

TERMS AND CONDITIONS OF PAYMENT SERVICES

1. INTRODUCTORY PROVISIONS

- 1.1. These Terms and Conditions of Payment Services (hereinafter "Terms and Conditions") shall govern the procedure of Equa bank a.s. (hereinafter "Bank") upon provision of Payment Services in Payment Accounts maintained for the Clients by the Bank.
- 1.2. Upon provision of Payment Services, the Bank shall abide by applicable legal regulations, especially Act No. 284/2009 Coll., on Payment Services, as amended ("Payment Services Act"), which transposes respective regulations of the European Community and governs the rights and obligations of providers as well as users of payment services. The Bank shall furthermore abide by business practices and procedures of Czech banks as well as principles stipulated by the Czech National Bank (hereinafter "CNB") for the area of payment services.
- 1.3. The Bank shall notify the Client of every change to the Terms and Conditions in writing or by e-mail and by means of the Direct Banking Service two months before the day on which this change shall become effective at the latest. The Client shall be entitled to reject the change one month before the date on which the change to the Terms and Conditions becomes effective at the latest and to withdraw from the Agreement with a period of notice totalling one month from the delivery date of the notice to the Bank, unless a shorter period of notice is stipulated by general law binding for the Bank. Unless the Client rejects the change until the day set out above, the change shall be deemed approved by the Client. The Bank shall expressly notify the Client of this consequence in a notification of change to the Terms and Conditions.
- 1.4. The Bank shall introduce changes to the Terms and Conditions only in justified cases and in the necessary scope (e.g. statutory or regulatory changes which have an impact on functioning of the Bank or cooperation of the Client or increasing the efficiency of procedures related to the provision of Payment Services).
- 1.5. Capitalized terms and phrases herein shall have the meaning defined in Article 8 or meaning specified in individual provisions of these Terms and Conditions, T&C or PTC. The definition shall be applied for both singular and plural forms.
- 1.6. The Bank shall provide Payment Services to the Clients of the Bank; the Clients of the Bank shall be the users of Payment Services.
- 1.7. The Client shall be entitled to dispose of funds in the Payment Account pursuant to the respective Agreement up to the amount of Available Account Balance.
- 1.8. Payment Accounts maintained in CZK and selected foreign currencies (EUR and USD) shall be intended for executing Payment Transactions.

2. PAYMENT ORDER

- 2.1.1. The Client is entitled to submit a Payment Order. The Payment Order may also include an instruction that the Bank repeatedly transfer the same amount to the same beneficiary account (standing order) as of a specific date.
- 2.1.2. The Client is obliged to submit the Payment Order to the Bank within the deadlines defined by the Bank; deadlines are set based on the day/hour of Payment Order submission. If a Payment Order is submitted after the expiration of a deadline defined by the Bank for certain types of Payment Transactions or on a day other than a Business Day, the order shall be accepted by the Bank on the next Business Day. After a Payment Order has been accepted, the Bank shall debit funds from the Client's account or execute the Payment Order only if all conditions of a valid order are complied with (unless the Client requests a future due date):
 - The Payment Order has been filled in compliance with valid T&C of the Bank or other conditions defined by the Bank,
 - The Payment Order has been authorized within a period defined by the Bank,
 - There are enough funds in the Client's account for a Payment Transaction to be executed, or
 - Other conditions stipulated by applicable legal regulations have been fulfilled.
- 2.1.3. If there are not enough funds in the account of the Client (payer) on the requested due date, the Payment Order for a Payment Transaction shall not be executed. The Bank shall provide the Client with information on rejection or failure to execute a Payment Order without undue delay and provably by a notice displayed in Direct Banking Service.
- 2.1.4. The Payment Order shall be submitted to the Bank using a method exclusively agreed for this case. This method shall be specific, comprehensible, complete, correct, and compliant with other conditions stipulated by general law as well as these Terms and Conditions, Product Terms and Conditions for Current Accounts, Term Deposits and Debit Cards, Product Terms and Conditions for Savings Accounts or the Agreement. The Bank shall not be obliged to verify the correctness, accuracy or completeness of data to be provided by the Client.
- 2.1.5. If the Client submits a Payment Order, as a minimum, the following conditions shall be complied with:
 - If a Payment Order is submitted by means of Direct Banking Service, security data shall be used and the acting individual shall be duly identified;
 - If a Payment Order is submitted by means of a Card, the conditions defined in the respective PTC shall be fulfilled.
- 2.1.6. If the Client (payer) submits a Payment Order (direct debit), the Client shall always grant a consent to the Bank. Unless the Bank

and the Client agree otherwise, every consent of the Client with direct debit shall include a limit, e.g. the maximum amount to be debited from the Client's Payment Account upon the Client's consent with the direct debit and as expected by the Client in the defined period (e.g. a calendar month);

2.1.7. A Payment Order may be also submitted on behalf of the Client by an individual authorized to dispose of funds in the Account or of the Term Deposit under the conditions stipulated by the Agreement. The provision hereof relating to the Client shall also apply similarly in relation to such individual.

