

# Terms and Conditions “Rules of Cooperation for Financial Market Transactions for Consumers”

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**mBank.pl**

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### Attachment:

- No. 1 to the Terms and Conditions "Rules of Cooperation for Financial Market Transactions for Consumers"  
– The Rules of Conduct in the Case of Significant Change, Withdrawal or Discontinuation of a Benchmark

## § 1. General

1. The Terms and Conditions “Rules of Cooperation for Financial Market Transactions for Consumers” (hereinafter referred to as the “**Terms and Conditions**”), together with the agreement, under which the Client and the Bank conclude Transactions (hereinafter referred to as the “**Master Agreement**”) and the Transaction Descriptions, set out the rules of cooperation with regard to concluding Transactions, fulfilling obligations arising from Transactions, the Client establishing Collaterals in favour of the Bank, the Bank satisfying its claims from the Collaterals, and settlements between the Parties in case of termination of the Master Agreement or individual Transactions as well as rules of limiting the credit risk of the Parties in connection with concluded Transactions.
2. The Terms and Conditions together with Transaction Descriptions supplement provisions of the Master Agreement and, along therewith, create one legal relationship between the Parties. The Terms and Conditions shall apply to the Customers being consumers within the meaning of Article 22[1] of the Civil Code.
3. These Terms and Conditions have been issued in accordance with Article 109 Sec. 1 Item 4 of the Banking Law.
4. The Bank enters into transactions on financial instruments pursuant to Article 70 Sec. 2 of Trading in Financial Instruments Act dated 29 July 2005.
5. With respect to the Transactions, which constitute payment services within the meaning of the Payment Services Act of 19 August 2011, the provisions of the “Rules for opening and maintaining bank accounts for mBank S.A Private Banking Customers” shall apply accordingly. In the event of any conflict between the provisions of the Rules referred to in the foregoing sentence with the provisions of the Terms and Conditions or Transaction Descriptions, the provisions of the Terms and Conditions and Transaction Description shall apply.
6. *Deleted*
7. The Bank publishes the “Principles of Acting in the Best Interests of the Client in the Financial Markets Area of mBank S.A.” (hereinafter referred to as “**Principles**”) at mBank Group’s website ([www.mbank.pl/en/help/forms/sme-corporate/financial-market/best-execution/](http://www.mbank.pl/en/help/forms/sme-corporate/financial-market/best-execution/)). At each request of the Customer, the Bank may send the Principles in hard copy. The Bank applies the Principles in the scope which, in line with their content, is applicable to the Customer. The requirement relating to the best execution referred to in Article 27 Sec. 1 of MiFID is applicable only in the scope explicitly indicated in the Principles.
8. Entering into the Transaction included in the Principles is tantamount to granting consent by the Customer to be bound by the Principles.
9. The Customer grants his/her consent to making the Principles available to him/her via mBank Group’s website, referred to in § 1.7.
10. Entering into the Transaction included in the amended Principles will be deemed as approval of the amended Principles.
11. In line with Regulation (EU) No. 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs), the Bank provides retail Customers within the meaning of MiFID Regulations with key information documents for products listed in the Regulation on mBank Group’s website ([www.mbank.pl/en/help/forms/sme-corporate/financial-market/priip/](http://www.mbank.pl/en/help/forms/sme-corporate/financial-market/priip/)). At each request of the Customer, the Bank may send key information documents in hard copy. The Customer consents to making amendments to key information documents available to him/her on the mBank Group’s website mentioned above. By executing a Transaction after the effective date hereof the Customer declares that he/she has read valid key information documents.
12. Financial market transactions are entered into with retail and professional Customers and eligible counterparties within the meaning of the MiFID Regulations and the Act on Trading.
13. In the case when a given Transaction type is subject to the obligation to trade for the Customer within the meaning of Article 28 of the MiFIR Regulations, the Customer is obliged to inform the Bank about this fact in writing.
14. The Customer undertakes to immediately provide the Bank upon its request with any information, documents and data that may be reasonably expected by the Bank in order to fulfill its obligations, in particular reporting or publication obligations, which may be incumbent on it.
15. In connection with the conclusion of Transactions based on quotations provided by phone, the Bank does not perform the function of another liquidity provider within the meaning of Commission Delegated Regulation (EU) 2017/575 (UE) 2017/576 of 8 June 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments with regard to regulatory technical standards concerning the data to be published by execution venues on the quality of execution of transactions and thus the Bank may refuse to enter into the Transaction.
16. The Bank is a systematic internaliser within the meaning of the MiFIR with respect to selected financial instruments.

## § 2. Definitions

<b>1. Act on Trading</b> (33 <sup>1</sup> )	Act on Trading in Financial Instruments of 29 July 2005 (as amended).
<b>1. Bank</b> (1) <sup>1</sup>	mBank S.A. with its registered office and the principal place of business in Warsaw, at ul. Prosta 18, 00-850 Warsaw.
<b>2. Banking Law</b> (19)	[Polish] Act dated 29 August 1997 – Banking Law (as amended).
<b>3. Bankruptcy Law</b> (20)	[Polish] Act dated 28 February 2003 – Bankruptcy Law (as amended).
<b>4. Business Day</b> (4)	every day, save for Saturday, Sunday or statutory holiday, on which the Bank conducts business activity on the financial market and performs settlements in currencies, in which the Transaction is denominated.
<b>5. Civil Code</b> (12)	[Polish] Act dated 23 April 1964 – Civil Code.
<b>6. Collateral</b> (36)	as stipulated in the Master Agreement, Credit Support Agreement or any other agreement, a Collateral to secure the Bank’s claims resulting from the Transactions or Master Agreement executed that shall be established by the Customer. A Collateral may be a Required Collateral or a Minimum Collateral.
<b>7. Confirmation</b> (17)	document or information in an electronic form prepared by the Bank presenting the Transaction Terms agreed by the Parties.
<b>8. Confirmation of the Account Opening</b> (18)	the document “Confirmation of the bank account opening as part of the provision of Private Banking services”, delivered to the Customer by the Bank under the executed Master agreement for the provision of Private Banking services, in accordance with the Customer’s instruction.
<b>9. Credit Support Agreement</b> (33)	agreement regulating the conditions and rules of establishing of the Collateral by the Customer.

<sup>1</sup> [Translator’s note: definitions have been put in alphabetical order; the numbers in parentheses correspond to the original numbering].

