

**HSBC BANK PLC  
PRAGUE BRANCH**

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**BUSINESS TERMS AND CONDITIONS  
FOR CURRENT ACCOUNTS  
OF LEGAL ENTITIES**

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**VALID AS OF SEPTEMBER 1, 2015**

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## **GENERAL PART**

### **1. INTRODUCTION**

- 1.1 These Terms and Conditions stipulate the basic rules that shall govern the obligation between the Bank and the Customer established by the Agreement and form an integral part thereof.
- 1.2 To the extent to which:
- (a) the Agreement differs from the Terms and Conditions, List of Charges, or Notices, or is in conflict with them, the Agreement shall prevail;
  - (b) the List of Charges or Notices differ from the Terms and Conditions or are in conflict with them, the List of Charges or Notices shall prevail; or
  - (c) the General Part of the Terms and Conditions differs from Part A of the Terms and Conditions or is in conflict with them, Part A of the Terms and Conditions shall prevail.
- 1.3 The Customer shall be obliged to ensure that the Authorized Persons and the Agents who participate in the acceptance of Banking Services are properly acquainted with the Agreement, the Terms and Conditions, the List of Charges and the Notifications concerning the provision of the Banking Services.
- 1.4 The capitalized terms in the Terms and Conditions shall have the meaning given to them in Part B of the Terms and Conditions.

### **2. IDENTIFICATION OF CUSTOMER**

- 2.1 For the purpose of provision of the Banking Services and ensuring proper identification of the Customer, the Bank shall be entitled to request, before the provision of a Banking Service and at any time during its provision, that the Customer submits to the Bank Identification Documents or other documents and information essential for the provision of the Banking Service and for proper identification of the Customer, the Authorized Persons and the Agents, in accordance with the legal regulations and the general principles of prudence applied by the Bank within its business activities.
- 2.2 The Bank shall be entitled to set rules for identification of the Customer in the relevant Notification, including the documents and information it considers to be necessary for the provision of the Banking Service and for proper identification of the Customer and the Authorized Persons.
- 2.3 If the Customer submits Identification Documents or other documents issued by foreign authorities to the Bank, the Bank may require from the Customer documents with an Apostille, if the relevant country has not concluded an international agreement on legal aid with the Czech Republic, based on which no Apostille is required, or to require documents to be properly authenticated at the relevant consulate of the Czech Republic, if the relevant country has not concluded an international agreement on legal aid or an agreement on mutual acknowledgement of public instruments with the Czech Republic.
- 2.4 The Bank may refuse to provide the Banking Services if the Customer fails to submit the Identification Documents or other documents and information that are considered by the Bank to be necessary in the given case for the provision of the Banking Service or for proper identification of the Customer, the Authorized Persons and the Agents.
- 2.5 The Bank may make and keep copies of the Identification Documents or other documents submitted for its own needs in accordance with the legal regulations. The Bank may also keep any authentic records (written or audio) of its communication with the Customer, the Authorized Person or the Agent, including recordings of telephone conversations with the Bank.
- 2.6 The Bank shall act in good faith in accepting the submitted Identification Documents or other documents and the provided information. The Bank shall not be obliged to accept a document if it has doubts concerning its authenticity or correctness. The Bank shall not be obliged to accept any documents in other than the Czech or English language. The Bank may request that the Customer produce an official translation of documents in foreign languages to the Czech language.
- 2.7 In the fulfilment of duties arising from the legal regulations, the Bank shall be entitled to perform identification of the Customers to whom it provides Banking Services, process data on the parties to a Banking Service, and keep records of the data obtained in the aforementioned manner.

3. **PROTECTION OF PERSONAL DATA, BANKING SECRECY AND CONFIDENTIALITY OF OTHER INFORMATION**

3.1 The Bank, or any member of the HSBC Group, gathers, uses and processes Customer Data and Authorized Person Data. The processing of the Data is both automated and done manually. The Data may be required from the Customer or Authorized Person or may be gathered from other sources (including publicly available information), generated or combined with other information available to the Bank or other members of the HSBC Group.

3.2 The Bank or any member of the HSBC Group shall process, transfer and disclose the Data for the following Purposes:

- (a) performance of the Agreement, providing Banking Services, and for any transactions requested or authorized by the Customer;
- (b) meeting Compliance Obligations and instructions or requirements of the Domestic Bank Regulator or other regulator applicable to the Bank or a member of the HSBC Group;
- (c) conducting Financial Crime Risk Management Activity;
- (d) enforcing any due and payable debts of the Customer or enforcement of security or other exercise of the receivables from the Customer in proceedings before a court, arbitrator, administrative authority or in some other proceedings or for the purpose of informing the providers of security of Customer's debts, in particular, of the current amount of the secured debt);
- (e) conducting credit checks and obtaining or providing credit references from/to registers of debtors;
- (f) enforcing or defending Bank's, or a member of the HSBC Group's, rights;
- (g) for internal operational requirements of the Bank or the HSBC Group (including, without limitation, credit and risk management, system or product development and planning, provision of insurance coverage, performance of inspections, informing other members of the HSBC Group on the creditworthiness of the Customer, and analysis of such Data, and for administrative purposes); and
- (h) maintaining Bank's overall relationship with the Customer (including Marketing Activities, market research and improving the quality of Customer care) (the "**Purposes**").

3.3 By using the Banking Services, the Customer agrees that the Bank may (as necessary and appropriate for the Purposes) transfer and disclose any Data to the following recipients (who may also process, transfer and disclose such Data for the Purposes):

- (a) any member of the HSBC Group;
- (b) any sub-contractors, agents, service providers or associates of the Bank or other member of the HSBC Group (including their employees and members of their bodies);
- (c) any person in order to honour any request from or decision of any Authority;
- (d) anyone acting on behalf of the Customer, payment recipients, users, account nominees, intermediary, correspondent and agent banks, clearing houses, clearing or settlement systems, market counterparties, upstream withholding agents, swap or trade repositories, stock exchanges, companies in which the Customer has an interest in securities (where such securities are held by the Bank for the Customer);
- (e) any party acquiring an interest in or assuming risk in or in connection with the Banking Services;
- (f) other financial institutions, credit reference agencies or credit bureaus, for obtaining or providing credit references;
- (g) anyone in connection with any transfer of an enterprise, disposal, merger or acquisition by the Bank;
- (h) the Domestic Bank Regulator or any other regulator of any member of the HSBC Group;

wherever located, including in jurisdictions that do not have Data protection laws that provide the same level of protection as the generally binding legal regulations of the Czech Republic.

- 3.4 Regardless of whether the Data is processed in the Czech Republic or elsewhere in accordance with data protection regulations, the Data shall be protected by the strict confidentiality and protection rules binding on all members of the HSBC Group, their employees and third parties. If the Data is disclosed to states whose generally binding legal regulations do not secure such level of protection of the Data as the generally binding legal regulations of the Czech Republic, the Bank shall adopt all measures to secure the protection of the Data prior to disclosing such Data.
- 3.5 The Bank shall treat all Data that it obtains in the provision of the Banking Services from other than publicly available sources as confidential. The Bank shall maintain the confidentiality of the Personal Data even after the expiration of the obligation under the Agreement. The Bank shall process the Personal Data for the term of the contractual relationship between the Bank and the Customer. After termination of the contractual relationship, the Bank shall only process the Personal Data in those cases required by the generally binding legal regulations.
- 3.6 An individual who has disclosed its Personal Data in connection with the legal relationship between the Customer and the Bank has the right to access its Personal Data, the right to correct the same, and the right to seek explanation or remedy (e.g. blocking, correction, supplementation or liquidation of the Personal Data) in cases set out in Section 21 of the Personal Data Protection Act.

#### 4. **INFORMATION AND OTHER OBLIGATIONS OF CUSTOMER**

- 4.1 Before the Bank provides a Banking Service, the Customer is obliged to notify it, according to his best knowledge, of any facts necessary for the Bank for the making of a decision as to whether it will provide the Banking Service to the Customer.
- 4.2 The Customer shall promptly inform the Bank in writing of any change in the Data of the Customer, Authorized person, Agent or other person, and respond to any request of the Bank or other member of the HSBC Group.
- 4.3 During the provision of Banking Services, the Customer must inform the Bank without delay of any event or other facts or changes therein that could potentially materially affect the provision of the Banking Services or the Customer's ability to fulfil his obligations vis-à-vis the Bank under the Agreement. The Bank may request that the Customer submit evidence sufficiently proving the existence of such an event or other fact or change therein.
- 4.4 The Customer confirms that every Connected Person whose information (including Personal Data or Tax Information) they have provided to the Bank or a member of the HSBC Group has been notified of and agreed to the processing, disclosure and transfer of their information as set out in these Terms and Conditions. The Customer shall advise Connected Persons that they may have rights of access to, and correction of, their Personal Data.
- 4.5 Where:
- (a) the Customer fails to provide the Data reasonably requested by the Bank, or
  - (b) the Customer withholds or withdraws any consents, which the Bank may need to process, transfer or disclose the Data for the Purposes, or
  - (c) the Bank or any member of the HSBC Group has suspicions regarding possible commission of Financial Crime or a Customer presents a potential Financial Crime risk to a member of the HSBC Group,

the Bank:

- (a) shall not be obligated to provide new Banking Services or continue to provide a portion or all of the Banking Services to the Customer, and the Bank reserves the right to terminate any business obligations with the Customer;
  - (b) or any other member of the HSBC Group may adopt any measures aimed at the discharge of the Compliance Obligations; and/or
  - (c) may terminate the Agreement or block or close the Accounts.
- 4.6 The failure to supply Tax Information and accompanying statements, waivers and consents may result in the Bank making its own decision with respect to the Customer's status, including whether to report such

Customer to a Tax Authority, and may require the Bank or other persons to withhold amounts as may be legally required by any Tax Authority and paying such amounts to any Tax Authority.

