

These "Terms and Conditions of Private Cheques" (hereinafter to be referred to as the "Terms and Conditions") of Československá obchodní banka, a. s., (hereinafter to be referred to as "ČSOB") stipulate the principles for the issuance of printed ČSOB personal cheques and the acceptance of cheques drawn on such forms.

1. ČSOB issues printed forms of private cheques to current accounts denominated in Czech and foreign currencies. These printed forms are given to the holder of the account and to persons with the right of disposal (the "client") according to a "Private Cheque Forms Application" and at the client's request are sent (free of charge by registered mail) to the address given by the client in the Application, or the client or a person authorised by the client, "bearer", may pick them up at the branch. (ČSOB charges for the pick up of the cheque, cheque book by the client in person a fee in accordance with the Price List).
2. Upon the acceptance of the printed forms of private cheques by the bearer, the client bears responsibility for the bearer authorized by the client and named in the instruction having been made aware of the necessity of proving his identity when accepting the printed forms of private cheques, which ČSOB shall hand over to the bearer only upon the bearer's identity having been verified according to the respective identity card. ČSOB shall bear no liability for any damage as may potentially be incurred as the result of any bearer's actions.
3. ČSOB has the right to reduce the required number of the printed forms of private cheques to be issued.
4. Private cheque forms intended for pick-up, at the client's request, at a ČSOB branch shall be delivered to the respective branch and kept there for a period of 70 calendar days following the date of receipt of the "Private Cheque Form Application" by ČSOB. Unless they are picked up by the client during this period the private cheque forms are made invalid and cancelled. The fee for the issuance of private cheque forms and also the fee for the pick-up of cheques, cheque books shall be charged regardless of whether they are picked up by the client or not.
5. The client is obliged to fill-in the printed forms of private cheques legibly and according to the pre-print. The data shall not be rewritten, crossed out, erased or otherwise altered. The private cheque shall not be drawn on a dirty, crumpled or damaged printed form. The amount of the cheque shall have to be written both in figures and in words so that nothing else may be added to the data. The signature of the client, as drawer of the private cheque, shall have to be identical to the signature specimen to the account for which the cheques have been issued.
6. Should a ČSOB private cheque be encashed at a ČSOB branch it shall not be denominated in CAD; AUD and JPY.
 - Cheques denominated in CAD, AUD and JPY are not encashed but only accepted for cashless clearance (for details see Paragraph No. 13 hereof)The client has the right to draw a private cheque in a currency other than the currency of the account. The drawn ČSOB private cheque can be used by the client for payments both at home and abroad, or for cash withdrawal for the client's own needs and/or for cash withdrawal by a "third party" at a ČSOB branch counter. (ČSOB shall encash only cheques whose beneficiary is a private individual).
7. The client is authorised to draw a private cheque:
 - a) to an individual, whereby in the line "to whom" the client writes the name and surname of a private individual, or the name and registered office of a legal entity;
 - b) to the bearer, whereby in the line "to whom" the client writes "to bearer" or leaves the line blank.
8. The drawer of the cheque or its holder may prohibit the encashment of cheques. In such a case, the face of the private cheque will be marked by the clause "For clearance only". ČSOB branch offices shall honour private cheques with the above-mentioned clause exclusively by crediting the account, the number of which, including the bank code, shall be communicated to ČSOB in writing.

