

Business Terms & Conditions for the Loro Account [hereinafter "Business Terms & Conditions" or "BT&C"] define the legal relations between Poštová banka, a.s. with registered office at Dvořákovo nábrežie 4, 811 02 Bratislava, corporate ID: 31340890, listed in the Business Register of the Bratislava I District Court, Section: Sa, Insert No.: 501/B [hereinafter „the Bank“] and the Correspondent Bank arising from the Loro Account Agreement [hereinafter „the Account Agreement“], while constituting its integral part.

To the extent to which the provisions of the Account Agreement concluded between the Bank and the Correspondent Bank differ from the provisions of these Business Terms & Conditions the provisions of the Account Agreement, Business Terms & Conditions and General Business Terms & Conditions [hereinafter "GBT&C"] take the above precedence.

The terms starting with capital letters used in the Account Agreement, BT&C as well as GBT&C take the meanings defined herein, unless an express provision to the contrary is made.

## **PART I – TERMS AND DEFINITIONS**

**Account Agreement** – bilateral legal act between the Bank and The Correspondent Bank by virtue of which the Bank opens and maintains the Loro Account for the Correspondent Bank as of certain point in time and in certain currency pursuant to relevant provisions of the Commercial Code.

**Account Owner** – for the purpose of these BT&C, the Correspondent Bank, in whose business name according to the extract from the relevant register a Loro Account is opened, and which is entitled to pursue all legal acts in connection with the Loro Account and/or to dispose of funds in the Loro Account, is considered the Account Owner.

**AML/KYC [Anti-Money Laundering; Know Your Customer] Questionnaire** - questionnaire being completed for the purpose of ascertaining the level of protection of the bank against the legalization of proceeds of crime, financing of terrorism and the level of application of the Know Your Customer principles.

**Authorized Person** – a natural person authorized by the Correspondent Bank in a Signature Specimen or by separate power of attorney, signed by persons empowered to act of behalf of the Correspondent Bank in front of a Bank employee or with officially authenticated signatures of the persons empowered to act on behalf of the Correspondent Bank, or a natural person acting on behalf of the Correspondent Bank under the authority conferred by specific regulations.

**Banking Day** – day on which Bank Transactions are executed or settled. Banking Days usually exclude Saturdays, Sundays, public holidays and non-working days and such day that the Bank declares a non-business day due to particularly serious operational reasons. The Bank will Publish such decision.

**Bank Transaction** – the conclusion, change or cessation of a contract between the Bank and the Correspondent Bank and any transactions, including the disposal of deposits.

**Correspondent Bank – Resident** – a bank or a branch of a foreign bank, which has a contract with the Bank or for whom the Bank has concluded or will conclude Bank Transactions - for the purpose of the General Business Terms & Conditions also as a Client - and which has its registered office or is based in the territory of the Slovak Republic.

**Correspondent Bank – Non-resident** – a foreign bank or a branch of a bank, which has a contract with the Bank or for whom the Bank has concluded or will conclude Bank Transactions - for the purpose of the General Business Terms & Conditions also as a Client - and which has its registered office or is based outside the territory of the Slovak Republic.

**Debit Limit** – debit balance on the Loro account permitted by the Bank, which also specifies the amount of permitted debit balance and the Debit interest rate.

**Eurogiro** – the Bank as the provider of payment services enables within the service Eurogiro the provision of payment services abroad and from abroad through the international electronic network EUROGIRO NETWORK, A/S. In connection with Loro Accounts the Bank provides the Eurogiro service to Correspondent Banks that are members of EUROGIRO NETWORK A/S and with whom the Bank has concluded a cooperation agreement.

**Interest Rates to Loro Accounts** – a document or a SWIFT message by which the Bank informs the Correspondent Bank about credit and debit/penalty interest rates on the Loro Account.

