

## **TERMS AND CONDITIONS**

### **for the Payment System of LBBW Bank CZ a.s.**

#### **I. CASHLESS PAYMENT SYSTEM**

##### **1. General Terms and Conditions**

- 1.1 The Client is authorised to access funds on an account based on a written payment order (i.e. on forms approved by the Bank) or based on the electronic payment order in accordance with the relevant contractual provisions via the Bank's electronic distribution channels, up to the disposable balance on the account provided that the conditions are met for cashless operations stated in the General Business Terms and Conditions (hereinafter referred to as the "GBTC") of the Bank.
- 1.2 The Client shall deliver the payment order by the deadline set by the Bank; the day/hour of delivery of the payment order to the Bank and its form is decisive for determining the moment of acceptance of the payment order for the purpose of calculating the deadline for making payment transactions.
- 1.3 The Bank does not guarantee damage that the Client incurs by not making or making a payment transaction because of an order made on a form not approved by the Bank. Such an unapproved form is also considered a payment to be made in foreign currency or from an account in foreign currency or to an account in foreign currency such as a domestic payment order made by electronic banking or an order form.
- 1.4 On the maturity day of the payment order the Bank shall deduct funds from the Client's account provided that all the conditions in these Terms and Conditions and in the Bank's GBTC are met for making the payment order.
- 1.5 The Bank shall make the payment order on the required maturity day provided that there are sufficient funds in the Client's account, the Client has had all his due receivables paid by the Bank, including unpermitted debit balances on any of the Client's account at the Bank and the order meets the prescribed requirements. If there are insufficient disposable funds in the payer's account or the Client has not paid his receivables to the Bank on the maturity day or on the following four working days, the payment order shall not be made. Should there be insufficient disposable funds in the payer's account or the Client has not paid his receivables to the Bank on the maturity day for making a SIPO (public bulk collection of payments) or a payment order with a provided contractual exchange rate, the payment transaction shall not be made, i.e. the payment order is eliminated from processing on the maturity day.
- 1.6 Should the entire amount of due payment orders exceed the sum of disposable funds in the payer's account, the Bank shall only make payment orders for which the Client has cover the moment the payment order is processed. The Bank shall not guarantee the sequence of payment orders withheld due to lack of funds.
- 1.7 The Bank is authorised to reject a payment order should not all the conditions set be fulfilled simultaneously.
- 1.8 The Bank shall provide Clients with information about withheld payments and about a payment order being rejected or not made in writing, or shall access in a manner agreed with the Client. The Bank shall not return the orders not made to the Client.
- 1.9 If, in compliance with valid legal regulations, the Bank is obliged to block the funds in the Client's account because of the attachment of, or the execution against, such account based on the decision of the relevant authority, the Bank will accept the order for payment from the blocked account only on risk of the Client and subject to the condition that on the day of delivery of the order or within the next four working days after the delivery there will be such amount of non-blocked funds in the account enabling the execution of the payment order in full. The non-fulfilment of such condition shall cause that the payment order will be deemed inaccepted pursuant to the Payment System Act.
- 1.10 The Client may cancel a payment order one working day at the latest prior to the maturity of the payment order.
- 1.11 If, in compliance with valid legal regulations, the Bank is obliged to block the funds in the Client's account because of the attachment of, or the execution against, such account based on the decision of the relevant authority, the Bank will accept the order for payment from the blocked account only on risk of the Client and subject to the condition that on the day of delivery of the order or within the next four working days after the delivery there will be such amount of non-blocked funds in the account enabling the execution of the payment order in full. The non-fulfilment of such condition shall cause that the payment order will be deemed inaccepted pursuant to the Payment System Act.
- 1.12 The Bank shall return to the Client the sum of a payment transaction in the event of an unauthorised payment transaction immediately after learning of this fact and ascertains the justifiability of the Client's requirement.
- 1.13 The payment order must be delivered to the Bank no later than the time of closing on the payment order's maturity day. The Closing Times are stated in these Terms and Conditions. The Bank shall make the payment order on deadlines set in these Terms and Conditions provided the Client does not require a later maturity day. Should the payment order be delivered to the Bank after the Closing Time the bank shall make the payment order the following working day provided the Client does not require a later maturity day. Should the payment order be delivered to the Bank by the Closing Time at the latest and it does not contain the maturity day or contains the maturity day of the preceding payment order acceptance, the Bank shall make the payment order on the day of its acceptance. Should the payment order contain the maturity day that is not a working day the Bank shall make the payment order on the nearest following working day.
- 1.14 The Bank shall credit the sum of the payment transaction to the recipient's account after it was credited to the Bank's account and when the Bank received the background documents from the payer provider essential for transferring the sum to the recipient.

