

PPF banka a.s. PAYMENT CARDS

Types of payment cards, additional services and bonus schemes offered, usage of payment cards

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1. BENEFITS OF PAYMENT CARDS

Payment Cards (“Cards”) can be used for payments to Merchants as well as for cash withdrawals from ATMs 24 hours a day. Other benefits include:

- Use of the Card in the Czech Republic and abroad;
- Card payments do not usually incur Fees;
- The weekly Card Limit allows for greater flexibility in withdrawing funds; the Limit can be modified at any time;
- Non-stop customer hotline for Card cancellation in the event of Card loss or theft;
- Card can also be issued to person named by the Client – Payment account owner, even if she/he is not authorized to use this account;
- One Card can be issued in association with up to two Payment Accounts;
- There is no limit on the number of persons to whom a Card can be issued for one Payment Account;
- Additional Services (“AS”) may be arranged for a Card; or an AS can be set up automatically as part of the Card price, depending on the type of Card;
- Cards can be issued with either standard or express delivery;
- On expiration, the Card will be automatically renewed, with the same period of validity;
- Card can be also renewed prior to expiration (the “Early Renewal”), again with the same period of validity;
- In the event of damage to the Card, a Duplicate Card can be issued with the original expiration date.

2. BASIC DESCRIPTION OF CARDS OFFERED

The Bank offers international debit payment cards by Mastercard, one of the most prominent companies on the market. The Cards are issued as dual cards – meaning they can be used for both contact payments (by inserting the Card into a reader) and contactless payments (by placing the Card close to a special reader), and also as hybrid cards – meaning that they feature both a magnetic stripe and a chip.

Cards can be used at locations where the Mastercard logo is displayed for:

- Payments to Merchants including possibility to perform Contactless Transaction if the Merchant offers this option;
- Cash withdrawals from ATMs or Cash Advance (cash withdrawals at banks or currency exchange offices) including possibility to perform Contactless Transaction if the ATM, bank or exchange office offers this option;
- Payments on the Internet (E-commerce Transactions),
- Mail Orders/Telephone Orders of goods and services (MO/TO Transactions);
- Payment Account balance information via ATM;
- PIN change via ATM.

The security of payments to Merchants using electronic terminals (POS) or manual readers (imprinter) and of cash withdrawals against misuse is provided through the use of the PIN or signature verification. Contactless Transactions are an exception – see point [4.4](#).

The security of E-commerce Transactions is provided using 3D Secure – for details refer to the [Guide for Using Payment Cards for Online Payments](#).

3. TYPES OF CARDS, ADDITIONAL SERVICES AND BONUS SCHEMES OFFERED

3.1. Offered Cards

All types of Cards are issued with Contactless Transaction functionality – the Bank does not issue Cards without this functionality.

3.1.1. Mastercard Embossed Card

- Issued in the Commercial version with Payment Accounts owned by natural persons – sole traders and legal entities
- The standard Weekly Card Limit is set at a maximum of CZK 100,000.
- The AS that can be arranged with the Card are:
 - Quality Travel Insurance
 - Card Misuse Insurance.

3.1.2. Mastercard Gold Card

- Issued in the Commercial version with Payment Accounts owned by natural persons – sole traders and legal entities
- The standard Weekly Card Limit is set at a maximum amount of CZK 300,000;
- TOP Travel Insurance is arranged automatically as an AS with this Card;
- Card Misuse Insurance can also be arranged as an AS with this Card.

3.2. Additional Services

Details on the Additional Services associated with the Cards, including the full wording of the Terms and Conditions, scope of cover, etc. can be found on the Bank's website, on the [Payment Card](#) page.

3.2.1. Travel Insurance

Travel Insurance can be arranged in association with all types of Cards and is provided by Česká pojišťovna a.s. with the following coverage:

- Medical insurance, including assistance services;
- Civil third-party liability insurance;
- Travel luggage insurance;
- Accident insurance.

Travel Insurance applies to family members as well, and is offered in two options:

- TOP – this alternative cannot be arranged separately; it is provided as an obligatory AS with Gold Cards;
- QUALITY – this alternative can be arranged separately in association with Embossed Cards, and is not an option for Gold Cards.

