

**Article 1. Introductory Provisions**

- 1.1 The below Terms and Conditions for the Provision and Use of the TF OnLine Service (hereinafter the "**Conditions**") represent the Product Terms and Conditions as foreseen by the General Business Terms and Conditions of the Bank (hereinafter the "**General Conditions**"). These Conditions and the General Conditions form part of the Contract. The Client is obliged to familiarise himself/herself with them and comply with them.
- 1.2 Capitalised terms used herein shall have the meaning as defined in Article 8 hereof or in the General Conditions.

Article 2. Terms and Conditions of the Provision of the TF OnLine Service

- 2.1 The Client shall use the Service on the basis of the Contract. The Contract shall be governed by the law of the Czech Republic.
- 2.2 The Bank shall not enter into the Contract with the Client unless the Client has at least one current account kept with the Bank. The Bank shall charge to the Client the fees for the use of the Service, for provided products, and other fees referred to in the Contract, including fees for the use of the Service by Users as per the Tariff of Fees or an agreement between the Bank and Client, and shall debit them from the current account specified by the Client in the Contract, unless agreed otherwise. If the Frame Agreement sets forth the fees to be charged for separate products, the Client shall be obliged to pay these fees to the extent and in the manner specified in the Frame Agreement.
- 2.3 The Client shall use the Service through the agency of the Users. The User of the Service must be a holder of the Personal Certificate. Each User shall be obliged to administer his/her Personal Certificate by himself/herself, in particular to maintain its validity and effectiveness. The User shall not be able to use the Service in case the Personal Certificate or a chip card containing the Personal Certificate are blocked.
- 2.4 If the Service is cancelled or the Client is denied access to it, all his/her/its Users shall be denied access to the Service as well.
- 2.5 The Service is accessible round the clock (24 hours a day), 7 days a week, except on Sundays from 01:00 to 04:00 (a.m.) when the Service cannot be used due to technical reasons on the part of the Bank. The Bank reserves the right to block access to the Service or to change or suspend the provision of the Service for as long as necessary if it is inevitable for serious reasons, in particular of technical or security nature. The Bank shall be further entitled to block access to the Service if insolvency proceedings are opened (initiated) over the Client's assets.
- 2.6 The Bank shall be entitled not to supply to the Client any products provided through the Service, even without giving a reason.
- 2.7 Certain products provided through the Service cannot be supplied unless the Client enters into a Frame Agreement in which the Cap is arranged (e.g. for the Application for the Provision of a Bank Guarantees, Application for the Opening of the Letter of Credit, or Application for the Drawdown of a Credit). The aforesaid products can only be provided to the Client up to the amount of the Cap.
- 2.8 To the extent that is not regulated by the Contract, relevant provisions of the Frame Agreement shall apply to the Credits, Bank Guarantees and Documentary/Standby Letters of Credit provided to the Client through the Service, in particular to the repayment of the Credits, clearance of Bank's receivables in respect of the Client arising from Bank's supplies (deliveries) made in connection with the Bank Guarantees, and/or Documentary/Standby Letters of Credit.

Article 3. Special Terms of the Use of the TF OnLine Service**Administration Order**

- 3.1 The Client shall use the Administration Order to authorise the Users – plenipotentiaries to use the Service to the extent and under the terms and conditions set forth in the Contract. By the

Administration Order, the Client also sets the scope of User's certain internal authorisations. By the Administration Order, the Client may also cancel User's authorisation. The Client may only submit the Administration Order at the Client's Point of Sale.