**Loro Account** – current account of the Correspondent Bank opened and maintained by the Bank under the Account Agreement

**Publication** – disclosure of a document or information in publicly accessible spaces of the Bank's branches or on the Bank's website or in other form deemed to be appropriate by the Bank, by virtue of which the document or information becomes valid and effective unless otherwise stated therein.

**Reference Date** – date used by the Bank to calculate interests on funds credited to the Loro Account or debited from the Loro Account.

**Required Minimum Balance** – minimum amount of funds in the Loro Account stated by the Bank in the Account Agreement, which the Correspondent Bank / the Account Owner is obliged to maintain during the period of contractual relationship with the Bank.

**RMA Authorization** [Relationship Management Application Authorization] – SWIFT service restricting unwanted operation under so-called authorizations. Authorizations are issued and approved by the Bank, or the counterparty. The Bank uses this service for the authentication of so-called „encrypted“ messages in the SWIFTNet FIN service.

**Schedule of Fees** – document setting out fees and charges for provided services determined by the Bank through Publication [hereinafter "Schedule of Fees"]

**Schedule of Fees Terms and Conditions** – document setting out fees and charges for services provided to The Correspondent Bank determined by the Bank through Publication or advised to the Correspondent Bank [hereinafter "Terms and Conditions"]

**Signature Specimen** – list or other form of publication [e.g. electronic document protected by password], containing specimen signatures of the Account Owner and other persons authorized by the Account Owner to dispose of funds in the Loro Account, to submit and accept documents and at the same time specifying the way of disposal of funds in the Loro Account by the Authorized Persons.

**SWIFT** – Society for World-wide Interbank Financial Telecommunication which effectuates data transfers among its members as an immediate electronic process.

## **PART II – LORO ACCOUNT**

### **2.1. General Provisions**

- 2.1.1. The Bank opens and maintains Loro Accounts in the local currency, in the foreign currency in which the Bank has a nostro account opened with any Correspondent Bank, or in other currency mutually agreed in the Account Agreement pursuant to relevant provisions of the Civil Code and Commercial Code, GBT&C and these Business Terms & Conditions.
- 2.1.2. The Bank opens and maintains Loro Account for Correspondent Banks for the purpose of effecting non-cash payments and also cash payments under mutual agreement. There is no legal entitlement to the conclusion of the Account Agreement.
- 2.1.3. The Bank is entitled to accept only documents of the Correspondent Banks issued or officially translated in accordance with applicable law in English, Czech or Slovak language. If, in accordance with applicable laws and international treaties binding for the Slovak Republic, a higher authentication [superlegalisation] is required, the Bank is entitled to require that such documents are officially certified and superlegalized or bear the "Apostille" in accordance with the Hague Convention on abolishing the requirement of authentication of foreign public documents.
- 2.1.4. Documents, including claims of the Bank and the Correspondent Bank are delivered by:
  - electronic communication means [SWIFT message, Eurogiro message, fax or another electronic means];
  - mail to the postal address;
  - other means agreed between the contractual parties.
- 2.1.5. Documents delivered by post are deemed to be delivered on the third day upon the sending in the case of domestic deliveries and on the seventh day upon the sending in the case of deliveries abroad, even if the addressee is unaware of the delivery or the shipment is returned to the Bank as undelivered. Unless agreed otherwise, the Bank sends documents by post in the form of ordinary or registered mail at its own discretion.
- 2.1.6. Documents delivered by fax, Eurogiro message or SWIFT message are deemed to be delivered as of the moment of printing a sent message confirmation, documents delivered by e-mail are deemed to be delivered as of the moment of delivery confirmation receipt.
- 2.1.7. In the case of communication by SWIFT messages, the Bank and the Correspondent Bank will mutually enable the transmission and reception of "encrypted" messages, i.e. they shall grant two-way RMA Authorization. The exchange of relevant keys is effected also in the event of Eurogiro message communication.

