

Basic Arrangement

General Business Terms of the EXCHANGE s.r.o. for the provision of payment service (hereinafter to be referred to as the “Terms”) govern the conditions for the provision of payment services by the Payment Institution to the Client according to § 3, paragraph (1) letter f) of the Act no. 284/2009 Coll. on payment transactions, as amended.

After the manner and under the conditions specified in these Terms, the Client and the EXCHANGE s.r.o. company (hereinafter to be referred to as the “Payment Institution”), which have concluded a Master Contract for the provision of payment services, may agree to negotiate the terms of noncash foreign currency transactions and on acceptance of the payment order of the Client by the Payment Institution. The Payment Institution is authorized to do so by the license obtained from the Czech National bank for the activities of Payment Institution no. 2011/3046/570.

According to the Czech Republic legal regulations, the Payment Institution is a legal entity whose activities are subject to supervision by the Czech National bank, and are governed by the Act no. 284/2009 Coll. on payment transactions as amended, by the Act No. 253/2008 Coll. on certain measures against money laundering and terrorist financing, as amended, the Act no. 69/2006 Coll., on the implementation of international sanctions, as amended, and other legal norms.

Definition of expressions

The beneficiary shall mean the user on whose behalf the payment is to be credited by the payment order or who, in accordance with the payment order, is recipient of the funds.

The communication channel shall mean an agreed way of exchanging information between the Client and the Payment Institution in order to authentically capture agreed conditions or progress of execution of payment services. The Payment Institution uses SMS as a communication channel identified by the text "Exchange" instead of a phone number, e-mail messages, faxes and letters.

The fee shall mean the amount of consideration for the execution of the payment order that the Client is obliged to pay the Payment Institution. The Payment Institution is obliged to inform in advance the Client about the fee amount.

The foreign payment is a wire transfer of funds in the Czech and foreign currencies to and from abroad and in foreign currency between residents and foreigners in the Czech Republic, unless the beneficiary's account is maintained by the payer's provider (i.e. unless the payment accounts both of the payer and beneficiary are maintained by the same Payment Institution).

IBAN is an international bank account number for simplified payment system within the members of EU.

Information for the payer after acceptance of the payment order (hereinafter to be referred to as the “Information for The Payer”) is a confirmation of terms of a noncash foreign currency transaction agreed between the Payment Institution and the Client, which registers detailed conditions and expected progress of the transaction. The Payment Institution shall provide the Information for The Payer to the Client immediately after receipt of the payment order in electronic form as a PDF file by sending it to the specified e-mail address, or to the e-mail address as per the Master Contract. The Information for The Payer contains accurate and binding instructions for the Client to transfer funds to reimburse both incoming and outgoing payment transactions amount in the currency specified in the payment order in addition to indication of the consideration, the payer is obliged to pay the provider for the execution of payment transactions, exchange rate, if the subject of transaction is exchange of different currencies, and precise instructions, according to which the provider shall transfer funds in accordance with the Client's requirements. The document also

contains an agreement date (i.e. date of receipt of payment order) and the expected date of settlement (i.e. the deadline by which the payer is obliged to transfer funds to the account of the Payment Institution).

The Master Contract for the provision of payment services (hereinafter to be referred to as the “Contract” or “Master Contract”) is a contract concluded between the Payment Institution and the Client, authorizing the Payment Institution to accept the payment orders from the Client in accordance with the authorization of the Czech National bank to provide activities of a Payment Institution.

The monetary funds shall mean banknotes, coins and cashless means of payment.

Noncash foreign currency transaction shall mean a purchase or sale of funds in Czech or foreign currency in exchange for funds in another currency, which is carried out by a bank transfer of funds between two payment accounts.

On-line trading shall mean an immediate transfer of funds by wire.

The Payer shall mean the user, from whose payment account the funds are to be debited to make the payment transaction, or who makes the funds available for the execution of payment transaction.

The payment account shall mean the account that is used to execute payment transactions.