Article 4. Products Supplied through the TF OnLine Service**A) Bank Guarantees**

- 4.1 The Client shall be entitled to use the Service to send to the Bank an Application for the Provision of a Bank Guarantee. The Client shall enclose to the Application for the Provision of a Bank Guarantee necessary documents related to the legal duty that should be guaranteed with the Bank Guarantee (e.g. a Contract for Works) depending on a kind of the required Bank Guarantee and, as the case may be, also a relevant guarantee deed pertaining to the specific Bank Guarantee that should follow required structure.
- 4.2 The Bank shall be entitled to either reword the guarantee deed or suggest alternative wording to the Client, so that it shall comply with the terms specified in the Application for the Provision of a Bank Guarantee, and send it via the Service to the Client, who shall approve it.
- 4.3 A relevant contract for the provision of a Bank Guarantee shall be executed as soon as the Bank issues the Bank Guarantee, having approved the Application for the Provision of a Bank Guarantee. The Bank shall serve the relevant guarantee deed to the creditor in an agreed-upon manner.
- 4.4 In addition to the above, the Bank Guarantees may be altered/modified, amendments to contracts for the provision of a Bank Guarantee executed, and other actions possibly related to the Bank Guarantees performed using the Service, provided that the Service allows for it.
- 4.5 Having been requested to do so by another bank, the Bank shall be entitled to notify the Client via the Service that the other bank has issued (or altered) a Bank Guarantee for the benefit of the Client. Such a notification as referred to in this Article shall not be construed as any confirmation of the Bank Guarantee, nor shall it constitute any surety obligation on the part of the Bank arising from the notified Bank Guarantee or its alteration.
- 4.6 Promise of Bank Guarantees may also be issued upon Client's request using the Service. The provisions governing the Bank Guarantees shall accordingly apply to the committed Bank Guarantees.
- 4.7 The Bank shall be entitled to keep the Client continuously informed about the current status of the Bank Guarantee. The information shall be sent by electronic mail at the E-mail address specified in the Application for the Provision of a Bank Guarantee or in another agreed-upon manner.

B) Documentary/Standby Letters of Credit**Import (Buyer's) Documentary Letters of Credit**

- 4.8 The Client shall be entitled to use the Service to send to the Bank an Application for the Opening of the Letter of Credit.
- 4.9 The Bank shall be entitled to require that the terms and conditions set for in the Application for the Opening of the Letter of Credit are changed.
- 4.10 A relevant contract for the opening of a Letter of Credit shall be executed as soon as the Bank opens the Documentary Letter of Credit, having approved the Application for the Opening of the Letter of Credit.
- 4.11 The Documentary Letter of Credit shall also be governed by the latest revision of the *Uniform Customs and Practice for Documentary Credits* issued by the International Chamber of Commerce, Paris, effective as at the date of the opening of the Letter of Credit; unless specified otherwise in the Application for the Opening of the Letter of Credit.
- 4.12 In addition to the above, the Letters of Credit may be altered/modified, amendments to contracts for the opening of a Letter of Credit executed, submitted documents accepted, and

other actions possibly related to the Letters of Credit performed using the Service, provided that the Service allows for it.

- 4.13 The Bank shall keep the Client continuously informed about the current status of the Documentary Letter of Credit. The information shall be sent by electronic mail at the E-mail address specified in the Application for the Opening of the Letter of Credit or in another agreed-upon manner.

Export (Seller's) Documentary Letters of Credit

- 4.14 The Bank shall be entitled to use the Service to notify the Client that a Documentary Letter of Credit has been opened (issued) for the benefit of the Client or altered/modified, and to take other possible actions associated with these Documentary Letters of Credit, provided that the Service allows for it. Unless a Documentary Letter of Credit issued by another bank in accordance with the foregoing sentence is, at the same time, confirmed by the Bank, no obligations shall arise to the Bank from the aforesaid Documentary Letter of Credit or its alteration/modification. Subsequently, the Bank shall deliver relevant documents, if it receives any, to the Client by post.

Standby Letters of Credit

- 4.15 The provisions governing the import (buyer's) Documentary Letters of Credit or export (seller's) Documentary Letters of Credit shall accordingly apply to the Standby Letters of Credit.

C) Documentary Collections

Import/Domestic (Buyer's) Documentary Collection

- 4.16 If asked to do so by a third party, the Bank shall be entitled to notify the Client through the Service about the opening of Documentary Collection, whereby the Client is a debtor, and hand over relevant documents to the Client after the terms of the collection are met.

