

PRODUCT TERMS AND CONDITIONS FOR HOLDERS OF PAYMENT CARDS OF EQUA BANK A.S. FOR INDIVIDUAL ENTREPRENEURS

1. INTRODUCTORY PROVISIONS

- 1.1. The Product Terms and Conditions for Holders of Payment Cards of Equa bank a.s. for Individual Entrepreneurs and Legal Entities (hereinafter "**PTC**") govern the rules for providing specific Banking and Payment Services pursuant to the Framework Agreement on Provision of Banking and Payment Services of Equa bank a.s. (hereinafter "**Framework Agreement**"), the Price List, the Terms and Conditions of Payment Services, and the Business Terms and Conditions of Equa bank a.s. for Individual Entrepreneurs and Legal Entities (hereinafter "**BTC**"), forming an integral part of them, and in relation to these documents.
- 1.2. The Bank shall communicate every Amendment to the PTC to the Customer in writing, by e-mail or through the Direct Banking at the latest two months before the day on which this Amendment is expected to become effective. The Customer shall be entitled to reject the change in writing no later than one (1) month prior to the effective day of the change of the PTC and to terminate the Agreement pursuant to the BTC. Should the Customer not reject the Amendment as of the date specified above, the Amendment shall be deemed to have been agreed on by the Customer. The Bank shall specifically inform the Customer of this consequence in a notification of an Amendment to the PTC.
- 1.3. As a rule, the Bank shall introduce Amendments to the PTC only in justified cases and within a necessary scope (i.e. legislation or regulatory changes, having an impact on the functioning of the Bank or on the cooperation of the Customer or on increasing the efficiency of processes related to providing Banking Services).
- 1.4. Capitalised terms or phrases of these PTC shall have the meaning as defined in Article 4 or a meaning specified in the individual provisions of these PTC or in the BTC or the Terms and Conditions of Payment Services. The definition shall be used uniformly both for the singular and the plural form.

2. DEBIT CARDS

2.1. GENERAL INFORMATION

- 2.1.1. The Bank shall issue the Customer a Card of a respective card association.
- 2.1.2. The Bank shall issue a Card and provide Banking Services related with it to a Customer for whom the Bank also maintains an Account pursuant to an Agreement concluded as a result of an Application by the Customer to Issue a Card (hereinafter "**Application**"), or another Card Holder defined by the Customer. The use of various types of Cards may be further governed by special conditions for the respective Card type; a specific Card type is specified in the Application. By signing the Application, the Customer expresses his/her consent to these Terms and Conditions as well.
- 2.1.3. The Bank shall be authorised to reject the Application of the Customer to Issue a Card.
- 2.1.4. The Agreement on Issuance of Payment Card shall be concluded for an indefinite period of time. The Agreement on Issuance of Payment Card shall be made as dependent on the Agreement on Account Maintenance. Termination of the Agreement on Account Maintenance shall result in a termination of the Agreement on Issuance of Payment Card. The termination of the Agreement on Issuance of Payment Card is without prejudice to the Agreement on Account Maintenance. The Customer and the Bank have agreed that the provision in Section 1727 of the Civil Code shall not be applied.
- 2.1.5. The Bank shall be authorised, but not obliged, to conclude several Agreements on Issuance of Payment Card with the Customer and to issue him/her several different Cards.
- 2.1.6. The Bank may issue a Card for a specific Account also for Card Holders for whom the Bank does not maintain an Account, whereby the Card shall be issued under the conditions specified in these PTC.
- 2.1.7. The Customer shall be obliged to inform the Card Holder of the wording of the respective Application, the Agreement on Issuance of Payment Card as well as these PTC. The Customer shall furthermore be obliged to ensure that the Card Holder complies with these contractual provisions.
- 2.1.8. The Bank shall not issue Cards for Accounts intended for the deposit of registered capital of companies before their establishment.