The Payment Institution is a legal entity that is authorized to provide payment services based on the license to operate a Payment Institution issued by the Czech National bank.

The payment item is a numeric identifier used for the purpose of foreign cash payments. A current list of payment items is shown in the Czech National bank codebook BA0030 available at <http://www.cnb.cz>.

The payment order shall mean an order to the provider, whereby the payer or beneficiary requests the execution of a payment transaction.

For the purpose of this document and the Master Contract for the provision of payment services **the payment service** shall mean the transfer of funds, during which neither the payer, nor beneficiary uses a payment account of the payer’s provider. Payment services do not include exchange activities.

The payment transaction shall mean the deposit of funds to the payment account, withdrawal of funds from the payment account or a transfer of funds.

Proof of payment order confirms the progress of a payment service and foreign currency exchange parameters. The document is sent to the payer after debiting the payment account funds of the Payment Institution.

The schedule of fees is a publicly accessible document containing a detailed breakdown of all charges, which may be charged by the Payment Institution to recover costs associated with the provision of their services. The rate of fees is quoted in CZK. If the Client makes a payment for service in another currency, the conversion is made using the current rate of exchange or foreign currency rate of exchange valid at the time of the conclusion of the service according to the type of service provided.

SEPA payments are simplified payments between the Member States of the European Union or other State Parties to the Agreement on the European Economic Area. To use the simplified SEPA payment, the payer is obliged to provide a payment account number of the beneficiary in the IBAN format, SWIFT code of the beneficiary's bank, and can be used solely to transfer funds in the EUR currency.

The SWIFT Code (also known as the BIC code) comprising of eight to eleven digits of the alphanumeric code is used to identify banks during transactions in the international system of payments.

The unique identifier shall mean a combination of letters, numbers or symbols that are used to identify the user or its account by the provider during the execution of payment transactions.

The value date shall mean the moment at which the payment transaction is registered for the purpose of calculating interest on the funds in the payment account.

The volume of transactions and exchange rate

The Payment Institution publishes indicative exchange rates for the purpose of payment service on weekdays from 9:00 AM to 5:00 PM on the website: <http://www.exchange.cz/deviza>. During the day, the current foreign exchange rates constantly change according to the current developments in the financial markets, which affect the exchange rate value of the individual foreign currencies against CZK, and also with regard to the current supply and demand of the Payment Institution. The exchange rate offered to the Client at the time of negotiating the conditions of payment service by telephone or any other way agreed in advance is always obligatory. The exchange rate is always specified in the Information for The Payer, unless the parties agree otherwise, i.e. on fixing the exchange rate on the value date when the payer's funds are credited to the account of the Payment Institution.

Fees and the Fee Schedule

The fees are charged to the Client by the Payment Institution according to the value and method of execution of the payment order to cover the costs incurred with its performance. The fee is also charged for some extra services required by the Client together with or after the execution of the payment order.

The value of the payment order, which affects the amount of the fee, is always determined by the amount of a payment transaction in the outgoing payment order (for foreign currencies converted to the equivalent of CZK by a current exchange rate of the Payment Institution valid at the time of negotiation of the payment service).

The amount of the fee is set out in the Schedule of Fees, whose current updated version is always accessible on the <http://www.exchange.cz/sazebnik> website. One payment order may simultaneously include more charges.

In terms of the cash deposits of funds intended to cover the payment service in favour of the Payment Institution, the bank may, in addition to the fees specified in the Schedule of Fees, charge the payers with standard cash deposit fees as per its current price list, if the amount of funds exceeds 500,000 CZK or equivalent in the foreign currency, or if the deposit contains a large amount of coins or small notes and/or damaged notes or foreclosure notes.