2.2. ACCEPTANCE OF PAYMENT ORDER

2.2.1. The Bank shall deem a Payment Order to be accepted upon its delivery to the Bank. Should the Payment Order be executed by the Bank only upon fulfilment of certain conditions or at the end of a certain period (future maturity of Payment Order), the Payment Order shall be deemed accepted only at the later point in time defined hereby.

2.2.2. If the Bank receives a Payment Order for whose execution there are no sufficient funds upon its submission to the Bank pursuant to the Agreement, the Payment Order shall be deemed accepted when the Bank has funds necessary for its execution. The funds necessary for the execution of Payment Order shall be available to the Bank within the period for payment execution defined by these Terms and Conditions during a Business Day on which the Payment Order was delivered to the Bank at the latest. Such Payment Order shall be rejected upon expiration of the period.

2.2.3. The Bank shall define deadlines for payment execution in relation to individual methods of submission or delivery of Payment Order to the Bank as well as in relation to individual specific conditions of Payment Transactions execution. If the Payment Order was accepted after the deadline defined herein, the Payment Order shall be deemed accepted on the beginning of the following Business Day.

2.3. REJECTION OF PAYMENT ORDER

2.3.1. The Bank may refuse to execute a Payment Order without any prior notice if:

- The Payment Order lacks necessary requisites or failed to be duly authorized;
- The execution of Payment Order is in conflict with obligations of the Bank arising from general law;
- Conditions are fulfilled which enable the Bank to block a Means of Payment;
- There are not enough available funds in the Client's Account;
- The amount of Payment Transaction listed in the Payment Order exceeds the limit agreed for the respective Payment Transaction (e.g. if a Limit of a Card or Account linked to the Card were exceeded due to a Payment Order);
- The Payment Order fails to be submitted by a person authorized to do so; or
- In case of a Payment Order initiated by the beneficiary, the Bank fails to receive consent of the Client with the Payment Transaction based on such Payment Order.

2.3.2. If the Bank refuses to execute a Payment Order, the Payment Order shall not be accepted.

2.3.3. The Bank shall inform the Client about the rejection of Payment Order using methods listed herein.

2.3.4. The Bank shall be entitled to charge the Client additional costs, if additional costs are incurred to the Bank due to a Payment Transaction resulting in Fees or expenses charged by another payment services provider. This shall not apply if additional costs were incurred due to a wrong execution of a Payment Transaction for which the Bank shall be liable.

2.3.5. If the Payment Transaction is a transfer of funds to the Payment Account of the Client, the Bank shall be entitled to deduct Fees from the transferred amount before its crediting to the Payment Account of the Client, unless stipulated otherwise by a respective legal regulation.

2.4. CANCELLATION OF PAYMENT ORDER

2.4.1. The Client shall not be authorized to cancel a Payment Order at the Bank, an express Payment Order as well as the Client's consent with its execution after the order has been accepted by the Bank. The Client shall be authorized to cancel a Standard Payment Order until the deadline for payment execution has elapsed on the Business Day on which it was submitted. If the Payment Order is submitted to the Bank on the initiative of or by the beneficiary, the Client (payer) shall not be authorized to cancel the Client's consent with such Payment Order after the Client had submitted the Payment Order or granted consent to such Payment Order to the beneficiary.

2.4.2. In case of Standing Orders or a permanent consent of the Client with Direct Debit, the Client shall be authorized to cancel a Payment Order or the Client's consent with a Payment Transaction (in case of Payment Transactions to be executed) despite the fact that such Payment Order had already been accepted by the Bank. The Client shall not be authorized to cancel a Standing Order or a permanent consent with Direct Debit in case of Payment Transactions which have already been executed; in case of Payment Transactions to be executed, the Client may only do so by the end of deadline for payment services on the Business Day on which the respective Payment Transaction is to be executed.