2.2. CARD DISTRIBUTION AND PIN

- 2.2.1. The Bank shall send the Card to the Customer, or to the Card Holder defined by the Customer, after conclusion of the Agreement on Issuance of Payment Card. The Bank shall send the Card using a regular postal delivery to the current contact address, specified in the Application or otherwise communicated to the Bank by the Customer or the Card Holder. The Card may not be sent to an address of a Point of Sale of the Bank or a P.O. Box. In the event of the delivery showing signs of damage, the Customer or the Card Holder shall inform the Bank of this fact.
- 2.2.2. After having received the Card, the Customer or the Card Holder shall without undue delay activate the Card as instructed by the Bank and in the manner specified by the Bank in the Direct Banking, as well as choose a PIN and E-PIN of the Card. For

a complete activation of the Card, the Customer shall be obliged to use the Card at any ATM – e.g. to ascertain the Account balance or withdraw cash.

- 2.2.3. By activating the Card, the Customer or the Card Holder shall have the right to use the Card during the validity period specified on the Card, unless the Card has been prematurely permanently blocked or cancelled. For safety reasons, the Card shall be inactive until the moment of activation. After the Card has been delivered to the Customer or the Card Holder, he/she shall be obliged to sign the Card in the signature strip placed on the reverse side of the Card without undue delay.
- 2.2.4. The end of validity of the Card is specified on its front in the MM/YY format. The validity shall end on the last day of the specified month and year. By activating the Latest Newly Approved Card, the original Card to be replaced shall be permanently blocked. When the validity period expires, the Card may not continue to be used and the Customer shall be obliged to return it to the Bank if requested by the Bank to do so. If the Card is not returned to the Bank, the Customer shall be obliged to destroy the Card. The Customer shall be responsible for returning the Cards issued to the Card Holders defined by the Customer.

2.3. CARD USAGE

- 2.3.1. The Customer or the Card Holder shall be authorised to use the Card both in the Czech Republic and abroad for cashless payments for goods and/or services using Payment Terminals (POS) and Imprinters, for cash withdrawals from ATMs or bank counters and exchange offices, bearing the respective symbols (Cash Advance), or with selected Merchants, bearing the respective symbols (Cash Back), for cash deposits at an ATM of the Bank, to an Account for which the Card has been issued as well as for Payment Transactions performed on Internet (payments with Internet Merchants or MO/TO Transactions) or Payment Transactions by Card at a Payment Terminal or ATM, which enables contactless payments or contactless cash withdrawals (authorisation of such a Payment Transaction is done by placing the Card into a Payment Terminal or ATM). By performing a Payment Transaction by Card pursuant to these PTC, the Customer shall give the Bank a Payment Order pursuant to the respective legal regulations.
- 2.3.2. The Customer or the Card Holder shall be obliged to authorise Payment Transactions by Card in a manner adequate for the performed Payment Transaction. A Payment Transaction by Card is authorised if a Unique Identifier is established and the validity of the Card and the transaction are confirmed by the Customer or the Card Holder (i.e. the Customer or the Card Holder has granted consent to it). In the case of a Payment Transaction with the physical presence of the Card, the confirmation is done by (i) entering a PIN code or (ii) signing the respective Payment Transaction document, which corresponds to the signature on the signature strip of the Card, or by (iii) inserting the Payment Instrument into a payment terminal of a Merchant, enabling the acceptance of payment instruments; in the case of a Cash Advance, the identity of the Customer or the Card Holder is additionally verified by showing an identity document. In the case of Payment Transactions without a physical presence, authorisation (consent to such a Payment Transaction) shall usually be performed by confirming the Payment Transaction by using the security code CVC/CVV as well as 3D Secure, if needed. After the Customer or the Card Holder has confirmed the Payment Transaction, the Payment Order may not be withdrawn.
- 2.3.3. When using an ATM, the Customer or the Card Holder shall follow the operating instructions displayed on the screen of the ATM. If the Customer or the Card Holder enters an incorrect PIN three times in a row, the Card shall be returned to the Customer or the Card Holder (the ATM will not retain it), but the PIN shall be blocked and the Customer and the Card Holder shall not be authorised to perform Payment Transactions by Card which require an authorisation by entering a PIN. The Customer or the Card Holder shall be authorised to request cancellation of the blocking of the PIN by using the Customer Centre of the Bank if he/she has arranged Telephone Banking services. Alternatively, the cancellation of the blocking of the PIN may be requested at a Point of Sale of the Bank.
- 2.3.4. The Merchant shall check the Card in the event of its use for cashless Payment Transactions and shall request an authorisation of the Bank or its authorised organisation (authorisation centre) to perform the Payment Transaction by Card; if the Merchant does not receive the consent of the Bank or the authorisation centre (authorisation is rejected), the Merchant shall refuse to accept the Payment Order set up by Card. If the Card is not used by the Customer or the Card Holder, the Merchant shall be authorised to withhold the Card.
- 2.3.5. To authorise a Payment Transaction by Card, the Merchant shall request a PIN from the Customer or the Card Holder. The PIN shall be entered exclusively by the Customer or the Card Holder on the keyboard of the Payment Terminal, i.e. PIN PAD. In some cases, in addition to or instead of entering the PIN, the Merchant may require the signature of a sales note. In such a case, the Customer or the Card Holder must put a signature identical with the signature given on the reverse side of the Card. If this is not done, the Payment Transaction by Card may not be performed. If the signature on the sales note is not identical with the signature given on the Card, the Merchant shall be authorised to reject such a Payment Transaction. The Customer or the Card Holder may be asked by the Merchant to prove his/her identity.
- 2.3.6. In the case of a contactless Payment Transaction by Card, the Merchant shall be authorised, but not obliged to request a PIN from the Customer or the Card Holder in addition to inserting the Card in the Payment Terminal. In the case of a contactless Payment Transaction by Card at an ATM, the Customer or the Card Holder shall always be requested to enter a PIN in addition to inserting the Card in the ATM.
- 2.3.7. When performing MO/TO Transactions, Internet orders of goods and/or services from companies, enabling such transactions,