<b>10. Customer</b> (11)	a natural person who entered into the Master Agreement with the Bank, not directly relating to his/her business or professional activity.
<b>11. Customer's Exposure</b> (9)	the value of the equivalent of the market risk for the Transactions that the Transaction Package consists of, as determined by the Bank in order to calculate the value of the Required Collateral. The Customer's Exposure consists of the Net Present Value of Transaction Package, and, if the Credit Support Agreement so provides, the Minimum Collateral if required for specific Transactions of which the Transaction Package consists.
<b>12. Derivative Transaction</b> (30)	Transaction defined in the Transaction Description as derivative transaction.
<b>13. Information Sheet</b> (10)	the document constituting an appendix to the Master Agreement referred to in § 1.1.2.
<b>14. Early Termination</b> (32)	performance by the Bank, as a result of occurrence of Event of Default or Termination Event, of immediate settlement of all or certain Transactions, save for Term Deposit Transactions, pursuant to these Terms and Conditions.
<b>15. Early Termination Amount</b> (13)	an amount of the cash obligation calculated by the Bank that is due to the Bank from the Customer or to the Customer from the Bank on account of Early Termination.
<b>16. Early Termination Date</b> (6)	a date on which the Bank performs the Early Termination.
<b>17. Event of Default</b> (21)	event referred to in § 9.1 that may trigger Early Termination Procedure.
<b>18. Force Majeure</b> (25)	an extraordinary factual or legal event that could not have been foreseen, avoided or prevented by the Parties in the normal course, as a result of which performance of settlement or other activities related to the Transactions, the Master Agreement or the Credit Support Agreement becomes impossible.
<b>19. Foreign Exchange Rates Table</b> (27)	Table of FX rates of mBank S.A., applicable at the moment of currency conversion.
<b>19<sup>1</sup>. Mark-up</b> (13 <sup>1</sup> )	the difference between the Transaction price quoted for the Customer and the price of maintaining the position by the Bank.
<b>19<sup>2</sup>. MiFID</b> (3 <sup>2</sup> )	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (as amended);
<b>19<sup>3</sup>. MiFID Regulations</b> (23 <sup>3</sup> )	MiFID together with delegated and implementing acts; 19 <sup>4</sup> . (23 <sup>2</sup> ) <b>MIFIR Regulations</b> – Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 (as amended) with implementing acts.
<b>20. Minimum Collateral</b> (34)	Collateral determined by the Bank on the basis of comprehensive assessment of risk resulting from the given Transaction, taking into account its type, currency, Transaction amounts, nominal values, the term for which it has been executed, price volatility level or underlying instrument volatility level. In the course of agreeing on the Transaction Terms, upon express request of the Customer, the Bank shall specify the value of the Minimum Collateral concerning any given Transaction.
<b>21. Net Present Value</b> (2)	calculated for a single Transaction, an amount denominated in PLN constituting the Net Present Value of the given Transaction determined and calculated with due diligence by the Bank. When performing the calculations the Bank shall take into account the data and information available to the Bank, including the following: 1/ Valuation models applied by the Bank, current market data (currency rates, reference rates, commodities prices, volatility levels, prices of securities or other indices relevant for the given market) available from the news agency services (e.g. Reuters, Bloomberg), data obtained from other financial institutions or data obtained from the internal sources of the Bank, or 2/ The cost that the Bank would have to incur if it had to terminate the Transaction and enter into transactions replacing the Transactions terminated on account of the Early Termination. The Net Present Value is a positive number where the market valuation is unfavourable for the Customer or a negative number where the market valuation is favourable for the Customer.
<b>22. Net Present Value of Transaction Package</b> (3)	a sum of the Net Present Value of the Transactions of which the Transaction Package consists.
<b>23. Party</b> (26)	the Customer or the Bank.
<b>24. Pricing Date</b> (7)	Business Day on which the Bank calculates the Net Present Value of Transaction Package and the value of the Minimum Collaterals.
<b>25. Required Collateral</b> (35)	the Collateral determined by the Bank, which shall be established by the Customer pursuant to the provisions of §§ 14 and 15, specified as the Required Collateral in the Credit Support Agreement.
<b>25<sup>1</sup>. Restructuring Law</b> (20 <sup>1</sup> )	the Restructuring Law Act of 15 May 2015 (as amended).
<b>26. Settlement Account</b> (23)	an account for settlement of claims under the Master Agreement, Transactions or Collaterals, the Customer's (savings and settlement or shadow) bank account maintained with the Bank specified by the Customer in the Information Sheet, the Confirmation of the Account Opening or other written statement of the Customer approved by the Bank or stipulated in the course of agreeing on the Transaction Terms.

<b>27. Settlement Date</b> (5)	Business Day agreed between the Parties when agreeing on the Transaction Terms on which the Transaction Settlement occurs pursuant to provisions of § 8 below.
<b>28. Tax Event</b> (37)	such change in the provisions of the tax law or the official interpretation thereof as a result of which if a Party intends to duly perform its financial obligations under the Master Agreement or any Transaction, the Party needs to incur excessive costs or glaring loss.
<b>29. Term Savings Deposits</b> (28)	an account of term savings deposit maintained with the Bank under the Master Agreement referred to in § 11.1.
<b>30. Termination Event</b> (22)	event referred to in § 11.1.
<b>31. Transaction</b> (29)	transaction entered into by the Customer with the Bank under the Master Agreement.
<b>32. Transaction Date</b> (8)	Business Day on which the Parties agree on the Transaction Terms.
<b>33. Transaction Description</b> (14)	description delivered to the Customer by the Bank constituting an appendix to these Terms and Conditions, containing description of specific Transactions selected by the Customer executed under the Master Agreement.
<b>34. Transaction Package</b> (15)	collection of non-settled Derivative and other Transactions, on the condition that the Transaction Description provides that they form parts of the Transaction Package.
<b>35. deleted</b> (16)	
<b>36. Transaction Settlement</b> (24)	performance of the Parties' obligations resulting from the Transaction within deadlines agreed by the Parties or, if the performance is delayed, within later deadlines pursuant to the provisions of § 8.
<b>37. Transaction Terms</b> (31)	the essential terms ( <i>essentialia negotii</i> ) of the given Transaction, as specified in the Transaction Descriptions and, provided that such terms are agreed, any other additional Transaction terms, as agreed between the Parties.

### § 3. General Advice

1. As a part of entering into Transactions with the Customers, the Bank may provide investment advice of general nature ("**general advice**"), concerning investing in financial instruments in accordance with the following principles:
  - 1/ general advice shall not be provided with regard to the needs and situation of the Customer nor shall it constitute a recommendation to undertake specific steps in connection with a given financial instrument,
  - 2/ general advice may be provided by phone, verbally, or in writing,
  - 3/ general advice may only be provided by the authorised employees of the Bank,
  - 4/ general advice shall consist in providing information about financial instruments and may apply to results (including historical results) of investing in financial instruments, comparison of financial instruments, comparison of services provided by the Bank, information on the characteristics of financial instruments, in particular the benefits of using them, the associated risks, the terms and conditions, and the situation in which they can be used, providing the Customers with information about the market situation, market reports and analyses or other type of information prepared by the Bank or other entities,
  - 5/ provision of general advice shall not account for the preparation of investment or financial analyses or other recommendation of a general character concerning the Transactions on financial instruments,
  - 6/ provision of general advice shall not account for the provision of investment advice service,
  - 7/ The Bank, under the Master Agreement and the Terms and Conditions, shall not provide investment advice services unless, in order to provide such service, the Bank enters with the Customer into a written agreement on providing investment advice services.
2. The Bank shall not be liable for any actions or investment decisions, or for any investment results, including under the Transactions entered into with the Bank, generated by the Customer in connection with providing general advice, or for results of such actions and decisions.

### § 4. Risks

1. The Bank, acting in accordance with its knowledge of the market and experience, shall present the Customer with a general description of the risks attributable to the transactions on financial instruments. When entering into a Transaction, the Customer should take into account the following:
  - 1/ risks indicated in the Transaction Description, including the market risks,
  - 2/ legal risk attributable to the possibility of changes to legal regulations or, potentially, to non-observance thereof; a change in the legislation or an illegal/unlawful activity may result in sudden and significant deterioration in the business parameters and, therefore, may adversely affect the valuation or settlement of the Transaction,
  - 3/ financial leverage effect; the Derivative Transactions or forward transactions entail the so-called financial leverage effect, which means that a Transaction may yield a very large profit (including premium payment) or bring a very large loss in comparison with funds committed by the Customer in order to enter into the Transaction (in particular payment of premium or establishment of Collateral) accounting only for a portion, quite often insignificant, of the nominal value of the Transaction; therefore, a change in the market risk factors may result in a proportionally greater change in the current pricing of the Transaction (Net Present Value) or the amount of settlement of the Transaction in comparison with the funds committed by the Customer,
  - 4/ potentially high volatility of prices and valuations of the Transaction, understood as the volume of the price or the Transaction valuation fluctuations in specific time frames; considering that the Transaction is an instrument of the over-the-counter market (so-called "**OTC Market**"), Transaction valuation and price may be subject to high, quite frequently salutatory, changes, even in short time intervals, and the dynamics of these changes may take various levels; high volatility may in particular be the result of a limited volatility of the OTC market,