Export/Domestic (Seller's) Documentary Collection

- 4.17 The Client shall be entitled to use the Service to send to the Bank an Order for the Procurement of the Documentary Collection. At the same time, the Bank should also receive relevant documents necessary for the procurement of the Documentary Collection.
- 4.18 A relevant contract for the opening of the Documentary Collection shall be executed at the moment the Bank shall have executed the Order for the Procurement of the Documentary Collection. The Bank shall be entitled to terminate the contract for the opening of the Documentary Collection even without giving a reason, with a notice period of one month. The notice period shall start at the date of delivery of the notice to the Client.
- 4.19 The Documentary Collection shall also be governed by the latest revision of the *Uniform Rules for Collections* issued by the International Chamber of Commerce, Paris, effective as at the date of the execution of the Order for the Procurement of the Documentary Collection, unless agreed upon otherwise.
- 4.20 The Bank shall credit any funds received under the Documentary Collection to the Client's account kept with the Bank and specified in the Order for the Procurement of the Documentary Collection no later than on the Business day following the date at which the Bank shall have demonstrably received the funds and documents allowing the settlement. In case that conversion is needed, the Bank shall use the Exchange Rate effective as at the moment of the processing of the given transaction.

Joint Provisions Governing the Documentary Collections

- 4.21 In addition to the above, the Documentary Collections may be altered/modified, amendments to contracts for the opening of the Documentary Collection executed, and other actions possibly related to the Documentary Collections performed using the Service, provided that the Service allows for it.

D) Credits

- 4.22 The Client shall be entitled to use the Service to send to the Bank the Application for the Drawdown of a Credit.
- 4.23 A relevant Credit Contract shall be executed as soon as the Bank, having approved the Application for the Drawdown of a Credit, facilitates the transfer of the funds to the Client's Current Account. The transfer of the Credit funds to the Client's Current Account shall be considered as the acceptance by the Bank of the

Application for the Drawdown of a Credit. This provision shall not apply to a revolving Credit.

- 4.24 The Client shall be entitled to use the Service to send to the Bank the application for the repayment of a revolving Credit.

Article 5. Security of the TF OnLine Service

- 5.1 In order to ensure secure access to the Service, the Bank uses, without limitation to it, the public key infrastructure (PKI) that meets all requirements concerning security by using asymmetric encryption, verifying the User's identity by a Personal Certificate, and using the Signature as proof of data indisputability and integrity. In order to ensure secure access to the Service, the Bank shall be entitled to use additional security elements and further collect and evaluate information relating to Users' access to the Service. Acts and deeds signed with a Signature of an authorised User are binding for the Client. The Bank shall be entitled to make the use of the Signature dependent on other security features.
- 5.2 The Bank shall not be held liable for cases where the Service cannot be used due to circumstances beyond control of the Bank and/or its partners (e.g., power failure, interruption to the connection with the Bank via a public telephone/Internet network, strike etc.).
- 5.3 Electronic communications networks (public telephone lines, mobile network lines, e-mail and fax) used for communication between the Bank and the Client pursuant to these Conditions are beyond the Bank's direct control; the Bank is therefore not liable for any damage caused to the Client by their potential misuse. The relevant providers of electronic communications services are obliged to secure the protection of these networks and the confidentiality of messages sent via the networks, as envisaged particularly in the Act on Electronic Communications.¹

Article 6. Other Rights and Duties of the Client and the Bank

- 6.1 The Client shall be obliged to use the Service in accordance with the Contract, Conditions, Handbook, and Technical Terms and Conditions. By signing the Contract, the Client represents to have read the Handbook and Technical Terms and Conditions.
- 6.2 The Client shall be obliged to check continuously the current status of the requests, orders and data sent via the Service.
- 6.3 The Client shall be obliged to notify the Bank, without any unnecessary delay, of any ascertained faults in the execution of the requests and orders and in the inputting of the data. Belated notification may result in denial of Client's (or User's) claim for damages.
- 6.4 The Client hereby represents that any and all data and information provided to the Bank in association with the use of the Service shall be truthful, complete and not misleading, and undertakes to notify the Bank without any delay in case of any changes thereto.
- 6.5 The Bank shall only be liable for data received and confirmed by the Bank. The Bank shall not be held liable for any possible damage resulting from an erroneous or duplicated input of the data via the Service. The Bank shall not be held liable for verifying the correctness and authenticity of the data, information and documents delivered by the Client to the Bank in connection with the Service.
- 6.6 The Client shall be obliged to inform the Bank without any unnecessary delay whenever he/she/it suspects that a fault has occurred in the software or the Service might have been misused by a third party. Following such notification, the Bank shall be entitled to suspend the use of the Service. The Client undertakes to co-operate with the Bank in implementing corrective measures proposed by the Bank.
- 6.7 The Bank shall not be held liable for the malfunctioning of software applications installed on the PC used by the Client for the Service or malfunctioning of the Service caused by a third party (e.g.,

¹ Act No. 127/2005 Coll., on Electronic Communications, as amended.



software manufactured by another supplier; computer virus infection; workstation hardware fault etc.) or by *force majeure*.