- 4.7 The Customer shall be obliged to inform the Bank, without delay, of any changes, annulment or expiry of any empowerment (power of attorney) or any other authorization granted by the Customer to his Authorized Person or Agent. The Bank may request that the Customer provide reliable evidence that, in the Bank's opinion, sufficiently confirms and proves the change, annulment or expiry.
- 4.8 The Customer shall be obliged to inform the Bank without delay in the event that documents concerning the provision of the Banking Services have been or will be lost. The Customer must also inform the Bank of the loss of security passwords and codes or the generators of security codes, etc. obtained by him from the Bank or a third party in connection with the provision of the Banking Services.
- 4.9 Upon the request of the Bank, the Customer shall be obliged to disclose and prove all the information required by the Bank in accordance with the Compliance Obligations and relevant legal regulations, in particular the AML Act, which is necessary for identifying and checking the Customer, in particular for ascertaining the beneficial owner or reviewing the sources of funds.
- 4.10 If the Customer or any of its Substantial Owner is a company incorporated in a country that permits the issuance of Bearer Shares, the Customer confirms that neither the Customer nor such Substantial Owner has issued any Bearer Shares and agree that neither the Customer nor such Substantial Owner will issue or convert any of its shares, or such Substantial Owner's shares (as the case may be) to Bearer Shares without obtaining the prior written consent of the Bank. The Customer shall inform the Bank immediately if the Customer or any of its Substantial Owners has issued Bearer Shares. The Customer also confirms that the Customer is not prevented by law or regulation from complying with this Section.

## 5. **FINANCIAL CRIME RISK MANAGEMENT ACTIVITY**

- 5.1 The Bank, and members of the HSBC Group, are required, and may take any action they consider appropriate at their sole discretion, to meet Compliance Obligations in connection with the detection, investigation and prevention of Financial Crime ("**Financial Crime Risk Management Activity**").
- 5.2 In performing the Financial Crime Risk Management Activity, the Bank, and members of the HSBC Group, may perform the following measures, including, but not limited to: (a) screening, intercepting and investigating any instruction, communication, drawdown request, application for Banking Services, or any payment sent to or by the Customer, or on its behalf, (b) investigating the source of or intended recipient of funds (c) combining the Data with other related information in the possession of the HSBC Group, and/or (d) making further enquiries as to the status of a person or entity, whether they are subject to a sanctions regime, or confirming a Customer's identity and status.
- 5.3 To the extent permissible by law, neither the Bank nor any other member of the HSBC Group shall be liable to the Customer or any third party in respect of any Loss, whether incurred by the Customer or a third party, in connection with the delaying, blocking or refusing of any payment or the provision of all or part of the Banking Services or otherwise as a result of Financial Crime Risk Management Activity.

## 6. **TAX COMPLIANCE**

- 6.1 The Customer and each Connected Person acknowledges they are solely responsible for understanding and complying with their tax obligations (including, but not limited to, tax payment or filing of returns or other required documentation relating to the payment of all relevant taxes) in all jurisdictions in which those obligations arise and relating to the opening and use of Account(s) and/or Banking Services provided by the Bank and/or members of the HSBC Group. Certain countries may have tax legislation with extra-territorial effect, regardless of the Customer's or Connected Person's place of domicile, residence, citizenship or incorporation. The Bank and/or any member of the HSBC Group do not provide tax advice. The Customer is advised to seek independent legal and/or tax advice. The Bank and/or any member of the HSBC Group has no responsibility in respect of Customer's tax obligations in any jurisdiction that they may arise, including, without limitation, any that may relate specifically to the opening and use of account(s) and/or Banking Services provided by the Bank and/or members of the HSBC Group.

## 7. **COMMUNICATION**

- 7.1 The Customer and the Bank agree to act, in their mutual communication, in accordance with the Agreement, the Terms and Conditions and the legal regulations.
- 7.2 Unless agreed otherwise, the Customer and the Bank may use, in particular, (i) personal meetings, (ii) the Customer Service Desk, (iii) the provider of postal services, (iv) personal delivery, (v) faxes, (vi) e-mails, or (vii) the Electronic Banking Application for their mutual communication.

- 7.3 The Bank may request that the Customer confirm his communication that has not been made in writing by means of a written notification delivered to the Bank within three (3) Business Days. If the Bank does not obtain such confirmation, the Bank is not obliged to, act in accordance with the relevant communication. For the purposes of this provision, the use of electronic means of communication shall not be deemed to be the written form.
- 7.4 If the Bank deems it expedient, it is entitled to replace the signature of the person authorized to act for the Bank with mechanical means, especially in the case of mass mailings or correspondence generated automatically by the Bank (e.g. bank account statements or notices).
- 7.5 If the Bank and the Customer use communication via Customer Service Desk, fax, e-mail or the Electronic Banking Application, the Customer shall be obliged to identify himself for the purposes of the communication in the agreed manner or in a manner that will not raise any doubts regarding the identity of the person who performs the relevant communication.

## **8. COMMUNICATION VIA CUSTOMER SERVICE DESK**

- 8.1 In cases where the Agreement permits communication via the Customer Service Desk, the Customer agrees to use the relevant Identification Code in its relevant communication between to the Bank. If the Identification Code is not stated by the Customer, the Bank is not obliged to act in accordance with the Customer's instruction.
- 8.2 In communication via the Customer Service Desk, the Bank shall identify the Customer by verification of the correct Identification Code and by checking the identification of the Authorized Person communicating with the Bank based on the List of Authorized Persons from the Bank's internal database.
- 8.3 The Bank shall be entitled to change the Identification Code on the basis of the Customer's written request. The Bank shall inform the Customer of the change in the Identification Code and the assignment of a new Identification Code by means of a letter, which shall be delivered to the Customer in person or by recorded delivery mail. As of the date of delivery, the Customer shall be entitled to use the thus-assigned Identification Code for the purposes of communication with the Bank via the Customer Service Desk.
- 8.4 The Customer shall take all reasonable measures to keep its personalised security features of the Customer Service Desk safe. The Customer shall take, in particular, such measures to ensure that the personalised security features shall not be disclosed to any other person, lost or misappropriated, and to prevent any falsification, fraud or misuse of the personalised security features in relation to any transactions performed via the Customer Service Desk. Should any of the personalised security features be disclosed to any other person, lost or misused or should any unauthorised use of a personalised security feature occur, or should there be a suspicion of such disclosure, loss, misappropriation, falsification, fraud, misuse or unauthorised use of a personalised security feature, the Customer shall notify the Bank of this without undue delay on becoming aware of it and stop using that personalised security feature immediately.
- 8.5 The Bank is entitled to block the Customer Service Desk (a) in order to ensure the safety of the Customer Service Desk and, in particular, if there is a suspicion of unauthorised or fraudulent use of the Customer Service Desk; or (b) if the risk that the Customer may be unable to fulfil his liability to repay a loan available via the Customer Service Desk significantly increases.
- 8.6 The Bank shall inform the Customer of the blocking of the Customer Service Desk and the reasons for it via the Customer Service Desk or via other suitable means of communication, where possible, before the Customer Service Desk is blocked and at the latest immediately thereafter unless giving such information would compromise the purpose of the blocking of the Customer Service Desk or if it is prohibited by any legal regulation. As soon as the reasons for the blocking of the Customer Service Desk cease to exist, the Bank shall unblock the Customer Service Desk.
- 8.7 The Bank shall bear no losses relating to any unauthorised transactions based on communication via the Customer Service Desk except for direct losses incurred as a result of a transaction executed after the Customer has informed the Bank of the loss, misappropriation, misuse or unauthorised use of the Customer Service Desk. Liability for any unauthorised or delayed transactions performed via the Customer Service Desk shall be governed by Section 17 and 18 of General Part of the Terms and Conditions, however to the extent to which this Section 8.7 differs from the Section 17 or 18 or is in conflict with them, the Section 8.7 shall prevail.

## **9. COMMUNICATION BY FAX AND BY E-MAIL**

- 9.1 In cases where the Agreement permits communication by fax or e-mail or in cases where the Agreement permits that Customer's payment instructions may be delivered to the Bank by fax, the Customer agrees to use in its relevant communication to the Bank the relevant Test Codes in that the Customer shall

always specify one relevant Test Code according to the order set forth in the List of Test Codes in any fax or e-mail message intended for the Bank.

- 9.2 The Bank shall identify each fax or e-mail message received by comparing and verifying the relevant Test Code specified in the message with the relevant matching Test Code contained in the Bank's internal database and also by checking and verifying the signatures of the Authorized Persons contained in the message based on the signatures of the Authorized Persons contained in the Bank's internal database. In case of communication via e-mail, the message in writing must be duly signed, scanned in colour and sent to the Bank as an attachment of the e-mail in pdf format. The e-mail shall be encrypted.
- 9.3 The Customer shall take all reasonable measures to keep its personalised security features of the communication by means of fax or e-mail safe (e.g. Test Codes and the List of Test Codes). The Customer shall take, in particular, such measures to ensure that the personalised security features shall not be disclosed to any other person, lost or misappropriated, and to prevent any falsification, fraud or misuse of the personalised security features in relation to any transactions performed via fax or e-mail. Should any of the personalised security features be disclosed to any other person, lost or misused or should any unauthorised use of a personalised security feature occur, or should there be a suspicion of such disclosure, loss, misappropriation, falsification, fraud, misuse or unauthorised use of a personalised security feature, the Customer shall notify the Bank of this without undue delay on becoming aware of it and stop using that personalised security feature immediately.
- 9.4 The Bank is entitled to block the communication via fax or e-mail in order to ensure the safety of such communication and, in particular, if there is a suspicion of unauthorised or fraudulent use of the fax or e-mail communication.
- 9.5 The Bank shall try to inform the Customer of the blocking of the fax or e-mail communication and the reasons for it via the Customer Service Desk or via other suitable means of communication, where possible, before the fax or e-mail communication is blocked and at the latest immediately thereafter unless giving such information would compromise the purpose of the blocking of the fax or e-mail communication or if is prohibited by any legal regulation. As soon as the reasons for the blocking of the fax communication cease to exist, the Bank shall unblock the fax or e-mail communication.
- 9.6 The Bank shall bear no losses relating to any unauthorised or delayed transactions based on communication via fax or e-mail, except for direct losses incurred by the Customer as a result of a transaction executed by the Bank after the Customer has informed the Bank in writing of the loss, misappropriation, misuse or unauthorised use of the fax or e-mail communication. Liability for any unauthorised or delayed transactions performed via fax or e-mail communication shall be governed by Section 17 of the General Part of the Terms and Conditions, however to the extent to which this Section 9.6 differs from the Section 17 or is in conflict with them, the Section 9.6 shall prevail. Liability for any unauthorised or delayed payment transactions performed via fax communication shall be governed by Section 18 of the General Part of the Terms and Conditions, however to the extent to which this Section 9.6 differs from the Section 18 or is in conflict with them, the Section 9.6 shall prevail.
- 9.7 Notices may also set requirements concerning the form and content of Customer's orders filed via fax or e-mail, including descriptions of the conditions, elements and technical aspects of any payments executed via fax communication.

