

Payment Institution NFD a.s.

INITIAL PROVISIONS

Preamble

The General Business Terms & Conditions (the “GBTCs”) of Payment Institution NFD a.s., registered office: Popradská 17/670, 064 01 Stará Ľubovňa, organization ID No.: 46 847 162, registered in the Commercial Register maintained by the District Court in Prešov, Section Sa, Entry No. 10486/P, authorized to operate as a payment institution registered under Decision No.: ODB-10851/2014-7 (“NFD” or the “Company”) have been drawn up in accordance with Section 273(1) of the Commercial Code and published in accordance with Section 31 of Act No. 492/2009 on payment services and on amendments and supplements to certain laws, as amended (the “Act”), and form a part of each contractual relationship between the Payment Institution NFD a. s. and the Client. The GBTCs stipulate the basic rights and obligations within each contractual relationship between the Payment Institution and its Clients; they are binding for all parties to such contractual relationship from the first day the Client shows willingness to enter into a contractual relationship with the Company unless the parties agree otherwise.

I. Basic definitions and terms

For the purposes of these GBTCs and the legal relationship between the Payment institution and the Client, the following definitions and terms shall be used with the following meanings:

AML – for the purposes of this document, AML shall mean Act No. 297/2008 on protection against legalization of proceeds of criminal activity and terrorist financing.

Authentication: the process of verification of the Client’s identity or of the entitlement to use the Client’s payment tool, including the application of selected security tools in particular when logging into the internet banking or mobile application or within other situations agreed or determined by law.

Authorization: granting by the Client of consent to execute a payment transaction or other transaction relating to a payment account or funds in a payment account within the Payment institution’s system (a signature, password, SMS code, etc.). The ways and procedures of authorization are stipulated in these GBTCs that form a part of the Framework Agreement between the Payment institution and the Client. For the purposes of this Contract, within the registration process the Client must confirm the e-mail address validity through a confirming internet link (the “link”), verify his/her cell phone number using a SMS code upon his/her first logging into the internet banking, and subsequently, the authorization will be carried out via an SMS authorization code or the authorization code sent to the Client’s e-mail address according to the authentication option selected by the Client within his/her profile settings.

Services Package: the services packages (of Payment Institution NFD, a.s.), specified by the Company in the Price list and the Fees and Charges List, define how the Company keeps accounts for Clients and provides related services to Clients under more advantageous conditions.

Banking details: for the purposes of these GBTCs, this term shall mean the details necessary for transfer of funds to the payment account of the Client. The bank account number shall be stated for the purposes of receipt of funds via a payment order; as concerns cross-border payment orders, the name and address of the Payment institution and the account number in the form of IBAN and BIC or the SWIFT code of the Payment institution must be stated; and at the same time, in respect of each type of a funds transfer it is important to include a payment description – a unique identifier of the Client.

Security tool: a unique tool assigned to the Client and used by the Client within authentication and authorization when making use of the services provided via the internet banking and mobile application. The internet banking security tools include the identification number (ID), SMS authorization code, authorization e-mail code, the e-mail message sent to the Client along with the confirming internet link to verify the e-mail address of the Client, and the password. The mobile application security tools include a mobile phone PIN, authorization SMS code, and authorization e-mail code.

Price list: a document containing the list of services and transactions available to the Client, including respective fees for the use and execution of each service or transaction, and the specification of individual services packages and more

detailed terms and conditions applicable to their provision. The Price list forms part of these GBTCs and the Client's Contract. If you are a consumer, the Price list shall mean the "Price list of Payment Institution NFD, a. s. for natural persons – citizens"; if you are a natural person – entrepreneur or a legal entity, the Price list shall mean the "Price list of Payment Institution NFD, a. s. for natural persons – entrepreneurs and legal entities". The Payment institution may change and update the Price list at any time. Changes in the Price list become valid and effective upon publication of the amended Price list via the Payment Institution's website along with a notice stating the effective date of the Price list.

Cut-off time: the deadline by which the Payment institution receives or accepts payment (transfer) orders on each respective business day and until which it executes transactions that are to be executed on the day the order is received. Any payment orders received after the cut-off time shall be processed on the next business day.

Managing clerk: the person authorized by the Client to execute certain or all acts in respect of the payment account.

Fees and charges list: a document containing information about the fees and charges for the services linked with the payment account. Based on that document, the Client may easily compare the fees and charges for the most common payment account services in individual payment institutions.

Confidential information: all information and data that is included in the contract terms and conditions or those that relate to the contractual relationship between the Payment institution and the Client and/or the information and data regarding matters relating to the Client and the Payment institution and their business with which the parties have been made familiar while or in connection with entering into the Agreement or complying with individual contractual terms; information about payment operations and any and all other information relating to the activities of either one of the Contracting Parties that holds certain value and is therefore able to bring advantage to someone or harm the Payment institution or the Client, or which is identified as confidential by the Party that provides it or its confidential nature stems from its essence or circumstances that are known to the other Contracting Party.

Express payment: a payment with a reduced period for the payment order processing based on Client's specific instructions where the Payment institution deducts the payment order amount from the Client's payment account and processes the payment order on the same day it is placed by the Client (where submitted before the cut-off time). The express payment is subject to additional charges under the valid Price list.

Chargeback (return of a payment): the charge back process in respect of a payment transaction executed with a payment card.

IBAN: (International Bank Account Number): an international bank account number which allows unique identification of the recipient and automated payment processing. It consists of a country code, control number (this is generated for each Client individually, using a precisely defined algorithm consisting of the Payment institution's code, prefix, and account number), the code of the Payment institution – bank, and the prefix and account number of the Client.

Internet banking: the Payment institution's web interface serving for the electronic communication with the Client. The Client accesses the Payment institution's internet banking zone via the website of the Payment institution by entering unique access details and authorization of the Client (user name and password and subsequently the required SMS code or the code sent via e-mail). The internet banking application allows the Client to manage his/her payment account, choose the settings, submit payment orders, and obtain information about the payment account: about individual payment transactions, payment account balance, etc. Individual payment account transactions made via the internet banking application may require additional authorization based on an SMS message code or a verification code sent in an e-mail message. All communication made through the internet banking application is carried out in an encrypted environment secured by an SSL certificate with additional identification of the Client through a verification code sent in an SMS message or an e-mail message due to which all instructions of the Client for transfer of funds must be authorized by an SMS code or the code sent via e-mail. A simplified version of the internet banking application is available through a special mobile phone application - BONOPAY™. Bonopay is a limited version of the internet banking function, which allows execution via mobile phones of only internal payments among clients of the Payment institution.

Other payment service provider: for the purposes of these GBTCs, this shall mean a payment service provider of a recipient (payee) or a correspondent bank of the payment service provider, a bank, a foreign bank's branch, a payment institution, and an electronic money institution established in accordance with the Act and also a branch of a payment institution or an electronic money institution, and other similar financial institutions providing payment services in accordance with the Act or considered to be other financial institutions under international practices which are not contradictory to the Act.

Unique identifier: is a combination of letters, digits or symbols notified by the provider of payment services to the user of payment services, which the user of payment services provides for the purposes of unique identification of another user of payment services or his/her payment account within payment transactions. The unique identifier is mandatory information unambiguously identifying the payer or the recipient and it shall be stated correctly within all payment transactions in order for the Payment institution to be able to execute a payment service correctly and in accordance with Section 21 at seq. of the Act.

Client: is a natural or legal person who has entered into a contractual relationship with the Payment institution as a user of payment services and makes use of payment services either as a payer or a payee (recipient) in accordance with Sections 2(4) and (5) of Act No. 492/2009 on payment services, while the payer and the payee may be the same person. Furthermore, also the persons with whom the Payment institution has negotiated a transaction but no transaction has been eventually executed as well as the persons who ceased to be the Payment institution's Client are Clients. This does not preclude the possibility for the Client to become a consumer under the Act. A consumer shall mean a natural person who does not act within his/her employment, profession or business when entering into and executing an agreement the subject-matter of which includes provision of payment services; the person who, at the time of entering into a framework agreement for provision of payment services, employs less than ten persons and whose annual turnover or total annual balance sheet does not exceed €2,000,000 is deemed by the payment service provider to be a consumer as well.

Merchant: for the purposes of this document, a merchant shall mean the Client who makes or plans to make use of services of a payment institution predominantly for collection of revenues or funds from other persons.

Business Terms & Conditions ("BT&C"): a summary of rights and obligations of Clients and the Payment institution that governs the use of individual products/services of the payment transactions provided by the Payment institution where the Payment institution has issued such a summary for the relevant product or service. The rights and obligations that are not stipulated in BT&C for an individual product/service shall be governed by the GBTCs. In case of a conflict between the BT&C and GBTCs, the BT&C provisions shall prevail.