- 2.1.8. The Correspondent Bank is obliged to advise the Bank of its address, telephone, fax number and other electronic means, to which the Bank will send or communicate all notices and documents and to notify the Bank of any change in this information without undue delay. In the event that the Correspondent Bank fails provide this information, the delivery and notification made or given to the last known address, or the last known number of a means of telecommunications shall be deemed to be duly made or given.
- 2.1.9. The Correspondent Bank shall notify the Bank without undue delay of any non-delivery of expected documents of any kind, in particular of documents concerning the execution of payment orders and the receipt of funds, after the expiry of the period set for the delivery of the documents. The Bank shall not be liable for any damages resulting from non-delivery of the documents.

## **2.2. Opening a Loro Account**

- 2.2.1. The Bank shall open the Loro Account on the basis of a duly concluded the Account Agreement. The Account Agreement will be concluded on the basis of a Loro Account opening request. The Bank is entitled at its own discretion to require a confirmation of the Loro Account opening request via SWIFT message, or via Eurogiro message, in which data must correspond with the data stated in the written Loro Account opening request delivered to the Bank.
- 2.2.2. The Correspondent Bank and the Bank will agree in the Account Agreement the currency of funds, schedule of fees, Required Minimum Balance, interest rates and the method of sending of statements and notices applying to the Loro Account.
- 2.2.3. The Correspondent Bank - Resident acts through their authorised signatory in a manner specified in the business register extract, or alternatively through Authorized Persons stated in the Signature Specimen. The Correspondent Bank – Non-resident acts through a person in a manner determined by an extract from the relevant register in the state which authorized such Correspondent Bank to conduct banking business [banking license], or acts through an Authorized Persons. The Bank has the right to request identification and identity verification of persons authorized to act on behalf of the Correspondent Bank.
- 2.2.4. The Correspondent Bank:
- a] which physically does not exist in the state of its licence – a "shell bank“;
  - b] which is based in a country listed in the current list of the FATF international organization as a non-cooperating country or territory cannot own the Loro Account.
- 2.2.5. The Correspondent Bank can be the owner of several Loro Accounts.
- 2.2.6. The Account Agreement shall be concluded for an indefinite term, unless the Account Agreement indicates otherwise and shall enter into force and effect upon the signature by both parties. The Account Agreement shall be produced in two legally equivalent originals.
- 2.2.7. Prior to the Loro Account opening, The Correspondent Bank is obliged to submit to the Bank the following documents:
- original or a certified copy of the Correspondent Bank's Business Register extract, or an extract from a relevant register in the state which authorized such Correspondent Bank to conduct banking business [banking license], not older than 3 months;
  - original or a certified copy of the license to conduct banking activities [banking license] granted by the relevant central bank, or by other competent authority of the country where the Correspondent Bank is based;
  - Signature Specimen [in the case of confirming the validity of signatures by a binding "encrypted" SWIFT message, it is not necessary to submit a Signature Specimen];
  - the Correspondent Bank - Non-resident is also required to submit the completed AML/KYC Questionnaire [supplied by the Bank], which inter alia contains the information required by the Act 297/2008 Coll. on the prevention of money laundering the terrorism financing, as the amendment of certain laws [the Bank also accepts similar declarations of the Correspondent Bank];
- 2.2.8. In the event that the Correspondent Bank fails to submit the documents referred to in paragraph 2.2.7. and/or the Bank on the basis of the contents of these documents, in terms of the AML/KYC policy, shall consider the Correspondent Bank as risky, the Bank may refuse to conclude the Account Agreement. The Bank may use other independent sources in the assessment of the AML/KYC policy and the riskiness of the Correspondent Bank. In the event that the Bank refuses to conclude the Account Agreement, the Correspondent Bank will be notified accordingly.
- 2.2.9. The Account Owner undertakes to notify the Bank promptly of any changes in the data submitted in the the Loro Account opening phase by means of written notifications to the mailing address of the Bank. The

Account Owner undertakes to update the AML/KYC Questionnaire and send it to the Bank if any change of the facts set out in the questionnaire occurs, otherwise at least once a year.