- 2.4.3. Should the Client cancel a Payment Order or a consent with its execution after the deadline for its cancellation has expired pursuant to this Article hereof, and should the Bank enable this cancellation, the Client shall be obliged to pay Fees and expenses of the Bank as well as expenses of other providers of payment services connected to the reimbursement of payment; costs incurred from exchange rate differences are also included. If a cancellation of Payment Order is linked to reimbursement of funds, the funds shall be reimbursed to the Client only after their receipt by the Bank. The Bank reserves the right not to meet the request of the Client for cancellation of Payment Order or consent with its execution pursuant hereto.
- 2.4.4. The Client (payer) shall be authorized to request reimbursement of the amount of Payment Transaction executed on the initiative of or by the beneficiary within eight weeks from the day on which the funds were debited from the Client's Payment Account if a precise amount of Payment Transaction was not defined upon granting of consent with the Payment Transaction and if the amount of Payment Transaction exceeds the amount to be reasonably expected by the Client in view of all circumstances. This is without prejudice to exchange rate changes if a reference exchange rate agreed between the Client and the Bank was used. The Client and the Bank shall agree that this rule does not apply if the consent with the Payment Transaction was directly granted to the Bank by Client and in cases when information on the precise amount of Payment Transaction was provided or made available to the Client by the provider or beneficiary as agreed at least four weeks before acceptance of Payment Order. The Client is obliged to provide the Bank with information and documents attesting that the above mentioned conditions were met. The Bank shall reimburse the amount of Payment Transaction within ten Business Days from the receipt of the Client's request or shall refuse to reimburse the amount, giving the Client reasons for such rejection. Failure to reimburse the amount of Payment Transaction by the Bank may also result from the fact that the Client failed to provide the requested information and documents or the Bank did not receive the amount of Payment Transaction requested by the Client from the beneficiary or beneficiary's provider in this period.
- 2.4.5. The Client (beneficiary) to whose Payment Account funds were credited as a result of a Payment Transaction executed on the initiative of or by the beneficiary shall be obliged to provide the Bank upon the Bank's request with information and documents necessary to evaluate the fact whether conditions for reimbursement of the amount were fulfilled in accordance herewith. The Client (beneficiary) to whose Payment Account funds were credited as a result of a Payment Transaction executed on the initiative of or by the beneficiary shall agree that the Bank debit funds from this Payment Account or any other Payment Account which the Bank reimbursed or intends to reimburse to the payer or payer's provider. If none of the Payment Accounts of the Client has sufficient funds, the Bank shall ask the Client to pay the missing funds within a reasonable period. If the Client fails to do so, the Bank shall be entitled to debit funds from the Payment Account of the Client even if this debiting may result in a debit balance on the Payment Account of the Client. Such debit balance is an unauthorized debit balance in the Payment Account and the Bank shall be entitled to charge the Client interests according to the Interest Rate List valid on the day on which the debit balance was generated.

2.5. EXECUTION OF PAYMENT TRANSACTIONS

- 2.5.1. The Bank shall execute only authorized Payment Transactions. A Payment Transaction shall be deemed authorized if the Client granted consent to it. An authorization of Payment Transaction is:
- A Payment Transaction set up by means of Direct Banking Services.
 - In case of Payment Transactions executed by Cards, authorization is:
 - A PIN entry for ATM Payment Transactions;
 - A PIN entry, a Client's or Card Holder's personal signature or a combination of both according to the Card type for non-cash and cash Payment Transactions (Cash Back) at Points of Sale;
 - An entry of Card number, validity, and three-digit security code of the Card (CVC/CVV code) for non-cash online payments and MO/TO transactions;
 - Putting a Card to the terminal enabling acceptance of Payments for contactless Payment Transactions.
- Granting consent/authorization, the Client also confirms to have been provided information relating to such Payment Transaction before granting consent with a Payment Transaction to be executed.
- 2.5.2. The Bank shall credit the amount of Payment Transaction to the account of Client (beneficiary) after the amount was credited to the Bank's account, and as soon as the Bank receives documents necessary for the provision of amount to the beneficiary (Client) from the payer's bank. The Bank shall be entitled to subsequently debit the amount of Payment Transaction credited to the account of Client (Payment Transaction beneficiary) if the Bank fails to receive coverage of the amount of Payment Transaction to the Bank's account from the correspondence bank.
- 2.5.3. The Bank shall be authorized to debit an amount of Payment Transaction from the account of the Client (beneficiary) and reimburse it to the payer's bank if an authorized collection transaction in CZK executed on the territory of the Czech Republic is concerned and if the payer's bank asked the Bank for its reimbursement within the deadline defined in the Payment Services Act.
- 2.5.4. If a conversion between a foreign currency and CZK or between foreign currencies is necessary for the payment to be executed, the conversion of currencies shall be executed by the Bank according to the principles defined in the respective articles of T&C or PTC.