Payment institution: business company Payment Institution NFD a.s., registered office: Popradská 17/670, 064 01 Stará Lubovňa, organization ID No.: 46 847 162, registered in the Commercial Register kept by the Prešov District Court, Section Sa, Entry No. 10486/P, which is an entity authorized to provide payment services in accordance with a license issued under the Act, the permit registration number: ODB-10851/2014-7.

Payer: a payer is the person who submits the payment order to the payment service provider and is the payer of the funds which are the subject of the payment transaction.

Payment transaction ("transaction"): depositing, withdrawal, or transfer of funds, upon the payer's or the payee's instruction or the instruction provided through the recipient to the payment service provider, which are executed within payment services in accordance with Section 2(1)(c) of the Act.

Payment service: execution of payment transactions via payment, including the transfer of funds from a payment account or to a payment account maintained by the payment service provider in accordance with Section 2(1)(c) (1) of the Act. For any individual payment service, the Payment institution shall determine the maximum period for its execution, depending on the scope and structure of the service requested by the Client, otherwise the maximum period for execution of a payment service is D+1; this does not apply to a payment order where the Payment institution is obligated to secure transfer of the payment transaction amount by the end of the next business day from the moment of receipt of the payment order. If the payment order is submitted in a written form, the period for execution of such a payment order is extended by another business day.

Payment order: unconditional and unambiguous instructions from the Client provided to the Payment institution for execution of a payment transaction or other handling of funds in the Client's payment account unless agreed otherwise.

- One-time: a single payment order executed by the Client;
- Standing order: an order set for regular payments in accordance with particulars of the Payment institution;
- Batch payment order: a payment order for several payment transactions.

Payment transaction system: all payment transactions and payment services associated with payment account keeping.

Payment account: a current account or other account maintained by the payment service provider under the first and last name of a natural person, or a business name of a legal entity, held by one or several users of the payment services and used to execute payment transactions.

Specimen signature: the Client's signature attached to the document by which an account or authorization to manage an account is established, consisting mainly of a handwritten graphic representation of the Client's signature and signatures of managing clerks. The specimen signature forms are kept by the Payment institution and serve to specifically identify respective Clients. The specimen signature forms are provided by the Company.

Business day: the day on which the Payment institution and other institutions participating in the transfer of funds operate, usually Monday through Friday. Business days do not include weekends, statutory or other holidays, days officially declared to be public holidays in the Slovak Republic, and other days that the Payment institution declares to be non-working days unless otherwise stated.

Business premises: the Company's premises within which placed orders are executed and services are provided on a regular basis.

Recipient: the person specified as the recipient of funds within execution of a payment transaction.

Access details: a summary of information relating to a specific Client's account, allowing identification of a relevant person and authorization of his/her individual requests and instructions during communication with the Payment institution when providing payment system services. The access details are provided via a secure e-mail message sent to Clients along with a confirmation link for verification of the Client's email address.

Complaint policy: a document governing the course of action, rights, and obligations of the Payment institution and Clients within filing and settlement of complaints concerning the quality and correctness of provision of a payment service by the Payment institution. Any changes in the Complaint policy will be published by the Payment institution via its website or other suitable means. Such publication must be made available on the day when the changes take effect at the latest

Reputational risk: the risk of damage to the good reputation of the Payment institution, or any other partner of the Payment institution, caused by another Client of the Payment institution.

SEPA countries: the current list of the countries that have joined SEPA (Single European Payments Area) is available at <http://www.ecb.europa.eu/paym/retpaym/html/index.en.html>

Strong authentication: the authentication based on use of two or several selected security tools that include knowledge (the security tool known only by the Client, e.g. a password and identification number), ownership (the security tool owned or held only by you), and the Client's characteristic features identifying the Client. We apply strong authentication in respect of you in the cases determined by legal regulations.

Standard glossary: explanation of the terms used within the most commonly provided services associated with the payment account, definitions of such terms and identification of the fees charged by the Payment institution; the terms are used within these GBTCs, Special Terms and Conditions of Trade, other parts of the Payment Account Agreement, and business and advertising information. The glossary is available at no charge via the website of the Company and within the Company's business premises.

Payment account information service: the service provided to the Client of the Payment institution and payment services providers other than the Payment institution via the internet or other electronic distribution channel, consisting of provision of consolidated information about one or several client accounts that are available online via the internet and that you keep with one or several providers of payment services (one or several banks). The account information service is an online service which means that the information about your payment account, such as the balance or transaction items to the extent provided by the Payment institution, will be disclosed or made available to the Client by the other provider of payment services in an electronic way through technical equipment (for instance, a mobile application in a mobile phone or tablet).

Client specification: the information about the Client and/or the person/entity interested in a Merchant account, which precisely specifies the technical environment, information about the subject-matter of transactions, the Client's website, and specifies the purpose of use of the Virtual terminal and is part of the KYC process and the contract.

Account: the payment account opened for its holder based on the framework agreement concluded in writing for an indefinite period of time. When opening the account, the account holder selects the currency in which the account will be denominated: EUR, Polish zloty, Czech crown, or British pound.

Virtual terminal: the Payment institution's payment tool that is a part of the BonoPay application, the option Accept money/Fill the wallet through the Payment Card; the Merchant account version allows downloading of the payment card data directly to the payment portal of the card accepting entity being the other party participating in the payment transactions of the Provider.

Website: internet site www.pay-institution.eu, the official internet website of the Payment institution, through which, i.e. through its subpages/domains of a lower category, email addresses and applications (e.g. Internet Banking), communication between the Payment institution and the Client is carried out.

Contract: shall mean the framework agreement in accordance with the Act, a binding legal relationship the subject-matter of which includes provision of payment services by the Payment institution to the Client, which is established on the basis of a binding legal act of the Client carried out in a written and/or an electronic form to enable provision of payment services or opening of a payment account. These GBCTs, Price list, and also the BT&C applicable to the relevant product/payment service that the Client chooses, provided that they have been issued and where relevant, form a part of the Agreement unless otherwise stated.

Publication: making a document or information available within the business premises, website, via the internet banking services or a mobile application or in another suitable manner allowing the Client to familiarize him/herself with that document or information. Publication takes effect upon making the relevant document or information available unless otherwise specified therein. Publication forms an integral part of these GBCTs.

II. IDENTIFICATION OF THE CLIENT, COMMENCEMENT AND TERMINATION OF CONTRACTUAL RELATIONSHIP

A. Identification and conduct of the Client

1. When entering into a business relationship, carrying out an occasional business relationship, or in case of any doubts or suspicions during execution of payment transactions of the Client or about information the Client provided to the Payment institution beforehand, the Payment institution is obligated to identify and verify the identification of the Client or the person acting in his/her name or on his/her behalf, in accordance with generally binding regulations and internal regulations of the Payment institution. If the Client or the person acting in his/her name or on his/her behalf refuses to comply with the requested scope of identification and verification of identification, the Payment institution is entitled to refuse the execution of the payment transaction concerned or to enter into a Contract.
2. The Payment institution may require the Client to identify the beneficial owner and also to prove the beneficial owner's identity by submitting their ID documents. The Payment institution may also require the Client to provide information about the purpose and intended nature of the business relationship and the Client shall provide the Payment institution with that information.
3. The Client consents to provide all necessary data, information and documents for the purposes of identification and verification of identification, including making a copy of ID documents or other documents where they are necessary for the purposes of identification or verification of identification.
4. The manner, form, and a specific type of the documents required for opening a payment account, or for the subsequent identification or verification of identification of the Client during performance of the client due diligence procedure in accordance with the AML are stipulated by internal regulations of the Payment institution, which specify individual types of client due diligence procedures or specific Terms & Conditions of the Payment institution unless the parties agree otherwise. The Payment institution may, at its own discretion, request other documents and information from the Client in case of any doubts as to his/her identification, verification of his/her identification or in connection with payment transactions carried out by the Client.
5. When using electronic or technical devices by the Client, the Client is authorized – is identified via unique access information which entitles him/her to execute a specific payment service or another transaction with regards to the payment account.
6. The unique access information is also known to the person authorized to act on behalf of the Client – managing clerk who is subject to the same extent of identification and verification of identification in accordance with these GBCTs and relevant internal regulations of the Payment institution.

7. The managing clerk is a person authorized by the Client to carry out some transactions with regards to the payment account, to carry out all transactions with regards to the payment account, or to carry out transactions in the name and on behalf of the Client. The extent of authorization of the managing clerk is stipulated in the relevant document containing also the specimen signature of the managing clerk.
8. The Client is entitled to be represented within an individual legal act by a third party appointed by a written authorization. The extent of the mandate must be specific and clearly defined, and the signature of the principal must be notarized, or the authorization must be signed by an employee of the Payment institution to whom the identity of the principal was unambiguously proved. The Client may also authorize more than one person however, he/she must stipulate the manner in which such persons are authorized to act (individually or jointly).
9. Within any written communication, the Client's signature must match the specimen signature of the Client recorded by the Payment institution upon signing of the Agreement or opening of a payment account. The Payment institution is not obliged to process any act where the Client's signature does not match his/her specimen signature.
10. Unless a generally binding regulation or these GBTCs stipulate otherwise, the authorization to manage a payment account and/or funds in the payment account is valid for the Client and/or the managing clerk until termination of such authorization in writing or submission of other document proving facts resulting in commencement, change in or termination of the authorization to manage the account and/or the funds in the payment account.
11. Upon submission of a credible document confirming death of the sole holder of the payment account, the Company will not allow any further use of the funds in the relevant account until a valid inheritance decision unless a special legal regulation stipulates otherwise. Upon death of the sole account holder, the authorizations of the persons authorized based on specimen signature forms cease to exist. The Company will block the access to the account through the internet banking and/or mobile application.
12. All documents required by the Payment institution to execute a service, enter into the Contract, open an account or carry out any transaction shall be submitted by the Client in their original form or as certified copies unless the parties agree otherwise.