1.15 The Bank is authorised to collect charges for its payment services under the List of Charges valid on the charge settlement day.

## **2. Domestic Payment System**

2.1. The domestic payment system for the purpose of these Terms and Conditions shall mean transfers/collections of funds in CZK from CZK accounts to CZK accounts within the Czech Republic.

2.2. The Bank operates the domestic payment system namely in the following form:

- a) one-off payment orders,
- b) one-off collection orders,
- c) bulk payment orders,
- d) standing payment orders,
- e) permission to make payment transaction collections,
- f) permission to make SIPO payments.

2.3. The payment order is the Client's instruction to his Bank to debit a payment from his account to credit the account of the recipient with a payment. This is an order made at the instigation of the payer. The collection order is an order made by the payment recipient to his bank to transfer funds debited from the payer's account and credit the account of the collection order issuer. This is an order made at the instigation of the recipient. The bulk payment order differs from the one-off payment order only by more than one payment order being entered in one form.

2.4. Should the Client require a priority (express / urgent) transfer in CZK debited from a CZK account and credited to a recipient's account in CZK at a different provider, he must mark the order as such.

2.5. Compulsory details of the payment/collection order in the domestic payment system:

- a) the payer's account number and the payer provider's code (bank payer details), i.e. payer's unique identifier,
- b) the recipient's account number and the recipient provider's code (bank recipient details), i.e. recipient's unique identifier,
- c) the transfer sum in CZK stated in numbers including decimal places (if the currency is not specified this shall mean CZK), the total transfer sum in CZK in a bulk order must be equal to the sum total of individual sums,
- d) signature/s according to the Specimen Signature, or stamp on the relevant form, and/or other contractually negotiated or Bank specified method of authorisation,
- e) constant symbol if this is required by a special legal regulation.

2.6. Non-compulsory details of the payment/collection order in the domestic payment system:

- a) payment order maturity day,
- b) variable symbol – maximum ten-digit numeric data without hyphens and slashes,
- c) specific symbol – maximum ten-digit numeric data without hyphens and slashes,
- d) place and date of issue of the payment order (unless stated otherwise the date of delivery of the written payment order to the Bank shall apply),
- e) message for the payer/recipient – maximum of 140 characters.

2.7. The Client may use the collection order if he has agreed with the payer on this method of payment and both accounts are in CZK.

2.8. Should the Bank receive an application from the payer's bank for the return of the sum which the Client received based on his collection order, he reserves the right to encumber the Client's account with this sum and return it to the payer's bank.

2.9. The standing payment order is issued for recurring payment of a fixed sum on a specified date to the account of the constant same recipient. The order needs to be delivered in writing at least one working day prior to the maturity of the first payment no later than the fixed Closing Time. The same applies to a change or cancellation of the standing payment order.

2.10. Compulsory details of the standing payment order in the domestic payment system:

- a) the payer's account number and the payer provider's code (bank payer details), i.e. payer's unique identifier,
- b) the recipient's account number and the recipient provider's code (bank recipient details), i.e. recipient's unique identifier,
- c) the transfer sum in CZK stated in numbers including decimal places (if the currency is not specified this shall mean CZK),
- d) frequency of payments,
- e) first payment date,
- f) signature/s according to the Specimen Signature, or stamp on the relevant form, and/or other contractually negotiated or Bank specified method of authorisation,
- g) constant symbol if this is required by a special legal regulation.

2.11. Non-compulsory details of the standing payment order in the domestic payment system:

- a) variable symbol – maximum ten-digit numeric data without hyphens and slashes,
- b) specific symbol – maximum ten-digit numeric data without hyphens and slashes,
- c) date of issue of the payment order (unless stated otherwise the date of delivery of the written payment order to the Bank shall apply),
- d) message for the recipient – maximum of 140 characters,
- e) for standing orders with monthly, quarterly, half yearly and yearly frequency the Client may select whether he wants to make the payment at the end of the period (if not specified and the calculated payment maturity shall fall on a non-