- 2.2.10. The Bank is entitled not to execute a payment order, which carries a risk of money laundering or terrorism financing, or due to suspicion that the beneficiary is subject to international sanctions, or a person listed in the list of sanctioned entities.
- 2.2.11. The Bank is entitled not to process payments from abroad, or to refuse a payment from the Correspondent Bank which is listed in the list of countries suspected of terrorism support, or a payment via the bank and its branch offices outside such territory, in the event that the parent bank is registered in a country listed in the list of countries supporting terrorism.
- 2.2.12. The Bank shall not be liable for any damages incurred by the Correspondent Bank and its trading partners resulting from the returning of not accepted and/or non-executed payment orders.
- 2.2.13. In the event of concluding the Account Agreement the Bank shall deliver to the Correspondent Bank the Account Agreement signed by both contractual parties, completed with the corresponding Loro Account number and the Loro Account opening date.
- 2.2.14. The Bank is entitled to unilaterally change the Loro Account number and the Account Owner shall be notified of such change at least 30 calendar days in advance.

### **2.3. Disposition of Funds in the Loro Account**

- 2.3.1. The persons stated in the Signature Specimen are authorized to dispose of the funds in the Loro Account in accordance with the mandates set out therein. The provisions of the GBT&C relating to the Signature Specimen shall apply to the particulars and individual rights and obligations associated with the Signature Specimen. The Signature Specimen must contain hand-written signatures of the Authorized Persons.
- 2.3.2. The Account Owner is responsible for the accuracy of data contained in the Signature Specimen and the identity of the signatures of all Authorized Persons in the Signature Specimen to the Loro Account. The Account Owner is entitled to amend, revoke or limit the number of Authorized Persons or the scope of power of attorney at any time. The power of attorney, its amendment, revocation or restriction takes effect on the banking day following the date of receipt of the Signature Specimen or other written document by the Bank. The Signature Specimen is valid until the delivery of revocation by the Correspondent Bank to the Bank, notwithstanding any change in circumstances constituting the basis of the Signature Specimen.
- 2.3.3. Payment orders in paper form must be signed by the person authorized to dispose of funds in the Loro account in the manner stated in the Signature Specimen. The Bank checks whether the signature on the payment order matches the signature provided in the Signature Specimen, however, the Bank is not liable for the authenticity of such signature. The Bank is not liable for any damage incurred by the Account Owner in the event that a payment order is signed by a third party and the difference of such signature from the signature of the Authorized Person provided in the Signature Specimen cannot not be identified with reasonable care.
- 2.3.4. The Account Owner must ensure that an order submitted to the Bank:
  - a] is specific, clear, correct and accurate,
  - b] is delivered to the Bank in compliance with the provisions 2.3.5. of this article of the BT&C,
  - c] in the case of payment orders in paper form that these are signed in accordance with the Signature Specimen deposited in the Bank,
  - d] is compliant with generally binding laws and internal regulations of the Bank.
- 2.3.5. The Bank will execute non-cash transfers of funds in the Loro Account Bank on the basis of payment orders of the Account Owner which the Bank has received:
  - via the clearing house; or
  - via an encrypted SWIFT message labelled in accordance with the current rules published by the S.W.I.F.T. company; or
  - via an encrypted Eurogiro message labelled in accordance with the current rules published by the Eurogiro NETWORK A/S company; or
  - in the form of a payment order, which is formally identical to the encrypted message, but is signed according to the Signature Specimen; or
  - as agreed between the Bank and the Correspondent Bank.
- 2.3.6. The Account Owner is responsible for the completeness, correctness and veracity of the data provided in the Account Owner's payment order, particularly of such data that would cause erroneous direction of the transfer.