## **10. DELIVERY OF CONSIGNMENTS TO THE CUSTOMER**

- 10.1 In cases where the Agreement, the Terms and Conditions or the Notices permit communication by fax or e-mail, such communication shall be regarded as made when while using the correct contact details the Bank's fax machine prints out confirmation of a successful transfer of the fax message or if the e-mail is not reported as undeliverable by the Customer's server immediately after it has been sent. A consignment may be delivered in person, by courier, via a provider of postal services or in any other agreed manner enabling its delivery and the issuing of a proof of delivery. Upon the request of the Customer, the Bank may agree to the delivery of consignments to the Customer via Authorized Persons.
- 10.2 A consignment delivered by the Bank to the Customer by hand or by courier shall be regarded as delivered at the moment of its acceptance or refusal by the Customer.
- 10.3 In cases where the Agreement or the Terms and Conditions permit communication via a provider of postal services, the Bank shall send all consignments to the Customer's address set forth in the Agreement or otherwise notified to the Bank in writing. A consignment delivered by the Bank to the customer via a postal services provider shall be deemed delivered once the Customer receives the consignment, or in other cases (i) once the Customer refuses to take delivery of the consignment, or (ii) as of the third (3) day after it has been sent (if sent nationally), or as of the fifteenth (15) day after it has been sent (if sent abroad), even if the Customer did not learn of the fact that the consignment has been sent or did not stay at the



place of delivery. If the Customer fails to accept consignments at that address, the Bank is obliged to use any other address of the Customer available to the Bank or ask the Customer to provide a substitute address.

## **11. DELIVERY OF CONSIGNMENTS TO THE BANK**

- 11.1 A consignment may be delivered in person, by courier, via a provider of postal services or in any other agreed manner enabling its delivery and the issuing of a proof of delivery.
- 11.2 In cases where the Agreement permits communication by fax or e-mail, such communication shall be regarded as made (but not as delivered to the Bank) when while using the correct contact details the Customer's fax machine prints out confirmation of a successful transfer of the fax message or when the e-mail is not reported as undeliverable by the Bank's server immediately after it has been sent. Such communication shall be regarded as delivered when the Bank confirms the delivery or acts in accordance with such communication.
- 11.3 In cases where the Agreement or the Terms and Conditions permit communication via a provider of postal services, the Customer shall send all consignments to the Bank's address set forth in the Agreement or otherwise notified to the Customer in writing.

## **12. ACTS BY THE CUSTOMER AND THE BANK**

- 12.1 The Customer shall make legal acts in relation to the Bank through the Authorized Persons or via the Agent, unless it is stipulated in these Terms and Conditions or the legal regulations that other persons may also act for the Customer to a given extent and in an agreed form. The Article 2.1 of Part B of the Conditions pursuant which only the Authorized Persons may dispose of the Account shall not be affected.
- 12.2 The Bank may request that the Customer perform legal acts vis-à-vis the Bank through persons authorized to act for the Customer.
- 12.3 For the purpose of provision of a Banking Service, the Bank may verify the authorization of a person acting for the Customer. The Bank may refuse or postpone the execution of any order or request until the Bank considers it undisputable that the given person is authorized to act for the Customer in the given matter.
- 12.4 Unless a legal regulation stipulates a special form of a power of attorney or authorization (e.g. the form of a notarial record), the power of attorney or authorization granted by the Customer to his Authorized Person or Agent must have the form set by the Bank, and it must be duly executed by the Customer and accepted by the Authorized Person or Agent. The Customer must execute the power of attorney or authorization in the presence of an employee of the Bank or his signature must be authenticated by a notary or in any other matter which is found sufficient by the Bank.
- 12.5 The Bank shall act via its authorized employees or third parties authorized to perform the given legal act or whose authorization to act for the Bank arises from the legal regulations.

## **13. CUSTOMER'S ORDERS**

- 13.1 For the purposes of provision of Banking Services, the Bank shall execute all the Customer's orders provided that the orders addressed or delivered to the Bank are comprehensible, accurate, correct and complete and meet all the other conditions stipulated in the relevant legal regulations, other rules applicable to the Bank, the relevant Agreement and the Terms and Conditions. Otherwise, the Bank may refuse to execute the relevant order of the Customer. Unless stipulated otherwise in the legal regulations or other binding rules applicable to the Bank, the Bank shall not be obliged to verify the accuracy, correctness or completeness of any information provided by the Customer.
- 13.2 The Bank shall not be obliged to execute an order if it is justifiably convinced that the order breaches the legal regulations, including the AML Act, Compliance Obligations, the policies and decisions of the Authorities or other rules applicable to the Bank or to any member of HSBC Group. In addition to events set out in these Conditions or legal regulations, the Bank may also postpone execution of an order if it has justified doubts that the Customer will be able to fulfil its obligations vis-à-vis the Bank or if the Bank has overdue receivables from the Customer.
- 13.3 The Bank shall execute a written order of the Customer if the Authorized Person's signature matches the Signature Specimen and a power of attorney and if other terms and conditions concerning the disposal of the funds in the Account set forth in the Agreements and in the Terms and Conditions are fulfilled.
- 13.4 Unless agreed otherwise, the Customer shall not be entitled to change or recall his order which has been delivered to the Bank. However, if the Bank agrees with a change or annulment of an order received by

the Bank, it may charge the Customer all the costs and expenses incurred by the Bank in connection with the change or annulment.

13.5 Article 13.4 of the General Part of the Terms and Conditions shall not apply if it is in conflict with the agreement of the Customer, as the payer, and the Bank in relation to any service other than a payment service, meaning that no approval or payment order may even be recalled as from any moment earlier than the delivery or, more precisely, that the consent of a third party is necessary for the recall of any approval or payment order.

13.6 The Customer will present its orders on forms stipulated or approved by the Bank. A form shall also be considered approved by the Bank if the Bank executes the order filed by the Customer on such a form.

#### 14. **PAYMENT SERVICES**

14.1 The Bank shall provide payment services within the meaning of the Payment Act to the extent stipulated in the Agreement, the Terms and Conditions, the Notices and the List of Charges or any other possible documents which relate to the provision of payment services and which the Bank provides and makes available to its Customers (all such agreements, terms and conditions and documents further referred to as the "**Framework Agreement**").

14.2 Unless provided otherwise in the Framework Agreement, the Bank is entitled to charge the Customer for the execution of a payment service and compensation for costs relating to the execution of the payment transaction in the amount set out in the List of Charges or in accordance with Article 22.7 of the General Part of the Terms and Conditions. The Customer as the payee and the Bank hereby agree that the Bank is entitled to deduct its remuneration from the amount transferred before it is credited to the Account or paid out.

14.3 Provided that the Customer has no debts towards the Bank, the Customer is entitled to terminate the Framework Agreement at any time in writing, even without specifying the reason for doing so. The notice period shall be thirty (30) days and shall begin upon the delivery of the written termination notice to the Bank; this shall not affect Article 4.1 of Part A of the Terms and Conditions. Termination of the Agreement upon the expiry of the notice period shall not affect the existence of any debts of the Customer towards the Bank (consisting particularly in outstanding fees or unsettled balance) created in the course of the duration of the Framework Agreement.

14.4 The Bank is entitled to terminate the Framework Agreement at any time in writing, even without specifying the reason for doing so. The notice period shall be thirty (30) days and shall begin upon the delivery of the written termination notice to the Customer; this shall not affect Article 4.1 of Part A of the Terms and Conditions.

#### 15. **PAYMENTS**

15.1 The Account is designated for non-cash payments in accordance with the Framework Agreement.

15.2 Unless the Framework Agreement stipulates otherwise, payments may be made in a non-cash way via a payment order, collection order, standing payment order and standing collection order.

15.3 The point in time of a payment order receipt is the time when the payment order transmitted from the Customer or through a payee is received by the Bank. If the maturity date specified in a payment order is identical to the date of receipt of the payment order and if the payment order is delivered within the cut-off time for the receipt of that payment orders set out in the relevant Notice, the payment order shall be deemed to have been received on the same date. If the point in time of the payment order receipt is not within the cut-off time for the receipt of that payment orders set out in the relevant Notice, the payment order shall be deemed to have been received on the following Business Day.

15.4 Unless the legal regulations stipulate otherwise, a payment transaction is authorised if the Customer as the payer has given consent to execute the payment transaction. Unless the Framework Agreement stipulates otherwise or unless the Bank and the Customer agree otherwise, the Customer shall give consent to a payment transaction in accordance with Articles 12 and 13 of the General Part of the Terms and Conditions. The form and the process in which consent to execute the payment transaction is given is set out in the Notice.