3.2.2. Card Misuse Insurance

Insurance coverage for expenditures incurred as a result of payment card misuse, loss of documents or keys or theft, or fraudulent mobile phone use (“Card Insurance”) can be arranged with all types of Cards and is provided by Česká pojišťovna ZDRAVÍ a.s. with the following coverage:

- Insurance of Card loss or Card theft and misuse;
- Insurance of the loss or theft of personal documents;
- Insurance of the loss or theft of keys;
- Insurance of mobile phone theft;
- Insurance of fraudulent mobile phone use.

Card Misuse Insurance can be arranged with any Card of the Basic, Standard, Standard plus or Extra variants.

3.2.3. Emergency assistance abroad

If the Holder loses the Card, if it is stolen or cancelled due to a suspicion of misuse while the Holder is abroad, thus placing the Holder in an emergency situation, the Holder may request an emergency cash advance to cover any necessary expenditures.

The amount of the emergency cash advance will be limited by the current Available Balance on the Payment Accounts with which the Card was issued and shall not exceed CZK 50,000 or the equivalent in another currency.

Emergency cash advances are provided by Europ Assistance s.r.o. to Holders of all issued Card types.

3.3. Mastercard bonus schemes

Please note: Participation in certain bonus programs may have tax consequences. Their evaluation is a matter of the Client.

3.3.1. Premium Programme for Gold Cards

The **Gold Cards issued on Payment Accounts of natural persons** are automatically included in the **Premium Programme** (this offer does not apply to Gold Commercial Cards issued in association with Payment Accounts of natural persons – sole traders and legal entities). This Programme grants Holders free entry to select airport lounges, assistance services and other benefits.

Information on the Premium Programme is available at www.mastercard.cz/premium.

Programme participation is free of charge.

3.3.2. Business Selection Programme for Commercial Cards

For all types of Commercial Cards – i.e. those issued in association with Payment Accounts of natural persons – sole traders and legal entities, it is possible to arrange the **Business Selection Programme** (this offer does not apply to Cards issued in association with natural persons’ Payment Accounts). This Programme grants Holders free entry to select airport lounges, assistance services, discounts with selected Merchants, etc.

The involvement in the Business Selection Programme is subject to registration at business.mastercard.cz, which also shows all benefits currently made available by the Programme.

Programme registration and participation is free of charge.

3.3.3. Priceless Programmes for all Holders

For all types of Cards, it is possible to arrange the **Priceless Programmes**.

Programme registration and participation is free of charge.

3.3.3.1 Priceless Specials Programme

Under the **Priceless Specials Programme**, Card Holders receive from selected Merchants **in the Czech Republic**, loyalty rewards from 1% up to tens of % of the amount paid depending on the specific offer of programme partners. Rewards will be credited back to the Payment Account to which the Card is issued.

The involvement in the Priceless Specials Programme is subject to registration at www.pricelesspecials.cz, which also shows all benefits currently made available by the Programme.

3.3.3.2 Priceless Prague Programme

The **Priceless Prague Programme**, which is part of the global Priceless Cities Programme, gives Card Holders the opportunity to purchase culinary, entertainment, fashion and design and other experiences in Prague, and in selected cities across the world as part of the Priceless Cities Programme.

The involvement in the Priceless Prague and the Priceless Cities Programmes is subject to registration at www.priceless.com, which also shows the experiences currently available under the Programme.

4. POSSIBLE TYPES OF PAYMENT TRANSACTIONS MADE WITH CARDS

Card can be used for payments only if the following conditions are met:

- The Card is valid at the time of use;
- The Available Balance in the Payment Account(s) on which the Card was issued is sufficient to cover the cash withdrawal (including the authorized debit or overdraft facility) at the time of the Payment Transaction, and the Holder has not exhausted their Weekly Limit.

For each type of Payment Transaction, additional terms are set forth below in the description of these Payment Transactions.

We recommend using contactless payments at POS terminals and cash withdrawals at ATMs wherever this option is available from the merchant or the ATM – this prevents the risk of Card data being copied and the Card misused (for example, Air Bank a.s. offers contactless ATM transactions in the Czech Republic).