The Schedule of Fee may be updated without a previous notice, however, it must be made available at least 14 calendar days before it becomes effective. When negotiating the conditions of a payment order, the Payment Institution is obliged to inform the Client on all charges including their amounts, which will be charged to the Client. The charges will be converted by the current exchange rate to the equivalent value of the currency, in which the payer pays the funds to cover the payment order, and will be added to the amount required for covering the payment service. The Information for The Payer after acceptance of the payment order contains a detailed breakdown of the amount of such fees, and the payer is obliged to pay all fees charged for the payment order by transferring the funds corresponding to their total sum as per the instructions provided therein.

Acceptance of the payment order and sending Information for The Payer

Payment orders shall be accepted by the Payment Institution's employees solely by phone and on weekdays from 9:00 AM to 5:00 PM.

Any queries on current exchange rates and instructions for the execution of the payment order can be sent electronically by e-mail to: exch@nge.cz or via a web form. The employees respond to queries, however, payment orders are accepted only by phone.

The payment order is accepted once the Client demonstrates an explicit agreement to the terms proposed by the staff of the Payment Institution over the monitored phone call. It is concerned, in particular, the volume of transaction, currency and exchange rate, date and estimated time of transfer of the Client's funds

to execute a payment order. The course of the contractual payment order is automatically recorded and the Client is informed of this fact before starting the telephone conversation.

The payment order can be arranged no later than three business days before the expected crediting of the funds to cover the payment order. While communicating with the Client, the Payment Institution is entitled to require the Client to prove its identity in a satisfactory manner, in particular by identifying an agreed **numeric password** that is identical to the contract number, or via technical means of the identification. An unsolicited identification of the Client by the Payment Institution's employee shall not affect the validity of the payment order received.

The Payment Institution is entitled to refuse acceptance of the payment order of the Client in those cases, where the execution of a payment order may cause breach of statutory obligation of the Payment Institution, breach of prudential rules, or in the case that the Payment Institution would exceed its internal indicators for evaluating the maximum permissible risk. By request, the Payment Institution will inform the Client of the reason for non-acceptance of a payment order, unless its disclosure is in conflict with other legislation.

The Payment Institution shall send the Information for The Payer to the Client after immediately after the acceptance of the payment order. The Client is obliged to immediately review all the data of the payment order specified in the Information for The Payer. In the event that the Information for The Payer in any respect does not accurately reflect the terms of the payment service agreed, the Client shall promptly communicate its objections to the employees of the Payment Institution, who will correct the payment order accordingly, while automatically invalidating the original payment order and sending the Client a new Information for The Payer, whose unique identifiers are different.

The payment order is binding after the expression of the Client's consent over the phone with the terms of the payment order, after the acceptance of the payment order by the employee of the Payment Institution and sending off the Information for The Payer to the Client. The Client's acceptance or non-acceptance of the Information for The Payer for technical or other reasons, does not affect the binding nature of the payment order. Unless the Client receives immediately the Information for The Payer through an agreed communication channel, it is obliged to promptly contact the Payment Institution's employees through the Client's service line and agree on another form of taking over this document.

After the mutual consent of the payment order and sending Information for The Payer to the Client, neither the Payment Institution, nor the Client have right of revoking the payment order, unless otherwise agreed by both parties.

Negotiating conditions of the future payment order with deferred exchange rate

If the Client is unable to guarantee the value date of transfer of funds to cover the payment service (mainly in case of foreign payments), terms of the payment service will be agreed with the exception of the exchange rate, which will be determined by the Payment Institution at the moment of crediting funds to the account of the Payment Institution. This procedure must be expressly approved by the Client during negotiating conditions of the payment service, and the Information for The Payer must specify that the exchange rate will be determined according to the current exchange rate at the moment of crediting funds covering the payment order to the account of the Payment Institution. In this case, the amount of an outgoing sum of the payment order cannot be pre-arranged owing to its dependence on the future exchange rate. Once the funds covering the payment order are credited to the account of the Payment Institution, the Client will be informed by the employee of the Payment Institution of the current exchange rate and of the amount that will be transferred by the Payment Institution according to the instructions of the Client. The exchange rate is determined in the usual way as for other Clients.