the Customer or the Card Holder shall in no case communicate the PIN. The Customer or the Card Holder may in no case communicate the PIN when performing Payment Transactions such as Mail Order/Telephone Order, when making Internet orders of goods and/or services from companies enabling such transactions. As a rule, the Customer or the Card Holder is in these cases requested to provide a Card number, the validity of the Card, the CVC/CVV security code, which is placed on the reverse side of the Card (in rare cases the CVC/CVV code is not required), and in some cases also the name given on the Card.

- 2.3.8. The Customer shall also be authorised to repeatedly ban or allow performance of Payment Transactions by Card in the Internet, using the Direct Banking by reducing limits for the respective transaction types.
- 2.3.9. If the Bank provides information about the Account balance in the event of a Card use at an ATM, the Customer or the Card Holder is hereby notified of the fact that this information is only indicative and may not always represent the current information about the funds in the Account.
- 2.3.10. The Bank may not guarantee the Customer or the Card Holder the required amount (up to the agreed Card Limit for cash withdrawals) to be paid out by a single ATM withdrawal. The amount for a single withdrawal is limited by the type of ATM as well as the structure of the nominal banknotes used by the ATM administrator.
- 2.3.11. In the case of cash withdrawals from an ATM outside the territory of the Czech Republic, the operator of such an ATM may charge a fee for a cash withdrawal or another transaction. By performing a Payment Transaction by Card in such an ATM, the Customer accepts the fee and is not authorised to require this fee from the Bank in retrospect.
- 2.3.12. The Bank shall be authorised to issue another Card to the Customer or the Card Holder when a certain card type ceases to be issued, when the functionality of the Card is enhanced or due to a change to another Card type in the case of an automatic renewal. The Bank shall be authorised to issue another Card in justified cases even before the end of validity of the original Card (e.g. in the event of issuing a new Card after a loss/theft etc.). If the Customer or Card Holder receives this new Card, the scope of rights and obligations arising from the Agreement on Issuance of Payment Card changes within the scope of conditions valid for this new Card type; in other respects, the rights and obligations of the Customer and the Card Holder remain unchanged.
- 2.3.13. The Bank shall issue the Customer an automatically renewed Card in the calendar month preceding the month in which the validity of the original Card ends. The PIN of the renewed Card must be reset again during Card activation in the Direct Banking. The delivery and activation of the renewed Card shall be equally governed by Art. 2.2.1 to 2.2.3 of these PTC. The Bank shall be authorised to update data on the renewed Card with internet Merchants for which the Card Holder has allowed keeping of the data of the original card, depending on the conditions of the individual internet Merchants. Payment Orders set up earlier may thus also be performed when the Card has been renewed.
- 2.3.14. The renewed Card (the same type) shall not be issued automatically if the Customer files a written application for it two (2) calendar months at the latest preceding the month in which the validity of the Card ends. If such an application is filed after the time period according to the previous sentence, the renewed Card will be issued to the Customer and sent to the current contact address.
- 2.3.15. The Bank shall reserve the right to reject the right to issue a renewed Card in justified cases. The renewed Card shall also not be automatically issued if the original Card is permanently blocked or inactive, if the Agreement has expired or if the Bank so decides.
- 2.3.16. After the renewed Card had been activated, the original Card shall be automatically permanently blocked even though its validity period has not expired.
- 2.3.17. The Card shall be the property of the Bank and may not be transferred to another person. The Bank shall be authorised to require it to be returned. The Customer or the Card Holder shall be obliged to comply with the request and shall return the Card.