- existing calendar day or on a calendar day that is not a working day, the payment shall be made on the following working day),
- f) validity of the order (unless stated otherwise, what shall apply is that the order shall be made according to the entered frequency until rescinded),
  - g) place and date of issue of the standing order.
- 2.12. The Client must select in the written standing payment order one of these payment frequencies: daily, weekly, monthly, quarterly, half-yearly or yearly.
- 2.13. The maturity of subsequent payments is based on the entered date of first payment. If the calculated payment maturity falls on a non-existing calendar day (for example 30 February) or on a calendar day which is not a working day, the payment shall be made on the following working day.
- 2.14. A collection payment transaction from the Client's account is made if the Client grants permission for collection from his account credited to the recipient's account on forms approved by the Bank.
- 2.15. Compulsory details of permission for collection in the domestic payment system:
- a) the payer's account number and the payer provider's code (bank payer details), i.e. payer's unique identifier,
  - b) the recipient's account number and the recipient provider's code (bank recipient details), i.e. recipient's unique identifier,
  - c) limit, i.e. the sum total of the Client's expected sums in CZK for the transaction or for the selected period (the Bank is authorised to restrict the maximum limit and/or set the selected period),
  - d) effective date,
  - e) signature/s according to the Specimen Signature, or stamp on the relevant form, and/or other contractually negotiated or Bank specified method of authorisation,
- 2.16. Non-compulsory details of permission for collection in the domestic payment system:
- a) Place and date of issue of permission for collection.
- 2.17. Permission to make a SIPO payment or Public Bulk Collection of Payments is granted by the Client to the Bank for deducting sums from his account at the instigation of Česká pošta, s.p. This is a providing activity of Česká pošta, s.p. which allows regular payments to be combined into one payment in favour of the contractual partners of Česká pošta, s.p.
- 2.18. Compulsory details of permission to make a SIPO payment:
- a) the payer's account number and the payer provider's code (bank payer details), i.e. payer's unique identifier,
  - b) the recipient's account number and recipient provider's code (bank recipient details), i.e. recipient's unique identifier,
  - c) limit, i.e. the sum total of the Client's expected sums in CZK for the transaction,
  - d) connecting number,
  - e) effect,
  - f) signature/s according to the Specimen Signature, or stamp on the relevant form, and/or other contractually negotiated or Bank specified method of authorisation.
- 2.19. Non-compulsory details of permission to make a SIPO payment:
- a) variable symbol – maximum ten-digit numeric data without hyphens and slashes,
  - b) specific symbol – maximum ten-digit numeric data without hyphens and slashes,
  - c) place and date of issue of permission to make a SIPO payment.
- 2.20. Should the Client deliver to the Bank permission for making a SIPO payment, its change or cancellation no later than two working days prior to the twelfth calendar day in the month, the payment at the instigation of Česká pošta, s.p., change or cancellation made in the following month.
- 2.21. The SIPO payment at the instigation of Česká pošta, s.p. shall be deducted from the payer's account always two working days prior to the fifteenth calendar day in the month. Should the Client not have sufficient disposable balance in his account at the moment of the processing of the payment transaction, the payment shall not be made.
- 2.22. Deadline for operating the domestic payment system are stated in the section "Deadlines and Closing Times of the Payment System".

### **3. Foreign and Foreign Currency Payment System**

- 3.1. The foreign and foreign currency payment system for the purpose of these Terms and Conditions shall mean transfers of funds to and from abroad, in foreign currency to and from a domestic bank and any transfers from foreign currency accounts or to foreign currency accounts.

#### ***General Terms and Conditions of the Foreign and Foreign Currency Payment System***

- 3.2. The Bank shall make transfers of funds abroad and in foreign currency to a domestic bank in the form of:

- a) one-off Payment Orders,
- b) standing Payment Orders.

- 3.3. Compulsory details of the Payment Order:

- a) The payer's account number and name, i.e. payer's unique identifier,
  - b) The recipient's account number and precise name and address, i.e. recipient's unique identifier
    - for transfer to EU/EEA member countries the recipient's IBAN account number is compulsory,
  - c) the recipient provider's precise name and address, BIC code (swift address) of the recipient provider or code of the recipient provider
    - for transfers to EU/EEA member countries the recipient provider's BIC code, i.e. the recipient's bank's unique identifier is compulsory,
  - d) the sum of the transfer stated in numbers including designation of ten digits,
  - e) designation of the transfer currency (ISO currency code according to the Bank's exchange rate list),
  - f) purpose of the transfer – information for the recipient,
  - g) charges payment code: OUR, SHA or BEN (see explanation of terms),
    - for transfers from EU/EEA member countries in EU/EEA member country currencies the SHA charges payment code is compulsory,
  - h) signature/s according to the Specimen Signature, or stamp on the relevant form, and/or other contractually negotiated or Bank specified method of authorisation.
- 3.4. Non-compulsory details of the Payment Order:
- a) specification of whether this concerns a smooth payment or documentary payment (if not specified the order shall be made as a smooth payment),
  - b) specification of whether the payment is to be made in the standard manner, urgently (express/ priority) or by cheque (if not specified the payment shall be made in the standard manner),
  - c) payment order maturity day,
  - d) purpose of maturity,
  - e) payment title,
  - f) variable symbol (only for payments made in CZK in the Czech Republic),
  - g) constant symbol (only for payments made in CZK in the Czech Republic),
  - h) specific symbol (only for payments made in CZK in the Czech Republic),
  - i) date of issue.
- 3.5. For standing transfer orders abroad and in foreign currency to a domestic bank another compulsory detail of the written payment order is:
- a) to specify whether this is a standing order,
  - b) to add the frequency of the Payment Order,
  - c) to add the maturity day of the first payment transaction,
  - d) to add the maturity day of the last payment transaction or until rescinded (if not specified the payment shall be made until rescinded).
- 3.6. The Bank is authorised for transfer abroad and in foreign currency to a domestic bank to determine the method of making the transfer and use an intermediary bank according to own choice and consideration.
- 3.7. The Bank is authorised not to accept from the Client a payment transfer order to the country on the list of countries suspected of supporting terrorism or through the provider or his components even outside this territory in the event that the registration of the parent provider is in a country on the list of countries suspected of supporting terrorism.
- 3.8. The Bank is authorised not to accept from the Client in its own interest a payment transfer order abroad and in foreign currency to a domestic bank if the payment order does not contain the recipient's account number (i.e. if the required payment of cash is required by the recipient), because the Client shall be exposing himself to potential risk of rejection of a transfer made by recipient's provider or return of the transfer after deduction of the necessary costs of the original transfer sum by the recipient's provider.
- 3.9. To convert a currency the Bank uses the List of exchange rates valid at the moment of processing the transaction. For a conversion from FC into CZK (e.g., incoming payment in FC into an account kept in CZK), the exchange rate is the Foreign Exchange Buy. For a conversion from CZK into FC (e.g., outgoing payment in FC from an account kept in CZK), the exchange rate is the Foreign Exchange Sell. To convert between two foreign currencies the Bank applies the rate Foreign Exchange Buy FC2 / Foreign Exchange Mid FC1 or Foreign Exchange Sell FC2 / Foreign Exchange Mid FC1, where FC1 is the currency of a customer's account a FC2 is the currency of a transfer. The Bank and Client may agree on a different exchange rate.

**Transfers to EU/EEA Member Countries in the Currencies of EU/EEA Member Countries**

- 3.10. For transfer to EU/EEA member countries in currencies of EU/EA member countries the recipient's IBAN account number, the recipient provider's BIC code and the SHA charges payment code is compulsory.
- 3.11. The Bank is authorised for transfer to EU/EEA member countries in the currencies of the EU/EEA member countries to change the Client's specified OUR or BEN charges payment code to the compulsory SHA charges payment code, or reject the payment order if the abovementioned conditions for these transfers are not met.

- 3.12. The intermediary providers in the EU/EEA member countries shall be authorised for transfers to EU/EEA member countries in the currencies of EU/EEA member countries to reject or return the transfer of the payer provider should the recipient's IBAN account number not be specified (including the invalid or incorrect BIC code is not specified) or should the SHA charge payment code not be specified.

#### ***Transfers from Abroad and in Foreign Currency from Home – General Terms and Conditions***

- 3.13. The Bank shall make transfers from abroad and in foreign currency from a domestic bank based on the payer provider's payment order which must contain a clear identification of the recipient, i.e. the recipient IBAN account number or recipient's standard account number and recipient's name while both these data must match.
- 3.14. The bank is authorised for transfers from abroad not to process or reject the payer provider's payment order from a country on the list of countries suspected of supporting terrorism or through the provider and his components even outside this territory in the event that the registration of the parent provider is in the country on the list of countries supporting terrorism.
- 3.15. The Bank is authorised for transfers from abroad and in foreign currency from a domestic bank to reject or return the payer provider's payment transaction in the event that it does not contain sufficient identification of the payer, i.e. without the payer's account number (or the payer's other identifier) and the payer's name and address.
- 3.16. The Bank is authorised for transfers from EU/EEA member countries in the currencies of EU/EEA member countries to reject or return the payer provider's transfer in the event that the recipient's account number is not stated as IBAN, there is no BIC code of the recipient provider and no SHA charges payment code.
- 3.17. The Bank shall credit the transfer sum in the currencies of the EU/EEA member countries to the recipient's account on the same day as when the transfer sum was credited to the Bank's account and when it received background documents from the payer provider necessary for providing the transfer sum to the recipient provided it receives these background documents by the Closing Time.
- 3.18. The Bank is authorised for transfer in currencies of countries outside the EU/EEA to credit the transfer sum to the Client/recipient account no later than the following working day when the transfer sum was credited to the Bank's account and when the bank received the background documents from the payer provider necessary for providing the transfer sum to the recipient.
- 3.19. The deadlines for the foreign and foreign currency payment system are specified in section "Deadlines and Closing Times of the Payment System".