The payment order shall become binding both for the Client and the Payment Institution after an expressly declared mutual approval of the exchange rate over the phone. If the Client disagrees with the offered

exchange rate, the Client's funds in the currency received and without conversion will be transferred according to the Client's instructions. The rejection of the exchange rate does not relieve the Client of the obligation to pay fees according to the current Schedule of Fees.

Return of unidentified funds

Should the Payment Institution find in their accounts credited funds, which are intended to cover the payment order without a prior negotiation of a payment order, it will try to discover the origin of funds and contact the Client, or wait until the end of the business day following the value date of crediting funds.

If the origin of the funds is found out, the Client must provide proof that the funds have been transferred from its payment account, or that they have been transferred by another entity to cover the Client's claims. It is followed by agreeing parameters of payment service with the Client and sending the Information for The Payer to the Client. In this case, the Client is obliged to confirm the accuracy of payment instructions in writing, by fax or over the phone call that is recorded. Then the Payment Institution transfers funds to the beneficiary of the payment order according to the instructions agreed.

Unless the origin of the funds is found out by the end of the business day following the value date of crediting the funds, the funds shall be returned in favour of the payer's account on the same day. In this case, the Payment Institution will decrease the amount to be returned by reasonable costs associated with receiving and sending funds from the account.

The Payment Institution will proceed likewise even in cases where the parameters of the incoming payment do not completely correspond to the agreed payment service (*e.g. If the payer, in conflict with the instructions contained in the Information for The Payer, transfers the funds intended for the payment transaction to the account of the Payment Institution denominated in other currency, which disables the Payment Institution to execute a payment order in accordance with the instructions owing to the fact that the bank will automatically credit such a payment to the Payment Institution exchanged at its own foreign exchange rate*).

Fulfilment of the Client's obligation

The Client shall fulfil its obligation to cover the payment service by transferring funds from the payer's account or by depositing cash funds to the account of the Payment Institution specified in the Information for The Payer using agreed identification marks (variable and specific symbols or information for the recipient of foreign payment) while always obeying solely the instructions given in the current version of the Information for The Payer received from the Payment Institution.

The Client is obliged to pay the payment service within the agreed time and in full. In the event that due to technical or other reasons the Client is forced to defer from transferring or to split the remittance into multiple payments, it must promptly notify the Payment Institution accordingly. In that case, a payment order by the Payment Institution will not be executed until the Client transfers in full all funds agreed for the payment service in question.

If the Client fails to correctly specify the identifying marks according to the valid Information for The Payer, it will be contacted by the Payment Institution employee and will be obliged to prove:

- that these funds have been transferred from the Client's payment account or have been transferred by another entity to cover the Client's claims, if there are any doubts about it, and
- consent to the accuracy of the Information for The Payer, if there is suspicion of error or mutual misunderstanding between the Client and the Payment Institution.

Transfer of funds pursuant to the payment order

The Payment Institution transfers funds pursuant to payment orders on weekdays only throughout the working hours upon receipt of payment and after the identification of funds to cover the payment orders.

The Payment Institution shall order its bank to transfer the funds as per the instructions without any undue delay after crediting and identifying funds to cover the payment transaction in full provided that it is technically possible and that the beneficiary's bank is identical with the bank, from whose account the funds are debited.

In other cases, the Payment Institution shall order the bank to transfer funds as instructed:

- until 3:00 PM on the value date (if the Client's funds are credited to the account of the Payment Institution until 2:30 PM)
- by the end of the working hours on the value date (if the Client's funds are credited later), or
- by the end of the working hours on the following business day, unless it is technically feasible to give the bank order to transfer the funds earlier.

The above procedure shall not be applied, if there is a doubt about the origin of the funds used, the payer's identification does not match the numeric password, or if it conflicts with the legal regulations (*especially the Act no. 253/2008 Coll., on certain measures against money laundering and terrorist financing, as amended, and the Act no. 69/2006 Coll., on the implementation of international sanctions, as amended*) or with the individual legal act issued by the competent authority that is obligatory for the Payment Institution.