2.4. RECOGNISING TRANSACTIONS AND CARD LIMITS

- 2.4.1. All the Fees and other costs incurred as a result of the issue and use of the Card, whose payment the Bank shall be entitled to require according to the Price List, shall be charged to the Account by the Bank. In the event of an excessive use of ATM withdrawals in the Czech Republic, the Bank shall be authorised, but not obliged, to retroactively charge a Fee for these withdrawals according to the Price List. Ten and more ATM cash withdrawals in the Czech Republic in a calendar month shall be deemed an excessive use.
- 2.4.2. The Bank shall charge to the Account all the Payment Transactions performed by Payment Orders by Card.
- 2.4.3. The amount of Payment Transaction made by Card in a currency other than the Czech crown, shall be converted into an amount in EUR according to the exchange rate of the respective association of bank cards, valid as of the day of charging such a Payment Transaction to the Current Account which is assigned to the Card. If the Bank makes another currency conversion in the Payment Transaction (in particular due to the fact that the currency in which the Account is maintained and to which the Card is assigned is a currency other than EUR), the respective general rules for a currency conversion within Payment Transactions in the Account, specified in the BTC, shall apply to such a currency conversion performed by the Bank.

- 2.4.4. In the case of a difference between the amount of Payment Transaction on the day of its authorisation and the amount on the day of its recognition (in particular due to a movement of exchange rate between these days), the Bank shall be entitled to charge the Customer an amount corresponding to the amount which the Bank recognizes.
- 2.4.5. The scope of using the Card is defined by Card Limits and the size of the Available Balance in the Account. The total Limit of the Card may be changed by agreement between the Bank and the Customer; the Customer shall be entitled to set and change other Card Limits in the Direct Banking.
- 2.4.6. The Bank shall furthermore be entitled to unilaterally change the total Card Limit in the case of an Event of Infringement, if the Customer or the Card Holder breaches any of his/her obligations arising from these PTC, or if the current size of the total Card Limit causes reasonable concerns that obligations disproportionate to the financial situation of the Customer arise or that respective legal or other regulations binding for the Bank will be breached. The Bank shall inform the Customer of the reduction of the overall Card Limit in due course.
- 2.4.7. The Bank shall perform only such a Payment Transaction which has fulfilled the following conditions: (1) the Payment Transaction has been authorised by Card (Article 2.3.2. of these PTC), (2) the Payment Transaction has been consented to by an authorisation centre if such a consent is required, (3) Card Limits have not been exceeded, (4) there is not an unauthorised debit balance compared to the current balance pursuant to these PTC (in the case of off-line transactions compared to the latest balance reported to the authorisation centre), (5) the Payment Transaction has not been performed after Card Blocking or a suspension, a cancellation or an elimination of the respective type of Payment Transaction by Card, (6) the Payment Transaction has not been performed after expiration of the Card validity, after its retention or return, and (7) the Payment Transaction has not been performed using an inactivated Card.
- 2.4.8. When the Bank is informed that the Customer or the Card Holder has performed a Payment Transaction by Card, the Bank shall reduce the Available Balance in the relevant Account of the Customer by the amount corresponding to the size of such a Payment Transaction until it is recognised and the funds are debited from the Account for the period of at most fourteen (14) calendar months from the date of blocking.
- 2.4.9. The moment of acceptance of a Payment Order performed by Card and to be recognised shall be the working day on which the Bank receives the request to recognise the Payment Transaction by Card from the contractual bank of the Merchant, from the bank operating the ATM, or from the bank or the exchange office which provided the Cash Advance. According to the rules of card associations, the processor shall have a period of up to thirty (30) days from the date of such a Payment Transaction to recognise the Payment Order performed by Card.
- 2.4.10. The Payment Order performed by Card abroad shall be processed by a foreign bank in collaboration with the respective card association.
- 2.4.11. If a Merchant or an ATM offers the Customer or the Card Holder the service of converting the amount of Payment Transaction by Card into a value in the domestic currency (Dynamic Currency Conversion) and the Customer or the Card Holder confirms agreement with the exchange rate, any fees and the final amount, by giving authorisation, the amount of such a Payment Transaction shall be charged to the Account of the Customer.
- 2.4.12. In the case of a complaint about a Payment Transaction by Card, such a complaint is resolved in cooperation with the card association. Usually, a complaint period of forty-five (45) days, in justified cases of up to one hundred and eighty (180) days set by the card association shall be applied. The period necessary for additional submissions of the Customer or for obtaining additional documents from the Customer or third parties, necessary for investigating the complaint, shall not be included in the complaint period. The Customer shall be obliged to provide the Bank with all the required and timely cooperation concerning the filed complaint.