- 2.3.7. The Bank is authorized at its sole discretion to decline the execution of any payment order that does not meet the conditions of the BT&C; The Bank shall not be liable towards the Account Owner for declining such order. The Bank is obliged to notify the Account Owner of such situation.
- 2.3.8. The Bank carries out the following Loro Account transactions on the basis of orders by the Correspondent Bank :
- cashless payments from/to abroad, mainly clean payments, cheque collections, documentary collections including promissory notes, documentary L/C, bank guarantees;
  - cashless transfers of funds;
  - interbank payment transactions;
  - term deposits administered by the Dealing Department of the Treasury Division under the standard interbank market conditions;
  - other transactions mutually agreed between the Correspondent Bank and the Bank .
- 2.3.9. The Bank executes the Account Owner's orders within a reasonable time periods - according to their nature and complexity, in compliance with relevant commercial practice, the Business Terms & Conditions, the GBT&C and generally binding legal regulations.
- 2.3.10. Conditions, conversion rates and cut-off times under the GBT&C apply to the Correspondent Bank - Residents. Conditions and cut-off times under the Terms and Conditions apply to the Correspondent Bank – Non-residents.
- 2.3.11. The Account Owner is required to maintain a balance in the Loro Account at least in the amount sufficient for the settlement of outstanding obligations against the Bank under these BT&C, the Account Agreement, as well as other agreements concluded between The Bank and the Correspondent Bank in connection with other banking products provided by the Bank to the Correspondent Bank, unless agreed otherwise in the case of such banking products.
- 2.3.12. The Bank is authorized to establish a Debit Limit in the Loro Account at the request of the Account Owner. The Account Owner has no legal entitlement to the assignment of a Debit Limit; the Bank decides about its assignment, amount and debit interest rates.
- 2.3.13. The Account Owner undertakes to withdraw funds and to issue payment orders only up to the amount of free funds in the Loro Account, including the permitted Debit Limit, providing it is set up in the Loro Account, unless agreed otherwise between the Bank and the Account Owner.
- 2.3.14. In the event that the Account Owner overdraws funds over the amount of free funds, including the permitted Debit Limit, providing it is set up in the Loro Account, which results in an unauthorized debit balance in the Loro Account, the Bank will block the Loro Account and suspend the processing of cashless payments from the Loro Account and will notify the Account Owner of the unauthorized debit balance and the level of penalty interest rate. In such event, the Bank is entitled to charge penalty interest rate quoted in such notice.
- 2.3.15. The Account Owner is obliged to pay to the Bank the amount of unauthorized debit balance and the penalty interests within 10 calendar days upon the date of receipt of the notice by the Account Owner, unless otherwise agreed between the Correspondent Bank and the Bank.
- 2.3.16. Providing the Account Owner pays the amount of unauthorized debit balance and penalty interests within the specified time period, The Bank shall unblock their Loro Account. Failure by the Account Owner to pay this amount within the specified time period will be considered as a violation of these BT&C and the Bank shall be entitled to terminate the Account Agreement and to claim the debt by means compliant with the applicable law, unless agreed otherwise by the contractual parties.
- 2.3.17. If, on the maturity date of fees and other costs associated with the Loro Account administration, insufficient funds to cover such fees and costs are available in the Loro Account of the Correspondent Bank, the Bank is entitled to debit the Loro Account of the Correspondent Bank with the payable fees, even though no claim against the Correspondent Bank from its Loro Account exists. Penalty interest rate stated in Interest Rates to Loro Accounts shall apply to the resulting debit balance in the Loro Account from the moment the debit balance emerges until its settlement.

## **2.4. Account Statement**

- 2.4.1. The Bank shall provide the Account Owner with information about all transactions and balance in the Loro Account in the form of account statement within the period agreed in the Account Agreement, for instance:
- by a SWIFT, Eurogiro message, post, fax, e-mail, electronically;
  - upon movement [i.e. statement upon the daily balancing, providing any movement occurred in the Loro Account during the previous day]; every 10 days [always at the end of a ten-day period of a calendar month], monthly [at the end of every calendar month]; quarterly; semi-annually; annually as of the 31<sup>th</sup> December of a calendar year.