- 5/ requirements related to establishing the Collaterals; in accordance with these Terms and Conditions, the Customer shall be obligated to establish a Collateral for the Transaction settlement; as a result of adverse market changes that have effect on deterioration in the valuation of the Transaction the Customer may need to supplement the Collateral up to the value of the Required Collateral; the Customer should also be aware that in the event of the Transaction termination, entering into a repurchase Transaction or settlement of the Transaction, a potential loss may exceed the amount of the established Collateral; the Collateral established by the Customer pursuant to these Terms and Conditions shall not be treated as an advance payment, earnest money or any other performance on the account of the fulfilment of future obligations of the Customer towards the Bank in connection with the executed Transaction; such Collateral may be set off against those obligations pursuant to these Terms and Conditions or the Credit Support Agreement,
- 6/ The risk of contracting a financial obligation as a result of entering into a Transaction; when entering into a Transaction, the Customer contracts an obligation that may consist in the payment of the settlement amount, premium or payment for the currency delivered, securities or in the delivery of currency or securities or greenhouse gas emission allowances; obligation consisting in the payment of the settlement amount is an obligation with an amount thereof not specified in advance that may result for the Customer with a debt on the Settlement Date; obligation to deliver sold currency may become converted into financial obligation in accordance with the provisions of these Terms and Conditions or the Transaction Description in the event of the Early Termination or failure to perform the obligations by the Customer; the remaining claims of the Bank against the Customer that may arise in connection with entering into the Transaction are set out in these Terms and Conditions or Transaction Description.
- 7/ Debt Securities, including Debt Securities being the subject of Sell-Buy-Back Transactions and financial (monetary) means being the subject of collateral under which the ownership title is transferred by the Customer to the secured entity (the Bank) may be used by the Party to which the ownership title has been transferred. As a result:
  - a/ it is not possible to deliver a Debt Security on the Settlement Date, which has the following consequences:
    - i. the Parties will have to modify the Transaction Terms by changing the originally set Transaction Settlement Date, or
    - ii. a Debt Security being the subject of the Transaction will be replaced by another Debt Security with the same features, or
    - iii. the Party which did not deliver the Debt Security will be obliged to pay the amount being the equivalent of the purchase price of the same Debt Security on the initially set Settlement Date;
  - b/ in the case when bankruptcy or restructuring proceedings are instigated towards the Bank, the procedure and rules of refunding of the collateral provided will be subject to relevant provisions of the Bankruptcy or Restructuring Law,
  - c/ in the case when the collateral is seized by the authority which has initiated enforcement proceedings towards the Bank, the Customer may claim the return of the collateral towards the Bank, however, this case may lead to a situation presented in letter a).

The measures referred to in letter a) may cause a loss in the case when one of the Parties undertakes an obligation towards a third party, the subject of which will be the Debt Security not delivered on time.

Entering into the Transaction after the effective date of this provision will be treated as the Customer's consent to using the collateral transferred to the Bank.
2. The Customer should carry out assessment of the risk, financial, legal, accounting and tax consequences of the financial market Transactions; the assessment should be performed by the Customer on his own or by way of obtaining a professional advice from independent entities that have relevant knowledge and experience in this respect.
3. The Bank shall not guarantee that the Customer achieves any specific economic result in connection with execution of the Transaction. Entering into a Transaction may generate either profit or loss.
4. The Customer shall enter into the Transactions on his own risk and responsibility. The Bank shall not be liable to the Customer for any loss that the Customer may suffer as a result of entering into a Transaction with the Bank, including in particular a loss resulting from non-comprehension or incorrect understanding by the Customer of the character or structure of the Transaction.
5. The Bank shall be liable for damage incurred by the Customer in connection with the Bank's failure to perform or properly perform the Master Agreement or the Transaction, up to an amount of the damage actually suffered by the Customer (the Bank shall be liable for the Customer's loss but not for the lost profits).

## § 5. Entering into Transactions and Recording Communication

1. Transaction shall be executed upon making concordant declarations of intent by the Parties with regard to the Transaction Terms.
2. A Transaction may be executed by telephone or in an electronic form (provided that the Bank gives its consent to such a form). Should the Bank wish to amend these Terms and Conditions by introducing an additional form of agreeing on the Transaction Terms, the Bank needs to inform the Customer thereof for such additional form to be effective.
3. The Bank may agree to executing the Transactions by way of offer and acceptance which shall consist in submitting by one of the Parties an offer for entering into a Transaction on specific Transaction Terms. The Party submitting the offer shall specify the type of the offer and its validity date, including in particular the date and exact time of expiry of the offer. Upon submission of the offer, the Parties may reserve that the other Party's acceptance of the offer shall depend on occurrence of a specific event, in particular occurrence of a specific asset price, currency exchange rate or interest rate on the market.
4. The Customer may withdraw his/her offer, provided that the Bank confirms that the offer has been withdrawn. If the Bank accepts an offer just before its expiry date, information that the offer has been accepted may be made available and sent to the Customer after the expiry of the offer's deadline.
5. When entering into Transactions, the Parties may agree on the Transaction Terms other than those specified in the Transaction Descriptions, provided that this is expressly specified in the course of agreeing on such Transaction Terms.
6. The Parties may specify the Transaction Terms with regard to the mandatory conditions specified in the given Transaction Description using wording different than that provided in such Transaction Description, including wording used in the trading practice, provided that the respective Transaction Terms defined in such Transaction Description may be attributed to such differently phrased definitions.
7. The persons authorized to enter into the Transactions on behalf of the Customer shall be individuals named by the Customer in the power of attorney contained in the Information Sheet or in a different power of attorney, provided that such power of attorney has been previously delivered to and approved by the Bank.
8. Those authorised to agree on the Transaction Terms on behalf of the Parties shall be identified:
  - 1/ with regard to the Customer, if the Transaction Terms are being agreed:
    - a/ by telephone – specifying the full name of the Customer and of the attorney in fact agreeing on the Transaction Terms,
    - b/ by e-mail – by contacting the Customer at the e-mail address specified by the Customer or his/her attorney in fact before the Transaction Terms have been agreed on,
    - c/ via electronic platforms used in the interbank market, including technical solutions offered by Thomson Reuters or Bloomberg – when an identifier which explicitly indicates the Customer and his/her attorney in fact as the Party making a declaration of will appears on the Bank's computer screen; at the Bank's request, the Customer is obliged to provide the Bank with an additional document containing a list of identifiers referred to in the previous sentence, assigned to particular persons entitled to enter into Transactions;

- 2/ with regard to the Bank, if the Transaction Terms are agreed:
  - a/ over the phone – by specifying the full name of the authorised employee of the Bank,
  - b/ by e-mail, by sending e-mail from the office e-mail box including the full name of the authorised employee of the Bank,
  - c/ via electronic platforms used in the interbank market, including technical solutions offered by Thomson Reuters or Bloomberg – when an ID which explicitly indicates the Bank as a Party making a declaration of will appears on the Customer's computer screen.
9. If a Transaction is executed by telephone, the Parties shall have the right to additionally identify each other by giving a password and answerback. Should such identification be impossible, the Parties shall have the right to refuse to enter into the Transaction.
10. In line with the MiFID and MiFIR Regulations, the Bank records phone conversations and electronic communication, in particular the conversations or communication during which the Transaction Terms are agreed on. The Customer gives his/her consent to recording communication. The recorded phone or electronic communication shall be used as evidence in the case of any differences between the Parties as regards the conclusion and execution of the Master Agreement or Transactions, and in the case of arbitration or judicial proceedings.
11. The Customer shall be responsible for a Transaction entered into by an individual claiming to be authorised to enter into Transactions on behalf of the Customer, if such individual has used the password and answerback or identifier and token or used the e-mail address specified by the Customer or his attorney in fact. The Customer undertakes to secure any and all equipment and information necessary for identification against third party access. Transactions executed in violation of the security principles shall be binding upon the Customer.
12. If the Customer opts out from identification with a password or answerback, provisions of § 11 shall apply accordingly.
13. The recorded phone or electronic communication which results or may result in entering into the Transaction is available at the Customer's request during the period of five years from the Transaction Date or longer if it is required by applicable law to make the communication available.
14. The Bank shall exercise due care to make the recorded communication available immediately, however, not later than within ten Business Days from the date when the Customer made his/her request. Given the complexity of the Customer's request and a possible necessity to obtain archive recordings, the Bank reserves the right to prolong this period, about which it shall immediately notify the Customer, indicating a new period of time to make the recorded communication available. The Bank has the right to collect a fee on account of making the recorded communication available in line with the "Tariff of banking fees and commissions of mBank for SME and Corporates".