## **II. CASH PAYMENT SYSTEM**

### **4. General Terms and Conditions**

- 4.1. The Bank shall accept cash deposits and allow cash withdrawals in CZK and in selected foreign currencies in the Bank's exchange rate list – in the foreign currency section. Foreign currency coin deposits are restricted to certain currencies and values.
- 4.2. The Bank shall not buy bank notes in currencies not on the Bank's exchange rate list – in the foreign exchange section and considerably damaged bank notes. The Bank's employee shall assess the level of damage to a bank note. An exception is damaged bank notes and coins in CZK that the Bank can exchange in accordance with legal regulations.
- 4.3. The deadlines for cash payment transactions, including cash deposits through the deposit cash machine (ATM) are found in section "Deadlines and Closing Times of the Payment System".
- 4.4. With cash deposits/withdrawals to and from the Client's account outside working days the Bank shall credit/deduct cash to and from the Client's account on the nearest following working day.
- 4.5. The Bank is authorised to set restrictions for cash deposits made by a third party in selected foreign currencies, purchase and sell foreign currencies and deposit foreign currency coins. The Bank may also set limits for immediate cash withdrawals for the sale of funds. The Bank is authorised to restrict at its selected branches cash payment transactions, their level and extent or totally exclude cash payment transactions.
- 4.6. The Client shall be informed of a cash payment transaction by a cash voucher and by an account statement.
- 4.7. After receiving a cash voucher for a cash payment transaction, the Client shall check the accuracy of his payment order. After the payment order it is no longer possible to demand cancellation of this cash payment transaction.

### **5. Deposits**

- 5.1. With a cash deposit over CZK 50 000 or its equivalent in foreign currency or deposit over 50 coins the Bank is authorised to require that a bank and coin breakdown list is filled in. Likewise, the Bank may require that a cash breakdown list is filled in for the exchange of cash that is made only in Czech currency.
- 5.2. Should a bank note or coin be withheld during a cash payment transaction over the counter suspected of forgery or alteration, the Bank shall withhold such a bank note or coin without replacement and hand it over for examination to the Czech National Bank (hereinafter referred to as the CNB). The Client is issued with a receipt of having the money taken away. After the subsequent examination at the CNB the Client is informed of whether this concerns a forgery or not. If it is shown that the bank note is genuine, the Bank shall immediately credit its value to the Client's account.

### **6. Withdrawals**

- 6.1. The account owner or Entitled Party entered in the signature specimens can withdraw cash in the bank's entire branch network.
- 6.2. The Client shall withdraw cash from an account against presentation of his ID card and the relevant cash voucher set by the Bank. For cash withdrawals by a third party or Entitled Parties without a separate disposition right to the account if they do not come to a branch together and will not be present for making the payment, the Bank shall only allow a withdrawal on the basis of a private cheque presented and issued by the account owner to the order of the natural person - cash recipient. The Client shall always confirm the receipt of funds by his signature on the cash voucher specified by the Bank.
- 6.3. Should the cash withdrawal exceed the limit specified by the Bank, the Bank is authorised to report this fact within a specified deadline. The authorisation to notify in advance the withdrawal of an above the limit cash payment transaction also applies for the sum total of individual cash payment transactions made from the accounts of one Client on one working day. The limits of sums for cash withdrawals, deadline and rules of notification are published in the operating premises of the Bank. The Bank's obligation to have cash ordered by the Client and made available ceases with the fruitless expiry of the day set for the withdrawal of the cash from the account. The Bank is authorised to deduct a charge for a notified and unpaid out cash withdrawal according to the Bank's valid list of charges.
- 6.4. The Bank is authorised to reject an application for the withdrawal of over the limit cash payment transactions if it is ascertained after its notification that the cash payment transaction is to be debited from the Client's account that the account has insufficient disposable funds, or the Client has not paid all the due Bank receivables from the Client including unpermitted debit balances on any of the Client's account at the Bank.
- 6.5. The Bank is authorised to require that a bank note and coin breakdown list be submitted for payment of sums with a set number of bank notes and coins of correct values.
- 6.6. The Bank shall not adhere to the required structure of paid out cash with the withdrawal of cash from the Client's foreign currency account. The Bank shall also not exchange one nominal value for another concerning foreign currency.
- 6.7. The Client shall immediately recount the received cash. No claim can be enforced once the Client accepts the cash and leaves the counter.