4.1. Cash withdrawal from ATMs

The following conditions have to be met in case of usage the Card for withdraw cash at ATMs:

- The Card's chip (with ATMs that accept chip-enabled Cards) or magnetic stripe (with ATMs that are not enabled with chip technology) is undamaged;
- The Card is inserted or put (in the case of Contactless Transaction) in the correct position (as shown in the picture next to the ATM's card reader);
- The Holder enters the correct PIN and the required amount using the keypad.

During the transaction, the Holder should follow the instructions on the ATM screen ("Insert Card", "Enter your PIN" etc.). The Holder will receive a written transaction confirmation from the ATM printer unless the Holder declines the receipt in advance.

When selecting an amount other than those offered by the ATM, the ATM will usually display the account selection menu. When entering account type, it is necessary to always select “**Current Account**” or “**Checking Account**” (“**Běžný účet**” in Czech).

4.2. Cash Advance

Cash Advance is a service where cash is disbursed upon the submission of a Card at a bank or currency exchange office. With embossed Cards, this method of cash withdrawal is possible on Imprinters, POS and EFTPOS. The Cash Advance limit is based on the POS Limit (for Merchants and service outlets).

4.3. Card payments to Merchants

Card can be used for payments to Merchants for goods and services via Imprinters, and payment terminals (POS).

When entering the amount, certain payment terminals may display the account selection menu. It is necessary to always select “**Current Account**” or “**Checking Account**” (“**Běžný účet**” in Czech).

4.3.1. Imprinters

For Card payments, the Merchant issues a receipt (Sale Slip) using the Imprinter, writes down the price and description of the goods/service(s) and date, and hands the sales slip to the Holder for signing. The Holder is required to check whether the goods/service(s) description and amount agree and must sign it with a signature that matches the signature on the Card. The Holder receives the original sales slip, and the Merchant receives its first copy.

4.3.2. Payment terminals (POS)

Cards are used for payments on payment terminals (POS) connected to the interbank card association’s common system.

The following conditions have to be met in case of usage the Card for withdraw cash at POSs:

- The Card’s chip (with POSs that accept chip-enabled Cards) or magnetic stripe (with POSs that are not enabled with chip technology) is undamaged;
- The Card is inserted or put (in the case of Contactless Transaction) in the correct position (as shown in the picture next to the POS’s card reader);

The Payment Transaction is authorized so that the Holder signs the receipt with a signature that matches the signature on the Card or enters the PIN using the keypad (the “PINPAD”), with the exception of Contactless Transactions where the amount does not exceed the specified limit – see point [4.4](#).

4.4. Contactless Transactions

These are Payment Transactions that do not require direct physical contact between the Card and the POS or ATM. Contactless Transactions can be performed only at POS and ATM which permit this type of transaction and which allow online authorization of the Contactless Transactions performed.

Contactless Transactions are performed by holding the Card up to the POS terminal or to a special ATM Card reader.

In case of POS payment it is not necessary to enter a PIN when the amount of a Contactless Transaction does not exceed the Merchant’s limit for a single Contactless Transaction. If the amount of a Contactless Transaction exceeds this limit, the PIN also has to be entered to perform it. At present, this limit is set to CZK 500 in the Czech Republic; abroad, the limits differ across various states and various Merchants (e.g. USD 25 in the USA, AUD 100 in Australia, NZD 80 in New Zealand, EUR 15 in Ireland, EUR 25 in most European countries, GBP 20–30 in the UK). However, these amounts may be changed.

PIN may also be required at random times determined by the Merchant’s Bank for Contactless Transactions performed at POS not exceeding the defined limit (a security measure).

Before performing the first Contactless Transaction, at least one Payment Transaction involving the insertion of the Card into a POS or ATM and using the PIN must be made.

4.5. Mail Orders/Telephone Orders of goods and services (MO/TO Transactions)

Certain goods can be paid for using the Card “remotely” – without the presence of the Card – in written form or by phone. Mail Orders (“MO” – mail/written orders) and Telephone Orders (“TO” – orders placed via telephone) can be used to pay for the subscription of newspapers and periodicals, conference participation fees, club memberships etc.