## § 6.

*deleted*

## § 7. Confirmations

1. Following entering into a Transaction, the Bank shall promptly, however no later than until the end of the next Business Day following the Transaction Date, confirm the agreed Transaction Terms to the Customer by delivering the Confirmation to the Customer.
2. Confirmations may be delivered: in writing, by fax, in an electronic form or in any other form agreed between the Parties. In the case of Term Deposit Transactions executed under the agreement referred to in § 1.1.2 and FX Spot Transactions, Transaction Confirmation may consist of a statement of the savings and settlement account or the shadow account made available to the Customer pursuant to the bank account agreement.
3. A Transaction shall be validly entered into regardless of whether the Transaction Confirmation has been provided. The content of the Transaction Confirmation may not amend the Agreed Transaction Terms. The Transaction Confirmation shall not require signatures of the Parties or seal of the Bank.
4. The Customer shall verify the content of the received Transaction Confirmation.
5. Unless the Master Agreement, the Terms and Conditions or the Transaction Description provide otherwise, a Transaction may be deemed to be confirmed if the Customer raises no objection to the content of the Transaction Confirmation (in particular, confirms adjustments or amendments, if any, to the agreed Transaction Terms) until the end of the first (1st) Business Day after the date of receipt of the Confirmation.
6. In case of any discrepancies between the agreed Transaction Terms and the content of the Confirmation, the record of the agreed Transaction Terms shall prevail.

## § 8. Transaction Settlement

1. Subject to other provisions of these Terms and Conditions, the Master Agreement and the Transaction Descriptions, in order to settle the Transactions, the Parties shall make payments under the Transaction(s) in accordance with the agreed Transaction Terms.
2. When calculating the amounts of liabilities and receivables arising from the Transaction Settlement, the Bank rounds the amounts off in accordance with the standard applicable at the interbank market for the given transaction type.
3. Transactions shall be settled through the Customer's Settlement Accounts maintained with the Bank.
4. If the Customer has more than one Customer's Settlement Account maintained with the Bank, the Customer shall be obligated to specify, at the time of entering into the Transaction at the latest, which of the Settlement Accounts maintained with the Bank shall serve the purpose of the Transaction Settlement. If, in the course of agreeing on the Transaction Terms, the Customer fails to specify any of the Settlement Accounts, the Transaction Settlement shall be made to the first of the Settlement Accounts specified in the Information Sheet or the Confirmation of the Account Opening that is maintained in the same currency as the currency of the Transaction Settlement.
5. The Customer may replace the Settlement Account maintained with the Bank and indicated in the Information Sheet or the Confirmation of the Account Opening with a different Settlement Account maintained with the Bank no later than two (2) Business Days before the Transaction Settlement. If the replacement referred to in the foregoing sentence occurs at a later time, the Customer shall not be entitled to any incidental benefits for the Bank's delay in payment under Transaction Settlement in favour of the Customer.
6. The Customer shall be obligated to provide funds on the Customer's Settlement Account maintained with the Bank in an amount due to the Bank as at the liability maturity date.
7. On the Settlement Date, the Bank shall credit or debit, respectively, the Customer's Settlement Account maintained with the Bank with the full amount of the Customer's liability towards the Bank under Transaction Settlement regardless of the amount of the balance available on the Customer's Settlement Account maintained with the Bank.
8. If, on the Transaction Settlement Date, there are no funds on the Customer's Settlement Account through which the Transaction Settlement is performed in an amount requested to perform the Transaction Settlement by the Bank, the Bank shall have the right to charge any (savings and settlement account or shadow) account of the Customer maintained with the Bank with an amount required to perform the Transaction Settlement. The Bank shall first charge the account maintained in the same currency as the Transaction Settlement currency.
9. If an account maintained in a different currency is credited or debited, the Bank shall convert the funds accumulated on such account at the rate quoted in the Foreign Exchange Rates Table applicable as at the moment of debiting.
10. If an unauthorised debit arises on the Customer's Settlement Account maintained with the Bank as a consequence of Transaction Settlement, the Customer shall be obligated to promptly repay the unauthorised debit.



11. If an unauthorised debit arises on the Customer's Settlement Account maintained with the Bank or if the Customer has failed to secure funds in an amount equal to the amount due to the Bank under the Transaction Settlement on the bank account specified by the Bank, the Bank shall have the right to charge interest for the delay in payment.
12. Repayment (performance) of pecuniary obligation under the Transaction by the Customer shall not be treated as an effective performance of the Transaction Settlement or repayment of any other payment falling due under the Transaction if the funds obtained by the Bank thereunder are subsequently returned following the decision of a competent court or authority or if the payment has been otherwise annulled.

## § 9. Events of Default

1. Each of the following events occurring with respect to each Party shall constitute an Event of Default with respect to such Party (the "Defaulting Party"):
  - 1/ failure to perform a payment on its maturity date, which the Party is obliged to make under the Master Agreement or a Transaction,
  - 2/ occurrence of an unauthorised debit on the Customer's Settlement Account maintained with the Bank as a consequence of performing the Transaction Settlement,
  - 3/ the Customer's failure to establish the Collateral required by the Bank,
  - 4/ the Customer's failure to perform any obligation under the Credit Support Agreement,
  - 5/ submitting false documents or making false representations or warranties, or submitting documents certifying untruth or making misrepresentations by the Customer, including representations and warranties made in connection with entering into a Transaction with the Bank, the Master Agreement or any other agreement with the Bank, amendments thereto as well as in connection with establishing the Collateral,
  - 6/ seizure by enforcement authority of debts under one or more Customer's Settlement Account maintained with the Bank,
  - 7/ occurrence of the following factual or legal events resulting in loss or decrease of the value of the Collateral, including,
    - a/ establishing the Collateral ineffectively or discovering legal defect(s) in the assets constituting the Collateral,
    - b/ seizure by the enforcement authority of assets constituting the Collateral,
    - c/ establishment of the Collateral that is legally ineffective or is null and void,
  - 8/ occurrence of other events specified in the Credit Support Agreement or separate documents signed by the Customer.
2. The Defaulting Party shall be obligated to promptly inform the other Party (the "Non-Defaulting Party") of the occurrence of any of the Events of Default affecting the Defaulting Party.