15.5 The Bank is entitled to refuse to execute a payment order of the Customer at its own discretion and without prior notice if not all the conditions, set out by the legal regulations and the Framework Agreement as necessary for the Bank to execute the relevant payment transaction, are fulfilled. The Bank is entitled to refuse to execute a payment order of the Customer, particularly:

- (a) if a legal regulation or a court or administrative body decision as well as an internal policy binding on any member of the HSBC Group and implementing the legal regulation or the court, administrative body or Authorities decision or policy provide so;
  - (b) if the Customer has any overdue debt towards the Bank;
  - (c) for the reasons for which the Bank is entitled to block the payment instrument;
  - (d) if the payment order is not delivered to the Bank in the form, within the time limit or in a manner designated by the Bank;
  - (e) if the payment order to the Bank does not contain information required by the Bank;
  - (f) if there are not sufficient funds on the account of the Customer;
  - (g) if the cross-border payment order for cross-border payment is to be executed in any currency other than those stipulated by the Bank for such payments;
  - (h) if the payment order is not given by a person authorised to give such a payment order;
  - (i) if any other conditions for the execution of a payment order are not fulfilled or, on the contrary, if any conditions for the refusal of execution of a payment order provided for by the Agreement or any other agreement between the Bank and the Customer are fulfilled;
  - (j) if the conditions for execution of a payment order provided for by the Agreement, the Terms and Conditions or the Notices are not fulfilled; or
  - (k) if the risk that the Customer may be unable to fulfil his liability to repay any debt towards the Bank arising from any obligation with the Bank.
- 15.6 If the Bank refuses to execute a payment order, the payment order shall be deemed not to have been received. In such a case, the Bank shall inform the Customer via the Customer Service Desk or via other means of communication as agreed between the Bank and the Customer in the Terms and Conditions or in other document concluded between the Bank and the customer. If a payment order relating to the Account is refused, the Bank shall inform the Customer as set out in the preceding sentence by the deadline for such a payment order set out in the relevant Notice. If possible, the Bank shall notify the Customer of the reasons for the refusal and the procedure for correcting any factual mistakes that led to the refusal unless such notification is prohibited by any legal regulation.
- 15.7 The Bank is entitled to charge the Customer for the notification of the refusal to execute a payment order as set out in Article 15.6 of the General Part of the Terms and Conditions.
- 15.8 In case of bulk orders that are to be executed on the same date, the Bank may decide on the order of the payments based on its own discretion.
- 15.9 The Bank shall not be obliged to correct an incorrect settlement performed on the basis of an erroneous order of the Customer. Any receivables resulting from such orders of the Customer shall be considered to be the Customer's receivables from the recipient of the incorrect payment.
- 15.10 The Customer shall be entitled to make cash payments using cash deposits or withdrawals only upon the prior written agreement with the Bank.
- 15.11 Unless agreed otherwise, if an amount is to be paid in a foreign currency in which the Bank does not perform transactions, the Bank shall be entitled to effect the payment in an alternative foreign currency or in Czech crowns. The exchange rate between foreign currencies shall be calculated based on the applicable exchange rate set by the Bank.
- 15.12 The Bank shall not be obliged to execute an order of the Customer for a payment abroad or from abroad in any currency other than the currencies set by the Bank for foreign payments.
- 15.13 Notices may set requirements concerning the form and content of payment orders, including descriptions of the conditions, elements and technical aspects of any payments.

## 16. **INSURANCE OF DEPOSITS AND CLIENT MONEY RULES**

- 16.1 HSBC Bank plc – Prague Branch is a branch operating in the Czech Republic based on single European banking license and thus the UK FSCS and regulatory rules of the Domestic Bank Regulator shall apply.
- 16.2 HSBC Bank plc is covered by the Financial Services Compensation Scheme. The UK FSCS can pay compensation to depositors if a bank is unable to meet its financial obligations. Most depositors are covered by the scheme. In respect of deposits, an eligible depositor is entitled to claim up to the current UK FSCS limit for deposits. The UK FSCS deposit limit relates to the combined amount in all the eligible depositor's accounts with HSBC Bank plc, including their share of any joint account (if any), and not to each separate account. The Customer who holds deposits under more accounts with HSBC Bank plc will only be eligible for one claim of up to the UK FSCS deposit limit in total.

Further information about the compensation provided by the UK FSCS (including the current limits, amounts covered and eligibility to claim), are available on the Home Page or on the UK FSCS website at [www.fscs.org.uk](http://www.fscs.org.uk).

- 16.3 The rules of the Domestic Bank Regulator inter alia require informing the Customers about the Client Money Rules and making additional disclosures to the Customers. HSBC Bank plc is a CRD Credit Institution. Where funds are received by the Bank within certain Banking Services, they could be held in an account at the Bank in its capacity as a CRD Credit Institution and this means that the Customer's money would be held by the Bank as banker and not as trustee. As a result, should HSBC Bank plc fail, the Client Money Distribution Rules would not apply to these sums and so the Customer would not be entitled to share in any distribution under the Client Money Distribution Rules.

For purposes of this section, "Client Money Rules", "CRD Credit Institution", "Client Money Distribution Rules" and shall have the meanings as set out in the rules, regulations and procedures of the Domestic Bank Regulator in force from time to time.

## 17. **GENERAL LIABILITY OF THE BANK**

- 17.1 The Bank shall be responsible to the Customer for the due and timely fulfilment of all its obligations arising under the Agreement and the Terms and Conditions. The Bank's obligations shall be considered to be fulfilled in time if they are fulfilled by the deadlines stipulated in the Agreement, the Notices and the legal regulations or, if these deadlines are not stipulated, by the deadlines appropriate to the nature of the given obligation, business practice or usual procedures of banks.
- 17.2 The Bank shall not be responsible to the Customer for (a) any damage that has been caused by a breach of an obligation of the Bank due to the occurrence of extraordinary, unforeseeable and insurmountable obstacles that arose independently of the will of the Bank and that are specified in Article 17.3 below; (b) any damage caused by a decrease in the value of the funds in the Accounts that occurs as a consequence of the fulfilment of the tax liabilities of the Bank or the Customer, the restriction of the convertibility or transferability of the funds, or due to other causes that occur independently of the Bank's will, which the Bank could not reasonably anticipate or avoid; (c) any damage caused by a breach of the Customer's obligations or by illegal conduct thereof; (d) any damage resulting from the Bank executing an order or requirement of the Customer incurred by the Customer as a consequence of its own decisions or instructions; (e) any damage resulting from the breach of an obligation of the Bank, if the Customer through their actions or omissions prevented the Bank from discharging itself of its obligation duly and in time; (f) any damage caused by the breach of an obligation of the Bank as a consequence of illegal conduct by a third party, the Authorized Persons or the Agents, and (g) any damage caused as a consequence of the Bank acting in accordance with the Agreement, the Terms and Conditions, the Notices and the List of Charges or in the course of performance thereunder or in connection therewith, and the Customer fully waives any and all of its rights to claim damages that might arise towards the Bank as a consequence of the circumstances mentioned in this Article 17.2.
- 17.3 The obstacles within the meaning of Article 17.2 include, but are not limited to, force majeure, natural disasters, terrorist attacks, wars, civil unrest, strikes, lockouts, measures adopted by institutions whose services are used by the Bank in the payment system, interventions of Czech and foreign governmental agencies, authorities or courts, rejection or delayed granting of the necessary licences by Czech and foreign governmental agencies, authorities or courts, international sanctions binding on the Bank or any other legal entity that is a member of the HSBC Group, fulfilment of a statutory obligation by the Bank or any other legal entity that is a member of the HSBC Group, and other obstacles that may arise independently of the Bank's will which the Bank could not reasonably anticipate or avoid at the time when it incurred the obligation.
- 17.4 Without prejudice to Article 17.7 below, the Bank is not obligated to

- (a) provide notification of a violation of a legal obligation (or the threatening violation of a legal obligation) of the Bank without undue delay to a Customer or a third party who may incur a loss as a result, and warn them about possible consequences; nor is it obligated to
  - (b) use its own funds to provide compensation for damage that the Bank could have averted, had it taken measures to avert the imminent damage.
- 17.5 In the event of a violation of a contractual obligation, the Bank is only liable towards the Customer (rather than any third party in whose interest the performance of the agreed duty was to serve).
- 17.6 The Bank does not provide a Customer or any other persons within the business relationship with the Customer with any legal, tax, accounting or investment advisory services, or advisory services in relation to their business, investment or business strategy or other issues. Unless agreed otherwise with a Customer in writing, the Bank is not obligated to inform the Customer or provide it with advisory services in respect of any changes in exchange rates or interest rates. Any information handed over to a Customer shall not be deemed advice within the meaning of Section 2950 of the Civil Code. The Bank does not guarantee the completeness and accuracy of information handed over to the Customer. The provisions of this subsection shall not apply to the extent that the Bank is obligated to provide information or advice by virtue of an agreement concluded with a Customer or under other legal title.
- 17.7 The Customer fully waives any and all of its rights to claim damages that might arise towards the Bank as a consequence of the execution of an unauthorised transaction or the execution of a defective transaction unless caused wilfully or in gross negligence by the Bank.
- 17.8 If any of the events or other facts described in this Article 17 of the General Part of the Terms and Conditions occur, the Bank shall take all measures that can be reasonably expected which, in its opinion, lead to the mitigation of the adverse impacts of such events or other facts on the Customer.
- 17.9 Immediately after the Customer learns of a breach of the Bank's obligations under the Agreement or the Terms and Conditions, the Customer must inform the Bank of the breach. The Customer shall use reasonable efforts to mitigate any damage that may be incurred as a consequence of the breach of the Bank's obligations under the Agreement, the Terms and Conditions, the Notices or the List of Charges.
- 18. **SPECIAL LIABILITY OF THE BANK REGARDING PAYMENTS**
- 18.1 If an unauthorised payment transaction is made from the Account, the Bank shall, immediately after the Customer informs it of any such unauthorised payment transaction via the Customer Service Desk or electronic mail: (a) restore the Account from which the amount of the payment transaction was debited to the state in which it would have been had the debiting not taken place (excluding any interest agreed in the Agreement and including interest calculated pursuant to Article 21.2 of the General Part of the Terms and Conditions), or (b) refund the amount of the unauthorised payment transaction to the Customer if the procedure described under (a) of this Article 18.1 cannot be performed. For the purposes of this Article 18.1, "immediately" shall mean a period of time objectively necessary for the Bank to be able to assess whether or not an unauthorised payment transaction was actually made from the Account and who was responsible for it. This Article 18.1 shall not apply to the extent in which the Customer bears the loss relating to the unauthorised payment transaction in accordance with a legal regulation or an arrangement between the Customer and the Bank.
- 18.2 The Customer shall bear in full any loss incurred as a result of an unauthorised payment, except for loss created as a result of a payment transaction executed after the Customer has informed the Bank in writing of the loss, misappropriation, misuse or unauthorised use of the payment instrument.
- 18.3 The Customer shall inform the Bank in writing of any unauthorised or delayed payment transaction without undue delay on becoming aware of such transaction and, in any case, no later than thirty (30) days after the date on which the funds are debited from the Account. The liability of the Bank for an executed unauthorised or delayed payment transaction shall terminate once the relevant time limit elapses.
- 18.4 A payment transaction is correctly executed with regard to the payee if it is executed in accordance with the unique identifier of the payee.
- 18.5 If the payee's unique identifier provided by the Customer is incorrect, the Bank, as the Customer's payment service provider (if the Customer is in the position of payer), shall make all efforts that may be reasonably expected of the Bank that the funds involved in the executed payment transaction are recovered for the Customer. The Bank is entitled to charge the Customer for such recovery according to the List of Charges.

