

### Basic Provisions

The General Business Terms of EXCHANGE s.r.o. for the provision of payment services (hereinafter referred to as the “Conditions”) regulate the conditions for the provision of payment services by the Payment Institution to the Client pursuant to §3, paragraph (1) letter f) of Act No. 370/2017 Coll., on Payment Systems, as amended.

The Client and EXCHANGE s.r.o. (hereinafter referred to as “Payment Institution”) who have entered into a Framework Agreement for the Provision of Payment Services may agree in the manner and under the conditions specified in these Conditions to negotiate the conditions of non-cash foreign currency transactions and acceptance of the Client's payment order by the Payment Institution. The Payment Institution is authorized by the Czech National Bank's Authorization to Operate as a Payment Institution No. 2011/3046/570 of 28 March 2011.

Pursuant to the Legal Code of the Czech Republic, a Payment Institution is a legal entity whose activities are subject to supervision by the Czech National Bank, and are governed, namely, by:

- the Act No. 370/2017 Coll., on Payment Systems,
- the Act No. 253/2008 Coll., on Selected Measures against Legitimation of Proceeds of Crime and Financing of Terrorism,
- the Act No. 69/2006 Coll., on the Implementation of International Sanctions,
- the Act No. 277/2013 Coll., on Foreign Exchange Activities,
- the Act No. 136/2011 Coll., on Circulation of Banknotes and Coins,
- the Act. No. 634/1992 Coll., on Consumer Protection
- and other legal norms.

### Definition of expressions

**Beneficiary** is the user to whose payment account the funds are to be credited according to the payment order or to whom the funds are to be made available according to the payment order.

**Communication channel** is an agreed method of exchanging information between the Client and the Payment Institution with the aim of reliably capturing the agreed conditions or the course of the payment service implementation. The Payment Institution uses the SMS messages identified by the text identifier “EXCHANGE” as a communication channel, instead of the telephone number, e-mail messages, fax messages and correspondence via letter.

**Document on the execution of a payment order** confirms the taking place of a payment service and the parameters of foreign currency exchange. The document is sent to the Payer after debiting the funds from the payment account of the Payment Institution.

**Fee** is the amount of the fee for the execution of the payment order, which the Client is obliged to pay to the Payment Institution. The Payment Institution is obliged to inform the Client about the amount of the fee according to the current Fee Schedule always before arranging the payment order during the monitored telephone call.

**Fee Schedule** is a publicly available document containing a detailed breakdown of all fees that a payment institution may charge to reimburse costs in connection with the provision of its services. The fee rate is stated in CZK. Conversion to other currencies is performed at the current exchange rate or currency exchange rate according to the type of service provided, valid at the time of arranging the service. The fee schedule is an integral part of the Framework Agreement. The current version is available at <https://www.exchange.cz/sazebnik>.

**Foreign payment** is a non-cash transfer of funds in Czech as well as foreign currency to and from abroad and in foreign currency between domestic and foreign residents in the Czech Republic, if the Payee's account is not maintained with the Payer's provider (i.e., if the Payer's and Payee's payment account is not maintained with the same payment institution).

**Framework Agreement on Provision of Payment Services** (hereinafter “Agreement” or “Framework Agreement”) is a contract concluded between the Payment Institution and the Client, the subject of which is the Payment Institution's obligation to perform payment transactions for the Client, not individually specified in this Agreement, based on the Client's payment order, and the Client's obligation to pay the Payment Institution for these payment transactions under this Agreement, the General Business Terms of Exchange s.r.o. for the Provision of Payment Services and the Fee Schedule. The Payment Institution's right to receive payment orders from the Client arises from the authorization by the Czech National Bank to operate as a payment institution.

**Funds** are banknotes, coins and non-cash funds.

**IBAN** is an international bank account number for simplified payments within EU member states.

**Information for the payer after receipt of the payment order**, (hereinafter referred to as “Information for the Payer”, or pursuant to the Framework Agreement also as “Instructions”), is a confirmation of the conditions of non-cash foreign exchange trades agreed between the Payment Institution and the Client, which details the conditions and expected taking place of the trade. The Payment Institution shall provide the Information for the Payer to the Client immediately after receiving the payment order in electronic form as a PDF file by sending it to the e-mail address specified by the Client, or to the e-mail address specified by the client when concluding the Framework Agreement. The Information for the Payer contains precise and binding instructions for the Client for the transfer funds for settlement of the payment transaction, the incoming and outgoing amount of the payment transaction in the currency used in the payment order, information on the commission that the Payer is obliged to pay to the provider for the payment transaction, the exchange rate—if the subject of the transaction is the exchange of various currencies—and precise instructions according to which the provider will transfer funds in accordance with the Client's request. The document further contains the date of arrangement (that is, the acceptance of a payment order), and the date of the expected settlement (that is, the deadline by which the Payer is obliged to transfer the funds to the account of the Payment Institution).