B. Account opening, commencement of the contractual relationship

I. General information

1. The Payment institution provides payment services to the Client on the basis of an Agreement between the Payment institution and the Client. These GBTCs, the Price list, or other documents referred to in the Agreement that become a part of it, form a part of such a Contract. Individual terms and conditions applicable to account opening and execution of payment transactions are stipulated in these GBTCs unless there is another document that states otherwise.
2. The Client undertakes to provide all information required upon entering into the Agreement truthfully, and in a precise and comprehensive manner, failing which the Payment institution shall be entitled to withdraw from the Contract. The Agreement may be confirmed after completing relevant data based on the consent given by the Payment institution.
3. The Agreement between the Client and the Payment institution may be entered into either in writing or in an electronic form via a website of the Payment institution, or in a similar manner on the basis of which it is possible to unambiguously identify the positive expression of the Client's intent to accept the contractual terms of the Payment institution. The Client may register an account via the website, the BonoPay application or through registering with the contractual partner – MPS. The contractual relationship commences upon signing of the relevant legal acts by the Client and the Payment institution or upon acceptance of an electronic draft Agreement which is truthfully and fully completed by the Client. The Client is immediately notified, in a manner similar to the manner in which the Agreement was entered into (e.g. a confirmation e-mail), by the Payment institution about acceptance of his/her proposal and about the validity and effect of the Agreement entered into electronically or in any other way.
4. These GBTCs, or BT&C applicable to the payment service the Client has committed to using, become binding for all contracting parties on the day when the Agreement comes into force and becomes valid. Individual parts of the

contractual relationship, depending on their nature, are valid until full settlement of all the rights and obligations between the Payment institution and Client.

5. The opening of a payment account for the Client forms a part of the Agreement unless the parties agree otherwise. The Payment institution maintains the payment account throughout the term of the Agreement unless otherwise agreed. Respective features of the Payment account are made available to the Client only after all conditions listed in the Agreement and related documents have been met.
6. The Payment institution opens and maintains a payment account for the Client on the basis of the Contract. The Payment institution reserves the right to open a payment account for the Client or make available respective features of the Payment account (e.g. execution of payment transactions) only after performing identification or verification of identification of the Client. For this purpose, the Payment institution is entitled to demand a payment be executed to a payment account of the Client maintained by another bank or by another payment service provider or fulfillment of another condition. The Client agrees that in case of such conditional payment account the functionality of the payment account to provide individual services of the payment system may be limited until such time as all conditions set by the Payment institution have been duly met by the Client.
7. Throughout the term of the Contract, any Client may ask the Payment institution to amend the Contract, amend the payment account settings, etc. via an electronic or written request made by the Client and delivered to the Payment institution. The electronic request will be accepted only if delivered from the e-mail address registered by the Payment institution. The subject matter of the Agreement may be amended each time the Client requests it in a manner specified for each individual type of Contract/payment service. Narrowing the subject matter of the Agreement may only be performed within the period of notice specified for each type of a payment service unless the parties agree otherwise.
8. The Client is obligated to notify the Payment institution of any changes in the information he/she provided in the Contract/draft Agreement and this by contacting the Payment institution, using the client support address stated in the website of the Payment institution or in a written form immediately after such a change takes effect. The Payment institution is not liable for any damage sustained by the Client due to the Client's failure to advise of any changes in the information specified in the Agreement or other documents or a failure to advise of such changes in time and until the Client advises of such changes, the Payment institution will consider as binding all the information provided by the Client when entering into the Contract.

II. Payment accounts

1. The Payment institution opens and maintains the following types of payment accounts:
 2. Payment account for natural persons ("Home account") and
 3. Payment account for legal entities ("Business account")
 4. Payment account for legal entities - e-shops and points of sale ("Merchant account")
 - a) For the purposes of the Contract, it is possible to open payment accounts for legal entities and for natural persons – entrepreneurs (self-employment/small business, independent profession, etc.) registered in the relevant Register on the basis of specific legal regulations or performing a business activity on the basis of a relevant authorization.
 - b) The Merchant payment account is an account with the same parameters as the Business account and is intended for the operators of e-shops and points of sale and allows a technical implementation of the "Virtual terminal".
5. Payment accounts are maintained under the first and last name / business name of the Client unless the parties agree otherwise in specific cases. Each payment account has a number assigned to it which is generated automatically and which is unique within the Payment institution and its system of payment accounts. In special cases, the Payment institution may change the numbers of payment accounts if the changes in its bank information system require it, however, it is obligated to inform the Client of such a change immediately.
6. The Client has access to his/her payment account/payment accounts via the Payment institution website and the internet banking application and the mobile application, based on the appropriate authorization, he/she can access the information related to the payment account, especially status of and activities within the bank account, current balance in the payment account, and to the list of payment orders and other payment transactions after entering relevant criteria. Individual statements may be exported into files for the purpose of printing in accordance with

payment account settings. The Payment institution will provide the Client with a written statement upon request and in such a case, the Payment institution is entitled to request a refund of the costs associated with the statement.

7. The Payment institution will provide the Client – consumer with a statement of fees and charges for the services linked with the consumer’s payment account once a month (the “charges statement”). The Client – consumer has agreed with the Payment institution the following conditions: a) the Payment institution will make the charges statement available at no charge within the internet banking zone of the Client – consumer under clause 6 of this Article; b) the Payment institution will send the charges statement at no charge to the agreed address of the Client – consumer where the charges statement is not available in the manner under sub-clause a); c) the Payment institution will provide the Client – consumer with a hard copy of the charges statement upon the request of the Client – consumer with whom the Payment institution has concluded the framework agreement and the Payment institution will be entitled to request a refund of the costs associated with provision of such an additional charges statement; d) the statement will be provided in the Slovak language or the Payment institution will draw it up in other language where such other language is agreed in respect of provision of statements.
8. The Client is fully entitled, under the terms and conditions stipulated within the contractual relationship with the Payment institution, to manage the payment account and the funds in the payment account, in particular, to open and close an account, to appoint, change, and cancel managing clerks who may use the account, to set up the payment account within the options provided to him/her (such as a change of the password or other authorization data, setting up user environment, etc.), to view and generate statements about the payment account and payment orders that were executed, etc.
9. The individual functionalities of the payment account, especially the execution of payment orders, may be used exclusively by the Client after a thorough authorization on the basis of the access data provided by the Payment institution. For the purposes of providing better security for execution of payment orders, the level of authorization may be amended or modified based on the notification by the Payment institution. The Client is entitled to appoint another person for execution of certain features of the payment account on the basis of a third party mandate or authorization in accordance with provisions of section 2, A., paragraph 6, 7, and 8 of these GBTCs.
10. The Payment institution is entitled to set a minimum balance for the payment account and also a minimum amount of a transfer for a specific type of payment transaction. The Client must comply with the minimum amount of a transfer as well as the minimum balance in the payment account, failing which the Payment institution will not execute any transaction. Reducing the minimum amount stipulated for the relevant payment transaction or overdraft of the minimum balance may only happen with the prior consent of the Payment institution.
11. The Client and the Payment institution accept that the funds in the payment account do not bear any interest.
12. Individual transactions related to the maintaining of a payment account may be subject to fees, provided such transactions are listed in the current Price list of the Payment institution, with the fee rate for the respective transaction, which the Client acknowledges by signing the Contract. The Client undertakes to pay the fees for all transactions that are subject to charges within the payment system in accordance with the Price list valid on the day when the relevant transaction is executed. The respective information services related to the Contract, GBTCs or payment account are free of charge provided that it is stipulated in the provisions of these GBTCs or by the Act unless the Act stipulates otherwise. The prices for services packages are contained also in the Fee and Charges List.
13. The currencies in which the Payment institution opens and maintains payment accounts, the amount of minimum balance and minimum value of a transfer are determined by the Payment institution and the Clients are notified of the same in writing or in an electronic form (via e-mail) and in the form of publishing the information at the Payment institution’s website as well as by updating the GBTCs. The payment institution shall set up and maintain payment accounts in the supported currencies euro (EUR), Czech crown (CZK), British pound (GBP), Polish zloty (PLN). In the event of cancellation of a supported currency for opening and maintaining a payment account, the payment institution shall be entitled to transfer the balance of the account in an unsupported currency to another account after the Client's prior consent, otherwise it is entitled to proceed according to Article C, point 10 of these GBTC.
14. The Client may request a switch from one services package to other services package in writing via the helpdesk. Unless a special regulation stipulates otherwise, the Company shall execute such a change or modification no later than with effect from the first day of the calendar month following the calendar month in which the Client’s written change request was accepted. If the Client requests the change of the services package on one of the last days of a calendar month, which are not business days, the Company shall execute the change no later than on the first day of the second calendar month following the calendar month in which the change request was accepted unless a special regulation stipulates otherwise.