2.5. SECURITY AND PROTECTION OF CARD

- 2.5.1. The Customer or the Card Holder shall be obliged to store the Card in a safe place, in particular separately from his/her personal documents, and to protect it against loss or theft. The Customer shall also be obliged to prevent its misuse and to protect it against damage. The Customer shall take all adequate measures to protect the PIN and E-PIN codes, the Unique Card Identifiers, and all personalised security features of the Card. In particular, the Customer may not note the PIN or E-PIN code on the Card or otherwise note it. The Customer may not store the PIN or E-PIN code along with the Card or tell it to third parties. Furthermore, the Customer may not communicate other security features of the Card to third parties, unless communicating other security features of the Card is necessary to perform a Payment Transaction.
- 2.5.2. The Card may not be used for unlawful purposes, including the purchase of goods or services banned by the valid Czech legislation. In the case of such behaviour causing damage to the Bank, the Bank shall be authorised to seek compensation of damage from the Customer.
- 2.5.3. The PIN and E-PIN code shall be set by the Customer or the Card Holder himself/herself in his/her Direct Banking. The Bank shall not store information on the PIN and E-PIN codes of Customers.
- 2.5.4. If a Card is damaged or destroyed, the Customer or another Card Holder shall immediately report this fact to the Bank. The Bank will issue a new Card upon the request of the Customer.

- 2.5.5. If the Card is lost, stolen or misused, the Customer or the Card Holder shall be obliged immediately to report these facts to the Customer Centre of the Bank or to block the Card in the Direct Banking. The operator of the Customer Centre will ask for the data necessary to identify the Card, the Customer or the Card Holder, and will immediately perform Card Blocking. At the same time, the Customer shall be authorised to apply for issuance of a new Card.
- 2.5.6. If the Card has been lost, stolen or misused abroad, the Customer or the Card Holder may report this fact at any Point of Sale of the Bank, any bank branch, or may contact the respective card association.
- 2.5.7. In exceptional cases when the Customer or the Card Holder is unable to report, e.g. due to hospitalisation, the Bank shall take the necessary steps within the adequate scope also upon the request of another person (relative, colleague, etc.).

2.6. CARD BLOCKING

- 2.6.1. The Bank shall block the Card without undue delay, after the Customer or another Card Holder applies for it. In addition to the Customer of the Bank or the Card Holder, blocking of the Card may also be performed by another person in justified cases, in particular in the case of a report about finding the Card. The Bank shall be authorised to perform Card Blocking or to otherwise limit the use of the Card even without the consent of the Customer or the Card Holder for the sake of security of the Card, in particular if the Bank suspects an unauthorised or fraudulent use of the Card, or in the cases in which the Bank is authorised hereto by the respective legal regulations.
- 2.6.2. Depending on specific circumstances and the agreement between the Bank and the Customer or another Card Holder, the Bank may perform only a Temporary Card Blocking. Unless the Customer or another Card Holder informs the Bank within a period of twenty-four (24) hours from performing the Temporary Card Blocking that the reasons for the Card Blocking have ceased to exist, the Bank shall perform a Permanent Card Blocking.
- 2.6.3. The Bank shall provide information of the Blocking and its reasons in a manner agreed for the provision of Account Statements. The Bank shall be authorised to communicate this information without undue delay also in another manner, i.e. by telephone, electronically through the Direct Banking of the Customer, or by a delivery to the contact address of the Customer. The Bank shall not provide information according to this Article, if provision of the information could be detrimental to the purpose of the Card Blocking or if it were in conflict with other legal regulations.
- 2.6.4. As soon as the reasons for Blocking cease, the Bank shall unblock the Card (in the case of a Temporary Card Blocking requested by the Customer), or the Bank shall replace it with a new Card (in the case of a Permanent Card Blocking based on the decision of the Bank). In the event of Blocking according to this Article of the PTC, the Bank shall furthermore be entitled to withdraw from the Agreement on Issuance of Payment Card with an immediate effect.
- 2.6.5. The Bank shall charge a Fee to the Account according to the valid Price List for the issuance of a new Card or for the provision of substitute cash at bank counters.
- 2.6.6. The Customer shall be entitled to limit or ban certain types of Payment Transactions by Card in the individual Card Limits.