- 2.5.5. The Client shall be informed about the executed Payment Transaction (e.g. about crediting or debiting of amount of Payment Transaction) by means of Direct Banking Services, SMS/e-mail notification, and Account statement.
- 2.5.6. If the Payment Transaction was executed wrongly on the initiative of the Client, the Bank shall make utmost efforts upon the Client's request and to the extent which may be reasonably requested from the Bank to find the Payment Transaction and inform the Client about the result.
- 2.5.7. The Bank shall be entitled to charge Fees for provision of payment services according to the Price List valid on the day of debiting the Fee.
- 2.5.8. If an unauthorized Payment Transaction which did not incur any loss to the Client was executed, the Bank shall immediately – after the respective Client or any other authorized individual notified the Bank of such unauthorized Payment Transaction:
- Return the Account from which the amount of Payment Transaction was debited to the condition in which it would have been if the debiting had not been executed; or
 - Reimburse the amount of Payment Transaction to the Client if the above mentioned procedure does not apply.
- For the purposes of this Article, "immediately" shall mean a time period which is objectively needed for the Bank to be able to assess whether an unauthorized Payment Transaction was really executed and who was responsible for it.
- 2.5.9. The Client is obliged to notify the Bank of any unauthorized Payment Transaction without undue delay after the Client has gained knowledge about it within thirteen months from the day of debiting the funds from the Client's account at the latest. The Bank shall reimburse the amount of Payment Transaction to the Client immediately after the Bank has gained knowledge about this fact and has established the Client's entitlement.
- 2.5.10. The loss from unauthorized Payment Transactions totalling EUR 150,- shall be borne by the Client (in case of a Payment Transaction in a currency other than EUR, the conversion shall be carried out using the exchange rate announced by the Czech National Bank on the day preceding the day on which the unauthorized Payment Transaction is settled), if such loss was caused by:
- The use of lost or stolen Means of Payment or
 - The use of Means of Payment if the Client failed to protect the Client's personalized security features.
- 2.5.11. If it is established that the Client was not entitled to the performance provided to the Client by the Bank pursuant to paragraph 2.5.9, the Client shall be obliged to reimburse such performance to the Bank upon the Bank's request without undue delay to the full extent to which the Client was not entitled to such performance.

3. NON-CASH PAYMENT SERVICES

3.1. Domestic payment services

- 3.1.1. Domestic CZK payment services are payment transactions/collections of funds in CZK on the territory of the Czech Republic. The Bank shall participate in the payment system safeguarding irrevocable clearing operated by the CNB. Payment transactions in CZK on the territory of the Czech Republic are executed by the Clearing Centre of the CNB.
- 3.1.2. The Bank shall execute payment transactions/collections of funds in CZK on the territory of the Czech Republic by means of: single payment orders, standing orders, and direct debits.
- 3.1.3. The bank details of the payer/beneficiary in domestic payment services shall unequivocally identify the Client's account. It is the Unique Identifier consisting of the bank account number of payer/beneficiary and identification code of the payer's/beneficiary's bank.
- 3.1.4. Obligatory requisites of a Payment Order for payment order/direct debit in the domestic payment system include:
- A unique identifier of payer (bank details of payer);
 - A unique identifier of beneficiary (bank details of beneficiary) – excluding SIPO;
 - An amount of Payment Transaction in CZK in digits;
 - A constant symbol if required by a special legal regulation or if a payment constituting income or expenditure of the state budget is concerned. Responsibility for filling the obligatory constant symbol shall be borne by the Client;
 - A due date;
 - A standard or express payment option.

The following additional fields shall be filled for standing orders:

- Designation of standing order;
- Date of first payment;
- Frequency.

The following additional fields shall be filled for a direct debit and SIPO:

- Designation of direct debit or SIPO;
- Limit, e.g. the sum of amounts in CZK to be expected by the Client for the selected period;
- SIPO identification number;
- Validity from/to.

3.1.5. Optional requisites of a payment order in domestic CZK payment services are as follows:

- Variable symbol – identification number consisting of up to ten digits without hyphens and slashes;
- Constant symbol – identification number consisting of up to ten digits without hyphens and slashes;
- Specific symbol – identification number consisting of up to ten digits without hyphens and slashes;
- Message for payer/beneficiary;
- Category.

3.1.6. An amount in CZK shall be transferred based on a payment order from the account of the Client in favour of the beneficiary with another domestic provider of payment services. A standing order shall be used upon request of the Client (payer) to execute recurring payments of fixed amounts to a beneficiary's account with the Bank or to a beneficiary's account with another domestic provider on a fixed date. Both accounts of the payer and beneficiary shall be maintained in CZK.

3.1.7. A Direct Debit from the account of the Client (payer) shall be executed only if the Client grants consent to the collection from the Client's account in favour of beneficiary.

3.1.8. The Bank shall reimburse the collected amount of Payment Transaction to the Client in case of an authorized request within 10 Business Days from the receipt of the Client's request with respective documents. The Banks shall reject the request for a reimbursement of the collected amount in case of an unauthorized request and shall notify the Client of the grounds for such rejection.