In the event that the Account Owner does not mark in the Account Agreement the form and term of account statements, the Bank shall send the Loro Account statements by post upon movement to the mailing address of the Account Owner.

- 2.4.2. In the event that the Bank is asked by the Correspondent Bank or the Correspondent Bank's auditor to prepare a report for audit purposes, the Bank shall prepare such report and send it in accordance with the Correspondent Bank's instructions. The Bank is entitled to charge the Correspondent Bank a fee under the Terms and Conditions for such service.

## **2.5. Interests on funds in the Loro Account**

- 2.5.1. Interest rates set out in the document Interest Rates to Loro Accounts applies to the Loro Account balances. The Bank is entitled to unilaterally change the interest rates and interest crediting dates. The Bank shall notify the Account Owner about current interest rates and their changes in writing or by SWIFT.
- 2.5.2. Credit interest rate is applied to credit balances on the Loro Account. Credit interest rate is variable and determined by developments in the interbank money markets and is quoted in the Interest Rates to Loro Accounts document, or alternatively may be determined by the Bank separately.
- 2.5.3. Capitalization of credit interests, i.e. the settlement of credit interests in favour of the Loro Account is performed by the Bank monthly unless a different frequency is agreed in the Account Agreement, or extraordinarily at the time of the Loro Account termination. The Bank shall credit interests to the Loro Account on the last calendar day of the agreed period.
- 2.5.4. Capitalization of debit interests and penalty interests, i.e. the settlement of debit interests and penalty interests from the Loro Account is performed by the Bank daily.
- 2.5.5. The accrual of interests begins as of the date of crediting funds to the Loro Account and ends as of the date preceding the withdrawal of funds from the Loro Account or transfer of funds from the Loro Account.
- 2.5.6. Interests on funds in the Loro Account are subject to taxation in accordance with applicable laws and international treaties by which the Slovak Republic is bound.
- 2.5.7. The Correspondent Bank - Non-resident is required to submit to the Bank evidence certifying the circumstances affecting the determination of the income tax rate on its Loro Account [certificate of tax domicile]. Failure to meet this requirement, in the event that the Bank pays the wrong amount of tax to the tax authority and the tax authority orders the payment of tax arrears and tax penalty for the underpaid levy, entitles the Bank to satisfy such claims from the Loro Account administered by the Bank.

## **2.6. Fees**

- 2.6.1. The Correspondent Bank is obliged to pay to the Bank fees for the services provided by the Bank under the Account Agreement and these BT&C. Unless agreed otherwise, the fees, with the exception of the fees referred to in paragraph 2.6.2. of this Article hereof, are due on the date of the charged transaction.
- 2.6.2. Fees for Loro Account statements, credit advices and debit advices are charged:
- at the end of the relevant calendar month, or
  - according to the agreed periodicity of Loro Account statements.
- 2.6.3. The Bank charges fees for the provided services by debiting the Loro Account pursuant to the Schedule of Fees or the Terms and Conditions, according to the provisions of the Account Agreement. The Bank is entitled to amend the Schedule of Fees and the Terms and Conditions unilaterally at any time. The Schedule of Fees and its amendments are available in every branch of the Bank and on the website [www.pabk.sk](http://www.pabk.sk) and are effective as of the date of Publication. The Terms and Conditions are available on the website [www.pabk.sk](http://www.pabk.sk) and are effective as of the date of their Publication.
- 2.6.4. For services not listed in the Schedule of Fees or the Terms and Conditions, the Bank charges fees mutually agreed with the Correspondent Bank.
- 2.6.5. The Bank is entitled to debit claims payable to the Bank corresponding to the fees from any Loro Account of the Correspondent Bank or to set them off against any receivables of the Correspondent Bank from the Bank without prior notice.