C. Termination of contractual relationship, payment account closing

1. The Agreement may be entered into for an indefinite period of time or for a specific activity/specific number of activities of the payment transaction system if it is expressly stipulated in the Contract. If the Agreement does not specify a period of validity or number of transactions for which it is valid, the term of the Agreement is indefinite.
2. The Agreement between the Payment institution and the Client may be terminated as follows:
 - a) based on an agreement between the contracting parties,
 - b) upon expiry of the term of the Agreement concluded for a fixed period,
 - c) upon timely and due fulfillment of the conditions of the Agreement entered into for a specific activity of the payment transaction system,
 - d) upon termination by one of the contracting parties in accordance with the Contract,
 - e) upon withdrawal from the Agreement on lawful grounds,
 - f) upon dissolution of the Payment institution or the Client – a legal person without an assignee or upon death of the Client - a natural person,
 - g) upon termination of the Payment institution's license to provide payment services.
3. The Agreement concluded for a fixed period of time may be extended based on the Client's will expressed no later than on the day of the Agreement expiry and usually in the manner in which the Agreement was entered into. If a fee has to be paid to extend the fixed term Agreement by another period Agreement, the Agreement will be extended upon the payment of such a fee by the Client but no later than on the date of expiry of the Contract.
4. The Payment institution is entitled to terminate the Agreement with the Client with effect from the date of delivery of a notice to the Client where:
 - a) the Client has violated the Agreement or acted contrary to the GBTCs or other BT&C and has failed to rectify the situation within the period specified by the Payment institution; unless such a period is expressly specified for violation of a specific contractual obligation of the Client, a 15 day period applies to the rectification;
 - b) the Client repeatedly or grossly violates contract terms and conditions;
 - c) the Client's payment account has recorded no activity by the Client during a year;
 - d) there is a reputational risk or reasonable grounds to suspect that the Client has acted contrary to the generally binding legal regulations, morality, principles of honest commercial practices, or there have been significant changes in the Client's circumstances, which do not provide a guarantee of compliance with the terms of the Contract;
 - e) the information the Client provided upon entering into the Agreement is false, incomplete, inaccurate or incomprehensible.
5. The Client may terminate the Agreement with the Payment institution in writing with effect from the date of delivery of the notice to the Payment institution or online via the web interface where the Client has the option to request a closing of the account and may authorize his/her request by a SMS authentication code if:
 - a) the Payment institution repeatedly and/or grossly breaches the Agreement or the GBTCs;
 - b) the Client does not accept amendments to the Contract, amendments to and/or replacement of these GBTCs, or amendments to and/or replacement of BT&C for the service in question;
 - c) the Payment institution provides payment services in contradiction with the Act.
6. Unless the Payment institution and the Client agree otherwise and unless the generally binding legal regulations stipulate otherwise, both the Client and the Payment institution are entitled to unilaterally terminate the Agreement entered into for an indefinite period of time at any time without giving a reason and this by delivering a written notice to the other party. The notice period for termination without giving a reason is 2 months in case the

Agreement is terminated by the Payment institution, and 1 month in case the Agreement is terminated by the Client. The notice period begins on the day on which the notice is delivered to the other contracting party.

7. For the purposes of the Contract, a gross breach of the Agreement shall mean such a breach of contractual terms which is capable of causing damage to the other party of at least € 1,000.00 in each individual case or where the Agreement stipulates it.
8. The Client has the right to close the payment account in accordance with these GBTCs if he/she has settled all his/her obligations towards the Payment institution. A request for the payment account closing is considered to be a withdrawal from the Agreement under clause 7 of this Article of the GBTCs. The Payment institution has the right to offset all its claims against the Client, using the funds in the payment account before it is closed.
9. The Payment institution has the right to close the payment account if within 20 days from its opening, the minimum deposit specified by the Payment institution has not been made to the payment account or if the Client has not used the services of the Payment institution for more than 12 months.
10. In case of termination of the contractual relationship, the Client or his/her legal representative shall advise where the Client's payment account balance should be transferred. If the Client does not advise what to do with the balance, the Payment institution shall record this balance and request that the Client provide the data necessary for the balance transfer for a period of one year after the end of the contractual relationship. The Payment institution shall perform the payout of the Client's payment account balance only if the total costs of such payout do not exceed the actual balance.
11. In case of the Client's death, the Payment institution shall block the payment account and it shall manage the funds in accordance with the final decision of a relevant estate settlement authority. Upon the Client's death, all authorizations and third-party mandates in respect of the payment account shall expire for all the persons who hold them.
12. In case of termination of the Client's contractual relationships with NFD, the GBTCs provisions shall be used to settle all mutual claims; where the GBTCs do not apply to such a relationship, Act No.40/1964 of the Civil Code shall be applied. When closing an account, the Client is obligated to specify banking details for the transfer of the balance from the closed account. The balance of funds in the Client's payment account, which needs to be at a minimum of 1.68 EUR, is transferred by the Payment institution to the bank notified by the Client. The transfer fee amounting to EUR 1 under the valid price list will be deducted from the transferred amount and the account will be closed subsequently, which fact will be confirmed by sending the last account statement in accordance with valid legislation. The Payment institution shall transfer the balance in excess of EUR 1.00 using the banking details specified by the Client and close the account, which fact shall be confirmed by sending of the final account statement in accordance with the current provisions of the Act on payment services. If the Client does not provide the banking details, the Client's account shall be blocked and further steps will be taken in compliance with clause 10 of this Article C of the GBTCs.

D. Blocking of payment account

1. The Payment institution shall block the funds in the Client's payment account in case of enforcement of a decision or a distraint warrant for settlement of a claim using the payment account in the Payment institution, issued by the court, distrainor, tax authority or other authorized body or where the Payment institution is obligated to do so on the basis of current legislation or an enforceable decision of the court or another government body. Disposing of funds in the amount exceeding the blocked sum is not limited.
2. The Client is obligated to notify the Payment institution in time about the fact that the funds in his/her account are excluded from or are not subject to enforcement of a decision or a distraint warrant and prove such a claim by relevant documents, failing which the Payment institution is not authorized to unblock the payment account and cannot be held liable for any damage incurred.
3. The Payment institution may block the funds in a certain amount in the payment account of the Client on the basis of a special agreement between the Client and the Payment institution – the "blockage". The respective conditions of the blockage of the funds are specified in a written document.
4. The Payment institution is authorized to block handling of the funds in the Client's payment account for a necessary period and to a necessary extent in case (i) of a suspicion that the funds in the account are intended for committing a crime, come from criminal activities or from participation in criminal activities, or if (ii) the Client's conduct does not conform to the generally binding legal regulations or to these general business terms and conditions, or there is an immediate threat of damage to the Client or the Payment institution, (iii) for security reasons in case of suspicion that an unauthorized transaction has been executed or on the basis of online

instructions by the Client via the web interface where the Client has the option to request the account be blocked and he/she authorizes such request with an SMS authentication code based on a suspicion of unauthorized access or manipulation of his/her funds or personal data, (iv) if the Client is in default as to fulfillment of his/her obligations under the Contract, (v) upon declaration of bankruptcy proceedings in respect of the Client's assets, commencement of the restructuring procedure in respect of the Client, rejection of the bankruptcy petition due to the lack of assets to settle the remuneration for the receiver, commencement of liquidation of the Client, or (iv) inadequate increase in the risk of insolvency of the Client in a short run.

