A report made by telephone must be confirmed in writing (see paragraph 1.4).

5.4. Do not place the card near strong magnetic fields (transformers, radios, televisions), as the magnetic data on your card could be damaged. In some cases, the magnetic strip on your card can be damaged by magnets, for example those used on certain types of magnetic fasteners (purses, bags, etc.).

VI. INSURANCE AND SUPPLEMENTARY SERVICES

7.1. Together with your card, you can purchase an optional program comprising travel and accident insurance, assistance services, and additional cards for a special price. Details on the current offer of supplementary services can be found in information materials of LBBW Bank.

VII. CARD LOSS OR THEFT ABROAD—ISSUE OF AN EMERGENCY REPLACEMENT CARD OR AN EMERGENCY CASH ADVANCE

7.1. If your card is lost, stolen, or retained abroad, you can demand issue of a replacement card (Emergency Replacement Card) or cash advance (Emergency Cash Advance).

7.2. No PIN is assigned to a replacement card, and a replacement card cannot be used for cash withdrawals from bank machines or payments in retail outlets (POS) where transactions are verified by means of your PIN. A replacement card can be used for making a payment for goods and services in outlets using an imprinter. The card can only be used abroad until the expiration date (usually one month). After returning to the Czech Republic, you must return the card to LBBW Bank.

7.3. An emergency cash advance is usually provided in the amount of USD 100-1,000.

7.4. How to proceed:

1) You must report loss, theft, or retention of his payment card to the police and the local Service Center. The Service Centers are as follows:

a) For Europe

- LBBW Bank
- On business days between 9-16, tel.: +420 233 233 233
- all banks, members of MasterCard
- b) For USA
- Master Card Global Service, tel. 1-800-627-8372
- c) For rest of the world
- Master Card Global Service, tel. 1-636-722-7111

2) You will be asked to provide the following information to the Service Center:

- passport number, Birth Registration Number
- date of birth
- number, type, and issuer of the payment card
- address and telephone number where the cardholder can be reached the following 48 hours

3) An employee of the foreign Service Center will contact you at the address and telephone number you provide. He will make arrangements the time and place for delivery of an emergency replacement card or emergency cash advance.

You will be asked to pay no local fees. The fee will be debited directly from your account by LBBW Bank according to the current List of Fees and Charges.