## **2.7. Claims**

- 2.7.1. The Correspondent Bank undertakes to report any error in the settlement and to claim rectification from the Bank not later than:
- within one year upon the date following the date on which the event giving rise to the complaint occurred, i.e. upon the date of the concerned transaction [usually according to the date stamp or the exchange rate date of the claimed transaction]

- in the event of a claim relating to a payment service under the Act on Payment Services No. 492/2009 Coll., the customer is required to file a complaint immediately upon the detection of any unauthorized or erroneously executed payment transactions and in any case no later than 13 months upon the date of debiting or crediting funds from or to the customer's account.
- 2.7.2. The Bank is obliged to rectify the erroneous settlement by corrective settlement to the Loro Account or from the Loro Account of the Correspondent Bank on the day of receipt of a claim and in any case no later than 3 working days upon the receipt; in complex cases within 30 calendar days upon the receipt of the claim.
- 2.7.3. The Bank is obliged to notify the Correspondent Bank of the corrective settlement being effected or having been effected without delay in writing or electronic form.

## **2.8. Closing of the Loro Account**

- 2.8.1. In the event that the Account Agreement was concluded for an indefinite period, the Account Owner is entitled to request the Bank to close the Loro Account at any time upon written notice to the mailing address of the Bank, or upon a request in the form of an encrypted SWIFT message/ Eurogiro message. The Bank shall close the Loro Account on the day of receipt of the Account Owner's notice at the earliest. The Account Owner must at the same time instruct the Bank in writing how the Bank shall process the balance in the Loro Account which is supposed to be cancelled. In the event that the Correspondent Bank fails to specify how the Bank is supposed to process the funds in the Loro Account by the end of the notice period, the Bank shall maintain the funds free of interest.
- 2.8.2. The Bank is authorized to terminate the Account Agreement by written notice at any time without providing the reason. The notice period of termination given by the Bank is one month and begins on the first day of the calendar month following the month in which notice is delivered to the Account Owner. The Loro Account will be closed after the expiry of the notice period.
- 2.8.3. The Bank is authorized to terminate the Account Agreement in particular:
- a] in the event of a material breach of the provisions of the Account Agreement or the BT&C by the Correspondent Bank; or
  - b] in the event that judicial proceedings are initiated against the Correspondent Bank.
- 2.8.4. The Bank and the Correspondent Bank are obliged to settle their receivables and payables before the closing of the Loro Account.
- 2.8.5. The Bank shall notify the Correspondent Bank of the Loro Account closing and the date of closing as well as the method of processing the balance in the Loro Account.

## **2.9. Specific Rights and Obligations**

- 2.9.1. The Bank is authorized to make payments from the Loro Account without the order or the consent of the Account Owner in the case of settlement of interests payable on debit balances, fees and refunds, cancellations, erroneous settlements or other cases laid down by the law, in preference before other payments. This applies even if insufficient funds are available in the Loro Account and charging the Loro Account will result in authorized / unauthorized debit balance in the Loro Account.
- 2.9.2. In the event that the Correspondent Bank provides the Bank with personal data of other natural persons pursuant to the Act no. 428/2002 Coll. on Personal Data Protection as amended by later legislation, in connection with any contractual relationship, the Correspondent Bank expressly declares that they have the written consent of such natural person or other legal reason authorizing them to provide this person's personal data to the Bank for the processing in the scope specified herein.
- 2.9.3. On the basis of the consent of the person concerned which is available to the Correspondent Bank pursuant to paragraph 2.9.2. the Bank is authorized
- a] to process personal data of the person concerned for the purpose of administration of the contractual relationship between the Correspondent Bank and the Bank or a member of the Bank group and for purposes relating to the business activity of the Bank under a special regulation, or for purposes relating to the business activity of a member of the bank group registered in the Business Register under special rules, for the purpose of negotiating, concluding, executing and the subsequent control of banking transactions with the Correspondent Bank, for the purpose of identifying the Correspondent Bank or the person concerned, for the purpose of documenting activities of the Bank or a member of the Bank group, for the purpose of protecting and enforcing the rights of the Bank or a member of the Bank group, for the purpose of fulfilment of the Bank's duties and obligations under special regulations;
  - b] to transfer the personal data to countries of other Bank group members, providing an adequate level of protection is ensured, while the Correspondent Bank and the person concerned shall be notified by the Bank by Publication; in the event that the Bank transfers personal data to countries not guaranteeing an adequate level of protection, the Bank undertakes to act in accordance with the Act No. 428/2002 Coll.