III. PAYMENT TRANSACTIONS

A. General provisions

1. The Payment institution executes payment transactions via the Client's payment account unless otherwise agreed. The Payment institution cannot provide execution of a single payment transaction for technical reasons and therefore, it is entitled to refuse such a request.
2. Payment transactions are performed in a cashless form.
3. Payment transactions are executed on the basis of payment orders received from the Client. The Client submits a payment order through the internet banking application of the Payment institution which the Client accesses via the Payment institution's website or in another manner supported by the Payment institution. Transfer orders are processed without any undue delay, within the cut-off time of the Payment institution, provided that at the time when such transaction is to be executed, the Client's payment account from which the funds are to be deducted contains sufficient funds. For the purposes of a transfer order, sufficient funds are considered to be such an amount of funds present in the payment account that includes at least the amount of the payment order executed by the Client and all applicable fees related to the payment order concerned, in accordance with the Price list. In case the funds are insufficient, the Payment institution shall not carry out the payment order. The Client is subsequently notified of this situation.
4. The Client is fully responsible for the sufficient amount of funds in his/her payment account necessary to execute the respective payment orders, or the sufficient funds available within the payment account. Domestic transfer of the balance of funds from a client's payment account of less than EUR 1.68 will not be performed due to the minimum fee for domestic transfer under the valid Price list.
5. Payments received by the Payment institution before the cut-off time for the benefit of the Client shall be credited to the Client's payment account no later than by the end of the business day on which they were received.
6. The Client is responsible for all information on each and every payment order, for its completeness, accuracy, and truthfulness. The Payment institution has the right to refuse execution of a payment order in case there is a reasonable suspicion that execution of such an order is contrary to the Framework Contract, these GBTCs, generally binding legal regulations and/or morality, or when the payment order is unclear, incomplete, incorrect or vague. The Company shall inform the Client about such an action without undue delay via e-mail or SMS and where this manner of notification is not possible, the Payment institution shall inform the Client via a written notice stating the grounds behind the refusal. The Company shall inform in the same manner also where it refuses to execute a payment order submitted through other provider of payment services. In case of receipt of a payment in favor of a closed, incorrect or non-existing account of the recipient, the Company will return the payment to the bank or the payment institution of the payer.
7. The Payment institution shall deduct the amount of the transfer from the Client's payment account on the day when the payment order is payable which is the same day as when the payment order is received. If such a day is not a business day, the Payment institution shall deduct the amount of the payment order on the following business day. If there is no effective date specified in the payment order, the Payment institution shall deduct such payment on the same business day on which it receives the payment order.
8. If a payment order contains information or instructions on the basis of which it is not possible to carry out the payment transaction, or it is impossible to fulfil the instructions of the Client or the payment transaction cannot be carried out for any other reason, the Payment institution shall credit the payment back to the Client's payment account or it shall ask the Client to provide new instructions or additional information. In case the Client's payment order contains incorrect information and this results in return of the funds by the recipient's payment service provider, the Payment institution shall credit such funds back to the Client's payment account after deducting the applicable fees connected with the transaction in accordance with the Price list.
9. In case of execution of payment transactions from a current or another account of another payment service provider to the benefit of the Client's payment account, the recipient's (i.e. the Client's) account number is the

central account of the Payment institution the number of which is specified in the Contract. The amount of the transaction is credited to the Client's payment account based on the unique pairing identifier. The number of Client's account is shown as a variable symbol on the respective payment.

10. The Payment institution is obligated to verify the authorization of Client's payment orders based on the submitted access information or other identification keys by readout of the requested so called verification code in a notification e-mail or by readout of a requested unique SMS code and in special cases also by specimen signatures of the Client. After execution of a payment order, the Client shall receive a notification e-mail in which there is a so-called verification code, or he/she shall confirm the payment order via an SMS code. The Client can cancel the payment order after it was confirmed only in the cases specified in the Act or where the Act does not prohibit it. Cancellation of a payment order must be delivered to the Payment institution in a written form or before the actual submission of the payment via the web interface by a dedicated button in the Submitted Payments section. The payment is actually submitted immediately after it appears in the payment history.
11. The Payment institution is entitled to determine the manner of execution of the respective payment transaction, to use correspondent relationships at its own discretion/choice. The Payment institution is entitled not to execute the respective payment transaction in case the payment order recipient's country is subject to restrictive measures based on current legislation and regulations of the EU, OECD or other international institutions which are binding upon the Slovak Republic.
12. The Client and the Payment institution have agreed that for execution of any payment transaction where the currency of the funds has to be converted into currency in which the payment account is maintained or for another kind of conversion within the relationship between the Client and the Payment institution, the Payment institution shall use the reference exchange rate published on its website or at its registered office and it shall be applied immediately, without prior notification of the Client. When executing any payment transaction or any other services of the payment transaction system, the Payment institution is not responsible for exchange differences between the respective currencies. The Payment institution informs that the actual conversion is carried out by the payment service provider through which the Payment institution executes the conversions concerned, and it also publishes the reference exchange rate in the form in which it is provided by the contractual payment services provider. Information about the exchange rate (source of data, the name of the bank which executes the conversion, date and hour of the last update, exchange rate) is published on the website during the execution of the order of the respective service.
13. The Payment institution is entitled to use the Recipient's payment account to return a payment ordered via the payment card of the Payer or of other natural person or legal entity, so-called chargeback, based on a request received from the person/entity accepting the card - an entity participating in payment transactions of the Provider. The card holder shall address the chargeback request to their bank that has issued the payment tool, e.g. in case of a failure by the entity accepting the card to deliver the goods or the service paid for. The entity accepting cards understands that by accepting payment cards they accept also the terms and conditions of card companies.
14. The Client holding the "Home" and/or "Business" account may cancel a payment at the moment of registration of the payment in "ordered payments". Cancellation may be executed after entering the private zone or via contacting helpdesk@pay-institution.eu. The Client holding the business account "Merchant" may cancel an ordered payment later within a settable period of time (e.g. 10 minutes) from execution of payment and this through the BonoPay application. If the payment is already entered in the payment history section, the Client shall proceed in compliance with the valid complaint procedure if they wish to cancel the payment. The Payment institution bears no liability for the cancellation of already executed payments.

B. Foreign payment order (NON-SEPA TRANSFER, NON-SEPA PAYMENT)

1. The Payment institution executes foreign payments, i.e. payment transactions between accounts of payment service providers from various countries on the basis of a foreign payment order.
2. The foreign payment order contains the following details:
 - a) Account number of the payer and account number of the payee (recipient) of the payment order in the form of IBAN;
 - b) Name of account and address of the payer;
 - c) BIC/SWIFT code of the payment service provider of the payee;
 - d) Name and address of the payment service provider of the payee;

- e) Amount of the payment transaction;
- f) The currency of denomination; if such a currency is not shown, the transfer is considered to be performed in EUR;
- g) Purpose of payment – message for the recipient of the payment order (payee);
- h) Payer’s signature identical with the specimen signature, or authorization of the payment order via electronic means (authorization via e-mail, SMS);

If any piece of the above information is missing or is incorrect, the Payment institution shall not execute the payment order. If the foreign payment service provider requests additional information necessary for execution of the payment transaction, the Payment institution shall notify the Client and ask him/her to provide such additional information within an adequate period of time; if such information is not provided within the required time period, the payment transaction shall be cancelled.

3. The following are optional particulars of a foreign payment order:
 - a) Due date;
 - a) Variable symbol;
 - b) Constant symbol;
 - c) Specific symbol;
4. Foreign payment order is executed, at the latest, on the following business day from the closest cut-off time by which the payment order was submitted by the Client. In case of express payments, special time periods apply where the Payment institution allows execution of such express payments.
5. Cut-off times and deadlines for execution of outgoing NON-SEPA payments

Non-SEPA payment order	Manner of payment order submission	Deadline for payment order submission	Day of payment order execution
standard	electronically	until 10.00 am on a business day	on the day of submission of the payment order
		after 10.00 am on a business day	no later than on the next business day following the day of submission of the payment
express in EUR within the European Economic Area countries	electronically	until 10.00 am on a business day	on the day of submission of the payment order
		after 10.00 am on a business day	no later than on the next business day following the day of submission of the payment
express in EUR to the banks that are not a part of the TARGET 2 system and express in a foreign currency	electronically	until 10.00 am on a business day	on the day of submission of the payment order
urgent in a foreign currency		after 10.00 am on a business day	no later than on the next business day following the day of submission of the payment

6. Deadlines for execution of incoming Non-SEPA payments

Payment type:	Day of payment amount crediting
Incoming Non-SEPA payment	on the same business day provided that the data in the payment order is complete and the Non-SEPA payment amount was received by us before 05.00 pm (processing of payment crediting is carried out several times during the day: 8:00 am, 11:00 am, 3:00 pm, and 05:00 pm); where a Non-SEPA payment is received by us after that deadline or on a day other than a business day, we will credit it to the Client's account on the next business day. If the data received from the bank of the payment institution of the payer is incorrect, unclear or disputable, the Company may refuse to execute the order and return it to the bank or the payment institution of the payer.

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C. SEPA payments

1. The Payment institution performs SEPA payments, i.e. payment transactions within the SEPA (Single Euro Payment Area) areas on the basis of a SEPA payment order.
2. SEPA payment includes the following details:
 - a) Account number or payer and account number of the recipient (payee) of the payment order in the IBAN form;
 - b) Name of account and address of payer;
 - c) BIC/SWIFT code of the payer's payment service provider;
 - d) Name and address of the payee's payment service provider;
 - e) Amount of the payment transaction;
 - f) The currency of denomination; if such currency is not shown, then the transfer is considered to be performed in Euro;
 - g) Purpose of payment – message for the recipient of the payment order (payee);
 - h) Payer's signature identical with the specimen signature, or authorization of the payment order via electronic means (authorization via e-mail, SMS).