### III. EXPLANATIONS OF TERMS

**Payment transactions** shall mean the deposit of funds in an account, withdrawal of funds from an account or the transfer of funds.

**Payment account** shall mean an account kept in CZK and in selected foreign currencies used for making payment transactions.

**Funds** shall mean bank notes, coins, cashless funds and electronic cash.

**Payment service** shall mean a deposit of funds to an account and withdrawal of funds from an account as part of a cash payment system.

**Payment service** shall mean the transfer of funds within the cashless payment system at the instigation of the payer (hereinafter referred to as the "Transfer") and the Transfer of funds at the instigation of the recipient based on the approval that the payer grants the recipient, the recipient provider or his provider (hereinafter referred to as the "Collection"), or the transfer of funds for which an instigation was made by a means of payment.

**Payment means** shall mean the Bank's electronic distribution channel by which the user gives a payment order. The user and provider can agree on the restriction of the total sum of the payment transactions made by the Bank's electronic distribution channel for a certain period.

**Payment service provider** (hereinafter referred to as the "Provider") shall mean the Bank, CNB, other domestic banks, foreign banks and foreign financial institutions, savings and loan cooperatives, electronic money institutions, foreign electronic money institutions, small electronic money issuers, payment institutions, foreign payment institutions, small payment service providers, under the terms and conditions set in the Payment System Act.

**Payer** shall mean the Client from whose account funds are to be deducted for making payment transactions or deposit cash for making the payment service.

**Recipient** shall mean the Client to whose account funds are to be credited under the payment order or to whom funds are to be paid in cash under the payment orders.

**Payment order** shall mean an instruction by the payment service provider which the payer or recipient request that a payment transaction be made. The payment order shall also mean the payer's instruction delivered to the Bank for permission of collection or permission to make a SIPO payment from his account at the Bank credited to the recipient's account.

**Payment / transfer order** shall mean the payer's instruction given to the Bank for making a transfer on forms approved by the Bank or via electronic distribution channels (this applies to the domestic payment system and the foreign and foreign currency payment system).

**Collecting order** shall mean the recipient's instruction to the Bank for making a collection on forms approved by the Bank or via electronic distribution channels (this applies solely to the domestic crown payment system).

**The moment of payment order acceptance** shall arise within the set deadline after delivery of the payment order to the Bank; for a transfer order funds are deducted from the Bank Client's account the moment of the payment order acceptance (for a

collection order / collection permission the order is processed the moment of payment order acceptance), provided all the conditions set for making the payment order are met.

**Terms and conditions set by the Bank for a payment order shall mean:**

- a) filling in the payment order in accordance with the GBTC, product terms and conditions and any other contractual terms and conditions,
- b) delivery of the payment order within the deadline set by the Bank,
- c) ensuring sufficient disposable funds in the Client's account for making the payment transaction,
- d) The Client has paid all due Bank's receivables from the Client including unpermitted debit balances on any of the Client's accounts,
- e) Fulfilling any further terms and conditions set by legal regulations.

**Maturity day** shall mean the day set by the Client when the funds are to be deducted from his account; the maturity day cannot come earlier than the moment of the payment order acceptance.

**Working day** shall mean the day on which the payer provider, recipient provider and intermediary banks making the payment transaction usually perform the activity necessary for making this payment transaction.

**Unique identifier** shall mean a combination of letters, numbers or symbols according to which the provider's specification identifies the user or his account when making the payment services. Should the payer state an incorrect recipient unique identifier resulting in an erroneous transfer, the payer provider shall exert maximum efforts to have the funds returned to the payer.

**Payment System Act** means the Act No. 284/2009 Coll., on system of payments

**IBAN** is the International Bank Account Number which allows the clear identification of the user's account number at the relevant recipient's provider/bank in the country (this is the full identification of the account number including the code of the provider/bank and country). The use of the recipient's IBAN account number is compulsory for making transfers within the European Union and European Economic Area member countries (i.e. EU and Lichtenstein, Iceland, Norway – hereinafter referred to as the "EU/EEA").