- 6.8 Any and all information related to the Service is confidential and the Client must not use it contrary to purpose for which it has been provided.
- 6.9 The Client shall be obliged to protect his/her security data, in particular the Personal Certificate, password or, as the case may be, PIN and PUK, first and foremost from possible loss, disclosure, theft or misuse. The Client shall further be obliged to protect his/her own computer system and component parts thereof from misuse.
- 6.10 The Client shall take necessary steps to protect the Service from any misuse by third parties.
- 6.11 The Client shall be obliged to ensure that all Users are familiar with the Contract, Conditions, Handbook and Technical Terms and Conditions, and abide by the provisions contained therein.
- 6.12 The Client shall be held liable for any damage resulting from the Client breaching his/her/its obligations set forth under this Article.
- 6.13 Any and all disputes arising under the Contract or under contracts executed via the Service, as well as in connection therewith, shall be decided with final validity in arbitration proceedings either before the Arbitration Court attached to the Economic Chamber (Chamber of Commerce) of the Czech Republic and the Agrarian Chamber of the Czech Republic in accordance with its rules of procedure by three arbitrators, or before general courts of the Czech Republic. The party filing the action or otherwise initiating the legal proceedings shall choose a manner how to solve the dispute in accordance with the foregoing sentence. Such choice shall be binding for both parties with respect to the given dispute.
- 6.14 The Client agrees that the Bank shall be entitled for the reason of (i) supporting the Client when using of the Service or (ii) maintenance and checks of the Service system's repairs to use its passive access to the system of the Service and log into the Service used by the Client for the reasons specified above.

Article 7. Termination of the Contractual Relationship

- 7.1 The Bank and the Client shall be entitled to terminate the Contract in writing, even without giving a reason. The notice of termination shall become effective upon the expiry of the notice period, i.e. 10 Business Days from the date of the delivery of the notice to the other contractual party.
- 7.2 Any and all applications and orders submitted by the Client that shall have not been accepted or processed by the Bank by the effective date of the notice of termination shall be cancelled. Other rights and duties of the contracting parties relating to agreements or activities that shall have arisen from the Contract by the effective date of the notice of termination shall be subsequently governed by the Contract until fully discharged. The rights and duties of the contracting parties relating to the contracts for the provision of a Bank Guarantee or contracts for the opening of a Documentary/Standby Letter of Credit shall be governed by the Frame Agreement.

Article 8. Definition of Terms

Capitalised terms used herein shall have the following meaning:

"Administration Order" shall mean a power of attorney by which the Client authorises the User to use the Service and, further, sets the "Supervisor" internal authorisation for the Users that is used for the pre-setting of the internal administration of Users' authorisations. The internal authorisations have no effect with respect to the Bank. At the same time, the Client – natural person uses an Administration Order to set his/her User authorisation to the extent set forth in the Administration Order and Contract.

"Application for the Drawdown of a Credit" shall be an application delivered by the Client to the Bank through the Service, in which the Client applies for the drawing of a Credit.

"Application for the Opening of the Letter of Credit" shall be a request for the opening of the import (buyer's) Letter of Credit or Standby Letter of Credit delivered by the Client to the Bank through the Service.

"Application for the Provision of a Bank Guarantee" shall be a request for the provision of a Bank Guarantee delivered by the Client to the Bank through the Service.

"Bank" shall mean Komerční banka, a.s., registered office at Praha 1, Na Příkopě 33/969, Postal Code: 114 07, IČO (Company ID): 45317054, entered into the Commercial Register kept by the Municipal Court in Prague, Section B, Insert 1360.

"Bank Guarantees" shall mean bank guarantees and/or counter guarantees provided or assisted through the Service. The Bank shall provide only certain types of bank guarantees through the Service.