2.7. LIABILITY OF THE BANK AND THE CUSTOMER OR THE CARD HOLDER

- 2.7.1. The Customer shall be liable for the loss from unauthorised Payment Transactions by Card up to the total amount of EUR 50 if this loss was caused by the use of a lost or a stolen Card or the misuse of a Card and if the Customer or the Card Holder failed to protect the security features, until the Card is blocked.
- 2.7.2. The Customer shall be liable to the full extent for a loss from an unauthorised Payment Transaction by Card if the Customer caused this loss alone or by his/her fraudulent activity or having wilfully or through gross negligence failed to comply with the security measures set out in these PTC, or if the Customer failed to inform the Bank without undue delay of the loss, theft, misuse or an unauthorised use of the Card, after the Customer had discovered it. The Customer shall not be liable for the loss if the Customer did not act in a fraudulent manner and if the loss was incurred after the Customer or the Card Holder or third parties other than the Customer or the Card Holder had reported the loss, theft, misuse or an unauthorised use of the Card to the Bank. In the case of an unauthorised payment transaction meeting the conditions in the previous sentence, the Bank shall return the Customer an amount in the size of the unauthorised payment transaction on the following Business Day at the latest, after the respective Customer or another authorised person has reported such an unauthorised Payment Transaction to the Bank. This shall not apply in the case of the Bank suspecting the Customer of having participated in the performance of the transaction.
- 2.7.3. The Customer or the Card Holder shall be obliged to report all the changes of the data which have a major impact on the truthfulness of the data specified on the Card or are important for contacting the Customer or the Card Holder. If damages are incurred to the Bank due to a breach of this obligation, the Bank shall be entitled to request compensation of this damage from the Customer or the Card Holder.
- 2.7.4. The Bank shall be liable for an unauthorised Payment Transaction if the loss from it is not borne by the Customer pursuant to Article 2.7.1 of these PTC. The Bank shall be liable to the Customer for an incorrectly performed Payment Transaction, unless the Customer proves that the amount of the incorrectly performed Payment Transaction was duly and timely credited to the account of the entity providing payment services to the payee of the Payment Transaction. If the Customer communicates to the

Bank that he/she does not insist on performing the Payment Transaction which was performed incorrectly, the Bank shall provide the Customer with the amount by crediting the amount of the Payment Transaction to the Account.

- 2.7.5. The Bank shall not be liable for damages incurred during the use of the Card as a result of circumstances independent of the will of the Bank, i.e. by rejecting or incorrectly performing authorisation due to a defective processing system of the authorisation centre or telecommunication lines, interruption of supply of electric energy or a defective ATM, etc.
- 2.7.6. If the Customer or the Card Holder reported the loss or theft of the Card, or the validity of the Card has expired, or the Card was cancelled or blocked pursuant to these PTC, the Customer or the Card Holder agrees with providing this information to the respective persons. In the case of an attempted Payment Transaction, the Merchant shall be entitled to retain this Card.
- 2.7.7. The Bank shall not be liable for damages incurred by exceeding the Card Limit in the case of Payment Transactions not authorised by the Bank.
- 2.7.8. The Bank shall not be liable for damages caused by a measure taken based on an express instruction of the Customer or the Card Holder in connection with the loss, theft or misuse of the Card, as well as incurred costs in the event of an additional disagreement of the Customer or the Card Holder with the specified measures.
- 2.7.9. The Bank shall not be liable for the fact that the Blocking of a Payment Transaction by Card on the Internet is not effective if the Merchant fails to be correctly identified by its settlement bank as an Internet Merchant in the system of the respective card association.