3.1.9. Deadlines for domestic Payment transactions:

- (a) Transfers within the Equa bank - in the case of transfers between CZK accounts of the Bank shall debit the Client's Account and to credit the funds to the account at the latest by the end of the Business day, which was the moment of acceptance of the Payment Order. In the case of foreign currency or transfers requiring conversion of the Bank shall debit the payer's account by the end of the Business Day on which there was a moment of acceptance of the Payment Order.
- (b) Transfers to other banks in the Czech Republic:
- Standard Payment transactions in CZK - the Bank shall debit amount of Payment transaction from the payer's account by the end of the Business Day, which was the moment of acceptance of the Payment Order. In case of a standard transfer in the CZK amount of Payment transaction will be credited to the beneficiary's provider maximum by the end of the next following Business Day after the acceptance of the Payment Order.
 - Express Payment transactions CZK - the Bank is obliged to debit the payer's account by the end of the Business Day, which was the moment of acceptance of the Payment Order. In case of domestic Payment Order with express priority the amount of Payment transaction will be credited to the recipient's provider no later than the end of the same Business Day, which was the moment of acceptance of the Payment Order.
 - Standing orders – the Client shall be obliged to set up a standing order by the end of the deadline for payment services on the Business Day of the first payment at the latest. Every payment of a standing order shall become effective on a day specified by the Client as due date. If due date is a day other than a Business Day, the payment shall be effective on the following Business Day. If a due date is on the last day of a month and in parallel other than a Business Day, the Bank shall execute such standing order on the nearest preceding Business Day. The Client shall be obliged to submit the request for a change/cancellation of standing order to the Bank one Business Day before the standing order becomes effective/due at the latest.
 - Direct debit – direct debit shall be delivered to the Bank by the end of the deadline for payment services one Business Day before the expected day of the first collection at the latest. The Client shall be obliged to submit the request for a change/cancellation of direct debit to the Bank one Business Day before the direct debit becomes effective/due at the latest.
 - SIPO – the request for set up, change or cancellation of a non-cash SIPO payment shall be submitted by 23rd day of the month at the latest for the payment to be executed/cancelled on the following month. If 23rd day of the month is not a Business Day, the request shall be submitted two Business Days before this day at the latest. If 15th day of the month is a Business Day, the payment shall be made from the account one Business Day before 15th calendar day of the month. If this day is not a Business Day, the whole procedure shall be executed two Business Days preceding this day at the latest.

Deadlines for domestic payment services are listed in the Annex hereto.

3.2. Foreign outgoing Payment Transactions

3.2.1. Foreign payment services are Payment Transactions executed to/from a foreign country or Payment Transactions in foreign currencies executed to/from the Czech Republic (hereinafter "foreign Payment Transactions").