"Banking Services" shall mean any banking deals, services and products provided by the Bank based on its banking licence, including investment services provided by the Bank acting as a security broker/dealer.

"Business Day" shall mean a day that does not fall on a Saturday, a Sunday, a public holiday or other holidays within the meaning of the applicable law, on which the Bank is open for the provision of Banking Services and on which other institutions that take part in the provision of Banking Services, or on which the provision of the Banking Services depends, are open and provide the relevant services.

"Cap" shall be a financial cap (limit) set forth in the Frame Agreement and applicable to the provision of the bank Guarantees and/or Documentary/Standby Letters of Credit specified in the Frame Agreement.

"Client" shall mean a legal person or a natural person that has entered into the Contract with the Bank.

"Client's Point of Sale" shall mean the Bank's point of sale at which the Client has executed the Contract.

"Contract" shall mean the contract under which the Bank undertakes to provide the Client with the Service. The General Conditions and these Conditions are part of the Contract.

"Credit" shall mean a credit provided by the Bank to the Client under the Frame Agreement through the Service.

"Current Account" shall be any of Client's current accounts kept with the Bank in the Credit currency and specified in the Application for the Drawdown of a Credit.

"Documentary Collections" shall mean import/domestic (buyer's) documentary collections and/or export/domestic (seller's) documentary collections provided or assisted through the Service.

"Documentary/Standby Letters of Credit" shall mean import (buyer's) documentary letters of credit, export (seller's) documentary letters of credit and/or standby letters of credit provided or assisted through the Service.

"Frame Agreement" shall mean the Frame Agreement on the Provision of Financial Services entered into by the Bank and the Client and specified in the relevant Application for the Provision of a Bank Guarantees or Application for the Opening of the Letter of Credit.

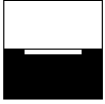
"Handbook" shall be a manual relating to the Service, which the Bank is entitled to amend. The Handbook is available to the Client on the Internet pages of the Bank. The Handbook is not a Notice as envisaged in the General Conditions.

"Order for the Procurement of the Documentary Collection" shall mean an order to procure the Documentary Collection or collection of a draft delivered by the Client to the Bank through the Service.

"Personal Certificate" shall mean a personal certificate issued by the Bank under the Contract for the Issue and Use of a Personal Certificate.

"Plenipotentiary" shall be a natural person who is a Personal Certificate holder and is entitled through the Administration Order to use the Service to the extent and under the terms and conditions set forth in the Contract.

"Service" shall mean the TF OnLine service, which the Client shall be entitled to use when utilizing the following products: Bank Guarantees, Documentary/Standby Letters of Credit, Documentary Collection, and



Credits, to the extent and under the terms and conditions agreed in the Contract.

“**Signature**” shall mean an electronic signature as envisaged in the Contract for the Issue and Use of a Company Certificate, the use of which may depend on other security features, or an electronic signature of the Bank.

“**Tariff of Fees**” shall mean a list of all charges, other fees and payments for the Banking Services and operations associated with the Banking Services.

“**Technical Terms and Conditions**” shall mean a document in which the Bank sets technical terms of the provision of the Service. The Technical Terms and Conditions are available to the Client on the Internet pages of the Bank. The Bank is entitled to amend the Technical Terms and Conditions. The Technical Terms and Conditions are not a Notice as envisaged in the General Conditions.

“**User**” shall be a holder of a Personal Certificate entitled to use the Service, specifically, the Client – natural person or Plenipotentiary.

Any references to Bank’s Internet pages are meant as references to the addresses www.kb.cz or www.tfonline.cz or, as the case may be, another Internet address the Bank currently uses or shall use in the future while providing the Service.

Article 9. Final Provisions

- 9.1 The Bank shall be entitled to amend the Conditions from time to time in the manner set forth in the General Conditions.
- 9.2 The Bank shall inform the Client about the new version of the Conditions and their effective date at Bank’s Internet pages. The Client shall be obliged to familiarise himself/herself/itself with the draft of the Conditions at Bank’s points of sale or its Internet pages.
- 9.3 These Conditions repeal and replace the Terms and Conditions for the Provision and Use of the TF OnLine Service of 15 September 2013.
- 9.4 These Conditions come into effect as at 01 December 2016.