2.8. EXPIRATION OF RIGHT TO USE THE CARD, BREACH AND CANCELLATION OF THE AGREEMENT

- 2.8.1. The right to perform Payment Transactions by Card shall expire for one of the following reasons:
- (i) end of validity of the Card, as specified on the Card (unless the Card is automatically renewed),
 - (ii) loss, theft or misuse of the Card,
 - (iii) death of the Customer or the Card Holder,
 - (iv) destruction of a valid Card, unless a new or a renewed Card is issued,
 - (v) by agreement of the Customer and the Bank on the Termination of the Agreement on the Issuance of Payment Card or the Framework Agreement as of the day specified therein, or
 - (vi) by agreement of the Customer and the Bank to close the Account, for which the Card is issued,
 - (vi) by agreement of the Customer and the Bank to remove the Card Holder, for whom the Card has been issued,
 - (viii) by withdrawal from the Framework Agreement on the part of the Bank or the Customer.
- 2.8.2. In the event of a cancellation of the Framework Agreement or the Agreement on Current Account or the Agreement on Issuance of Payment Card by the Bank, the right to perform Payment Transactions by Card shall expire thirty (30) days prior to the expiration of the period of notice. In the event of a cancellation of the Framework Agreement or the Agreement on Current Account or the Agreement on Issuance of Payment Card by the Customer, the right to perform Payment Transactions by Card shall expire three (3) days at the latest after the delivery of the cancellation to the Bank.
- 2.8.3. The right to perform Payment Transactions by Card shall expire (i) by termination of the Agreement on Issuance of Payment Card, i.e. by agreement, by cancellation of the Agreement on Issuance of Payment Card by the Customer or the Bank or by withdrawal of the Bank or the Customer, or (ii) as a result of one of the following options: (a) by expiration of the validity of the Card (unless the Card is renewed automatically), (b) by loss, theft or misuse of the Card, (c) by termination of the Agreement on Account Maintenance (or Account closure), (d) by death of the Customer or the Card Holder, or (e) by destruction of a valid Card, unless a new or a renewed Card is issued.

2.9. TERMINATION OF AGREEMENT ON ISSUANCE OF PAYMENT CARD

- 2.9.1. If the Agreement on Issuance of Payment Card is terminated by cancellation by the Customer, the period of notice shall be one (1) month, beginning on the day of delivery of the notice to the Bank. If the Agreement on Issuance of Payment Card is terminated by cancellation by the Bank, the period of notice shall be two (2) months, beginning on the day of delivery of the notice to the Customer.

3. CARD TOKENISATION

- 3.1. In the case of Card Tokenisation, the Card Holder shall be obliged to adhere to the valid product terms and conditions, governing the rules for the use of Cards in the individual application, and which the Bank publishes at the Points of Sale of the Bank and on the Homepage of the Bank.

4. DEFINITION OF TERMS

Capitalised terms shall have the following meaning, unless otherwise stated in the text of these PTC:

3D Secure – shall mean a service, protecting the Card Holder against any unauthorised Payment Transaction performed with an Internet

Merchant, supporting the 3D Secure service, and which the Bank evaluates as an Internet Merchant; such verification shall be made by entering the Authorisation SMS Code and E-PIN.

Account – shall have the meaning defined in the BTC.

Agreement – shall have the meaning defined in the BTC.

ATM – shall mean a self-service device, which receives or pays out cash in the local currency to the Holders of all types of cards, whose trademark is placed on the ATM (the option to deposit cash depends on the type of ATM). The ATM also provides other services according to the offer of the ATM and the type of the card.

Available Balance – shall mean free funds in the Account of the Customer or an Accounting Balance reduced by the respective amounts (reservation, restricted transferability, bans, and minimum balance).

Banking Services – shall have the meaning defined in the BTC.

Business Day – shall have the meaning defined in the BTC.

Card – an embossed debit payment card issued for the Account; for the purposes of these PTC a Card shall also be a new card and a renewed card, unless otherwise expressly defined by these PTC. The Card also enables contactless Payment Transactions to be performed.