**BIC** (Bank Identifier Code) is the swift address of the provider/bank allowing the clear identification of the relevant provider/bank in the country. The use of the BIC of the recipient's provider/bank is compulsory when making transfers within the EU/EEA member countries.

**The following charge payment codes can be used for transfers to abroad and in foreign currency to domestic banks:**

**OUR** – the payer shall pay all charges (i.e. the Bank's payer/Client shall pay the Bank's charges to the extent stated in the valid List of Charges and charges of the recipient provider; the recipient/Client of the other provider shall receive the original transfer sum according to the instruction of the order party).

**SHA** – the payer/recipient shall pay the charges of his provider (i.e. the Bank's payer/Client shall the Bank's charges to the extent stated in the valid List of Charges; the recipient/Client of the other provider shall pay the charges of his provider, or further intermediary providers). The SHA must be used for transfer to EU/EEA member countries and in currencies of the EU/EEA member countries.

**BEN** – all charges shall be paid by the recipient (i.e. the Bank's payer/Client shall not pay any charges. The recipient/Client of the other provider shall receive the transfer sum reduced by the Bank's charges to the extent of the Terms and Conditions applicable to Banks; the recipient/Client of the other provider shall pay the charges of his provider, or further intermediary providers).

**The following charge payment codes can be used for transfers made from abroad and in foreign currency made from domestic banks:**

**OUR** – all the charges shall be paid by the payer (i.e. the Bank's recipient/Client shall not pay any charges; the Bank's recipient/Client shall receive the full transfer sum; the payer/Client of the other provider shall pay the Bank's charges to the extent of the Terms and Conditions applicable to Banks and the charges of his provider).

**SHA** – the payer/recipient shall pay the charges of his provider (i.e. the Bank's recipient/Client shall pay the Bank's charges to the extent of the valid List of Charges; the Bank's recipient/Client shall receive the original transfer sum according to the payer's instructions, or reduced by the charges of the intermediary provider; the payer/Client of the other provider shall pay the charges of his provider). The SHA must be used for transfers from EU/EEA member countries and in currencies of the EU/EEA member countries.

**BEN** – all the charges shall be paid by the recipient (i.e. the Bank's recipient/Client shall pay the Bank's charges to the extent stated in the valid List of Charges and the payer provider's charges; the Bank's recipient/Client shall receive the transfer sum reduced by the payer provider's charges, or reduced by the charges of the intermediary providers; the payer/Client of the other provider shall not pay any charges).

#### **IV. DEADLINES AND CLOSING TIMES OF THE PAYMENT SYSTEM**

The deadlines depend on the moment of order acceptance, i.e. on D day when all the contractual terms and conditions were met. The deadlines are fixed for working days.

##### **1 Domestic Payment System**

The domestic payment system for the purpose of these Terms and Conditions shall mean transfer/collection of funds in CZK from CZK accounts to CZK accounts within the Czech Republic.

Type of Order	Delivery of the Order to the Bank (Closing Times)	Moment of Order Acceptance (i.e. for an order to pay deducted funds from the Client's account for collecting order processing)	Crediting funds / Delivery of a collecting order	
			To the Client's Bank	To the account of another recipient / payer provider
<b>Payment orders delivered in writing</b>				
standard payment order at the Client - payer's instigation	by 2.00 p.m.	D	D	D+1
	after 2.00 p.m.	D+1	D+1	D+2
priority (express or urgent) at the Client – payer's instigation Note: only to the account at another provider in the Czech Republic	by 12.30 p.m.	D	X	D
	after 12.30 p.m.	D+1	X	D+1
collection order at the Client – recipient's instigation	by 2.00 p.m.	D	D	D+1
	after 2.00 p.m.	D+1	D+1	D+2
collection permission	by 2.00 p.m.	D+1	X	X
	after 2.00 p.m.	D+2	X	X
permission to make SIPO	Two working days prior to the twelfth calendar day in the month	X	X	X
standing order	by 2.00 p.m.	D+1	X	X
	after 2.00 p.m.	D+2	X	X
<b>Payment orders delivered via electronic distribution channels</b>				
standard payment order at the Client - payer's instigation	by 4.00 p.m.	D	D	D+1
	after 4.00 p.m.	D+1	D+1	D+2
priority (express or urgent) at the Client – payer's instigation Note: only to the account at another provider in the Czech Republic priority (to the account of another provider in the Czech Republic	by 11.00 a.m.	D	X	D
	from 11.00 a.m. to 4.00 p.m.	D Note: this shall be a standard payment	X	D+1
	after 4.00 p.m.	D+1	X	D+1
Collection order at the Client – recipient's instigation	by 4.00 p.m.	D	D	D+1
	after 4.00 p.m.	D+1	D+1	D+2
<b>Payment orders delivered accepted via the CNB Clearing Centre</b>				
standard incoming payment	by 4.00 p.m.	D	D	X

priority (express or urgent) incoming payment	by 4.00 p.m.	D	D	X
Incoming collection order	by 4.00 p.m.	D	D	X