The Payment Institution shall inform the Client of the issue of order to the bank to transfer funds by sending the SMS or e-mail.

Following the debiting of funds in favour of the beneficiary of the payment order, the Payment Institution will issue a proof of payment order, which will be sent to the Client by e-mail.

The obligations arising from the payment order received are fully met up at the time of crediting the Client's funds to the account of the Payment Institution in the amount specified in the Information for The Payer and after crediting the Payment Institution's funds to the account, which have been debited from the account of the Payment Institution, to the beneficiary of the payment order in the amount specified in the Information for The Payer.

Proof of payment order

The proof of payment order shall be issued by the Payment Institution after debiting the funds from the payment account of the Payment Institution in favour of the beneficiary of the payment order in the amount and manner according to the terms of the payment service agreed that are listed in the Information for The Payer. The Payment Institution shall send the proof by return in electronic form to the Client's e-mail agreed when negotiating the terms of the payment service.

System of payment with other countries

Transfers of funds for payments to foreign countries are provided to the Clients by the Payment Institution exclusively in parallel with the service of cashless exchange of funds into other currencies.

When negotiating a payment service where the beneficiary has either an account maintained outside the Czech Republic or in foreign currency maintained with other domestic bank, than the bank being used for the settlement of payment services of the Payment Institution, the Client is obliged to inform the Payment Institution of the reason of payment.

When entering the transfer order for payments abroad, the payer shall indicate the correct identification data of the beneficiary according to the information sent to the payer, especially the data regarding the payment beneficiary (Exchange s.r.o., Kaprova 13, Praha 1, Czech Republic), beneficiary's account

number, bank code or SWIFT/BIC and data of the beneficiary's bank (not required for SEPA payments). In the case of domestic payments in CZK or within the same bank, the Client shall also specify a variable and specific symbol, and information for the beneficiary in the event of other payments. The Client will always receive all these data in the Information for The Payer.

Settlement of the payment order

The Payment Institution is not responsible for the postponement of crediting the funds to the account of the beneficiary of the payment order, if it is caused due to the incorrect instructions by the Client or owing to the intervention of other powers (*e.g. If the Client erroneously indicate payment instructions, due to the failure of online bank clearing system, the suspension of payments due to suspicion on possible terrorist financing or money laundering, etc.*).

The Parties undertake to notify each other in cases where the payment order cannot be settled within the deadline agreed. The payment will be executed by agreement of both Parties at a later determined date, however, at the same original rate as listed in the Information for The Payer, unless the parties voluntarily agree otherwise.

The Payment Institution shall not transfer funds as instructed, if it conflicts with the legal regulations (*especially the Act no. 253/2008 Coll., on certain measures against money laundering and terrorist financing, as amended, and the Act no. 69/2006 Coll., on the implementation of international sanctions, as amended*) or with the individual legal act issued by the competent authority that is obligatory for the Payment Institution. The Payment Institution is not liable to the Client for damages incurred due to the failure to transfer funds owing to the exerting powers of the Czech Republic, another state or an international organization.

Failure to comply with the payment order

If the Client fails to transfer funds to the account of the Payment Institution intended to cover the payment order within the deadline agreed (the settlement date of the payment order), or at the latest until 4:00 PM of the business day following that date, and unless the Client agrees with the Payment Institution on an alternate date or solution, such dealing shall be regarded as a failure of the Client, and the Payment Institution shall have the right to cancel the payment order. The payment order cancellation due to the failure of the Client shall qualify the Payment Institution to reimbursement of costs incurred, and will be considered as a serious violation of the terms of the Contract, on the basis of which the Payment Institution may withdraw from the Contract with two month notice period in accordance with the conditions thereof. Withdrawing from the contract does not affect the right of the Payment Institution to compensation for the costs arising from the cancellation of the payment order, which shall be paid by the Client based on the invoice sent.