## § 10. Consequences of Event of Default

1. If an Event of Default occurs with respect to the Customer, the Bank shall have the right to perform the Early Termination as of the time it has become aware of the Event of Default. The Bank shall notify the Customer, in an electronic form, in writing or by phone, of the Early Termination.
2. Immediately after having become aware of the occurrence of Event of Default with respect to the Bank, the Customer shall notify the Bank, by fax, in an electronic form or in writing, of stating the occurrence of Event of Default. On the basis of the notice referred to in the foregoing sentence, provided it is not unfunded, the Bank shall set the Early Termination Date that may not fall later than on the twentieth (20th) Business Day after the notice referred to in the foregoing sentence and perform the Early Termination as at the set date.
3. If an Event of Default occurs with respect to a Party, then as of the time it has become aware of the Event of Default, the Non-Defaulting Party shall have the right to refrain from paying any amounts in favour of the Defaulting Party under the Transaction, save for the Term Savings Deposits and the Term Deposit Transactions, and shall not be obligated to pay any late payment interest thereunder. The said right shall be vested in the Non-Defaulting Party until the Event of Default ceases to exist or becomes remedied and the Defaulting Party has settled any and all liabilities under the Master Agreement and the Transactions.
4. As of the Early Termination Date, the obligations of the Bank and the Customer (whether due or not) arising from the Transactions (save for the Term Savings Deposits and Term Deposit Transactions) shall become the obligation to determine and pay the Early Termination Amount (which, however, shall not constitute a novation within the meaning of Article 506 § 1 of the Civil Code).
5. The Early Termination Amount calculated by the Bank as at the Early Termination Date shall be equal to the sum of the following values:
  - 1/ the sum of the due or undue liabilities of the Bank and the Customer under the Transactions (save for the Term Savings Deposits and Term Deposit Transactions) calculated in the manner set out for calculating the Net Present Value of each Transaction subject to the Early Termination, and
  - 2/ the value of the matured liabilities due and payable by each Party under the Transactions (other than the Term Savings Deposits and Term Deposit Transactions).
6. After calculating the Early Termination Amount, the Bank shall either credit (if the Early Termination Amount is payable to the Customer) or debit (if the Early Termination Amount is payable to the Bank) the Customer's Settlement Account maintained with the Bank.
7. Any calculations related to the computing of the Early Termination Amount are performed by the Bank. After having calculated the Early Termination Amount and performed the Early Termination, the Bank shall notify the Customer about the value of the Early Termination Amount in the manner specified in § 10.1 above. If the Customer requests so in writing, the Bank shall substantiate the Early Termination Amount calculated by the Bank.
8. The Bank shall have the right to request to be reimbursed for, and the Customer shall cover all documented costs and charges related to the Early Termination. The Bank may also seek compensation on general terms in accordance with provisions of the Civil Code.

## § 11. Termination Events

1. The following events shall constitute Termination Events:
  - 1/ change in the applicable provisions of law in such a way that the Transaction or settlement thereof becomes illegal or may result in breach of law,
  - 2/ event of Force Majeure, provided that such event of Force Majeure is continuing for at least three (3) Business Days,
  - 3/ Tax Event,
  - 4/ other events specified by the Parties as an event constituting the Termination Event in separate representations, documents or agreements.
2. The Party affected by the Termination Event shall be obligated to promptly notify the other Party thereof, and in the case of the Tax Event, the Party shall be obligated to present an opinion of a person holding appropriate professional qualifications to have the occurrence of such Tax Event confirmed.
3. Failure, by the Party affected by the Termination Event to make payment under the Transaction shall not be deemed as delay or Event of Default; however, the other Party shall have the right to refrain from performing mutual obligations under the Transaction.



4. If, after occurrence of the Termination Event, a Party has fulfilled a performance arising from a Transaction in favour of the other Party but has not received from the other Party any payable sum under the Transaction, the performing Party shall be entitled to request return of what was received by the second Party.
5. If the Termination Event occurs and affects either Party, the Parties in good faith shall enter into negotiations in order to eliminate the Termination Event; however, such negotiations may not last longer than five (5) Business Days, unless the Parties agree on a different deadline for completing negotiations. If the negotiations do not lead to elimination of the Termination Event, the Transaction, with respect to which the Termination Event referred to in § 11.1 above occurred, shall be settled early in accordance with § 10 above, which § 10 shall apply accordingly, without the necessity to observe the deadlines stipulated therein.

## § 12. Notices

1. Unless provisions of the Master Agreement, these Terms and Conditions or Transaction Descriptions provide otherwise, all correspondence to the Customer shall be provided to the address and/or telephone number specified by the Customer in the Master Agreement, Information Sheet or to the last known to the Bank address and/or telephone number.
2. Correspondence and information shall be deemed to be effectively delivered:
  - 1/ if directly delivered – upon confirmation of receipt of the letter by the Customer, its representative or attorney in fact,
  - 2/ if sent by fax – upon the sender Party's receipt of correct sending confirmation message,
  - 3/ if sent by e-mail – upon correct sending of the e-mail to the server of the Bank or the Customer, respectively,
  - 4/ if sent by registered mail or courier service – upon delivery or attempted delivery; the following shall be deemed to constitute a proof of attempted delivery; an appropriate advice in writing received from the post office, courier service or a different entity authorised for service stating that the deadline to collect the mail has expired ineffectively or that it has been impossible to deliver the mail, in particular due to refusal to accept the mail,
  - 5/ if the Customer refused to accept the delivery – on the date of such refusal,
  - 6/ e-banking message – upon introducing the message into the means of e-communications in a way enabling the Customer to familiarize himself therewith,
  - 7/ if a different correspondence delivery method has been agreed upon – in accordance with the Parties arrangements.
3. The Bank hereby provides the following contact details for the purpose of cooperation with the Customer with regard to the Master Agreement and Transactions:

mBank S.A.

  - 1/ for matters other than those mentioned in items § 12.3.2 and § 12.3.3:

mBank S.A.  
Departament Sprzedaży Rynków Finansowych (Financial Markets Sales Department)  
ul. Prosta 18, 00-850 Warszawa  
E-mail address of the Bank: DSM\_negocjacje@mbank.pl
  - 2/ for matters related to Confirmations:

Departament Obsługi i Rozliczeń Rynków Finansowych (Financial Markets Service and Settlements Department)  
E-mail: potwierdzenia.klient@mbank.pl
  - 3/ for matters related to Collaterals and Mark-up information:

Departament Obsługi i Rozliczeń Rynków Finansowych (Financial Markets Service and Settlements Department)  
E-mail: collateral.klienta@mbank.pl
4. The Bank hereby announces that all details concerning the Bank are available at the web site of the mBank Group at: <http://www.mbank.pl/>.
5. If the notice referred to in § 12.2.1 – § 12.2.4 is delivered after business hours on a Business Day or a day that is not a Business Day at the place of delivery, the notice shall be deemed to have been delivered on the first Business Day following the day on which the notice was delivered at the place of delivery. The notice shall be irrevocable unless it contains a manifest error and then it shall be revocable only to the extent of the error.
6. In case of any change, the Customer shall promptly update his/her address details.

## § 13. Reports with the valuation of the Transaction Package

1. The Bank shall provide the Customer with a report with the valuation of the Transaction Package, including:
  - 1/ list of unmatured Transaction executed with the Bank forming part of the Transaction Package,
  - 2/ the value of the Minimum Collateral calculated for the Transactions referred to in § 13.1.1 above,
  - 3/ Net Present Value of individual Transactions referred to in § 13.1.1 above,
  - 4/ Net Present Value of Transaction Package.
2. The Customer undertakes to promptly inform the Bank whenever he/she does not receive the report with the valuation from the Bank.

## § 13'. MiFID Presumptions

For the purposes of performance by the Bank and the Customer of their obligations resulting from the MiFID and MiFIR Regulations, the Bank is entitled to presume the following, unless the Customer has notified the Bank otherwise, provided that such a notification is effective from the next Business Day after it is served to the Bank, a Transaction in a financial instrument entered into by the Customer is concluded in the Customer's own name and to the Customer's own account.

## § 14. Types of Collateral

1. In respect of the Transactions executed as a part of the Transaction Package, the Customer shall establish a Collateral. In order to establish a Collateral the Customer is obligated to enter into the Credit Support Agreement with the Bank.
2. The Required Collateral is established in the form specified in the Credit Support Agreement.

## § 15. Required Collateral

1. The Customer may be requested to establish the Required Collateral on any Business Day.
2. The amount of the Required Collateral shall be equal to the value of the Customer's Exposure calculated on the Pricing Date.
3. The method of calculation of the Customer's Exposure shall be determined in the Credit Support Agreement.