Card Blocking – a measure consisting of preventing Payment Transactions by Card; the Card may be blocked on the initiative of the Bank or the Customer or the Card Holder under the conditions defined by these PTC; Card Blocking may only be performed for certain Payment Transactions by Card; the phrase “card blocking” used in these PTC shall mean the performance of Blocking.

Card Holder – shall mean a person who is entitled to dispose of funds in the Account based on an instruction of the Customer and whom the Bank shall grant a separate authorisation to access the Account through the Direct Banking, or to whom a Card is issued upon the request of the Customer for the Account of the Customer.

Card Limits – shall mean the maximum amount by which the amount of Payment Transactions by Card is limited from the respective Account per day (00:00-23:59), unless the Agreement on Issuance of Payment Card specifies another reference period or another limitation of the size of individual Payment Transactions as separate transaction limits in particular for cash withdrawals, for purchases at Points of Sale or Payment Transactions by Card on the Internet; these limits do not allow for the maximum amount for Payment Transactions to be exceeded; if it is reduced, partial card limits are adequately reduced as well. The Payment Transaction of cash deposit at an ATM of the Bank shall not impact on the size of the Card Limit.

Cash Advance – shall mean a Payment Transaction by Card, when cash is withdrawn from an ATM or at bank counters and exchange offices, bearing the respective symbols.

Cash Back – shall mean a Payment Transaction by Card, when cash is withdrawn at selected Points of Sale along with a purchase of goods or services.

Customer – shall have the meaning defined in the BTC.

Customer Centre – shall have the meaning defined in the BTC.

CVC/CVV – a three-digit security code pre-printed on the signature strip of the MasterCard Cards, on the reverse side of the Card behind four digits which are identical with the last four digits of the Card number.

E-PIN – shall mean a 4- to 8-digit numerical Personal Identification Code chosen by the Card Holder in IB; along with the Authorisation SMS Code, if it is used for the 3D Secure service.

Event of Infringement – shall have the meaning defined in the BTC.

Imprinter – a mechanical scanner intended for an imprint of embossed Cards and the identification label of the Merchant on the sales note during a cashless payment or Cash Advance.

Merchant – shall be a point of sale (i.e. shops, restaurants, hotels, petrol stations), bearing the logo of the respective international card association, which, as a standard, accepts the Cards as a Payment Instrument intended for payments for purchased goods or provided services.

MO/TO Transactions – shall mean cashless Payment Transactions by Card without the presence of the Customer or the Card (an order of goods or services through postal delivery services or telephone orders); these transactions are usually termed Mail Order/Telephone Order (MO/TO).

Payment Account – an account used for performing 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 Instrument – a personalised device or a set of procedures, agreed between the provider and the user, which the user uses to file Payment Orders.

Payment Order – an instruction to perform a Payment Transaction.

Payment Services – shall mean the provision of services in the area of payment services; their rules are described in the Terms and Conditions of Payment Services.

Payment Terminal (POS) – an electronic point-of-sale terminal, scanning the data in the magnetic strip or chip of the Card and storing them in the electronic form for further processing. It is used for cashless payments and Cash Advance by Card, using a PIN code or a signature of the Card Holder.

Payment Transaction – shall mean the movement of funds in the Payment Account, connected with payment services – transfer of funds, payment by Card (including a contactless performance of the Payment Transaction), withdrawal of funds from an ATM, and a deposit of funds at an ATM of the Bank.

PIN (Personal Identification Number) – a four-digit personal identification code, which the Card Holder chooses to prove the authorisation of the Customer or the Card Holder to perform Payment Transactions by Card.

Price List – shall have the meaning defined in the BTC.

Provision of Information – shall mean a notification of information to the Customer using a permanent data carrier.

Temporary Card Blocking – Card Blocking for the period of twenty-four (24) hours at most.

Tokenisation – shall mean registering a Card on a mobile device of the Card Holder, enabling Payment Transactions using a mobile device, using the NFC (Near Field Communication) technology.

Unique Identifier – a combination of letters, digits or symbols identifying the Customer or his/her Account or the Card Holder and his/her Card when making Payment Transactions by Card as defined by the provider.

5. FINAL PROVISIONS

5.1. These PTC shall become valid and effective on **1 July 2019**.