

## Notice of the Payment Services

This notice is valid from February 1, 2011 for the corporate clients of HSBC Bank plc – pobočka Praha in the Czech Republic.

### **Payments**

The Bank provides payment services for

- internal
- domestic
- foreign payments.

**Internal payments** are payments between two accounts held with the Bank. **Domestic payments** are payments in Czech koruna outside the Bank and within the Czech Republic. **Foreign payments** are all other payments.

The Bank provides also the **SEPA payments**. SEPA payment is a type of foreign payment and can be initiated using the Bank's electronic banking system HSBCnet only.

The law distinguishes **payments within the European Economic Area (EEA) in the currency of member country of EEA (PSD payments)** and **other payments**.

The Bank and the Client agreed according to the Law No. 284/2009 Coll. (the Law) §75 clause (1) that clauses a) from § 77 clause no. 2, § 79 clause no. 2 letter b) to d), § 82 letter e) and g), § 86 clause no. 1 letter c) and d), § 89, 107, 109, 111, 113, 115, § 117 clause 2 to 5 and clause no. 6, second sentence, and § 118; b), from § 103 if according to the §80 clause no. 1 the payment service provider provides an information about the risk related to the provision of authorization or usage of the payment mean, do not have to be applied for services which are provided by payment provider of payee or payer in other than Member State or in currency which is not a currency of Member State.

**PSD payments** can be sent only with the SHA charging code. The Bank reserves the right to change charging code for all PSD payments if the charging code is not SHA (BEN, OUR) to SHA. The Bank always charges only the charge agreed with client or charge stated in the Pricelist, charging code determines only how the charges will be handled in the correspondent banks and the beneficiary bank. Charging code SHA (shared) means that the payer pays charges to the bank of payer and beneficiary pays charges to the beneficiary bank. Charging code BEN (beneficiary) means that charges are paid by beneficiary and the correspondent charges are deducted from the amount of payment. Charging code OUR means that charges are paid by remittent and amount of payment is not decreased.

Payments can be initiated using the:

1. Paper payment order
2. Electronic banking system
3. Paper payment order sent by fax

The Client authorizes the payment by signing the paper payment order or stating the fax test key on the payment order sent by fax or by authorizing the payment in the electronic banking system. Such a payment is considered as **authorized** according to the Law and Conditions.

Besides of **one-off transaction** the Client can set up also a **standing instruction**. It is necessary to provide time period and amount of each transaction.

The Client can also provide a mandate to set up a **direct debit** from Client's current account (the Direct Debit). If the Direct Debit is set up a third party can initiate transactions that result in debit on Client's account in favour of the third party. Client has to determine a maximum amount that can be debited from the current account – **direct debit limit**. If the direct debit limit is missing for any reason it can be set up by the Bank. Provision of the direct debit request is considered as authorization of all direct debits executed based on this request according to the Law.

The Bank reserves the right to debit Client's current account in case that the payment service provider of the payer will request to do so in accordance with §103 of the Law.

### **Payment Order Mandatory Items:**

#### ***Domestic Payment***

Payer identification, beneficiary account number, beneficiary bank code, amount in CZK, constant symbol for payments which represents state budget income or outcome, signature or any other authorization.

#### ***Foreign Payments***

Payer identification, Bank Identification Code (BIS, SWIFT or address), beneficiary identification (IBAN or name), amount, currency, charging code, signature or any other authorization.

#### ***SEPA Payment***

BIC (Bank Identification Code), IBAN (International Bank Account Number), amount in EUR

#### ***Direct Debit***

Client's account number, from which the direct debit will be executed, date effective, 3rd party's account number in which favour the transfer will be executed, bank code, direct debit limit and end date.

Payments can be initiated only in currencies in which the bank opens current accounts. Client may receive the full list of currencies on request. SEPA payments can be initiated only from accounts held in EUR, CZK or USD.

If the payment is initiated from account which is held in different currency from the currency of the payment, the funds are converted to the currency of the payment first. Exchange rate used for this conversion can be found on the web site [www.hsbc.cz](http://www.hsbc.cz). Exchange rates may change several times a day accordingly to the market development.

Charges for respective type of payments, cut-off times and value dates are stated in the Pricelist and Notices. These can be found also on the web site [www.hsbc.cz](http://www.hsbc.cz).

Information about the executed transactions can be found in electronic banking system or on the account statement.

The Bank may ask Client to provide information about no. of employees, balance sheet and turnover as of the contract conclusion date in order to properly rank the customer either to corporate or micro-enterprise clients. The limits are stated in the Law in EUR currency. If the information provided is in other currency than EUR, the limits will be calculated using the exchange rate published by Czech National Bank valid as of the contract conclusion date.

With effect from 1 February 2011, that for security reasons, daily maximum transfer limits will be applied for all HSBCnet clients for which Sole Transaction Control is allowed. The limit applies to all payments regardless of the number of people involved in their preparation and approval. For existing clients using Sole Transaction Control, the limit will be determined on the basis of their recent transaction activity but not more than 22 million CZK or equivalent in another currency.

This Notice is an integral part of the Business Terms and Conditions for Current Accounts of Legal Entities (Conditions).

Terms used but not defined herein have the same meaning as in the Conditions.