## § 16. The method of establishing the Required Collateral

1. Until the end of the Business Day following the Pricing Date the Bank shall provide the Customer with a Collateral report containing the following information:
  - 1/ Value of the Required Collateral established by the Customer as at the Pricing Date,
  - 2/ Value of the Required Collateral due from the Customer as of the second (2nd) Business Day after the Pricing Date.
2. If the value of the Required Collateral established as at the Pricing Date is lower than the value of the Required Collateral payable, the Customer shall supplement the value of the established Required Collateral up to the payable amount of the Required Collateral.
3. For the purpose of establishing or supplementing the value of the Required Collateral:
  - 1/ The Bank shall debit the Customer's Settlement Account specified in the Credit Support Agreement with the amount constituting the difference between the value of the Required Collateral payable and the value of the Required Collateral established by the Customer up to an amount of the funds available on the second (2nd) Business Day after the Pricing Date, as at one (1) Business Day after the Pricing Date,
  - 2/ If on the Business Day referred to in § 16.3.1 above, the Customer has failed to provide funds on the Settlement Account in an amount required to establish or supplement the Required Collateral payable, the Bank shall have the right to debit on the next Business Day another Settlement Account of the Customer or another bank account of the Customer maintained with the Bank, provided that the account is maintained in the same currency as the currency in which the Required Collateral is collected, up to an amount of payable the Required Collateral, which amount is specified in the Collateral report.
4. The Bank may request the establishment of the Required Collateral before the Transaction is entered into. In such case, the Bank shall collect the agreed amount of the Required Collateral from the Settlement Account or the Customer shall pay the agreed amount of the Required Collateral to the account specified by the Bank. Where there has been no Transaction, the Required Collateral shall be refunded in accordance with the principles specified in § 16.5.
5. If the value of the established Required Collateral exceeds the value of the payable Required Collateral, the Bank shall refund a portion of the established Required Collateral in the amount constituting a difference between the established Required Collateral and the payable Required Collateral. The Bank shall credit the Customer's Settlement Account (if maintained by the Bank) or transfer the funds to the Settlement Account of the Customer maintained with a different bank, respectively (in the latter situation, the moment of placing a transfer order by the Bank shall be deemed to be the day of the refund), and the refund shall be made to the Settlement Account specified in the Credit Support Agreement maintained in the same currency as the currency in which the Required Collateral was collected. The Bank shall refund the Required Collateral in the minimum amount of PLN 25,000.00 or the equivalent thereof in a different currency converted in accordance with the fixing rate of the National Bank of Poland determined on the Pricing Date.
6. In the Credit Support Agreement or a separate document sent by the Customer and approved by the Bank, the Parties may agree on method(s) of collecting or refunding portions of the Required Collateral other than the principles stipulated in § 16.5 above.
7. In the event that the Required Collateral is established in a currency other than Polish Zloty, then, for the purpose of determining the value of the established Required Collateral, the Bank shall convert the Collateral at the exchange rate according to the Exchange Rates Table applicable at the time the account is debited or credited.

## § 17. Satisfaction of claims

1. The Bank may satisfy the following claims from the Collaterals established in favour of the Bank:
  - 1/ payment of the due and payable amounts resulting from settlement of Transactions entered into by the Customer with the Bank, including the Early Termination Amount,
  - 2/ covering unauthorised debit on the Customer's Settlement Account maintained with the Bank as a result of settlement of the Transaction or the Early Termination,
  - 3/ late payment interest due to the Bank on the Customer's liabilities not satisfied on their payment date,
  - 4/ covering of any documented fees, charges and expenses incurred by the Bank in connection with the Early Termination.
2. The priority of satisfaction of the claims referred to in § 17.1 above as well as satisfaction from the Collaterals shall be determined by the Bank.
3. If the amount of the claims referred to in § 17.1 above is denominated in a currency different than the Collateral established by the Customer, the Bank, for the purpose of satisfaction of the claims, shall have the right to convert the value of the Collateral into the currency in which the Bank's claim is denominated, at the buy rate of exchange from the Foreign Exchange Rates Table applicable as at the claims satisfaction date, unless the Parties agreed on a different conversion rate.
4. If the currency pair of the exchange rate of the claim and the Collateral is not quoted in the Exchange Rates Table, then the Bank shall convert the following into Polish Zloty:
  - 1/ the amount of the Bank's claim at the sell rate of exchange of specific currency,
  - 2/ the amount of Collateral established by the Customer at the buy rate of specific currency,the said exchange rates being quoted in the Exchange Rates Table applicable at the time the account is debited or credited unless the Parties agreed on a different conversion rate.
5. The Bank shall charge interest calculated at the statutory interest rate as of the due date (including that day) until the payment date (excluding that day) on any due and outstanding amounts receivable of the Customer under a Transaction or the Master Agreement or Collateral.
6. The Parties jointly agree as follows:
  - 1/ a Party may set off receivables payable by the other Party under Transactions executed pursuant to the Master Agreement (the Early Termination Amount and the unauthorised debit in the Settlement Account of the Customer) against any receivables of the other Party whether due and payable or not,
  - 2/ the set off amounts in currencies other than the Early Termination Amount currency are converted into the Early Termination Amount currency as per the Foreign Exchange Rates Table applicable as at the Early Termination Date; after the set off, the Party making it sends a list of receivables arising from the Transactions that have been set off.
7. The provisions of § 17.6 do not apply to calculation of the Early Termination Amount and to the Transaction Settlement made by debiting the settlement amount or the Early Termination Amount to the Settlement Account.
8. The Bank may record, as unauthorised debit, the receivables due to the Bank from the Customer under the Transactions covered by these Terms and Conditions on the Customer's Settlement Accounts maintained with the Bank.

## § 18. Personal data processing

1. The Bank acts as personal data controller of the Customer and their representatives.
2. In order to conclude and perform an Agreement, the Bank processes personal data of the Customer and their representatives. The provision of personal data is necessary for the conclusion and performance of the Agreement.

3. The Bank processes personal data of the Customer and their representatives also:
  - 1/ for the purposes of banking activity, i.e. for the purposes of assessing creditworthiness and analysing credit risk, for statistical and analytical purposes, for the purposes of assessing and monitoring operational risk, handling complaints, asserting claims, preventing fraud, performing obligations arising out of the applicable law, in particular AML, FATCA, CRS, MiFID and archiving,
  - 2/ in order to provide the Customer with marketing materials concerning own services and products of the Bank and subsidiaries of the Bank's Group. The list of mBank Group subsidiaries is available at [www.mbank.pl](http://www.mbank.pl).
  - 3/ for the purposes of profiling supporting direct marketing promoting the services and products of the Bank and of the subsidiaries of the Bank's Group.
4. The Bank processes personal data of the Customer and their representatives for the period necessary to conclude and perform an Agreement, and then for the period of ten years calculated from the date of the Agreement termination or for another period being the prescription period of possible claims. After the lapse of the above time limits, the Bank shall anonymise the personal data.
5. The Customer and their representatives:
  - 1/ have the right to access and correct their data, as well as to transfer them; and
  - 2/ may demand that the data be erased or that their processing be restricted, or may object to their processing; the Customer may, in particular, object to profiling for the purposes of direct marketing promoting the services and products of the Bank and of the subsidiaries of the Bank's Group.
6. An employee of the Bank holds the function of the Inspector General for the Protection of Personal Data. S/he may be contacted at the following e-mail address: [Inspektordanychosobowych@mbank.pl](mailto:Inspektordanychosobowych@mbank.pl).
7. Detailed information concerning the principles and procedure for processing personal data by the Bank is specified in the GDPR package available at: [www.mbank.pl/pdf/rodo/gdpr-package-pb-bm.pdf](http://www.mbank.pl/pdf/rodo/gdpr-package-pb-bm.pdf).
8. The President of the Personal Data Protection Office acts as the supervisory authority in terms of protection of personal data and the Customer and their representatives have to right to lodge a complaint to him/her.
9. The Bank announces that:
  - 1/ execution of foreign transfers via SWIFT (Society for Worldwide Interbank Financial Telecommunications) may result in the government of the United States of America having access to the personal data of the Customer and their representatives. The American authorities have undertaken to use the personal data only for the purpose of counteracting terrorism, respecting the guarantees provided for in the European system of personal data protection,
  - 2/ data, including personal data, of the Customer and their representatives may be disclosed to entities entrusted by the Bank with data processing for the purpose of the performance of agreements on rendering services for the benefit of the Bank.
10. The Bank has the right to provide data on liabilities arising from the Agreement, including the Customer's personal data, to:
  - 1/ Banking Register System ("BR") – a database managed by the Polish Bank Association with its registered office in Warsaw, operating pursuant to the Banking Law Act of 29 August 1997,
  - 2/ Biuro Informacji Kredytowej S.A. (Credit Information Bureau, "BIK") with its registered office in Warsaw, operating pursuant to the Banking Law Act of 29 August 1997,
  - 3/ business information bureaus operating on the basis of the Act on the Provision of Business Information and Exchange of Business Data of 9 April 2010, if:
    - a/ the overall amount of liabilities to the Bank is at least PLN 500,
    - b/ the payment or payments are at least 30 days due and payable,
    - c/ at least one month has passed since the Bank transmitting the data and being the creditor sent a request for payment, warning the Customer of its intention to transmit the data to a bureau, including the bureau's registered business name and address of its registered office, by registered mail to the correspondence address specified by the Customer, and if the Customer has not specified such an address, to the address of the Customer's registered office.
11. The Customer's data, including personal data, collected in BR and BIK may be disclosed to:
  - 1/ other banks,
  - 2/ financial institutions operating as subsidiaries of banks within the meaning of the Banking Law Act of 29 August 1997,
  - 3/ other entities having statutory authorisations – subject to the terms and conditions laid down in the Banking Law Act of 29 August 1997,
  - 4/ business information bureaus operating under the Act on Disclosure of Business Information and Exchange of Business Data of 9 April 2010, within the scope and on the terms specified in the aforesaid Act.