When using this type of service, it is necessary to give the supplier of the goods the following information:

- Card number, if necessary including the Card Verification Code (CVC/CVC2);
- Month and year of the Card’s expiration date;
- Description of the goods or service to be provided;
- Recipient’s address;
- Amount to be paid;
- The Holder’s signature (not applicable for Telephone Orders).

Sellers should be chosen carefully, as the goods sent/service(s) provided may be at variance with the order and/or may not be provided at all. In such cases, the Bank is not responsible for any complaints regarding the goods or services provided.

4.6. Card payments on the Internet (E-commerce Transactions)

The Client must apply for the option to use the Card via the Internet for E-commerce Transactions when the Card is issued, or apply for a change in the terms of a Card already issued.

When performing such Transactions, the Holder must specify the Card number, the Card’s expiration date and the CVC/CVC2 (a three-digit security code printed on the back of the Card’s signature panel – the **last three digits** of the number).

E-commerce Transaction may be secured using 3D Secure. This is an international standard used to increase the security of E-commerce Transactions. When an E-commerce Transaction is performed, the Holder is sent a single-use authorization code to a mobile phone or e-mail address to confirm and complete the E-commerce Transaction.

If the Holder has not given the Bank a mobile phone number or e-mail address, the single-use code cannot be provided and the E-commerce Transaction cannot be performed.

Details are available in the [Guide for Using Payment Cards for Online Payments](#).

4.7. Dynamic Currency Conversion

Some POS or ATMs abroad offer so-called dynamic currency conversion (DCC)¹. It is a service that allows the Holder to choose the currency in which the Card Payment Transaction is to be settled directly on the POS or ATM.

As a rule, this is the choice between the national currency of the place where the Card Payment Transaction is executed and the national currency of the seat of the bank that issued the payment card (example: in the United Kingdom, the Merchant offers that the Payment Transaction made with payment card issued by PPF banka can be executed in in British pounds or in Czech crowns). The amount in the national currency of the seat of the bank issuing the payment card can be displayed directly on the POS / ATM.

¹ https://en.wikipedia.org/wiki/Dynamic_currency_conversion

This service has its own risk at a rate determined by a company that operates a POS or ATM and is often less profitable than Card payment in a local currency. Additionally, if the Card is issued to a Payment Account in a different currency than the conversion currency offered (in the example above, the Payment Account would be held in EUR or USD), there are three conversions: from the currency of the given country to the currency offered (i.e. from GBP to CZK), and from the settled currency to the currency in which the Payment Account is maintained (ie from CZK to EUR / USD).

5. OTHER FUNCTIONALITIES AND SERVICES RELATED TO THE CARDS

Other functionalities and services can be agreed to the Cards.

5.1. Payment Account balance information via ATM

This service is provided on ATMs to all Holders with who have permission from the Client – Payment Account Owner to view the balance(s) available on the Payment Account(s) in association with which the Card used has been issued.

The method in which the Payment Account balance inquiry is submitted and the corresponding response displayed depends on the specific settings of the ATM.

5.2. Card PIN change via ATM

A Holder may change the PIN at ATMs of other banks that also offer this service at their ATMs for payment cards issued by other banks so long as the Card is valid, with the following exceptions. A Holder may not change the PIN:

- if the Card will expire in 6 weeks or earlier, and
- in the period between the application for a replacement Card (Early Card Renewal or the issue of a Duplicate Card) and the delivery of the new Card to the Holder, in which case the PIN may be changed only after the new Card has been delivered.

The new PIN becomes active immediately after the change is made.

5.3. SMS notifications on Payment Transaction performed by the Card

The Client can agree sending notifications via SMS on successful and unsuccessful Payment Transaction performed by the Card. SMS is sending to the Holder to a mobile phone number for 3D Secure authorization (see point [4.6.](#)).

6. USER SUPPORT

User support for Cards is provided by Customer Service, by calling +420 224 175 902, or at customer.service@ppfbanka.cz. Business Hours of Customer Service are available on Bank's Website. The phone line is unavailable outside Customer Service Business Hours. Customer Service will handle any inquiries submitted via e-mail outside of the above hours during Business Hours on the following Business Day.

The Card Cancellation Hotline is available 24 hours a day at +420 222 244 266.