- 18.6 Where the Bank is liable for a defective payment transaction and the Customer informs the Bank via the Customer Service Desk or by electronic mail that such Customer does not insist on the execution of such payment transaction, the Bank shall, as appropriate and without undue delay, (a) restore the Account from which the amount of the payment transaction was debited to the state in which it would have been had the debiting not taken place (excluding any interest agreed in the Agreement and including interest calculated pursuant to Article 21.2 of the General Part of the Terms and Conditions), or (b) refund to the Customer the amount of the defective payment transaction, together with any charges paid by the Customer in relation to such defective payment transaction and any applicable interest, if the procedure described under (a) cannot be performed. The procedures described in this Article 18.6 shall apply only in relation to the amount of the defective payment transaction that was not credited to the account of the payee's payment services provider before the Customer informed the Bank that such Customer does not insist on the execution of the respective payment transaction.
- 18.7 Where the Bank is liable to the Customer for a defective payment transaction and the Customer does not inform the Bank that such Customer does not insist on the execution of such payment transaction, the Bank shall, as appropriate and without undue delay, ensure that the amount of the defective payment transaction be credited to the account of the payee's payment service provider, and (a) restore the Account from which the amount of the payment transaction was debited to the state in which it would have been had the defective payment transaction not taken place (excluding any interest agreed in the Agreement and including interest calculated pursuant to Article 21.2 of the General Part of the Terms and Conditions), or (b) refund to the Customer any charges paid by the Customer in relation to such defective payment transaction and any applicable interest, if the procedure described under (a) cannot be performed.
- 18.8 The Bank shall not be liable for the fulfilment of any obligation related to payments if the Bank was prevented from the fulfilment of the relevant obligation due to abnormal and unforeseeable circumstances beyond the control of the Bank, the consequences of which would have been unavoidable. The Customer fully waives any and all of its rights to claim damages that might arise towards the Bank as a consequence of the execution of an unauthorised payment transaction or the execution of a defective payment transaction from the Account, unless caused wilfully or in gross negligence by the Bank. For the avoidance of doubt, the provisions of this Article 18.8 shall not affect Article 18.6 or Article 18.7 of the General Part of the Terms and Conditions.
- 18.9 For the avoidance of doubt, it is held that Article 17.2 the General Part of the Terms and Conditions remains unaffected by the provisions of this Article 18.

## 19. **SET-OFF**

- 19.1 Unless expressly agreed, the Customer shall not be entitled to unilaterally set off mutual receivables vis-à-vis the Bank.
- 19.2 The Bank shall be entitled, at any time and without prior notification, to unilaterally set off its due and not yet due receivables from the Customer against any due and not yet due receivables of the Customer from the Bank, including the Customer's receivables resulting from deposits on the Account and funds on the Account. The Customer expressly agrees that the provisions of Section 1985 of the Civil Code shall not apply to the extent that such provision would limit the Bank's right to set off the funds placed in any Account against the Bank's receivables that did not arise from the respective Account agreement.
- 19.3 Any deposits made by the Customer with the Bank and any other outstanding amounts payable by the Bank in favour of the Customer or his Account may be used by the Bank for set-off at any time.
- 19.4 Receivables in a foreign currency shall be set off on the basis of the exchange rate for the relevant foreign currency set by the Bank as of the date of set-off.

## 20. **TREATMENT OF RECEIVABLES**

- 20.1 The Customer shall not be entitled to assign, transfer, pledge or otherwise encumber or dispose of any agreement, any part thereof or individual rights arising therefrom, or any of the Accounts, and the Customer is further not entitled to agree with a third party on any assumption of debt under any Agreement for the duration of the obligation under the Agreement, without the express prior written consent of the Bank.
- 20.2 The Customer agrees that the Bank shall be entitled, at any time and at its sole discretion, to assign, or transfer the Agreement, any part thereof or individual rights arising therefrom, or is entitled to agree with any third party on any assumption of debt under the Agreement. The assignment becomes effective toward the Customer upon notification to the Customer. The Customer is obliged to confirm the receipt of such notification vis-à-vis Bank in writing.

20.3 As of the moment in which the assignment or transfer becomes effective according to Article 20.2, the Bank has fully relieved itself of the obligations that were assumed by the third party, or that arise from the assigned agreement, and the Bank does not guarantee the fulfilment of those obligations, nor is it liable for their potential infringement. Section 1899 of the Civil Code shall not apply in the case of assignment or transfer under Article 20.2. The Customer is aware and agrees that such prior objections vis-à-vis the Bank as may have been available to him before the assignment of the Agreement or its part pursuant to Article 20.2 do not survive the assignment.

## 21. INTEREST RATES AND TAXES

21.1 The Bank shall only pay interest on the balance of the Account if agreed in the Agreement. If payment of interest is agreed in the Agreement, and save for as set out in Article 21.2 of the General Part of the Terms and Conditions, the Bank shall pay the interest in the amount specified in the Agreement or the List of Charges. The Bank shall not pay interest on the interest.

21.2 In the case of (a) the execution of an unauthorized payment transaction from the Account and only in the extent of any losses for which the Customer is liable in relation to such unauthorized payment transaction, or (b) the execution of a defective payment transaction, the Customer's funds in the amount of such unauthorized payment transaction or defective payment transaction, regardless of what is agreed in the Agreement, shall bear no interest during the period commencing on the day (inclusive) on which such funds in the amount of the unauthorized payment transaction or defective payment transaction were debited from the Account until the day (inclusive) on which the respective funds are credited to the Account. If the Customer notifies the Bank via the Customer Service Desk or by electronic mail before the day on which the funds in the amount of the unauthorized payment transaction or defective payment transaction are credited to the Account pursuant to the previous sentence that the execution of the unauthorized or defective payment transaction took place, in the period commencing on the day (inclusive) immediately following the day on which such notification took place until the day (inclusive) on which the funds in the amount of the unauthorized payment transaction or defective payment transaction were credited to the Account, such funds shall bear interest at the Reference Rate. The provisions of this Article 21.2 shall only be applied in relation to the calculation of the interest rate applicable to the amounts of unauthorized payment transactions and defective payment transactions pursuant to Article 18.1, Article 18.6 and Article 18.7 of the General Part of the Terms and Conditions.

21.3 The Bank may unilaterally change the rates specified in the Agreement. Changes in the Rates stated by the Agreement shall become effective as of the date of the relevant decision of the Bank on a change in the interest rates. The Bank shall inform the Customer about the changes in the interest rates in written form.

21.4 The Bank may unilaterally change the rates specified in the List of Charges. Changes in the List of Charges shall become effective as of the date of the relevant decision of the Bank on a change in the interest rates. The Bank shall publish changes in the interest rates and shall make available the relevant information at the Bank's branch or on the Home Page.

21.5 Interest on any amounts accepted to the credit of an Account shall accrue as of the date the relevant amount is credited to the Account (including that day). Interest on any amounts debited from the Account shall cease to accrue as of the date immediately preceding the date the relevant amount is debited from the Account. The Bank shall calculate and credit the Account with interest on the basis of the actual number of days and a 360-day year, except for Accounts kept in GBP, in respect of which the Bank calculates and credits interest based on the actual number of days and a 365-day year.

21.6 Unless stipulated otherwise in the Agreement, the Bank shall add the interest accrued on the balance of the Account and interest accrued pursuant to Article 18.1, Article 18.6 and Article 18.7 of the General Part of the Terms and Conditions to the balance of the Account monthly.

21.7 If the obligation under the Agreement is terminated, the Bank shall credit the Account with the interest on the balance of the Account at the latest as of the date of termination of the Agreement. The interest shall be paid on the date of termination of the Agreement.

21.8 Interest shall be subject to tax in accordance with the legal regulations applicable as of the date the Account is credited with the interest.

21.9 If there is a debit balance on the Account although an overdraft of the Account has not been permitted, or if the debit balance exceeds the applicable overdraft limit of the Account, the Customer shall pay to the Bank penalty interest and interest on the interest on the debit balance, as specified in the List of Charges.

