

RULES FOR SETTING INDIVIDUAL RATES VIA THE CLIENT CENTRE



Individual spot exchange rates for foreign currency transfers and transactions of non-documentary payments in foreign currency may be negotiated through the Client Centre. Transactions may be negotiated only at the telephone number 844 117 711.

Other conditions for negotiating transactions with individual exchange rates are as follows: the client has an open account with ČSOB, the balance of the client's account is sufficient for a required transaction, and the ČSOB Linka 24 service is activated (the client negotiates the individual exchange rates with a client representative).

Minimum amounts for negotiating the individual exchange rates are as follows: EUR/CZK 1,000, USD/CZK 1,000, and the equivalent of CZK 200,000 in the currencies GBP, CHF. The minimum equivalent for other currencies is EUR 20,000.

Method and Terms and Conditions of Closing and Cancellation of Transactions with Individual Exchange Rates

The Transactions may be closed, altered, and cancelled on working days from 8:45 am to 4:30 pm. All other times are subject to approval by ČSOB. Such approval may also be given in the form of closing the Transaction.

1. ČSOB and Client acknowledge and expressly agree with that telephone calls between persons in charge in connection with the Transaction may be recorded by the other Contracting Party. The Contracting Parties shall regard the record of the telephone call as evidence to the maximum extent permitted by applicable law and as evidence of the subject-matter of the Transaction.
2. Each Transaction shall be registered by a confirmation specifying (among other things) its business and financial terms and conditions. After the closing of the Transaction, ČSOB shall send the Confirmation to the Client by fax, post or e-mail.
3. The Client shall mention while making the telephone enquiry concerning the terms and conditions of the Transaction to be executed by ČSOB the following data:
 - a) The Currency Pair required and information as whether the purchase or sale of the Base Currency is required,
 - b) An amount in the Base Currency,
 - c) A method of settlement of the Transaction – the identification data of the accounts of the Client in which the Transaction is to be settled, and
 - d) The Settlement Date of the Transaction.
4. ČSOB shall notify the Client of the binding Exchange Rate valid for the period of the telephone call; however, it shall be entitled to change the Exchange Rate or notify the Client of that the original quotation is no longer valid at any time during the course of the telephone call. However, ČSOB shall announce the respective expiry of and/or a change in the original quotation before the Client gives his/her consent to the last valid Exchange Rate.
5. After being notified by ČSOB of the Exchange Rate, the Client shall clearly state whether he/she accepts or rejects it. If the Client accepts it, ČSOB shall acknowledge in writing the given Transaction by the Confirmation and properly settle the Transaction according to the agreed Exchange Rate in the event that all the terms and conditions of the Transaction are fulfilled by the Client at the time of the agreed payment. The Transaction shall be deemed closed upon the acceptance of the Exchange Rate by the Client during the course of the telephone call.
6. In the event that the Client requires the complete cancellation of the already agreed Transaction, he/she shall notify ČSOB of this fact as soon as possible after he/she identifies the reasons for the cancellation, however, at the latest by 2:00 pm on the Settlement Date of the given Transaction, unless a longer time limit is accepted by ČSOB.
7. ČSOB shall propose the cancellation of the Transaction by means of the execution of a counter/new Transaction in the same foreign currencies, in the same amount, and on the same Settlement Date as agreed for the original Transaction. The offered Exchange Rate of the new Transaction cancelling the original Transaction shall be based on the foreign exchange market conditions existing at the moment of its quotation.
8. Should the Client accept the quotation of the Exchange Rate of the new Transaction and should any exchange rate loss occur, ČSOB shall be entitled to recover the loss from funds deposited in the Client's account (accounts) with ČSOB. The Client and ČSOB shall agree on the Exchange Rate at the latest by 2:00 pm on the Settlement Date of the given Transaction, unless a longer time limit is accepted by ČSOB. In the event that the agreement is not reached by that time, the respective Exchange Rate shall be determined by ČSOB independently of the will of the Client and according to the then existing foreign exchange market conditions. Should any loss result from the comparison of the Exchange Rate of the original Transaction with

the Exchange Rate of the new Transaction cancelling the original Transaction (applied to the given amount), ČSOB shall be entitled to recover the loss from funds deposited in the Client's account (accounts) with ČSOB.

9. If there are not sufficient funds in the Client's account/accounts required for the Transaction execution, ČSOB shall be entitled not to execute the Transaction.

Terms and Definitions

For the purpose of the interpretation of these Terms and Conditions, the capitalised terms and expressions used herein shall have, unless expressly indicated otherwise, the meaning ascribed thereto below:

1. **"Reference Currency Amount"** – the amount of the Reference Currency calculated according to the respective Exchange Rate in the Transaction.
2. **"Base Currency Amount"** – the amount of the Base Currency agreed by the Contracting Parties and specified in the Confirmation.
3. **"Transaction Date"** – the date on which the Transaction is agreed by the Contracting Parties.
4. **"Settlement Date"** – the date agreed by the Contracting Parties and specified in the Confirmation for the respective Transaction.
5. **"Foreign Exchange Position"** – the position of the Client in relation to any exchange rate risk arising from the Transaction. Should the Client not be subject to any exchange rate risk, he/she has the "closed Foreign Exchange Position"; should the Client be subject to any exchange rate risk, he/she has the "open Foreign Exchange Position".
6. **"Confirmation"** – the written confirmation of the Transaction sent by ČSOB to the Client.
7. **"Conversion"** – the purchase or sale of the Base Currency Amount for a certain amount of the Reference Currency.
8. **"Purchaser"** – the Contracting Party purchasing the Base Currency for the Reference Currency.
9. **"Mark-to-market"** – the method of valuation of the actual rate of profit (rate of loss) of the open Foreign Exchange Position of the Client resulting from the previously executed Transaction. The value of the Exchange Rate of the Transaction is compared to the current foreign exchange market rate for which the Client would close his/her open Foreign Exchange Position, with the same Settlement Date for both Transactions.
10. **"Currency Pair"** – the pair of the Reference Currency and the Base Currency that is the subject of the Conversion.
11. **"Minimum Amount"** – the lowest possible amount of the Transaction amounting to EUR 1,000.
12. **"Seller"** – the Contracting Party selling the Base Currency for the Reference Currency.
13. **"Exchange Rate"** – the exchange rate indicative of the amount of the Reference Currency required for the purchase of the Base Currency, agreed by the Contracting Parties on the Transaction Date, and specified in the Confirmation.
14. **"Reference Currency"** – the currency agreed by the Contracting Parties and specified in the Confirmation.
15. **"Transaction"** – the transfer of foreign currency/order for payment abroad.
16. **"Base Currency"** – the currency agreed by the Contracting Parties and specified in the Confirmation.

These Rules for Setting Individual Rates via the Client Centre come into effect on 1 November 2009.