**Maturity** is the moment at which a payment transaction is recorded for the needs of calculating interest on funds on a payment account.

**Non-cash transactions in foreign currency** refers to the purchase or sale of funds in Czech or foreign currency for funds in another currency, which is carried out by non-cash transfer of funds to or from a payment account.

**On-line trading** is the instantaneous non-cash transfer of funds.

**Payer** is the user from whose payment account funds are to be debited to execute a payment transaction or who makes funds available to execute a payment transaction.

**Payment account** is the account serving to perform payment transactions.

**Payment institution** is a legal entity that is authorized to provide payment services on the basis of a Payment Institution’s authorization granted by the Czech National Bank.

**Payment order** is an instruction to the provider, whom the Payer or the beneficiary request to perform a payment transaction.

**Payment service**, for the purposes of this document and the Framework Agreement on the Provision of Payment Services, is understood to mean performance of the transfer of funds, during which neither the Payer or the beneficiary use the payment account maintained with the Payer's provider. The payment service is not a foreign exchange activity.

**Payment title** is a numerical identifier of the purpose of the monetary payment of a foreign settlement. The current list of payment titles is listed in the BA0030 directory of the Czech National Bank at the <https://www.cnb.cz> website.

**Payment transaction** is the deposit of funds into a payment account, the withdrawal of funds from a payment account or the transfer of funds carried out within the payment service.

**SEPA payments** are simplified payments between Member States of the European Union or other Contracting States to the Agreement on the European Economic Area. To use the simplified SEPA payment, the Payer is obliged to state the Payee's payment account number in the IBAN format, SWIFT code of the Payee's bank and they can be used exclusively for the transfer of funds in EUR.

**The SWIFT code** (also **BIC code**) is used to identify banks in international relations. It is an eight to eleven-digit alphanumeric code.

**A unique identifier** is a combination of letters, numbers or symbols by which, according to the provider, the Client or the Client's account is identified during execution of payment transactions.

### **Traded Amount and Exchange Rate**

The Payment Institution publishes indicative exchange rates for the purposes of payment services on working days from 9:00 a.m. to 5:00 p.m. online at <https://www.exchange.cz/deviza>. During the day, current exchange rates change continuously in connection with current developments in the financial markets, which affect the exchange rate value of individual foreign currencies against the Czech koruna, as well as with regard to the Payment Institution's current supply and demand. The exchange rate offered to the Client at the time of negotiating the terms of the payment service by telephone or in another pre-agreed manner is always binding. The exchange rate is always stated in the Payer's Information, unless the parties agree on setting the exchange rate on the value date of crediting the Payer's funds to the Payment Institution's account when negotiating the terms of the payment service.

### **Fees and the Fee Schedule**

The Payment Institution charges the Client fees based on the amount and execution method of a payment order for the settlement of costs arising in connection with its performance. A fee is also charged for some above-standard services, which the Client requests additionally prior to the execution or subsequently following the execution of a payment order.

The amount of the payment order, which affects the amount of the fees, is always determined by the amount of traded funds of the outgoing payment order (for foreign currencies converted into the CZK equivalent at the current exchange rate of the Payment Institution valid at the time of arranging the payment service). The amount of fees is set out in the Fee Schedule, which is always available online in the current version at <https://www.exchange.cz/sazebnik>. A single payment order may be subject to multiple fees simultaneously.

In the case of cash deposits of funds intended for payment service payment, to the account of the Payment Institution, the bank may charge the Payer its standard fees for cash deposit according to its valid price list. These additional fees cannot be foreseen and included in the list of fees indicated on the payment order.