- 3.2.2. The Bank shall execute foreign Payment Transactions by means of single payment orders to a foreign country/in a foreign currency to the Czech Republic.
- 3.2.3. The Bank shall execute foreign Payment Transactions in the following currencies: EUR, CZK, USD.
- 3.2.4. The bank details of payer/beneficiary in foreign payment services unequivocally identify the Client's account, e.g. they are a unique identifier consisting of the bank account number of the payer/beneficiary and identification code of the payer's/beneficiary's bank.
- 3.2.5. Obligatory requisites of foreign Payment Transactions include the following:
- A unique identifier of payer (bank account number or IBAN), precise name and address of the payer;
 - A unique identifier of beneficiary (bank account number or IBAN), precise name and address of the beneficiary;
 - A bank account number of the beneficiary in the IBAN format is obligatory for payment transactions made to EU/EEA Member States (European Union/European Economic Area);
 - A bank account number of the beneficiary shall be given for payment transactions made to other countries/to countries outside EU/EEA for the purpose of strengthening the fight against money laundering and terrorism;
 - A precise name and address of the beneficiary's bank, BIC (SWIFT address) or a national payment system code of the beneficiary's bank;
 - A beneficiary's provider in the BIC format shall be given for payment transactions made to EU/EEA Member States;
 - An amount of Payment Transaction in digits;
 - A due date;
 - A Payment Transaction currency (a currency code according to the CNB directory or Exchange Rate List of the Bank);
 - A payment purpose – information for beneficiary;
 - A charging code: OUR (to be paid by the payer), BEN (to be paid by the beneficiary), and SHA (to be equally shared by the payer and beneficiary) to countries outside EU/EEA or in currencies not used in EU/EEA;
 - A charging code SHA shall be given for payments which do not include currency exchange and are made to EU/EEA Member States in currencies in EU/EEA Member States;
 - A standard or express payment option.
- 3.2.6. Optional requisites of a payment order within foreign payment services are as follows:
- A category;
 - A message for payer.
- 3.2.7. The Bank shall be entitled to define a method of payment transaction for foreign Payment Transactions and to use intermediaries of the Bank's own choice and upon the Bank's discretion, unless expressly specified otherwise by the Client (payer).
- 3.2.8. The Bank shall be entitled not to execute a Payment Order if there are not enough funds in the payer's account to execute Payment Transaction and charge the respective Fee.
- 3.2.9. The Bank shall be entitled not to accept a Payment Order from the Client which contains a payment to be made to countries which are on the list of countries suspected of promoting terrorism or to banks and their branches outside these territories as well if the parent institution is registered in a country included in the list of countries promoting terrorism or if the beneficiary or the beneficiary's bank are included in sanction lists.
- 3.2.10. For payment transactions to EU/EEA Member States in currencies of EU/EEA Member States which do not include currency exchange, the bank account number of the beneficiary in the IBAN format, BIC code of the beneficiary's provider, and SHA charging fee shall be given. Unless these conditions are met, the Bank shall be entitled to refuse to execute a Payment Order for such payment transactions, including giving invalid and incorrect IBAN or BIC formats. The Bank and intermediary providers of payment services in EU/EEA Member States shall be obliged to transfer the amount of Payment Transaction in full without any deduction in case of payment transactions to EU/EEA Member States in currencies of EU/EEA Member States. The Client shall be entitled to use SHA or OUR charging fees for Payment Transactions which include a currency exchange and are executed in the EU/EEA in an EU/EEA currency. If the Client (payer) selects an OUR charging fee on the order, the fees related to this payment transaction shall be paid by this Client. The Bank shall not be entitled to reduce the amount of Payment Transaction by a payment transaction fee. This provision is without prejudice to Payment Transactions outside EU/EEA or in a currency not used in EU/EEA.
- 3.2.11. The Client shall be entitled to specify BEN, OUR, and SHA charging fees for transactions outside EU/EEA Member States or in a currency not used in EU/EEA. If the Client (payer) specifies that fees related to a Payment Transaction be paid by the beneficiary (BEN), the Client shall acknowledge that the amount of Payment Transaction be reduced by the Fee of the Bank and that it may additionally be reduced by fees charged by intermediary banks. If the Client specifies a SHA charging fee, the Client shall acknowledge to be charged a Fee of the Bank and that the beneficiary may additionally be charged a fee of the beneficiary's bank or intermediary banks or that the amount of Payment Transaction may be reduced by these fees, if applicable. If the Client specifies an OUR charging fee, Fees related to the Payment

Transaction shall be paid by the Client (payer) and the Bank cannot guarantee that OUR fee be complied with by the beneficiary's bank or intermediary bank. In addition, fees of intermediary providers may also be charged.

3.3. Foreign incoming Payment Transactions

- 3.3.1. The Bank shall execute foreign incoming Payment Transactions based on a Payment Order of the payer's bank which shall include a unique identification of the beneficiary, e.g. a bank account number of the beneficiary in the valid IBAN format or a bank account number of the beneficiary and beneficiary's name. Both shall mutually correspond.
- 3.3.2. The Bank shall be entitled to reject or return a payment to the payer's bank in case of foreign incoming Payment Transactions if payer fails to be sufficiently identified:
- Failure to give the bank account number of payer in the IBAN format (or another payer identifier), payer's name and address for Payment Transactions from EU/EEA Member States in currencies of EU/EEA Member States;
 - Failure to give the bank account number of payer (or another unique payer identifier), payer's name and address for Payment Transactions outside EU/EEA Member States in currencies not used in EU/EEA Member States;
 - The Bank shall be furthermore entitled not to process an order / refuse to process an order from the payer's provider from a country which is included in a list of countries suspected of promoting terrorism or from a provider and provider's branches outside these territories as well if the parent institution is registered in a country included in the list of countries promoting terrorism or if the payer or the payer's bank are included in a sanction list.
- 3.3.3. The Bank shall charge a Fee according to the valid Price List in relation to the charging fee specified by the payer.
- 3.3.4. Deadlines for foreign Payment transactions:

For Payment transactions outside the EU/EEA or in a currency that is not the currency of a EU/EEA member state, the funds are credited to the beneficiary's bank account depending on how the Payment transaction was processed by intermediary banks.