## 22. FEES

- 22.1 The Bank shall charge the Customer Fees for the Banking Services provided by the Bank and acts related to the Banking Services according to the Agreement or the List of Charges in effect at the time the Banking Service is provided or the related act is performed. The List of Charges is available at the Bank's branch and on the Home Page. The Customer can also obtain information about the Fees via the Customer Service or directly from Bank employees or by other means of communication specified in the Terms and Conditions.
- 22.2 Unless agreed otherwise, the Customer must pay the Fees in time or maintain sufficient funds in the Account to cover the Fees as of the maturity date thereof. Unless agreed otherwise, the Fees shall be payable as of the date specified in the List of Charges and, if no date is specified in the List of Charges, no later than the tenth (10) Business Day of the month following the provision of the Banking Service.
- 22.3 The Bank may refuse to provide a Banking Service or perform an act related to a Banking Service, if any outstanding Fee is not duly settled by the Customer.
- 22.4 Unless agreed otherwise, the Fees shall be debited from the Account with respect to which the Banking Services are provided, or from any other account of the Customer kept by the Bank. Unless agreed otherwise, the Fees shall be charged in the currency of the Banking Services, in the currency of the Account or in the currency stated in the List of Charges.
- 22.5 The Bank may unilaterally change the Fees specified in the Agreement. Changes in the Fees stated by the Agreement shall become effective as of the date of the relevant decision of the Bank on a change. The Bank shall inform the Customer about the change of Fees without undue delay when the changes become effective.
- 22.6 The Bank may amend or supplement the List of Charges. In such event, the Bank shall proceed in accordance with Article 33 of the General Part of the Terms and Conditions.
- 22.7 The Customer shall be obliged to bear any costs and expenses justifiably incurred by the Bank in the provision of the relevant Banking Service or an act related thereto or in the fulfilment of its duties arising from the applicable legal regulations. The amount of such costs and expenses shall be specified in the List of Charges, where it is possible to estimate it in advance. The Bank shall, in all cases, attempt to minimize the costs and expenses incurred.

## 23. DEALING WITH COMPLAINTS

- 23.1 If the Customer believes that the Bank has failed to provide the Customer with a Banking Service in accordance with the Agreement, the Terms and Conditions, the Notices or the List of Charges or that the Bank has provided the Customer with a Banking Service incorrectly, the Customer may request in writing that the Bank provide an explanation or remedy. A description of the procedure for dealing with claims (Claim Resolution Rules) is available at the Bank's branch and on the Home Page.

## 24. CONFLICTS OF INTEREST

- 24.1 The Bank shall, in all cases, provide the Banking Services in accordance with all the applicable legal regulations and the internal regulations of the HSBC Group preventing conflict of interest, particularly of the interests of the Bank and the Customer. The HSBC Group conflict of interest policy is available at the Bank's branch and/or on the Home Page.

## 25. SEVERABILITY

- 25.1 If any provision of the Terms and Conditions, the Agreement or the List of Charges or other mutual agreements between the Bank and the Customer or other applicable documents becomes null and void, ineffective or unenforceable in any jurisdiction, this shall in no way prejudice the validity, effectiveness or enforceability of (i) such provision in other jurisdictions, or (ii) the remaining provisions of such documents, where such legal act is likely to have occurred even without such invalid part, had the Bank identified the invalidity on time.
- 25.2 In this case, the Bank and the Customer agree to replace the invalid, ineffective or unenforceable Section with a valid, effective and enforceable Section achieving the same result (to the maximum extent permitted by Czech law) as the replaced Section.



**26. LIMITATION OF RIGHTS**

26.1 The Customer declares that the limitation period for any and all rights of the Bank pursuant to Section 630(1) of the Civil Code is extended to fifteen (15) years as from the original date of commencement of the limitation period.

**27. EXCLUSION OF PROVISIONS OF CONTRACTS OF ADHESION**

27.1 Pursuant to Section 1801 of the Civil Code, the Customer and the Bank diverge from the provisions of Sections 1799 and 1800 of the Civil Code on contracts of adhesion, whereby the potential invalidity of these Conditions, the respective product conditions or any contracts or agreements concluded between the Bank and the Customer due to a conflict with provisions of contracts of adhesion is excluded, including, without limitation, the invalidity of:

- (a) clauses referring to terms and conditions outside the wording of the respective agreement or contract, where the Customer was not advised of their meaning, and where the Customer is not demonstrated to possess knowledge of their meaning;
- (b) clauses that can only be read with particular difficulty, or clauses incomprehensible to persons of average intellect, even if they are detrimental to the Customer and the Customer was not adequately advised of their meaning; and
- (c) clauses that are particularly onerous for the Customer without reasonable grounds, especially where the respective agreement or contract diverges significantly and for no special reason from terms and conditions customarily agreed in analogous cases.

**28. EXCLUSION OF THIRD-PARTY RIGHTS AND THIRD-PARTY PERFORMANCE**

28.1 No third party obtains any direct rights under agreements or contracts concluded between the Bank and the Customer, even if the performance thereunder is to serve mainly for the benefit of the third party. Pursuant to this provision, a third party is deemed to mean any party that is not a contracting party of the respective agreement or contract.

28.2 Pursuant to Section 1936(1) of the Civil Code, the Bank is not obligated to accept any performance offered by a third party with or without the consent of the Customer.

**29. AMENDMENTS OF AGREEMENTS AND CONTRACTS**

29.1 Any and all banking and related agreements and contracts concluded between a Customer and the Bank may only be amended by written agreement, unless the Bank makes a written reservation that amendments may also be performed orally.

29.2 The provisions of Section 1740(3), sentence one, of the Civil Code, shall not apply to any obligations of the Customer and the Bank to which these Conditions apply. If the Customer makes any amendments to or deviations from (except for filling in all the required information) any proposal of the Bank for the conclusion of an agreement (including the present Conditions), which substantially or insubstantially change the conditions of the Bank's proposal for the conclusion of an agreement, such agreement is not entered into until the Bank gives its express consent to the amended proposal (such agreement is not entered into based on the Bank's non-rejection of such consent without undue delay).

**30. BANK IN POSITION OF MANDATARY OR COMMISSION AGENT**

30.1 Where the Bank acts as a mandatary or commission agent of the Customer, the following rules, which deviate from the Civil Code, shall apply:

- (a) The Bank may commission another person to execute an order or arrange a matter, whereas in such case, the Bank shall only be liable for the careful selection of such person;
- (b) The provisions of Sections 2432 and 2460 of the Civil Code shall not apply and the specific conditions shall be set out in the respective agreement or contract with the Customer;
- (c) The Bank shall not guarantee the performance of an obligation by the person whom the Bank retained for the performance thereof, regardless of whether the Customer's instructions concerning the person with whom an agreement should have been concluded were fulfilled;
- (d) Where the Bank suffers damage in the execution of an order (actual damage, lost profit), the Customer shall compensate the Bank in full;

- (e) The Bank may at any time terminate an order with immediate effect, whereupon it is not required to compensate the Customer for any damage resulting therefrom;
- (f) If the Bank commissions the Customer's matter under conditions more favourable than determined by the Customer, the benefit shall go to the Bank; and
- (g) The Bank is not obligated to enforce an obligation for the account of the Customer, if a third party fails to meet an obligation under an agreement concluded between such third party and the Bank.

### 31. **GOVERNING LAW AND RESOLUTION OF DISPUTES**

- 31.1 These Conditions, the Agreement and all non-contractual obligations arising from or in connection with the Agreement shall be governed by the Czech law, especially by the applicable provisions of the Civil Code, except those stipulations that are mitigated by the Agreement.
- 31.2 The Customer and the Bank shall make their best efforts to resolve any disputes amicably and shall take into account the justified interests of the Customer and the Bank.

### 32. **LANGUAGE OF DOCUMENTS**

- 32.1 If the Terms and Conditions or the Agreement are drawn-up in more language versions, the Czech version thereof shall prevail.

### 33. **AMENDMENTS TO TERMS AND CONDITIONS, LIST OF CHARGES AND OTHER DOCUMENTS**

- 33.1 The Bank shall be entitled to amend or supplement the Conditions at any time. The Bank shall be further entitled to amend or supplement the List of Charges, Rules for Complaints or Notices (the "**Other Documents**").
- 33.2 The Bank shall notify the Customer of all amendments or supplements of the Terms and Conditions or Other Documents, through an appropriate note on an Account statement or an information letter or by some other appropriate means of notification, including notification on the Home Page, at least two (2) months prior to the effective date of the proposed amendment.
- 33.3 Information about any amendments to the Terms and Conditions or Other Documents shall indicate the effective date of the amendments and include a notice requiring the Customer to read the updated Terms and Conditions or Other Documents on the Home Page or at a branch of the Bank. The Bank shall publish the amended or supplemented Terms and Conditions or Other Documents on the Home Page and at the Bank's branch at least two (2) months prior to the effective date of the amendment.
- 33.4 If the Customer continues to receive and use the Banking Services provided by the Bank, it shall be deemed that the Customer has accepted the proposed amendments to the Terms and Conditions or Other Documents with effect as of the effective date proposed by the Bank, unless the Customer expressly states his disagreement with the proposed amendments to the Terms and Conditions or Other Documents in writing at the latest on the last Business Day prior to the proposed effective date.
- 33.5 The Customer may reject an amendment in writing, and may terminate the Agreement within the time limit given in Article 33.4 of the General Part of the Terms and Conditions. The Bank may join the proposed change or supplementation of the Terms and Conditions or Other Documents with its termination notice for the case that the Customer rejects the change or amendment, but does not terminate the contractual relationship.
- 33.6 The Customer and the Bank acknowledge and agree that
  - (a) these Terms and Conditions or Other Documents may, by definition, reasonably require an amendment at a later date;
  - (b) the Bank may amend the provisions of these Terms and Conditions or Other Documents in accordance with customary business practice of banks and foreign bank branches operating on the Czech market, or with a view to legislative changes affecting the business of the Bank and other members of HSBC Group;
  - (c) any amendments of the Terms and Conditions or Other Documents pursuant to this Article shall be deemed reasonable for the purposes of Section 1752 (1) of the Civil Code;
  - (d) the provision of Section 1752 (2) of the Civil Code shall not apply to the extent that it limits the Bank's ability to amend these Terms and Conditions pursuant to this Article, and amendments

effected by the Bank pursuant to this Article shall not be deemed to constitute changes triggered by a change of circumstances that must have been foreseen by the Bank upon the conclusion of the applicable agreement or contract, nor changes triggered by a change of the Bank's personal or financial standing; and

- (e) for the purposes of Section 1752 (1) of the Civil Code, any obligation to settle debts arising under agreements or contracts between the Bank and the Customer and payable upon termination of such agreements or contracts shall not be deemed to constitute special obligations onerous for the terminating party if such contracts or agreements are terminated by the Customer.