- on Personal Data Protection, as amended by later legislation, or such act, which may replace this Act in the future;
- c] on the basis of a personal data processing agreement to delegate the personal data processing to third parties, including third parties located outside the territory of the Slovak Republic, providing that an adequate level of protection is ensured, while the Correspondent Bank and the person concerned shall be notified by the Bank;
  - d] to provide the personal data to third parties acting as a beneficiary or a principal in the execution of payments according to a specific regulation or providing such services to the Bank, which enable the Bank to conduct its business;
  - e] to process the personal data for marketing or marketing research purposes in the scope necessary to achieve some of the purposes of this point hereof.
- 2.9.4 The consent given by the person concerned under paragraph 2.9.2 of the BT&C is valid for the duration of the purpose of processing.
- 2.9.5 The person concerned is authorized to withdraw its consent in writing in the event that the Bank acts in contravention of the conditions agreed in this paragraph.
- 2.9.6 The Bank is not liable for any damages incurred:
- a] owing to the non-processing of a payment order due to insufficient funds;
  - b] due to mistakes, failures and misunderstandings in the telephone or fax communication, not caused by the Bank;
  - c] due to interventions of the state and state authorities in the Slovak Republic or abroad [e.g. international sanctions, embargo, etc.];
  - d] due to operational failures in the Bank;
  - e] through the operation of the interbank payment operations processing system of the National Bank of Slovakia.
- 2.9.7 The submission of a payment order containing corrected data by the Correspondent Bank to the Bank is regarded as a submission of a new payment order.

### **PART III – FINAL PROVISIONS**

#### **3.1. Final Provisions**

- 3.1.1. The Bank informs the Correspondent Bank – Non-resident in writing or by SWIFT messages; and the Correspondent Bank – Resident by Publication in the Bank's branches and on the website [www.pabk.sk](http://www.pabk.sk) about changes to the BT&C 15 days prior to the proposed effective day. Providing the Correspondent Bank does not express its disagreement with the changes under the first sentence of this paragraph before the proposed effective day, it is assumed that the Correspondent Bank agrees with the changes.
- 3.1.2. The Correspondent Bank is responsible for the accuracy, completeness and timeliness of all data which the Account Owner, or any Authorized Person provides to the Bank.
- 3.1.3. All legal relations not addressed by these BT&C are governed by the GBT&C, Schedule of Fees, Terms and Conditions and Interest Rates to Loro Accounts and relevant provisions of the Commercial Code of the Slovak Republic and other generally binding legal regulations valid in the Slovak Republic. The rights and obligations arising under the Account Agreement and its amendments or in connection with the Account Agreement and its amendments are governed by the legal system of the Slovak Republic. The client confirms by his signature hereunder that he is familiar with these provisions, agrees with them and undertakes to respect them. The BT&C remain valid even after the termination of the business relationship between the Correspondent Bank and the Bank until a complete settlement of their mutual relations.
- 3.1.4. In the event that any agreement or the Account Agreement between the Correspondent Bank and the Bank is concluded in Slovak language and any other language, the Slovak version of the document shall prevail, unless the Account Agreement provides otherwise. However, the Slovak version of the documents under 3.1.3. prevails with the exception of the Terms and Conditions.
- 3.1.5. These Business Terms & Conditions come into force on 1<sup>st</sup> August 2011, which is also the date of their Publication, and into effect on 1<sup>st</sup> August 2011.