- Standard EUR Payment transactions to EU/EEA countries - the Bank shall debit amount of Payment transaction from the payer's account by the end of the Business Day on which there was a moment of acceptance of the Payment Order. Payment transaction amount will be credited to the beneficiary's provider at the latest by the end of the next following Business Day after the acceptance of the Payment Order.
- Standard transfers to countries outside the EU / EEA or in currencies other than the EUR - Bank shall debit the Client's account in the position of the payer by the end of the Business Day on which there was a moment of acceptance of such Payment Order. Payment transaction amount will be credited to the recipient's provider by the end of the fourth Business Day following after the acceptance of the Payment Order.
- Express EUR transfers to EU / EEA countries - the Bank shall debit amount of Payment transaction from the payer's account by the end of the Business Day on which there was a moment of acceptance of the Payment Order. Payment transaction amount will be credited to the beneficiary's provider at the latest by the end of the next following Business Day after the acceptance of the Payment Order.
- Foreign standard incoming payment transactions – the Bank shall credit the amount of Payment Transaction to the account of the Client (beneficiary) on the same Business Day on which the amount of Payment Transaction was credited to the Bank's account and on which the Bank received documents from the payer's bank necessary for remitting the amount of Payment Transaction to the beneficiary in accordance with the table of Deadlines in the Annex. The Bank shall be entitled to subsequently debit the amount of Payment Transaction credited to the account of the Client (beneficiary) if the Bank fails to receive coverage of the amount of Payment Transaction to the Bank's account from the correspondence bank.
- If the Bank fails to identify the beneficiary, the Bank shall return the amount of Payment transaction without undue delay to the payer's bank. Transactions requiring additional clarification or investigation on the part of the Bank shall be credited to the Client's account (beneficiary) immediately after conclusion of this action using the current exchange rate as of the day of crediting. Deadlines and reception of a Payment Order to be transferred to/from a foreign country defined by the Bank are listed in the Annex 2 "Deadlines for Payment Services".

4. CONVERSION / EXCHANGE TRANSACTIONS

- 4.1. The Bank shall convert an amount of Payment Transaction in the payment transaction currency into the currency of the Client's account according to the principles defined in respective Articles of the T&C. Information on exchange rates (Exchange Rate List) shall be made available at the Points of Sale of the Bank and on the Homepage of the Bank.

5. ACCOUNTING ADJUSTMENTS

- 5.1. If the Bank failed to settle an amount of Payment Transaction in the Czech currency or failed to use bank details pursuant to the Client's instruction, which resulted in a wrong execution of Payment Transaction, the Bank shall without undue delay remit funds and lost interests in the correct amount to the account of entitled beneficiary. If the Bank used wrong bank details of the payer or debited a higher amount than that given on the Payment Order of the Client, the Bank shall without undue delay remit the wrongly debited funds and lost interests to the Client's account. A request according hereto may be submitted within 3 months

from the day on which the error which resulted in a wrong execution of Payment Transaction occurred, unless a longer period is set out by general law binding for the Bank.

- 5.2. The Bank shall be subsequently entitled to request that the bank or a savings and loan association on the territory of the Czech Republic which maintains the account of the unauthorized beneficiary debit the amount of unauthorized Payment Transaction from the account of the unauthorized beneficiary and that the bank remit the amount to the Bank to remedy the erroneous Payment Transaction pursuant to the Payment Services Act. A request according hereto may be submitted within 3 months from the day on which the error which resulted in a wrong execution of Payment Transaction occurred.
- 5.3. If a bank or a savings and loan association failed to settle the amount of Payment Transaction in the Czech currency on the territory of the Czech Republic or failed to use bank details in accordance with the Client's instruction, which resulted in a wrong execution of a Payment Transaction, the Bank shall be obliged – if the Client is an unauthorized beneficiary – to debit the erroneously settled amount from the Client's Account upon request of such bank or savings and loan association and to remit it to such bank or savings and loan association to remedy the wrong Payment Transaction pursuant to Payment Services Act. The Bank shall also be authorized to return the Account to the condition in which it would have been if the Payment Transaction had not been executed wrongly. A request pursuant hereto may be submitted within 3 months from the day on which the error which resulted in a wrong execution of Payment Transaction occurred.

6. PAYMENT CARDS

- 6.1. Card Holders shall be obliged to comply both with Chapter 2 and the valid "Product Terms and Conditions for Accounts, Term Deposits and Debit Cards", published by the Bank at the Points of Sale of the Bank and on the Homepage of the Bank, upon executing Payment Transactions using Cards.

7. CASH PAYMENT SERVICES

- 7.1. The Bank shall not execute cash Payment Transactions.

8. DEFINITION OF TERMS

Terms which are not listed here shall have the meaning pursuant to the T&C or respective PTC.

Accounting Balance – a balance which does not reflect hold amounts, blocked amounts, amounts with restricted transferability, restrictions; a minimum balance excluding transactions to be settled

Available Balance – available funds in the Account of the Client or an Accounting Balance increased by the amount of authorized overdraft and reduced by amounts decreasing the Accounting Balance (hold amounts, amounts with restricted transferability, restrictions, minimum balance)

BEN Charging Code – all Fees shall be paid by the beneficiary, e.g. the payer shall not pay any Fees. The beneficiary shall receive the amount of Payment Transaction reduced by fees of the Bank. The beneficiary shall pay fees of the beneficiary's provider.