The Fee Schedule may be updated without prior notice, while it must be made available at least 14 calendar days prior to taking effect. The payment institution is obliged to inform the Client of all fees that the Client will be charged and their respective amounts, at the time of agreeing the terms and conditions of the

payment order. If the Client expresses express disagreement with the proposed amount of fees prior to the acceptance of the payment order, this is considered as a rejection of the terms and conditions of arranging a payment order. Fees are always converted to the equivalent of the value of the currency, which the Payer uses to settle the payment order, at the exchange rate of the incoming currency, current at the time of receipt of the payment order. The fees are always part of the total amount required for the payment of the payment service. The information to the Payer upon receipt of the payment order contains a detailed breakdown and the amount of these fees. By transferring funds according to the instructions given in the Information for the Payer, the Payer shall pay all charged fees of the payment order simultaneously.

If the client arranges non-cash payment of a payment order and subsequently executes the payment of the payment order by depositing cash at the payment institution's counter or by depositing cash to the payment institution's account, the Client is obliged to pay the payment institution the relevant fee for cash payment of a payment order according to the Fee Schedule valid on the date of agreement of the payment order. In the event that the client refuses to pay this fee, payment of the payment order will be sent by agreement according to the original instructions, but reduced by the relevant fee, or the funds will be returned to the Client's bank account, which the Client shall specify, in the same currency in which the payment order was settled and in the amount of the deposited amount, reduced by the fees according to the Fee Schedule.

In this case, the refund may be subject to additional fees, in particular with regard to the amount of funds, the currency and the account number or bank of the beneficiary. In all the above cases, the Client will receive new Information for the Payer, which the Client is obliged to send back confirmed to the staff of the payment institution, or confirm the verification by paying the prescribed surcharge.

### **Acceptance of a Payment Order and Sending Information to the Payer Upon Receipt of the Payment Order**

An employee of the Payment Institution shall exclusively accept a payment order by phone, and only during business days from 9:00 a.m. to 5:00 p.m.

Clients can always find out the indicative exchange rates at <https://www.exchange.cz/deviza>. Current exchange rates are communicated exclusively to clients and only in a monitored telephone call on the customer line 800 22 55 99, or +420 222 700 890, immediately before the expression of interest to negotiate a payment order. The communicated exchange rate is binding for the Payment Institution for the duration of the telephone call.

The Payment Order is accepted as soon as the Client expressly agrees with the conditions proposed by the Payment Institution employee in the monitored telephone call. These are, namely, the transaction amount, the currency and the exchange rate, the amount of any fees, the date and the estimated time of transfer of the client's means of payment to execute the payment order. The process of negotiating a payment order is automatically recorded and the Client is notified of this fact before starting the call. In the case of a standard payment order settlement procedure, if the Client has not been explicitly informed of the amounts of fees before accepting the payment order, the Payment Institution is not entitled to charge any additional fees for the execution of the payment order. This does not apply to returned payments, additional requests by the Client to change processing, etc.

A payment order can be arranged no later than three working days before the expected crediting for settlement of the payment order. When communicating with the Client, the Payment Institution is entitled to require the Client to prove his/her identity in a satisfactory manner, namely by an agreed **numeric password**, which is identical to the Agreement number, or using technical identification means. Failure of a Payment Institution employee to request Client identification has no impact on the validity of the accepted payment order.

The Payment Institution is entitled to refuse to accept the Client's payment order in those cases where the execution of the payment order could violate the Payment Institution's legal obligations, prudential rules or if the Payment Institution exceeds its internal maximum risk assessment indicators. Upon request, the Payment Institution shall inform the client of the reason for not accepting the payment order, if the provision or disclosure of information is not in conflict with another legal regulation.

Immediately upon receipt of the payment order, the Payment Institution shall send the Client the document Information for the Payer Following Receipt of a Payment Order. The Client is obliged to immediately check the content of all data of the payment order stated in the Payer's Information. If the payment instructions of the received payment order do not, in any respect, accurately capture the terms of the required payment service, the Client is obliged to immediately communicate his or her objections to the employees of the Payment Institution. They will correct the payment order, thereby automatically invalidating the original payment order and send the Client a new Information for the Payer document, whose unique identifiers are different.

The payment order is binding by the Client's consent expressed by telephone with the conditions of the payment order, its acceptance by an employee of the Payment Institution and the sending of the Information for the Payer document to the Client. Acceptance or non-acceptance of information to the Payer for technical or other reasons does not affect the binding nature of the payment order. If the Client does not immediately receive the Information for the Payer via the agreed communication channel, the Client is obliged to contact the employees of the Payment Institution on the customer line and agree on another form of handing over the Information for the Payer.