## 2 Foreign and Foreign Currency Payment System

### 2.1. Transfers to Abroad and in Foreign Currency to domestic banks

Type of Order	Delivery of the order to the Bank	Moment of Order Acceptance (i.e. deduction of funds from the Bank Client's account)	Crediting funds to the account of another provider
<b>Payment orders delivered in writing</b>			
standard EUR transfers to EU/EEA countries	by 2.00 p.m.	D	D+2
	after 2.00 p.m.	D+1	D+3
standard transfers to countries outside EU/EEA or in currencies other than EUR	by 2.00 p.m.	D	D+2
	after 2.00 p.m.	D+1	D+3
priority (express or urgent)	by 10.00 p.m.	D	D, max. D+1 (depends on the closing time of the intermediary bank)
	after 10.00 p.m.	D+1	D+1
<b>Payment orders delivered via electronic distribution channels</b>			
standard EUR transfers to EU/EEA countries	by 2.00 p.m.	D	D+2
	after 2.00 p.m.	D+1	D+3
standard transfers to countries outside EU/EEA or in currencies other than EUR	by 2.00 p.m.	D	D+2
	after 2.00 p.m.	D+1	D+3
priority (express or urgent)	by 10.00 a.m.	D	D, max. D+1 (depends on the closing time of the intermediary bank)
	after 10.00 a.m.	D+1	D+1

### 2.2. Transfers from Accounts in Foreign Currency or to Accounts in Foreign Currency within the Bank

Type of order	Delivery of the order to the Bank	Moment of Order Acceptance (i.e. deducting funds from the Bank Client's account)	Crediting funds to the Bank Client's account
<b>Payment orders delivered in writing</b>			
standard	by 2.00 p.m.	D	D
	after 2.00 p.m.	D+1	D+1
<b>Payment orders delivered via electronic distribution channels</b>			
standard	by 2.00 p.m.	D	D
	after 2.00 p.m.	D+1	D+1

### 2.3. Transfers in CZK from Accounts in Foreign Currency to the Account at Another Domestic Bank

Type of order	Delivery of the order to the Bank	Moment of Order Acceptance (i.e. Deducting funds from the Bank Client's account)	Crediting funds to the account of another recipient provider
<b>Payment orders delivered in writing</b>			
standard	by 2.00 p.m.	D	D+1
	after 2.00 p.m.	D+1	D+2
priority (express or urgent)	by 10.00 a.m.	D	D
	after 10.00 a.m.	D+1	D+1
<b>Payment orders delivered via electronic distribution channels</b>			
standard	by 2.00 p.m.	D	D+1
	after 2.00 p.m.	D+1	D+2
priority (express or urgent)	by 10.00 a.m.	D	D
	after 10.00 a.m.	D+1	D+1

#### 2.4. Transfers from Abroad and in Foreign Currency from Domestic Banks

Type of payment transaction	Delivery of the order to the Bank from the payer provider	Crediting funds to the Bank Client's account
in the currencies of EU/EEA member countries	by 3:30 p.m.	D
In the currencies outside EU/EEA member countries	by 3:30 p.m.	D+1

#### 2.5. Transfers in CZK via the CNB Clearing Centre in Favour of a Foreign Currency Account

Type of payment transaction	Delivery of the order to the Bank from the payer provider	Crediting funds to the Bank Client's account
in CZK to a foreign currency account	by 2.00 p.m.	D

#### Deadlines for the Cash Payment System

<b>Payment transaction in the form of a deposit and withdrawal of cash</b>				
Type of payment transaction	Delivery of the order to the Bank	Deducting funds from the Client's account	Crediting funds	
			to the Client's account	to the recipient provider's account
Cash deposit to the Client's account made over the counter	during the branch's opening hours, only on working days by 6:00 p.m. at the latest	X	on the same working day	X
Cash deposit to the recipient's account kept at another provider in the Czech Republic made over the counter	during the branch's opening hours, only on working days by 6:00 p.m. at the latest	X	X	following working day after delivery of the order to the Bank
Cash withdrawal from the Client's account made over the counter	during the branch's opening hours, only on working days by 6:00 p.m. at the latest	on the same working day	X	X