## § 19. Amendment to the Terms and Conditions

1. Any amendments to these Terms and Conditions and the Transaction Descriptions made during the term of the Master Agreement shall be provided to the Customer along with indication of the dates on which they become effective. Amendments shall be delivered in accordance with the provisions of § 12 above.
2. Within 2 (two) months of the date of delivery of the amendments, the Customer shall have the right to submit a notice of termination of the Master Agreement:
  - 1/ in its part relating to financial market transactions – in the case of the Agreement referred to in § 1.1.1, or
  - 2/ in whole – in the case of the Agreement referred to in § 1.1.2.
 An absence of notice of termination of the Master Agreement within the deadline specified in the foregoing sentence shall be deemed as acceptance of the amendments delivered by the Bank.

## § 20. Final Provisions

1. The Bank shall not accept or withhold any tax on the Transaction due from the Customer unless it is obligated to do so under the mandatory provisions of law.
2. Unless otherwise provided in these Terms and Conditions, the Master Agreement, the Credit Support Agreement or the Transaction Confirmation:
  - 1/ all calculations are performed by the Bank,
  - 2/ all conversions of the amounts denominated in one currency to another currency are performed in accordance with the Foreign Exchange Rates Table applicable at that time.
3. For the avoidance of doubt:
  - 1/ any reference, in the content of these Terms and Conditions, to time (save for the Transaction Descriptions which refer to the Warsaw Time, Central European Time and other times) shall be understood as the standard time applicable in the Republic of Poland,
  - 2/ reference to a paragraph or section shall mean the relevant paragraph or section of these Terms and Conditions,
  - 3/ capitalised terms shall have the meanings ascribed to them in these Terms and Conditions or Transaction Descriptions,
  - 4/ all subdivisions in these Terms and Conditions have been adopted for the purpose of order only.

4. The Bank hereby informs that:
- 1/ The Bank is a participant in the statutory fund guarantee system as provided in the Act on the Bank Guarantee Fund, Deposit Guarantee Scheme and Resolution (as amended) dated 10 June 2016. Protection under the Bank Guarantee Fund (“**BGF**”) is provided for deposits (whether in PLN or in other currencies) established by the following depositors: natural persons, legal persons, organisational units without legal personality, provided that they have legal capacity, school savings unions and employee savings-and-loan associations that are parties to personal bank account agreements or who have claims against the Bank under a banking transaction (as confirmed with registered documents issued by the Bank or registered deposit certificates as referred to in Article 9 Sec. 1 of Trading in Financial Instruments Act dated 29 July 2005) and individuals referred to in Article 55 Sec. 1 and Article 56 Sec. 1 of the Banking Act, subject to Article 26q of the Act on the Bank Guarantee Fund, provided that his/her claim against the Bank has become mature before the date on which the condition under the guarantee became fulfilled (within the meaning of the Bank Guarantee Fund Act),
  - 2/ in the event that the Bank maintains one account for more than one entity (joint account), each of the entities shall be the depositor within the limits set out in the account agreement, or, in the absence of contractual provisions or applicable regulations – in equal parts,
  - 3/ in the event that the Bank maintains an account for a partnership, general partnership, professional partnership, limited partnership or limited joint-stock partnership, such entity shall be the depositor,
  - 4/ guaranteed funds shall be covered with the mandatory guarantee system as of the date they have been paid into the bank account no later than on the date preceding the date when the BGF guarantee condition fulfils, or – with regard to claims under banking transactions – provided that the transaction has been performed before the date when the BGF guarantee condition fulfils – up to an amount (including interest accrued until the date when the guarantee condition fulfils in accordance with the interest rate specified in the agreement notwithstanding their maturity date) the PLN equivalent of EUR 100,000.00 – in 100%.The depositor shall always have the right to assert claim(s) against the bank in the portion exceeding the amount of the guaranteed cash performance,
  - 5/ a value denominated in EUR shall be converted to PLN in accordance with the average rate announced by the National Bank of Poland as at the date of fulfilment of the guarantee condition,
  - 6/ the amount of the PLN equivalent of EUR 100,000.00 shall be the maximum amount of the depositor’s claims against BGF, notwithstanding the amount and the number of accounts on which the depositor has had the funds or the number of sums receivable under which the claims arise,
  - 7/ claims under the guarantee extended by BGF shall be barred by the statutes of limitation of five (5) years from the date the guarantee condition is fulfilled,
  - 8/ a more specific information on the Bank Guarantee Fund can be found at the website of the mBank Group [www.mbank.pl/download/bfg-info/](http://www.mbank.pl/download/bfg-info/).
5. The definitions and terms specified in the Terms and Conditions and Descriptions of Transactions correspond to the statutory terms as presented below.

<b>mBank’s terminology</b>	<b>Terminology used in the Act on Trading in Financial Instruments</b>
Dual-Currency Deposit	another derivative instrument whose underlying instrument is a currency, exercised by delivery or cash settlement
Investment Deposit	structured deposit
Foreign Exchange Forward (FX Forward)	a forward contract whose underlying instrument is a foreign currency, exercised by delivery or cash settlement
Foreign Exchange Option	an option whose underlying instrument is a foreign currency, exercised by delivery or cash settlement
Forward Rate Agreement (FRA)	a forward rate agreement exercised by cash settlement
Interest Rate Option	an option whose underlying instrument is an interest rate, exercised by cash settlement
Interest Rate Swap (IRS)	a swap whose underlying instrument is an interest rate, exercised by cash settlement
Currency Interest Rate Swap (CIRS)	a swap whose underlying instruments are an interest rate and a foreign currency, exercised by cash settlement
Forward Transaction (FT)	a forward contract whose underlying instrument is a commodity, exercised by cash settlement
Commodity Swap	a swap whose underlying instrument is a commodity, exercised by cash settlement
Commodity Option	an option whose underlying instrument is a commodity, exercised by cash settlement
Forward transactions of sale of greenhouse gas emission allowances with cash settlement option	a forward contract whose object are emission allowances which may be exercised by cash settlement in the manner selected by one of the parties
Debt Securities	bonds, covered bonds, investment certificates and other transferable securities, including securities which incorporate property rights equivalent to the rights attached to debt, issued on the basis of relevant provisions of Polish or foreign law.

6. Transactions which are settled in cash (“net” settlement, “without delivery”) by exchanging the settlement amount are not contracts for difference within the meaning of the Act on Trading in Financial Instruments.
7. If an index or a benchmark used to determine the liabilities of the parties (hereinafter referred to as the “**Benchmark**”) used in a Transaction: is not published or is discontinued, cannot be applied or is changed, the Bank will proceed in line with the Rules of Conduct in the Case of Significant Change, Withdrawal or Discontinuation of a Benchmark laid down in Appendix No. 1 to the Terms and Conditions. These provisions are applied to all Transactions, including Transactions concluded before entry into force of the Terms and Conditions.