After the mutual approval of the payment order, neither the Payment Institution nor the Client may cancel the payment order unless the cancellation of the payment order is agreed by both parties. The moment of approval means the client's express consent to the conditions of the payment order, which are the amount and currency of the transaction, the exchange rate and the amount of fees, if they are not zero.

### **Agreement of the Conditions of a Future Payment Order with Deferred Specification of the Exchange Rate**

If the Client is unable to guarantee the maturity date of the transfer of funds for the payment service payment (these are mainly foreign payments), the terms of the payment service are agreed as for a standard Payment Order, with the exception of the exchange rate, which will be additionally specified by the Payment Institution at the time the funds are credited to the account of the Payment Institution. This procedure must always be explicitly approved by the Client when negotiating the terms of the payment service with a deferred determination of the exchange rate.

When negotiating the terms of the payment service with a deferred determination of the exchange rate, the payment institution employee must inform the Client of, among other things:

- the Client's right to cancel the arranged future payment order free of charge, if it has not been paid, albeit partially,
- the approval of the conditions of the payment service by making the payment according to the instructions sent to the Client in the Information for the Payer on the Acceptance of the Instruction to Create a Payment Order,
- the need, in the event of a request to cancel a received payment order, to notify the payment institution's staff within three working days of the crediting of funds according to the Client's instructions,
- the fee for the return of funds received for the payment of a cancelled payment order.

Subsequently, the Client will receive the document Information for the Payer of the Acceptance of the Instruction to Create a Payment Order, which will state that the exchange rate and outgoing amount will be determined according to the current exchange rate stated on the Payment Institution's exchange rate table at the time of identification of the crediting of the Client's funds designated for settlement of a payment order with deferred determination of the exchange rate to the account of the Payment Institution. Other requisites of the document are identical with the Information for the Payer upon Receipt of a Payment Order.

### **Acceptance of a Payment Order with Deferred Determination of the Exchange Rate**

A payment order with deferred exchange rate determination is considered accepted by the Payment Institution and becomes binding on both the Client and the Payment Institution upon identification of receipt of funds intended for settlement of the payment order, provided with identifiers specified in the Information for the Payer of the Acceptance of the Instruction to Create a Payment Order, and the Payment Institution's account, even in the event of only a partial settlement.

In case of doubt about the correct identification of received funds, or if the agreed amount of received funds does not match, the employee of the Payment Institution contacts the Client and verifies whether the funds are intended for payment of a specific payment order and agrees on further action with the Client.

In this case, the payment order is considered accepted only after the verification process is completed. Immediately upon receipt of a payment order with deferred exchange rate determination, as described above, the Payment Institution employee shall assign the payment order an exchange rate according to the Payment Institution's current exchange rate valid at the time of acceptance of the payment order, and simultaneously execute the payment order by transfer of the funds according to the Client's instructions given in the Information for the Payer of the Acceptance of the Instruction to Create a Payment Order.

### **Cancellation of an Accepted Payment Order with Deferred Exchange Rate Determination**

The Client has the right to cancel the received payment order with a deferred determination of the exchange rate, before sending the funds to the Payment Institution or within three working days after crediting the funds sent by the Payment Institution to the Payee's account specified in the Payer's Information on Accepting Instructions to Create a Payment Order.

In the event of a request to cancel a payment order, the Client is obliged to contact the Payment Institution's staff on the customer line on working days from 9 a.m. to 5 p.m., identify himself or herself with the Framework Agreement number, at the Client's own cost, return the funds to the payment institution's account in the currency of the outgoing payment order according to the communicated payment instructions. Subsequently, the funds received for the payment of the future payment order in the original currency and the amount reduced by fees according to the current Fee Schedule valid on the day of negotiating the conditions of the future payment order will be returned to the Client.

This procedure concerns the cancellation of a payment order with a deferred determination of the exchange rate only if the payment order has been settled, albeit partially. If no funds have been received to pay for a future payment order with deferred exchange rate determination, the cancellation of the agreed terms is free of charge.

Failure to meet the three-day deadline does not deprive the Client of other rights to make a claim or submit a complaint.