#### **34. EXCLUDED PROVISIONS OF PAYMENT ACT**

- 34.1 Unless the Framework Agreement requires otherwise, the Bank and the Customer hereby exclude the application of the provisions of Section 77(1), Sections 79 through 97, Section 103, Section 106, Sections 116 through 118, and Section 120(1), and the time limit set out in Section 121 of the Payment Act.

#### **35. EFFECTIVENESS OF TERMS AND CONDITIONS**

- 35.1 The present Terms and Conditions shall enter into force and effect as of September 1, 2015. The present Terms and Conditions fully replace the Business Terms and Conditions for Current Accounts of Legal Entities dated January 1, 2014. Any and all legal relationships between the Customer and the Bank, which have been governed by the Business Terms and Conditions for Current Accounts of Legal Entities dated January 1, 2014, shall be governed by the present Terms and Conditions.
- 35.2 Without prejudice to the applicability of other articles, Articles 3 through 6 of the General Part of the Terms and Conditions shall apply, regardless of whether the provision of any Banking Service has been terminated by the Bank or other member of the HSBC Group or whether the Account has been closed.

#### **A. OPENING AND MAINTAINING OF ACCOUNTS**

##### **1. THE ACCOUNT**

- 1.1 On the basis of the Agreement, the Bank shall open an Account for the Customer as of the date and in the currency agreed in the Agreement and shall perform non-cash transfers of funds from/to the Account, i.e. accept non-cash deposits into the Account and make payments from or to the Account or perform other payment transactions in accordance with the Agreement.
- 1.2 The Bank shall assign a specific number to each Account to be used as the unique identifier (e.g. bank details in the form of IBAN and/or Account clearing number and Bank code) together with other required information, in filling in Bank forms used by the Bank and the Customer in their mutual communications related to the relevant Account. If stipulated by the applicable legal regulation or for serious operational reasons, the Bank shall be entitled to unilaterally change the unique identifier, unless another procedure can be adopted. The Bank shall notify the Customer accordingly at least thirty (30) calendar days prior to the envisaged change. In addition, the Account can be identified through the name of the Account that must include the business name of the Customer. The name of the Account may also include additional distinguishing information. The Bank does not open anonymous accounts.
- 1.3 The Account is established for the purpose of the Customer's business activities. The Account may not be used for any other than the agreed purpose. The Customer shall be obliged to provide the Bank with information that the Bank may legally require for tax, accounting, registration and other purposes (such as the business name, identification number, tax identification number, registered office).
- 1.4 Unless stipulated otherwise, the Customer shall be obliged to transfer to the Account the funds in the amount and by the deadline set by the Bank for the relevant type of account and maintain the thus-set nominal balance in the Account. The Customer shall be obliged to maintain sufficient funds in the Account to cover the envisaged payments, including payment of any debts vis-à-vis the Bank.

##### **2. DISPOSAL OF THE FUNDS IN THE ACCOUNT**

- 2.1 Only Authorized Persons according to the Signature Specimen and Power of Attorney applicable for the relevant Account shall be entitled to dispose of the Customer's funds in the Account. Based on the Customer's order, the Signature Specimen and the Power of Attorney may be changed or supplemented. The Signature Specimen and Power of Attorney change shall be binding on the Bank and the Customer no later than as of the first (1st) Business Day following the Business Day as of which the Customer provided the Bank with the changed or supplemented Signature Specimen and Power of Attorney.

- 2.2 Unless specified otherwise by the Customer in writing, the Authorized Persons may dispose of the funds in the Account singly. The Authorized Persons may not authorize other persons to dispose of the funds in the Customer's Account.
- 2.3 The Customer shall only be entitled to dispose of the funds in the Account up to the amount of the balance of the Customer's Account, decreased by the amount of the minimum balance, if set by the Bank for the given Account, or increased by the overdraft limit of the Account, if the possibility of overdraft is agreed with the Bank.
- 2.4 The Bank may limit or exclude disposal of the funds in the Customer's Account in accordance with the applicable legal regulations or decisions and instructions of judicial and governmental authorities.
- 2.5 Unless agreed otherwise, disposal of the funds in the Customer's newly opened Account shall be possible at the latest as of the first (1) Business Day after opening of the Account.
- 2.6 The Bank may even debit the relevant funds from the Customer's Account, without the consent of the Customer, for the following purposes:
- (a) adjustment settlement pursuant to Section 3 of Part A of the Terms and Conditions;
  - (b) payment of any and all fees and costs related to the provision of Banking Services to the Customer;
  - (c) payment of payable interest in the agreed amount;
  - (d) withholding tax in accordance with the applicable legal regulations;
  - (e) execution of a final enforceable decision rendered by a competent court or governmental authority;
  - (f) other purposes stipulated by the applicable legal regulations; and
  - (g) payment of any other mature receivables of the Bank from the Customer pursuant to Section 19 of the General Part of the Terms and Conditions.
- 2.7 Unless stipulated otherwise in the Agreement, the Bank shall notify the Customer of the balance of the Account and of any deposits, releases and payments through Account statements. These statements may also include transactions that are pending at the given time. The frequency and the manner of delivery of statements shall be agreed in the Agreement.
- 2.8 If the Bank is unable, for technical reasons, to include in any Account statement transactions effected in the period covered by the statement, the Bank shall indicate these transactions in the Account statement for the immediately following period.
- 2.9 If the Customer agrees in the Agreement that he will examine statements relating to any of his accounts by electronic means and, therefore, regular Account statements in printed form are not sent to the Customer or are sent to the Customer less frequently, the Bank shall send Account statements to the Customer at least once a year, unless stipulated otherwise in the Agreement.
- 2.10 If the Customer's Account includes an incorrect item and the item is corrected on the same day, details of such correction need not be indicated in the Account statement.
- 2.11 The Bank is entitled to set access limitations on funds in the Account in order to protect the Bank and the Customer. The limitation may, for example, consist of setting daily payment limits in the Bank's Electronic Banking Application, dual control for payment orders, etc. Details of limitation are included in the Notices.

### **3. CORRECTIVE SETTLEMENT FOR CZK PAYMENTS IN THE CZECH REPUBLIC**

- 3.1 If the Bank did not charge the amount of a payment transaction in Czech currency or did not use the Bank in accordance with the Customer's order, and thus caused the incorrect execution of a payment transaction, the Bank or savings and credit cooperative in the territory of the Czech Republic, which manages the account of the unauthorised recipient, is obliged on the Bank's initiation to debit the incorrectly charged amount from the account of the unauthorised recipient and issue it to the Bank to correct the incorrectly executed payment transaction in accordance with the Payment Act. Initiation pursuant to this Section 3.1 of Part B of the Terms and Conditions may be given within three (3) months of the day the error resulting in the incorrect execution of the payment transaction originated.

- 3.2 If the Bank or savings and credit cooperative in the territory of the Czech Republic did not charge the amount of the payment transaction in Czech currency or did not use the bank in accordance with the Customer's order, and thus caused the incorrect execution of a payment transaction, the Bank, in the event that the Customer is the unauthorised recipient, is obliged, on the initiative of the bank or savings and credit cooperative, to debit the incorrectly charged amount from the Account and issue it to the bank or savings and credit cooperative to correct the incorrectly executed payment transaction in accordance with the Payment Act. The Bank is also authorised to restore the Account to the state in which it would have been had the defective payment transaction not taken place. Initiation pursuant to this Section 3.2 of Part B of the Terms and Conditions may be given within three (3) months of the day the error resulting in the incorrect execution of the payment transaction originated.

#### 4. CLOSING OF THE ACCOUNT

- 4.1 Unless stipulated otherwise, the Customer may terminate the obligation under the Agreement with a notice period of thirty (30) calendar days. The notice period shall commence as of the first calendar day following delivery of the written notice of termination to the Bank. The Customer may not terminate the obligation under the Agreement by notice or otherwise if the relevant Account serves for payment or as a security for receivables of the Bank following from the business relations between the Bank and the Customer until all the relevant obligations of the Customer are performed. The Customer may not terminate the obligation under the Agreement by notice or otherwise if the funds in the relevant account are kept in escrow for the benefit of a third party, unless the third party gives its written consent or the deadline for release of the funds expires.
- 4.2 Unless stipulated otherwise, the Bank may terminate the obligation under the Agreement in writing, with a notice period of thirty (30) calendar days. The Bank may terminate the obligation under the Agreement in writing with effect as of the date of delivery of notice of termination in case of material breach of the obligations arising from the Agreement or the Terms and Conditions by the Customer.
- 4.3 The Customer shall submit an order to the Bank specifying the account to which the balance of the Account is to be transferred, at the latest as of the date of cancelling the Account. The Bank shall transfer the balance of the Account, including any accrued interest, according to the Customer's orders.
- 4.4 The Customer shall repay any amounts due to the Bank, including any fees payable after closing of the Account. The Bank may set off its receivables from the Customer against the balance of the Account. This shall in no way prejudice the provisions of Article 19 of the General Part of the Terms and Conditions.
- 4.5 Unless stipulated otherwise, the Bank shall close the Account in case of termination of the obligation under the Agreement. Orders related to disposal of the funds in the Account shall be cancelled by the Bank as of the date of closing the Account. Provision of Banking Services related to the relevant Account shall be discontinued at the latest as of the date the Account is closed.

#### B. DEFINITIONS

The capitalized terms used in the Terms and Conditions shall have the following meaning:

**"Account"** shall mean a current account opened for the purpose of receiving non-cash deposits and payments in such account, making payments from such account.

**"Administrator"** shall mean the Bank and any member of the HSBC Group.

**"Agent"** shall mean a natural person or legal entity authorized by the Customer, on the basis of power of Attorney or other authorization, to represent the Customer vis-à-vis the Bank to the extent set forth in the power of attorney or other authorization.

**"Agreement"** means a written current account agreement under which the Bank undertakes to open and maintain an Account for the Customer, as of a certain date and in certain currency, and to accept non-cash deposits and payments into and to effect non-cash payments from the Account, and other agreements concluded between the Customer and the Bank on providing of the Banking Service (if any).

**"AML Act"** shall mean Act No. 253/2008 Coll., on Selected Measures against Legitimation of Proceeds of Crime and Financing of Terrorism, as amended.