BIC (Bank Identifier Code) – a SWIFT address of the provider/bank enabling a unique identification of the respective provider/bank in the country in question

Business Day – shall have the meaning defined in the T&C

IBAN (International Bank Account Number) – an international bank account number which enables a unique identification of the Account number of the user with the respective provider/bank in the country in question

Means of Payment – a personalized device or set of procedures agreed between the Bank as the provider of Payment Services and the Client used by the Client to set up Payment Orders

OUR Charging Code – all Fees shall be paid by the payer, e.g. the payer shall pay fees of the Bank according to the valid Price List and additionally also fees of the beneficiary's provider or other intermediary providers.

Payment Account – an account used for executing Payment Transactions maintained by the Bank or another provider of Payment Services; the Bank shall maintain the following Payment Accounts: Current Account and Savings Account

Payment Order – an instruction to execute a Payment Transaction. A payment order shall also include a Payment Transaction set up by means of a Card.

Payment Service – shall have the meaning defined in the Product Terms and Conditions for Current Accounts, Term Deposits and Debit Cards of Equa bank a.s.

Payment Transaction – shall be a movement of funds in the Payment Account related to payment services – transfer of funds, payment by Card, and cash withdrawal from ATM

Price List – a list of Fees charged by the Bank in relation to provision of Banking and Payment Services

SHA Charging Code – the payer shall pay fees of the payer's provider according to the valid Price List; the beneficiary shall pay fees of the beneficiary's provider or other intermediary providers

Unique Identifier – a combination of letters, numbers or symbols used according to the provider's instructions to identify the Client or the Client's Account upon executing Payment Transactions

These Terms and Conditions of Payment Services shall become valid and effective on 1st January 2014.

Annexes:

Annex 1 List of EU/EEA Member States and their currencies

Annex 2 Deadlines for Payment Services

ANNEX 1 LIST OF EU/EEA MEMBER STATES AND THEIR CURRENCIES

EU/EEA Member States ¹⁾	Currency Code
Austria	EUR
Belgium	EUR
Bulgaria	BGN
Cyprus	EUR
Czech Republic	CZK
Denmark	DKK
Estonia	EEK
Finland	EUR
France	EUR
Germany	EUR
Greece	EUR
Hungary	HUF
Iceland	ISK
Ireland	EUR
Italy	EUR
Latvia	LVL
Lichtenstein	CHF
Lithuania	LTL
Luxembourg	EUR
Malta	MTL
Netherlands	EUR
Norway	NOK
Poland	PLN
Portugal	EUR
Romania	RON
Slovakia	EUR
Slovenia	EUR
Spain	EUR
Sweden	SEK
United Kingdom	GBP

¹⁾ Member States of the European Union and European Economic Area, e.g. EU Member States and Lichtenstein, Iceland, and Norway

ANNEX 2 DEADLINES FOR PAYMENT SERVICES

DEADLINES FOR PAYMENT SERVICES

Non-cash payment services – outgoing Payment Transactions

I. Domestic CZK Payment Transactions in the CR – domestic payment services

Payment Order priority	Payment order set up ¹⁾	Debiting of funds from the Client's account	Crediting of funds to the account of beneficiary's provider
Standard	by 23:55	D	D+1
Express	by 12:00	D	D

II. Foreign Payment Transactions

II. A, EUR transactions to the EU/EEA member states

Payment Order priority	Payment order set up ¹⁾	Debiting of funds from the Client's account	Crediting of funds to the account of beneficiary's provider
Standard	by 16:00	D	D+1
Express	by 12:00	D	Max. D+1

II. B, Transactions outside the EU/EEA member states in currency other than EUR

Payment Order priority	Payment order set up ¹⁾	Debiting of funds from the Client's account	Crediting of funds to the account of beneficiary's provider
Standard	by 16:00	D	D+4
Express	by 12:00	D	Max. D+4

Non-cash payment services – incoming Payment Transactions

Payment Order type	Delivery to the Bank from the counterparty ¹⁾	Crediting of funds to the Bank's account	Crediting of funds to the Client's account ³⁾
Domestic Payment transaction	D	D	D
Foreign Payment transaction and domestic transactions in foreign currencies	by 16:00	D	D

Internal payment transactions in the Bank

Payment Order type	Payment order set up	Debiting of funds from the account	Crediting of funds to the account
CZK Payment transaction without currency conversion	Without limitation	D	D
Other Payment transactions/conversions	by 16:00 ²⁾	D	D

¹⁾ Business Day only.

²⁾ Business Day; a payment transaction set up on a day other than a Business Day shall be executed on the immediately following Business Day.

³⁾ A Business Day on which funds are credited to the Bank's account and the Bank receives all documents necessary for crediting the amount to the Client's Account from the payer's bank.