## Return of Unidentified Funds

If the Payment Institution finds in its accounts the crediting of funds intended for the payment of a payment order without prior negotiation of the payment order, it shall try to determine the origin of funds and contact the Client, or wait until the end of the fifth working day following the maturity date of crediting of the funds.

If the origin of the funds can be ascertained, the Client must credibly prove that the funds have been transferred from his payment account or that they have been transferred by another entity to settle his receivables. Subsequently, the parameters of the payment service are agreed with the Client and the Information is sent to the Payer. In this case, the Client is obliged to confirm the correctness of the payment instructions in writing, by fax or by telephone on the record. Subsequently, the Payment Institution will transfer the funds to the Payee of the payment order according to the approved instructions.

If it is not possible to determine the origin of the funds by the end of the fifth working day following the maturity day of crediting the funds, the funds will be returned to the Payer's account on the same day. In this case, the Payment Institution shall reduce the amount before sending by the reasonable costs associated with receiving and sending funds from the payment account.

The Payment Institution will proceed similarly in cases where the parameters of the incoming payment do not fully correspond to the agreed payment service (*for example, if the Payer transfers funds intended for a payment transaction to a Payment Institution's account held in another currency contrary to the instructions given in the Payer's Information, which prevents the Payment Institution from executing a payment order in accordance with the instructions due to the bank automatically crediting such payment to the Payment Institution exchanged at its own exchange rate*).

## Fulfilment of the Client's Obligations

The Client shall fulfill his/her obligation to pay for the payment service by transferring funds from the Payer's account or depositing funds in cash, always to the Payment Institution's account specified in the Payer's Information and using agreed identification marks (variable and specific symbol, or information for the Payee). The Client always follows exclusively the instructions given in the current version of the Information for the Payer, which he or she received from the Payment Institution.

The client is obliged to pay for the payment service within the agreed period and in the agreed amount. If, for technical or other reasons, the Client is forced to delay the transfer or split it into several payments, the Client must inform the Payment Institution without undue delay. In such a case, the payment order will not be executed by the Payment Institution until the client transfers all funds in the full amount of the agreed payment service.

If the Client does not correctly state the identification marks according to the valid Information to the Payer, the employees of the Payment Institution contact the Client and the Client is obliged to document:

- that the funds have been transferred from the Client's payment account or that they have been transferred by another entity to settle the Client's debts, if in doubt; and
- consent to the correctness of the Information for the Payer if there is a suspicion that there could be an error or mutual misunderstanding between the Client and the Payment Institution.

## Transfer of Funds According to the Payment Order

The Payment Institution shall transfer funds according to payment orders only on working days throughout the full working hours after receipt and identification of payment instruments for the payment of payment orders. The Payment Institution shall submit to its bank an order to transfer funds according to the Instructions without undue delay after crediting and identifying the funds to pay the payment transaction in

full, if technically possible, and if the beneficiary's bank is the same as the bank of the account from which the funds are debited.

In all other cases, the Payment Institution shall hand over the order for transfer of funds according to the Instructions:

- by 3:00 p.m. on the maturity date (if the Client's funds were credited to the Payment Institution's account by 2.30 p.m.),
- by the end of working hours on the maturity date (if the Client 's funds were credited later), or
- no later than the end of the working hours of the following working day, if it is not possible for technical reasons to submit the order to transfer funds to the bank earlier.

The above procedure shall not apply if there is any doubt as to the origin of the funds, if the identification used by the Payer does not correspond or if it is prohibited by legal regulation (*in particular Act No. 253/2008 Coll., on Certain Measures against the Legalization of Proceeds from Crime and the Financing of Terrorism, as amended, and Act No. 69/2006 Coll., on the Implementation of International Sanctions, as amended*) or an individual legal act binding on the Payment Institution, issued by a competent authority. The Payment Institution informs the Client about the handover of the order for the transfer of funds to the bank, optionally by a short text message (SMS) or by e-mail.

Following the debiting of funds in favour of the beneficiary of the payment order, a Proof of Execution of the Payment Order will be issued, which is sent electronically to the Client.

Obligations arising from the accepted payment order are fully fulfilled only at the moment of crediting the Client's funds to the Payment Institution's account in the amount specified in the Payer's Information and after crediting the Payment Institution's funds to the Payee's account debited from the Payment Institution's payment account in the amount specified in the Payer's Information.