Costs arising from the failure of the payment order caused by the Client shall be charged as the difference between the volume of the payment order funds exchanged that have been calculated at a rate announced by the Czech National bank on the day of conclusion of the payment order and on the first business day following after the date of settlement agreed.

The loss arising from the failed purchase of foreign currency shall be quantified in the event that the failed payment order included the Payment Institution's commitment in foreign currency, and shall be quantified in the event that the exchange rate of a purchased currency announced by the CNB increased in that period.

The loss arising from the failed purchase of foreign currency shall be quantified in the event the failed payment order included the Payment Institution's commitment in foreign currency, and shall be quantified in the event that the exchange rate of a sold currency announced by the CNB decreased in that period.

In the event that the subject of the payment order is the exchange of the foreign currency for another foreign currency, the loss shall be calculated as the sum of both amounts.

Rules for handling complaints and claims

Every Client of the Payment Institution has the right to express its dissatisfaction with the provision of payment services, currency exchange services or behaviour of the Company's employees by way of complaints or claims.

Submitting and handling complaints and claims are governed by the rules for handling complaints and claims (hereinafter to be referred to as the "Complaints Procedure").

The current version of the Complaints Procedure is available at the headquarters of the Payment Institution, at every branch of the exchange office as well as in the electronic form on the website of the Payment Institution.

Change of terms

Taking into account the development of legal and business environment and with regard to its trade policy, the Payment Institution shall be entitled to change at any time these Terms provided that these changes are published at least two months in advance.

The Payment Institution shall also transmit draft amendments to the Terms to each Client with a valid contract through an agreed communication channel no later than two months before their effective date.

Changes in Terms shall be deemed accepted by the Client if they have been submitted to the Client no later than 2 months before their effective date, have not been refused by the Client, and if the Payment Institution informed the Client accordingly, including the Client's right to immediately withdraw from the contract without any charge before the changing conditions come into effect.

The Payment Institution shall always make available updated and full wording of the Terms in the company's headquarters and on its website <http://www.exchange.cz/VOP> (in Czech).

Final Provisions

The Client may unilaterally terminate the Contract at any time with immediate effect and without giving any reason. The termination of the contract is free of charge. Withdrawing from the contract does not relieve the Parties of the obligation to settle the obligations incurred during the contractual relationship. The Payment Institution may terminate the Contract with the two month notice period, and it is obliged to inform the Client accordingly in writing.

The legal relations arising between the Client and the Payment Institution shall be governed by the laws of the Czech Republic, unless otherwise agreed.

Terms and Contract are binding in the Czech version, unless the contract provides otherwise.

Disputes arising from the provision of the payment service, including disputes arising from the failure to comply with agreed payment orders may be solved:

- by a competent court;
- by a financial arbitrator of the Czech Republic, in accordance with the Act no. 229/2002 Coll. on the Financial Arbitrator, as amended, if a dispute arises from the provision of payment services and if it would be otherwise in the competence of a Czech court. The right of a Client to go to court shall not be affected even in these cases.

Address of the Financial Arbitrator:

Financial Arbitrator of the Czech Republic

Washingtonova 25

110 00 Prague 1

Website: <http://www.finarbitr.cz/en>

Either party shall bear its own costs with the exception of interpretation, which under the Act on the Financial Arbitrator shall be borne by the Company. The proceeding is free of charge;

- in the arbitration proceedings, if the arbitration clause is agreed between the Company and the Client to resolve the dispute.

Should any provision of these Terms or any part thereof be found invalid, void, or unenforceable, such a fact does not affect the validity, effectiveness or enforceability of the remaining provisions hereof. In that case, the legal relations, which have been or should have been impacted on by such invalid, ineffective or unenforceable provisions hereof, shall be abided by the provisions of the relevant legislation that corresponds most accurately to the intention of the parties arising from such invalid, ineffective or unenforceable provision hereof.

These Terms shall enter into force on 1st June 2015, and replace in its entirety the previous Terms for the provision of payment services of the EXCHANGE s.r.o Company.