If any piece of the above information is missing or is incorrect, the Payment institution shall not execute the payment order. In case the payment service provider requests additional information necessary for the execution of the payment transaction, the Payment institution shall notify the Client and ask him/her to provide such additional information within an adequate period of time; if such information is not provided within the required time period, the payment transaction shall be cancelled.

3. The following are optional particulars of a SEPA payment order:
 - e) Due date;
 - d) Variable symbol;
 - e) Constant symbol;
 - a) Specific symbol;

- SEPA payment order is executed, at the latest, on the following business day from the closest cut-off time until which the payment order was submitted by the Client. In case of express payments, special time periods apply, if the Payment institution allows execution of such express payments

Cut-off times and deadlines for execution of outgoing SEPA payments

Payment type:	Manner of payment order submission	Deadline for payment order submission	Day of payment order execution
SEPA payment	electronically	until 10.00 am on a business day	on the day of submission of the payment order
		after 10.00 am on a business day	no later than on the next business day following the day of submission of the payment

Deadlines for execution of incoming SEPA payments

Payment type:	Day of payment amount crediting
SEPA payments from other bank or payment institution	On the same business day on which the payment transaction amount is credited to our collection account before 05:00 pm (processing of payment crediting is carried out several times during the day: 8:00 am, 11:00 am, 03:00 pm, and 05:00 pm; where the payment transaction amount is credited to our payment account on a day other than a business day, we will credit it to the payment account on the next business day

D. Standing orders

- The Client may set up regular standing orders with the identical amount in his/her payment account via the use of the internet banking application of the Payment institution. These payments shall be processed in the same way as all other payment transactions performed on the basis of the Client's payment orders in accordance with terms and conditions applicable to the respective type of a payment transaction.
- If the due date falls on a day other than a business day, the payment transaction shall be carried out on the preceding business day.
- Where a standing order is not performed due to insufficient funds in the Client's payment account at the time of execution (if the Payment institution does not perform a transfer in accordance with the standing order due to insufficient funds in the payment account), the Payment institution shall immediately notify the Client of such a situation via e-mail notification. If there are insufficient funds in the Client's payment account, the relevant standing order shall be cancelled by the Payment institution and all future transfer orders resulting from such a standing transfer order shall be further processed in accordance with the standing order until it is cancelled
- The Client may cancel a standing order at any time via the internet banking application of the Payment institution without giving any reason. Cancellation of a standing order is effective immediately, and it cancels all future payment orders resulting from the standing order in question.

E. The responsibility of the Payment institution and other payment service providers

- If a payment order is submitted by the payer, the payment service provider of the payer is responsible to the payer for the correct execution of the payment transaction. If the payment service provider of the payer proves to the payer or to the payment service provider of the payee that the amount of the payment transaction was delivered to the payment service provider of the payee in accordance with the Act and these GBTCs, the payment service provider of the payee is responsible to the payee for any non-execution or an incorrect execution of the payment transaction.

2. If the payment service provider of the payer is responsible for non-execution or an incorrect execution of a payment transaction, it is obligated to refund the amount of such transaction to the payer without any undue delay, and if possible, to restore the debited payment account to the state in which it would have been had the defective payment transaction not taken place.
3. If the payment service provider of the payee is responsible for non-execution or incorrect execution of a payment transaction, it is obligated without any undue delay to place the amount of such payment transaction at the payee's disposal and, if possible, credit the amount of such payment transaction to the payee's payment account.
4. In case of a non-executed or incorrectly executed payment transaction as described above in clauses 1 through 3, the payment service provider of the payer, at the payer's request and regardless of its responsibility, shall make efforts to trace the non-executed or incorrect payment transaction and notify the payer of the outcome of such a procedure without undue delay.
5. If a payment order is submitted by the payee or if such an order is submitted through the payee, the payment service provider of the payee is responsible to the payee for the correct submission of the payment order to the payment service provider of the payer; such payment service provider of the payee is obligated to submit a payment order to the payment service provider of the payer without undue delay.
6. In case of a non-executed or incorrectly executed payment transaction for which the payment service provider of the payee is not responsible in accordance with clause 5 above, the payment service provider of the payer is responsible to the payer; such payment service provider of the payer is obligated to refund the amount of such transaction to the payer without undue delay and to restore the debited payment account to the state in which it would have been had the defective payment transaction not taken place.
7. In case of a non-executed or incorrectly executed payment transaction in accordance with clause 5 above, the payment service provider of the payee, at the payee's request and regardless of its responsibility, shall make efforts to trace the non-executed or incorrect payment transaction and notify the payee of the outcome of such a procedure without undue delay.

F. Information on payment transactions

1. The Payment institution informs the Client of all individual payment transactions through the internet banking application where it is possible to obtain an up-to-date and complete overview of all payment transactions. The Client is also notified of non-executed payment transactions by a special message delivered by electronic means of communication.
2. The Client is entitled to have an individual electronic statement of his/her account generated by selecting predefined criteria. Such a statement can be exported into a file and subsequently printed out; such a printed statement can be subsequently used also for legal acts.
3. The Client has the option to generate a statement of fees in accordance with Section 44b, which is available in the same section of the internet banking application where the electronic statement of the payment account is also located.
4. In case the Client asks for a written statement of the payment account, he/she undertakes to specify the time period or other criteria on the basis of which such a statement should be issued and the address to which it should be delivered. The Payment institution is entitled to charge a fee for such a statement and reimbursement of costs connected with its producing and mailing.
5. If the Client detects any inconsistencies in the executed payment transactions or in generated statements, he/she is obligated to notify the Payment institution of such inconsistencies or errors in accordance with these GBTCs immediately but no later than 13 months from the date of crediting or debiting of such funds to the Client's payment account unless otherwise stated, failing which the Client loses the right to compensation.

G. Payment account switching

1. The Client has the right to switch his/her payment account to another payment institution with all legal acts and procedures carried out in accordance with Section 44d et seq. of the Act on the basis of a written request made by the Client and sent to the Payment institution's address. The written request must include the first and last name of the Client, his/her registered address, number of his/her payment account or a unique identifier of the account, contact details of the branch of the newly chosen payment institution, the list of standing orders he/she wishes to

transfer, and the request must include a handwritten signature identical with the specimen signature. All other conditions of switching shall be executed in accordance with the terms and conditions stipulated in the above-mentioned Act and this transaction is subject to charges in accordance with the current Price list.

COMPLAINTS POLICY

1. A complaint shall mean exercise of the Client's right to verify accuracy and quality of provision of payment system services performed by the Payment institution for the Client or upon his/her instruction. A complaint shall not mean the Client's request to identify a payment or a payer, request to negotiate the return of payment, or other requests of non-contentious information nature the subject-matter of which is not a request to verify accuracy and quality of the payment system services provided by the Payment institution. A proposal concerning a modification and/or improvement of services does not represent a complaint.
2. The Payment institution does not resolve disputes between a merchant and the holder of a payment card issued by other bank or payment institution, which arise upon purchase of goods and/or services. Upon a merchant's failure to deliver goods or services, it is possible to request through the payment institution a return of the payment transaction amount executed via the payment card and this within three months from the date of debiting the transaction to the account to which the payment card was issued. The result of the request settlement under this clause depends on verification by the Payment institution of objected facts concerning the merchant's failure to deliver goods and/or services. Such a request does not represent a complaint.
3. The Complaints policy governs in general terms settlement of Client's complaints (the "Complaints Policy") by the Payment institution as concerns settlement of complaints relating to accuracy and quality of the services provided by the Payment institution to the Client. The Complaints Policy may also be provided by the Payment institution as a separate document for the purposes of a better awareness of the Client with regards to his/her rights, however, formally it forms part of the GBTCs.
4. Any complaint shall be filed in compliance with the deadlines set out in the Complaints Policy. Complaints may be filed in writing and sent to the address: Payment Institution NFD, a. s., Popradská 17/670, 064 01 Stará Ľubovňa, or electronically via e-mail to the address helpdesk@pay-institution.eu. When filing a complaint, the Client shall state their identification data, as a complainant, to the following extent: name, surname, business name/name, permanent residence or other residence address or registered office address and the Client's signature. A complaint not accompanied by due identification of the Client will be deemed to be anonymous and the Payment institution will not deal with it.
5. In a complaint, the Client shall clearly and comprehensibly define the facts subject to the complaint and attach all documents and materials supporting the facts claimed by the Client, while specifying specific rights claimed by the Client as concerns the Payment institution. If a complaint contains faults or is incomplete, the Payment institution will request that the Client remove them. The Payment institution may request that the Client provide cooperation within settlement of the complaint and where the Client fails to cooperate, the Payment institution may decide based only on available supporting documents.
6. The Client has the right to a remedy from the Payment institution if he/she notifies the Payment institution, without undue delay after execution of the unauthorized or incorrect payment transaction but no later than within 13 months from the day of deduction or crediting of the funds from or to the payment account, of becoming aware of unauthorized or incorrectly executed payment transaction which gives rise to a claim.
7. The Payment institution subsequently confirms receipt of the Client's complaint, either in an electronic or, at the Client's request, in a written form, informs about the need to complement it, and decides without undue delay on the eligibility of the complaint within 15 business days from the delivery of the complaint. If the decision on eligibility of a complaint cannot be made immediately or within 15 business days from submission of the complaint by the Client, the Payment institution will provide the payment service user with a preliminary reply concerning eligibility, while clearly specifying the grounds behind the delay of the reply to the complaint and the date of the final reply. The deadline for delivery of the final reply shall not exceed 35 business days. The Payment institution will not deal with a complaint filed repeatedly by the same complainant in the same case even if it contains new facts.
8. The Client shall file a complaint with the Payment institution in the above specified manner without undue delay after the date of establishing the facts justifying its enforcement. The period for filing a complaint is not limited except for the cases specified herein. After notifying the Client about the complaint eligibility, the Payment institution commences settlement of the complaint without undue delay.