### **Document on Execution of Payment Order**

The Payment Institution will issue a document on the Execution of the Payment Order after debiting of funds from the payment account of the Payment Institution in favour of the beneficiary of the payment order in the amount and by the method pursuant to the agreed terms of the payment service stated in the Payer's Information. The payment institution shall immediately send the document in electronic form to the Client's e-mail address agreed upon when negotiating the terms of the payment service.

### **Foreign Payment Relations**

Transfers of funds in payment transactions with foreign countries are provided by the Payment Institution to Clients exclusively in parallel with the service of non-cash exchange of funds into another currency.

When arranging a payment service where the Payee has accounts maintained outside the Czech Republic or in a foreign currency with a domestic bank other than the one used by the Payment Institution to settle the payment services, the Client is obliged to state the reason for the payment to the Payment Institution.

When entering a transfer order abroad for a payment, the Payer must state the correct identification data of the Payee according to the information sent to the Payer, especially data on the Payee (EXCHANGE s.r.o., Kaprova 13, Prague 1, Czech Republic), Payee's account number, bank code or SWIFT / BIC and bank information of the Payee (not required for SEPA payments). For domestic payments in CZK or within the same bank, the Client shall also indicate a variable and specific symbol; for other payments, information for the Payee. The Client always receives all this data in the Payer's Information.



## Settlement of a Payment Order

The Payment Institution is not responsible for postponing the crediting of funds to the account of the Payee, if the postponement is caused by incorrect instructions of the Client or another intervention (*for example, if the Client provides payment instructions incorrectly, due to failure of the bank's online clearing system, suspension of payment due to suspicion of possible terrorist financing or money laundering, etc.*).

The contracting parties undertake to provide each other with information on the fact that the payment order cannot be settled within the agreed term. The payment order will then be executed based on the agreement of both parties at a further specified time, but otherwise at the same, original exchange rate specified in the Payer's Information, unless the parties voluntarily agree otherwise.

The Payment Institution shall not transfer funds in accordance with the Instructions if it is prevented from doing so by a legal regulation (*especially Act No. 253/2008 Coll., On Certain Measures against the Legalization of Proceeds from Crime and Terrorist Financing, as amended, and Act No. 69/2006 Coll., on the implementation of international sanctions, as amended*) or an individual legal act, binding on the Payment Institution, issued by the competent authority. The Payment Institution is not liable to the Client for damage caused to the Client by non-transfer of funds due to the exercise of power by the Czech Republic, another state or an international organization.

## Non-fulfilment of a Payment Order

If the Client does not transfer the means of payment intended for the payment of the payment order to the account of the Payment Institution within the agreed period (settlement date of the payment order), or no later than 4 p.m. on the working day following that day, the conduct is considered a breach of the Client's obligation and the Payment Institution has the right to cancel the payment order in question. Cancellation of a payment order due to non-fulfilment of the Client's obligation entitles the Payment Institution to reimbursement of costs incurred and is assessed by the Payment Institution as a serious breach of the Agreement, pursuant to which the Payment Institution may terminate the Agreement in accordance with the two-month notice. Termination of the Agreement does not terminate the right of the Payment Institution to reimburse the costs arising from the cancellation of the payment order, which the Client is obliged to pay on the basis of the sent invoice.

Costs incurred by the Client's non-compliance with the payment order are charged as the difference between the amount of exchanged means of the payment order calculated by the exchange rate announced by the Czech National Bank on the day the payment order was negotiated and on the first working day following the agreed settlement day, or on the day when the Client notifies the Payment Institution of the intention to cancel the agreed payment service, if this fact occurs earlier.

A loss caused by a failed purchase of foreign currency is calculated if the unfulfilled payment order contained a client's obligation in foreign currency, and is calculated if the exchange rate of the purchased currency announced by the CNB increased in that period.

A loss arising from a failed sale of a foreign currency is calculated if the unfulfilled payment order contained a liability of the Payment Institution in a foreign currency, and is calculated if the exchange rate of the sold currency announced by the CNB decreased in that period.

If the subject of the payment order is the exchange of a foreign currency for another foreign currency, the loss is calculated as the sum of both amounts.

## Rules for Resolving Claims and Complaints

Every client of a Payment Institution has the right to express dissatisfaction with the provided payment and exchange services or the conduct of the Company's employees, in the form of a complaint or claim.