9. ČSOB branch offices shall honour private cheques whose authorized holder is a legal entity exclusively by crediting the respective account despite the fact that the clause "For clearance only" is not included.
10. Pursuant to Law No. 191/1950 Coll. on Bills of Exchange and Cheques clients shall not draw private cheques for amounts not covered by funds in the account.
11. ČSOB personal cheques are honoured abroad exclusively at the request of a foreign bank which delivers the private cheque for collection to ČSOB (The provisions of this Paragraph do not apply to cash and cashless cheque payments in ČSOB/CR;SR.)
 - Should a ČSOB cheque be paid to a recipient abroad or in a foreign currency in the Czech Republic and unless the drawer of the cheque specifies otherwise, the cost of the transfer of the cheque amount will be paid by the drawer.
 - Should the drawer of the cheque write "the fee will be paid by the recipient" on the narrow side of the back of the cheque in the language in which the cheque is drawn (The fee will be paid by the recipient /Die Gebühr wird vom Empfänger gezahlt/ La taxe est payée par l'accepteur) the fee will be paid by the recipient.
12. The client has a right to cancel a private cheque which has already been drawn; however, cancellation shall be effective after the statutory deadline for the presentation of the cheque for payment has expired:
 - a) as for cheques drawn in the Czech Republic within eight calendar days;
 - b) as for cheques drawn in Europe but outside of the Czech Republic within twenty calendar days;
 - c) as for cheques drawn in a country of any continent other than Europe within seventy calendar days.The day of drawing shall not be included.
13. Cash and cashless clearance of ČSOB private cheques (hereinafter referred to as the "Cheque"):
 - ČSOB is entitled not to encash a cheque and not to clear a cheque cashless should the cheque be presented by a holder who is recorded on the list of entities suspected of financing terrorism.
 - encashes only cheques the authorised holder of which is a private person
 - a cheque denominated in CAD; AUD and JPY will be accepted by ČSOB only for cashless clearance
 - **except for cheques denominated in CAD, AUD and JPY, ČSOB will encash promptly under the standard terms and conditions Cheques whose authorised holder is a private individual** (or will accept also Cheques denominated in CAD, AUD and JPY as the case may be, for crediting to a client's account)
14. Should, in the course of checking a presented private cheque, ČSOB find deficiencies preventing it from being encashed or a cashless settlement from being made, it shall return the cheque to the person who has presented it with a statement of cheque non-payment. ČSOB will not return private cheques if fraud is suspected and if the original copy of the Cheque is delivered for investigation to those in charge of the criminal proceedings.
15. As regards private cheques presented for payment or cashless settlement after the statutory period expires and not cancelled by the client, ČSOB may pay them 6 months following the expiry of this period. Pre-dated cheques, i.e. cheques with a future date of issuance may be paid upon presentation of the cheque regardless of the date of issuance.
16. The client is obliged to prevent printed forms of private cheques from being stolen. The client is obliged to notify the ČSOB branch office managing the client's account of their loss or of the loss of an already drawn private cheque without any delay. This ČSOB branch office shall take immediate measures to prevent the unjustified payment of such private cheques.
17. The client is obliged to invalidate erroneously drawn private cheques and unused printed forms of private cheques so as to preclude their misuse and shall have to announce the numbers of such cheques to ČSOB.
18. ČSOB shall bear neither any liability for damage the account holder may incur as a result of the failure on the part of the latter to observe the "Terms and Conditions of Private Cheques", nor any liability for damage caused as the result of the loss or theft of printed forms of private cheques or of private cheques already drawn.

19. ČSOB is entitled to charge the account holder's account with the cost and expenses incurred because of the client's failure to observe these terms and conditions.
20. Account holders or persons presenting private cheques shall lodge claims regarding erroneously credited/debited items at the ČSOB branch office shown on the cheque as the payment venue. Claims shall have to be lodged in writing and the respective identification data shall have to be given, i.e.: the payer's account number or recipient's account number, the date of drawing or the date of cheque presentation, the number and amount of the cheque, which shall be done within 6 months of such deficiency.
21. Should the cheque drawer require the identification of payment (which is "VS"/variable symbol - maximum ten digit identification numerical item without any dashes and slashes) to be printed on the account statement he shall put this information on the right side of the cheque under line "to" with a note that it is "VS". Subsequently this information will be printed with the cheque transaction on the account statement.
22. These terms and conditions shall take effect as of November 1, 2009. ČSOB reserves the right to alter, amend or abolish these terms and conditions by issuing new terms and conditions. Valid terms and conditions are available at all ČSOB branch offices.

Československá obchodní banka, a. s.