9. As concerns complaints involving the payment services provided in EUR or other currency of a European Economic Area country (“EEA”) within the EEA, the Payment institution will decide on complaint eligibility immediately but not later than within 15 business days from the delivery of the complaint in a manner specified above in these GBTCs. If the complaint settlement takes more than 15 business days, the Payment institution will provide a preliminary reply along with the grounds behind the delay of the reply to the complaint. The period for delivery of a final reply shall not exceed 35 business days in such cases, in more complicated cases it shall not exceed 6 months. Where an unauthorized transaction or incorrectly executed payment transaction is established or if the Client complains about payment transactions executed via a payment card, the Payment institution will return the amount requested by the Client in the complaint following a preliminary examination of the Client’s complaint and before full examination and a final decision on the Client’s complaint. If after examination of the Client’s complaint the Payment institution establishes and decides that the Client’s complaint is not eligible, the Payment institution rejects the complaint and the amount requested by the Client in the complaint and returned by the Payment institution preliminarily will be debited to the Client’s account regardless of the current balance in the Client’s account. If a negative balance appears in the Client’s account after the settlement, the Client shall settle the debt without undue delay upon delivery of the final reply to such a complaint.
10. The period of time determined for settlement of a complaint shall commence on the day of receipt of a complete and faultless complaint. The complaint settlement period may be extended depending on activities of the third parties whose cooperation is necessary to settle the complaint in question. The Payment institution will provide the Client with a preliminary reply and the final reply in the manner specified in Article A of Part V of these GBTCs.
11. The costs associated with settlement of a complaint are borne by the Payment institution. The costs associated with producing, including its attachments/enclosures, and submitting of a complaint are borne by the Client.
12. Where the Client has reasonable doubts as to whether his/her complaint has been thoroughly investigated and duly settled in accordance with this Complaints Policy or if he/she is of the opinion that his/her Agreement or GBTCs provisions have been violated, he/she has the right to refer the case to the National Bank of Slovakia.
13. In case of a dispute, the Client may address the competent general court or other authorities and make use of an out-of-court settlement of disputes:
 - I. consumer disputes related to provision of payment services which arise between the Client – consumer and the Payment institution may be resolved by the Client through an entity ensuring alternative dispute resolution registered in the Register of alternative dispute resolution entities kept by the Ministry of Economy of the Slovak Republic;
 - II. through a mediator registered in the Register of Mediators kept by the Ministry of Justice of the Slovak Republic without any prejudice to the principle of voluntariness within mediation proceedings.
 - III. an arbitration court registered in the Register of permanent arbitration courts authorized to decide on consumer disputes, which is kept by the Ministry of Justice of the Slovak Republic provided that the Client gives their consent specifically in the arbitration clause contained herein.

V. COMMON AND FINAL PROVISIONS

A. Communication, service, change of data, notification of selected information

1. The communication between the Client and the Payment institution is carried out predominantly by electronic means via the website, the internet banking application of the Payment institution, the mobile banking application, and via e-mail which are used to exchange information between the Payment institution and the Client. By publishing information on its website or through the mobile application, the relevant information shall be deemed to be duly delivered to the Client. The contracting parties are entitled to use other forms of communication as well as complementary means of communication.
2. Communication can also be carried out in writing, in which case all documents are delivered to the address of the other contracting party specified in the Agreement unless notification of change was received at a later time.
3. A written document shall be deemed to be delivered:
 - a) on the day of its receipt or refusal to receive it where it is delivered in person or via a courier,
 - b) on the third business day after its sending via regular postal service within Slovakia,
 - c) on the seventh day after its sending via regular postal service where it is to be delivered abroad,
 - d) one day after its sending where it is sent via e-mail or SMS unless an earlier time of delivery is evidenced.

No delivery of expected written documents within the agreed period of time shall be notified by the Client to the Payment institution without undue delay, failing which the Payment institution is not liable for any damage caused by non-delivery. The Client shall deliver documents to the Payments institution personally to the company's registered office, electronically in an agreed manner or via postal service to the address of the Payment institution's registered office. The contact data of the Payment institution for the purposes of communication between the Payment institution and the Client are available at www.pay-institution.eu.

4. Unless otherwise agreed with the Client in the Contract, the Payment institution enters into the Framework Agreement with the Client for an indefinite period of time and in the Slovak language; throughout the contractual relationship with the Client, the Payment institution will communicate in the Slovak language. The Client shall submit all documents to the Payment institution in the Slovak language.
5. The Client consents to the Payment institution's recording any e-mail and written communication between the Client and the Payment institution and archiving of such records along with copies of all information and documents that the Payment institution receives from the Client or third parties. The Client consents to the Payment institution being entitled to use such information for the purposes specified in the agreement terms and conditions or to secure compliance with the agreement terms and conditions.
6. The Client shall forthwith inform the Payment institution about exchange, loss of or stolen identity documents as well as about any change in the data or documents notified or submitted by the Client and, in particular, about change of name, surname, business name/name, authorization to act, permanent residence address or other residence address or registered office/place of business or any other substantial fact and shall send a copy/scan of an officially certified copy of the document evidencing such a change. The Client shall forthwith inform the Payment institution about the change of the mailing address, telephone number, and the e-mail address to which information or written documents are delivered for the Client. The Payment institution will implement any change under this clause no later than on the next business day following the day of delivery of the change notice. The last client data notified in writing by the Client are binding upon the Payment institution.
7. The Client shall provide the information concerning changes in writing and/or electronically to the address Payment Institution NFD a.s., Popradská 17/670, 064 01 Stará Ľubovňa or electronically via e-mail to the address helpdesk@pay-institution.eu. Depending on the type of change, the Payment institution shall be entitled to request from the Client additional identification before implementing the change.
8. If any doubts are cast as to validity of execution of a change concerning the person authorized to act on behalf of the Client and, in particular, as concerns change of the person authorized to act on behalf of a legal entity, the Payment institution shall be entitled to request that the original person act on behalf of the Client jointly with the new persons who submit the authorization to act on behalf of the Client as a legal entity until a final decision of a competent authority (court, government body, etc.), failing which the Payment institution may reject the Client. If there are any doubts, at the Payment institution's discretion, as to the validity of the change of authorization to act on behalf of the Client – legal entity, the Payment institution may accept acting on behalf of the Client – legal entity by the person who was authorized by the Client to do so before the change and this until the final decision of a competent authority (court, government body, etc.). The Payment institution may reject the Client's actions until a decision issued by the competent body.
9. Where the Payment institution suspects a fraud within provision of payment services or in case of a fraud or other security threat, the Payment institution shall inform the Client about it by sending a notice to the last notified address or using the data under clause 1 or clause 2. The Payment institution shall select a suitable and safe manner enabling the Payment institution to inform the Client in a safe manner about the facts under this clause and this depending on the service subject to the suspected fraud, fraud or other security threat while factoring in specific circumstances. The Payment institution shall inform in the same manner also upon any operational, security or other incidents related to provision of payment services to the Client, which affect the Client's financial interests. In such cases, the Payment institution shall inform the Client also about the measures that the Client may adopt to mitigate the adverse effects of such an incident.

B. Exchange of confidential, personal, and other information

1. The Payment institution and the Client understand that within provision of payment services they may provide each other with the information that either contracting party does not want to be disclosed by the other contracting

party to any third parties – Confidential information. The party receiving such confidential information undertakes to ensure, at least at the professional diligence level, confidentiality of such information as concerns any third party and refrain from using such information for its own benefit. The commitment of parties under this clause shall apply even after termination of the Contract.