The filing and handling of complaints and claims is governed by the Rules for Handling Complaints and Claims (hereinafter referred to as the "Complaints Procedure").

The current wording of the Complaints Procedure is available at the registered office of the Payment Institution, at each branch of the exchange office and in electronic form on the Payment Institution's website.

## Procedure for Reporting and Resolution of Suspicion of Fraud

If the Client finds or suspects that he or she has been the victim of fraud in connection with the payment service provided, The Client may contact the person responsible for dealing with fraud, who is the head of the front-office department or the head of the Payment Institution. Due to the possible urgency of the solution, they may be represented in their absence by another authorized payment service employee.

In this case, the Client contacts the Payment Institution via one of the following channels:

- in person at the Company's registered offices or through an employee of the exchange,
- by telephone to the Company's customer line,
- electronically, via e-mail to: [info@exchange.cz](mailto:info@exchange.cz),
- using the contact form at <https://www.exchange.com/contact> or,
- in writing to the address: EXCHANGE s.r.o., Kaprova 14/13, Praha 1 - Josefov, Post Code 110 00.

The responsible employee must deal with such a complaint immediately and inform the Client about the course of the solution and the findings so as to minimize any potential damages.

The reporting must be submitted in Czech or English.

## Amendment of Terms and Conditions

The Payment Institution is entitled to change these Terms and Conditions at any time in connection with the development of the legal and business environment and with regard to its business policy, and the changes must be published at least two months in advance.

The Payment Institution must also submit a proposal for changes to the Terms and Conditions to each Client with a valid Agreement concluded no later than 2 months before they take effect on a permanent data carrier.

A change in the Terms and Conditions shall be deemed accepted by the Client if it was submitted to the Client no later than 2 months before entry into force, the Client did not reject the proposal to change the Conditions, the Payment Institution informed the Client of this consequence and if the Payment Institution informed the Client of his right to terminate the Agreement free of charge and immediately the effectiveness of the change to the Terms.

The Payment Institution shall always make available the current and full version of the Terms and Conditions at the company's registered offices and on its website at <https://www.exchange.cz/GBT>.

## Closing Provisions

The Client may terminate the Agreement at any time unilaterally, with immediate effect and without giving a reason. Termination of the Agreement is free of charge. Termination of the Agreement does not release the contracting parties from the obligation to settle the obligations arising during the contractual relationship.

The Payment Institution is entitled to terminate the Agreement in writing with a two-month notice period, which begins on the day following the delivery of the notice to the Client.

Legal relations established between the Client and the Payment Institution are governed by the laws of the Czech Republic, unless otherwise agreed.

The Terms and Conditions and the Agreement are binding in the Czech version, unless the Agreement provides otherwise.

Disputes arising during the mediation of payment services, including disputes arising in the event of non-compliance with agreed payment orders may be resolved:

- by a competent court;
- by a financial arbitrator of the Czech Republic, in accordance with Act no. 229/2002 Coll., On the financial Arbitrator, as amended, if the dispute arises from the provision of payment services, if otherwise jurisdiction to resolve the dispute falls under the competencies of a Czech court. However, even in these cases, the Client's right to go to court is not affected.

The address of the Financial Arbitrator is:

Financial Arbitrator of the Czech Republic

Washingtonova 25

110 00 Praha 1

Internet address: <https://www.finarbitr.cz/en>

Each party to the proceedings shall bear its own costs, with the exception of interpretation costs, which shall be borne by the Company in accordance with the Financial Arbitrator Act. The proceedings are free of charge;

- in arbitration proceedings, if an arbitration clause is agreed between the Company and the Client for the resolution of this dispute.

If any provision of these Terms or any part thereof is found to be invalid, ineffective or unenforceable, such fact shall have no effect on the validity, effectiveness or enforceability of the other provisions of the Terms. In such a case, the legal relationships which have been or should have been affected by such invalid, ineffective or unenforceable provisions of the Terms shall be governed by the provisions of applicable law which most accurately reflect the intentions of the parties arising from such invalid, ineffective or unenforceable provision of the Terms.

These Terms and Conditions become valid and effective as of March 1, 2021 and replace the previous General Business Terms of EXCHANGE s.r.o. for the provision of payment services in full scope.