**"Apostille"** an apostille within the meaning of the Hague Convention on Abolishing the Requirement of Legalisation of Foreign Public Documents of 5 October 1961, published in a memorandum of the Ministry of Foreign Affairs, No. 45/1999 Coll.

**"Authority"** means any judicial, administrative or regulatory body, any government or public or government agency, instrumentality or authority, any Tax Authority, securities or futures exchange, court, central bank or law enforcement body, or any agents thereof, having jurisdiction over any part of HSBC Group.

**"Authorized Person"** shall mean a person authorized to dispose of the funds in the Account and specified in the Agreement and the Signature Specimen and Power of Attorney.

**"Bank"** shall mean HSBC Bank plc, with its registered seat at Canada Square 8, London E14 5HQ, United Kingdom of Great Britain and Northern Ireland, registered under No. 14259 in the Register of Companies for England and Wales, acting through its branch HSBC Bank plc – pobočka Praha, with its registered seat at Na Florenci 2116/15, Nové Město, 110 00 Praha 1, Czech Republic, ID No. 65997212, registered in the Commercial Register kept by the Municipal Court in Prague, Section A, File No. 20030.

**"Banking Act"** shall mean Act No. 21/1992 Coll., on Banks, as amended.

**"Banking Secrecy"** shall mean banking secrecy within the meaning of the applicable legal regulations.

**"Banking Service"** shall mean any banking transaction, service or product provided by the Bank on the basis of a uniform banking licence in accordance with EU law, including, but not limited to: (a) the opening, maintaining and closing of the Customer's bank accounts, (b) the provision of credit facilities and other banking products and services to the Customer (including, for example, documentary payments, securities dealing, investment advisory, broker, agency, custodian, clearing or technology procuring services), processing applications, ancillary credit assessment and product eligibility assessment, and (c) the maintenance of the Bank's overall relationship with the Customer, including marketing or promoting financial services or related products to the Customer, market research, insurance, audit and administrative purposes.

**"Bearer Shares"** shall mean shares issued by a company which assigns ownership to whomever has possession of the non-immobilized physical share certificates.

**"Business Day"** shall mean every day, other than Saturdays and Sundays, on which the Bank and other financial institutions participating in provision of relevant Banking Services are open to provide these Banking Services.

**"Civil Code"** shall mean Act No. 89/2012 Coll., the Civil Code, as amended.

**"Compliance Obligations"** means obligations of any member of the HSBC Group to comply with: (a) any applicable local or foreign statute, law, regulation, ordinance, rule, judgment, decree, voluntary code, directive, sanctions regime, court order, agreement between any member of the HSBC Group and an Authority, or agreement or treaty between Authorities and applicable to the Bank or a member of the HSBC Group ("**Laws**"), or international guidance and internal policies or procedures, (b) any demand from Authorities or reporting, regulatory trade reporting, disclosure or other obligations under Laws, and (c) Laws requiring the Bank to verify the identity of Customers.

**"Connected Person"** means a person or entity whose information (including Personal Data or Tax Information) is provided by, or on behalf of, the Customer to any member of the HSBC Group or otherwise received by any member of the HSBC Group in connection with the provision of the Banking Services. In relation to the Customer, a Connected Person may include, but is not limited to, any guarantor of the Customer, a director or officer of a company, partners or members of a partnership, the Substantial Owner, Controlling Persons, or beneficial owner, trustee, settlor or protector of a trust, account holder of a designated account, payee of a designated payment, representative, agent or nominee of the Customer, or any other persons or entities having a relationship to the Customer that is relevant to its banking relationship with the HSBC Group, including Agent or an Authorized Person.

**"Controlling Persons"** means individuals who exercise control over an entity (for a trust, these are the settlor, the trustees, the protector, the beneficiaries or class of beneficiaries, and any other individual who exercises ultimate effective control over the trust, and in case of a legal entity other than a trust, such term means entities with equivalent powers and obligations).

**"Customer"** shall mean a legal entity to which the Bank provides the Banking Services on a contractual basis or a legal entity, which has express interest in provision of the Banking Services.

**"Customer Service Desk"** shall mean a Banking Service through that the Customer can place orders and gain information related to the Accounts in the mean of communication via phone.

**"Data"** means any Personal Data, confidential data, data subject to Banking Secrecy, and/or Tax Information concerning the Customer or Connected Persons, including the related statements, consents and waivers.

**"Domestic Bank Regulator"** shall mean the regulatory body in the country of registration of the Bank's head office, namely the Financial Conduct Authority ('FCA') and the Prudential Regulation Authority ('PRA') in the United Kingdom of Great Britain and Northern Ireland.

**"Electronic Banking Application"** means a service provided by the Bank and allowing the Customer to, in particular, file payment orders and receive information concerning the Account via an electronic connection with the Bank, working on the basis of the internet application *HSBCnet*.

**"Fees"** shall mean any fees, costs, penalties and other charges that the Bank charges in connection with the provision of Banking Services.

**"Financial Crime"** means money laundering, terrorist financing, bribery, corruption, tax evasion, fraud, evasion of economic or trade sanctions, and/or violations, or attempts to circumvent or violate any Laws or regulations relating to these matters.

**"Financial Crime Risk Management Activity"** has the meaning set out in Article 5.1 of the General Part of the Terms and Conditions.

**"Framework Agreement"** has the meaning set out in Article 14.1 of the General Part of the Terms and Conditions.

**"Home Page"** shall mean the Bank's website accessible through the Internet at the web address: [www.hsbc.cz](http://www.hsbc.cz) or [www.hsbc.co.uk](http://www.hsbc.co.uk).

**"HSBC Group"** shall mean HSBC Holdings plc and any other entity directly or indirectly controlled by HSBC Holdings plc.

**"Identification Code"** shall mean randomly generated combination of alpha-numeric symbols issued by the Bank at execution of the Agreement serving as a personalised security feature used for the purposes of identification of the Customer in the communication between the Bank and the Customer via the Customer Service Desk.

**"Identification Documents"** shall mean all documents required by the applicable legal regulations and internal regulations of the Bank for proper identification of the Customer.

**"List of Charges"** shall mean a list of rates and fees of the Bank or otherwise named document of the Bank, which includes the current rates of fees, costs, as well as penalties and other charges that the Bank charges in connection with the provision of Banking Services.

**"List of Test Codes"** shall mean a list issued to the Customer on execution of the Agreement, including one set of one hundred Test Codes.

**"Loss"** means any claim, charge, cost (including, but not limited to, any legal or other professional cost), damages, debt, expense, tax, liability, obligation, allegation, suit, action, demand, cause of action, proceeding or judgment, however calculated or caused, and whether direct or indirect, consequential, punitive or incidental.

**"Marketing Activities"** shall mean a set of activities whose purpose is to inform the Customer of the products and services of the Bank or other member of the HSBC Group, to present a proposal for ordering, mediating or acquiring them and to evaluate the appropriate Data for these purposes, also by means of electronic devices.

**"Notices"** shall mean communications in which the Bank, in accordance with the Terms and Conditions and applicable legal regulations, unilaterally stipulates or changes technical features and conditions for the provision of Banking Services, where these notices are available at the Bank's branch or on the Home Page.

**"Payment Act"** shall mean Act No. 284/2009 Coll., on payments, as amended.

**"Personal Data"** means any data relating to the Customer or Connected Persons (if individuals) from which the individual can be directly or indirectly identified, including, without limitation, sensitive personal data, name(s), residential address(es), contact information, age, date of birth, place of birth, nationality, citizenship, personal and marital status, and information on Accounts and Account balances and transactions.

**"Personal Data Protection Act"** means Act No. 101/2000 Coll., on the Protection of Personal Data and on Amendment of Certain Acts, as amended.

**"Purposes"** has the meaning set out in Article 3.2 of the General Part of the Terms and Conditions.

**"Reference Rate"** shall mean, on any day, the interbank offered interest rate charged by prime banks for overnight deposits in the relevant currency, being if an amount in euros is outstanding, the Euro Overnight Index Average ("EONIA") Rate calculated by the European Central Bank; if an amount in Czech crowns is outstanding, the Czech Overnight Index Average ("CZEONIA") as communicated by the Czech National Bank shall apply, valid as of the day of calculation of the interest rate, and if such day is not a business day, on the day immediately preceding such interest calculation day.

**"Signature Specimen and Power of Attorney"** means a duly completed form of the Bank containing the empowerment of the Authorized Persons by the Customer to dispose with the funds in the Account and the specimen signature of the Authorized Persons and serving for identification of the Authorized Person in disposing of the funds in the Account.

**"Substantial Owners"** means any person entitled to more than 10% of the profits of or with an interest of more than 10% in an entity either directly or indirectly.

**"Tax Authority"** means domestic or foreign tax, revenue, fiscal or monetary authorities.

**"Tax Certification Forms"** means any forms or other documentation as may be issued or required by a Tax Authority or by the Bank from time to time to confirm the tax status of an account holder or the Connected Person of an entity.

**"Tax Information"** means any documentation or information (and accompanying statements, waivers and consents) relating, directly or indirectly, to the tax status of a Customer (regardless of whether that Customer is an individual or a business, non-profit or other corporate entity) and any owner, Controlling persons, Substantial Owner or beneficial owner of a Customer, that the Bank considers, acting reasonably, is needed to comply (or demonstrate compliance, or avoid non-compliance) with any HSBC Group member's obligations to any Tax Authority. Tax Information includes, but is not limited to, information about: tax residence and/or place of organisation (as applicable), tax domicile, tax identification number, Tax Certification Forms, certain Personal Data (including name(s), residential address(es), age, date of birth, place of birth, nationality, citizenship).

**"Terms and Conditions"** shall mean these Business Terms and Conditions for Current Accounts of Legal Entities.

**"Test Code"** shall mean randomly generated numeric combinations that serve as a personalised security feature used for the purposes of identification of a Customer in the framework of communication between the Bank and the Customer by fax or by e-mail.

**"UK FSCS"** shall mean the Financial Services Compensation Scheme of the United Kingdom of Great Britain and Northern Ireland.