2. The parties undertake to use Confidential information without prior consent of the other contracting party neither for their own benefit or benefit of third parties nor to disclose it to third parties or allow third parties access to the Confidential information unless these GBTCs or the Agreement stipulate otherwise. The Payment institution is entitled to use and make available Confidential information to third parties on the basis of specific legislation, in particular, the Act and Act No. 297/2008 on protection against legalization of proceeds from criminal activity and terrorist financing, these GBTCs, the Contract, or other regulations issued by the Payment institution.
3. The Client of the Payment institution acknowledges that by entering into the Framework Contract, the Payment institution shall be entitled collect and process personal data and other information provided by the Client in accordance with Act No. 18/2018 on personal data protection, as amended, and the GDPR regulation. The Payment institution processes personal data of the Client for the purposes of establishment, verification, and checking of identification of the Client or their representative, for the purposes of management of the contractual relationship between the Client and the Payment institution (receipt and settlement of complaints), for the purposes of protection of the Payment institution and its right to redress, for the purposes of performance of tasks and obligations of the Payment institution under current legislation, for the purposes of generating, managing and providing information to the inspection and statistical authorities under the Act on payment services or other legislation, for the purposes relating to the operations of the Payment institution, and for the purposes of documenting the Payment institution's activities.
4. The Payment institution processes personal data, entrusts the processing or discloses personal data to third parties within the scope and under the conditions specified by the legislation, imposed in decisions of relevant bodies, agreed to under the Contract, GBTCs, or specified in the Client's written consent. The Payment institution may transfer personal data outside the EU territory to the extent necessary to achieve the purpose specified in this Article of the GBTCs. The Client may withdraw in writing his/her consent to the processing of his/her personal data. The withdrawal of consent does not apply to the situations where the Payment institution is authorized to process personal data even without Client's consent.
5. The Payment institution may process personal data for the purposes of marketing to the necessary extent based on the Client's consent only. Such consent is valid throughout the term of the contractual relationship between the Client and the Payment institution and for the following 5 years from the termination of the contractual relationship or until the Client withdraws his/her consent. The Client is entitled to withdraw his/her consent at any time, free of charge, and without giving any reason. The withdrawal of consent may be done in writing at the registered office of the Payment institution or directly through the web interface of Client's internet banking zone in the Profile section or via contacting the data protection officer at e-mail address dataprotection@pay.institution.eu.
6. For the purposes of identification of payment transactions in accordance with the Act, the Client provides the Payment institution with his/her consent so that the Payment institution may contact the Client with a request to explain any transaction(s) that may appear in his/her account and which the Payment institution classifies as risky or unusual. The Client's refusal to provide information requested by the Payment institution or provision of insufficient information is considered to be a gross breach of these GBTCs.
7. The Client undertakes to provide the Payment institution with all important and relevant information relating to the economic and legal status of the Client or other important information with regards to the Client (especially information about initiation of bankruptcy proceedings/restructuring, information that the Client was declared bankrupt or a dstraint procedure was ordered against him/her, that the Client is insolvent, that the Client is going into liquidation, that a motion was filed to dissolve the Client, that a decision was made on merger or division of the Client, that he/she was deprived of legal capacity, or his/her legal capacity was limited, etc.) immediately after such information becomes known to the Client even if it has not become final yet.
8. The Payment institution has entrusted some operations to the sole shareholder – parent company Naše Finančné Družstvo (NFD). However, the entrusted activities do not extend to Confidential information and their extent has no impact on the quality of services provided, does not change mutual relations and circumstances between the Client and the Payment institution and does not shift responsibility. The entrusted services pertain to the following activities: secretariat, filing department, registry, helpdesk (which processes public information only), server administration, IT services, cleaning services, everything within the public and internal information, excluding confidential information which is exclusively the responsibility of the Payment institution.

C. Set-off of claims

1. The Payment institution has the right to set off any of its claims towards the Client at any time, without prior notification, against any of the Client's claims against the Payment institution which are of the same kind, regardless whether these are payable, statute-barred, contingent or non-contingent, and regardless of the legal relationship out of which they arisen and when they occurred.
2. For the purposes of the set-off of claims as specified in clause 1, the Payment institution is entitled to use the funds in the Client's payment accounts only to set off a mutual claim under Section 361 of Act No. 513/1991 of the Commercial Code. The right of the Payment institution to set off its claims prevails over execution of any order relating to the Client's payment account.
3. The Payment institution is entitled to set off claims in different currencies only when such currencies are freely convertible. For setting off the amounts of such claims, the average exchange rate valid on the day on which the claims become eligible to be set off is relevant. The exchange rate valid at the place of registered office or at the place of business, or at the place of residence of the party which demonstrated its will to set off the claims is applicable.
4. The Client is entitled to assign his/her claim against the Payment institution or transfer his/her obligation resulting from the Agreement to a third party or dispose of them, including establishing any security in respect of such claims, only with the prior written consent of the Payment institution. The Client acknowledges that the Payment institution is entitled to assign its claims against the Client to third parties even without the Client's consent.

D. Liability for damage

1. Unless expressly stated otherwise in the Agreement or these GBTCs, in case of breach of contractual terms by one of the parties, the injured party has the right to compensation under Section 373 et seq. of the Commercial Code unless the breaching party proves that the breach of obligations has been caused by the circumstances excluding liability.
2. Circumstances excluding liability on the part of the Payment institution shall include especially the following: various forms of civil unrest, fire, flooding, terrorist attack, hacking attack, interruption, deceleration or outage of the supply of electricity (partial or full), interruption, outage or disruption of operations of computer systems (hardware or software parts) or communication services on the part of the Client or third parties or by the Client/ third parties, any technical problems on the part of the Client during communication with the Payment institution or any other unexpected incident, catastrophe or imposition of special restrictions /guidelines/, a failure to obtain relevant permits in a timely manner directly or indirectly relating to respective fulfilment under the Contract, or any other obstacle that occurs independently of the will of the Payment institution and prevents it from fulfilling its obligations.
3. The Payment institution is not liable for the damage sustained by the Client as a result of false, incomplete, inaccurate or misleading information, instructions or documents which the Client (or other person authorized by the Client) provided to the Payment institution within exercise of his/her rights under the Agreement or due to a failure to provide relevant information or documents in due time. The Client is fully responsible for the accuracy, completeness, and timeliness of any information, instructions or documents provided to the Payment institution by him/her.
4. Enforcement of stipulated fines in accordance with provisions of the Agreement or the GBTCs shall be without prejudice to the right of the injured party to full compensation, i.e. even in excess of the stipulated fine amount.

E. Final provisions:

1. These GBTCs have been drawn up in the Slovak language in accordance with the legislation of the Slovak Republic, and any relationships not covered by them shall be governed by the relevant provisions of the Act, Commercial Code, and other valid legal regulations. The Permanent Arbitration Court of the Slovak Banking

Association or the competent general court, at the Client's discretion, shall have the jurisdiction to decide any disputes between the contracting parties under the Contract.

2. The Payment institution charges fees in accordance with the Price list for the provision of its services unless a special agreement between the Company and the Client states otherwise.
3. The relationships between the Client and the Payment institution are governed by the Contract, GT&C applicable to the respective product, these GBTCs, and the generally binding legal regulations of the Slovak Republic in the same order of precedence.
4. If the Client, as a party to the contractual relationship between the Payment institution and the Client, consists of several persons, they shall be liable for the undertakings of the Client and those persons towards the Payment institution jointly and severally unless these GBTCs, Special business terms and conditions or the Agreement state otherwise.
5. In case any of the provisions of the Agreement or the GBTCs becomes invalid, ineffective and/or unenforceable, it shall not affect the validity, effectivity and/or enforceability of the remaining provisions of the Contract and the GBTCs. The Payment institution undertakes that in such a case the Payment institution will replace, following an agreement with the Client, such a provision by a new provision that will be as close as possible to the original one as to its content and purpose.
6. The Payment institution is entitled, depending on amendments to generally applicable legal regulations and/or based on its own discretion, to make changes in or replace these GBTCs as a whole. Such changes shall be published by the Payment institution on its website or in another manner, along with the effective date of the changes. If the updated GBTCs wording does not specify the effective date, the changes/new GBTCs wording shall take effect on the first day of the second month following their publication. The Payment institution undertakes to publish any changes at least 2 months in advance of such changes taking effect. If the Client does not accept such changes in the GBTCs, he/she is entitled to notify his/her non-acceptance in writing no later than 30 days of the publication date of the amended GBTCs wording – a timely expression of non-acceptance of the published GBTCs wording has a suspensory effect for the Client who expresses such non-acceptance. In such a case, the Client shall be entitled to withdraw from the Contract. Unless the Payment institution and the Client agree otherwise within 30 days and the Client does not withdraw from the Contract, the amended – current wording of the GBTCs shall apply to the Client. Unless the Client notifies the Payment institution of his/her non-acceptance of the changes in the GBTCs within the time period specified above, it shall be believed that he/she accepts the changes and the mutual relationships between the Payment institution and the Client shall be governed by the amended GBTCs with effect from the date of the amendment. The supervisory body – the National Bank of Slovakia shall also be notified of the changes in the GBTCs in accordance with the Act.
7. Any change in the exchange rate used within payment transactions may be applied by the Payment institution immediately without any prior notice.

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