## § 20<sup>1</sup>. Mark-up

1. The Bank announces that Mark-up may be included in the Transaction quotation.
2. The Bank shall inform the Customer about the amount of the maximum Mark-ups by making them available at mBank Group's website ([www.mbank.pl/en/help/forms/sme-corporate/financial-market/information-on-mark-up/](http://www.mbank.pl/en/help/forms/sme-corporate/financial-market/information-on-mark-up/)). At each request of the Customer, the Bank may send the information about the maximum Mark-ups in hard copy. Any changes relating to the scope of information about the maximum Mark-ups are made by the Bank by making new amended information available at its website mentioned above. The amendment is effective from the moment of publishing it by the Bank and applies only to new Transactions. Before entering into a Transaction for which the actual Mark-up exceeds the value of the aforesaid maximum Mark-up, the Bank shall inform the Customer about this fact.
3. The Customer is obliged to check the amount of the maximum Mark-ups before entering into the Transaction. Entering into the Transaction is treated as the Customer's consent that he/she has read the current information about the amount of the maximum Mark-ups and that he/she agrees on such a maximum amount.

## § 21. Termination of the Master Agreement, withdrawal from the Transaction

1. The Master Agreement may be terminated by either Party at any time, by the Customer upon one (1)-month's and by the Bank by two (2)-month's written notice of termination effective as at the end of the following calendar month, or upon mutual agreement of the Parties, provided that all Transactions executed in performance of the Master Agreement have been settled. The Master Agreement may, however, be terminated no earlier than once all obligations resulting therefrom have been met.
2. Notwithstanding the rules stipulated in § 21.1 above, either Party shall have the right to terminate the Master Agreement effective immediately as soon as premise(s) for the Early Termination arise(s). In such circumstances, the Master Agreement shall be terminated as of the Early Termination Date and any Transactions (save for the Term Deposit Transactions) shall be subject to the Early Termination performed by way of calculation of the Early Termination Amount. In such situation, the Bank shall also have the right to the Early Termination of the outstanding Transactions (other than the Derivative Transactions) save for the Term Deposit Transactions. The provisions of § 10 shall apply accordingly.
3. The Master Agreement shall expire, if the Bank receives a reliable written information about the Customer's death (particularly upon presenting the Customer's death certificate). In such circumstances, any Transactions (save for the Term Deposit Transactions) shall be subject to the Early Termination performed by way of calculation of the Early Termination Amount. The Bank shall also have the right to the Early Termination of the outstanding Transactions (other than the Derivative Transactions) save for the Term Deposit Transactions. The provisions of § 10 shall apply accordingly.
4. The Credit Support Agreement shall be terminated as of the date of termination of the Master Agreement.
5. Termination of the Master Agreement, referred to in § 21.1 to § 21.4 shall be understood as:
  - 1/ termination of the Master Agreement in its part relating to financial market transactions – in the case of the Agreement referred to in § 1.1.1,  
or
  - 2/ termination of the Master Agreement in whole – in the case of the Agreement referred to in § 1.1.2.
6. The Customer has no right to withdraw from the executed Transaction, referred to in Article 40 Sec. 1 and 40 Sec. 2 of the Consumer Rights Act of 24 June 2014.

## § 22. Entry into Force

The Terms and Conditions come into force on 28 February 2021.

## The Rules of Conduct in the Case of Significant Change, Withdrawal or Discontinuation of a Benchmark

The terms used herein have the following meanings:

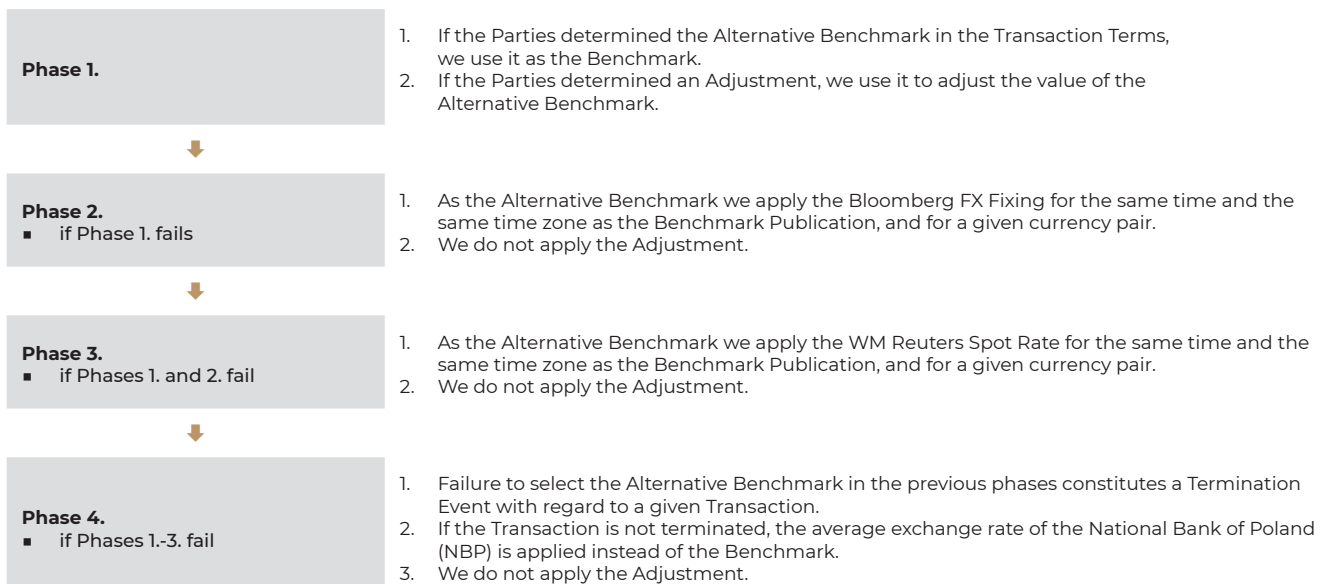
<b>Administrator</b>	an entity which supervises the development of the Benchmark
<b>Supervisory Authority</b>	an authority supervising the Administrator
<b>Adjustment</b>	a value or an action applied to limit the economic effects of replacing the Benchmark with an Alternative Benchmark
<b>Publication</b>	publication of information on the value of the Benchmark
<b>Benchmark</b>	an index or a benchmark used to determine the liabilities of the parties
<b>Alternative Benchmark</b>	an index or a benchmark which replaces the Benchmark in situations described in the Appendix
<b>applying the Benchmark on a given day</b>	means that we use the Benchmark published on this day to determine the value of the parties' liabilities
<b>applying the Alternative Benchmark from a given day</b>	means that we use the Alternative Benchmark from this day, on the days on which the Benchmark was supposed to be used under the Transaction Terms
<b>Appendix</b>	this appendix

### Rules of Conduct

- The parties apply the rules laid down herein, unless the mandatory provisions of law provide otherwise.
- The Alternative Benchmark including the Adjustment is applied in the following situations:

Event type	When do we apply the Alternative Benchmark?
The Benchmark is not published anymore, and the Administrator or the authority supervising the Administrator announced that the Benchmark had been discontinued permanently.	from the day on which the Benchmark was discontinued
an event due to which we cannot (or will not be able to) apply the Benchmark in a Transaction in accordance with the law. This includes a situation where the Administrator's licence has been revoked, the Benchmark has not been registered, or the permit or registration have been revoked and we are thus unable to apply the Benchmark.	from the day on which we are not able to apply the Benchmark in a Transaction
The Benchmark is not published in situations other than those described above.	from the day on which the Benchmark was not published until the day of its republication

### 3. Procedure we follow when we must apply the Alternative Benchmark instead of an FX benchmark



#### Procedure we follow when the Alternative Benchmark does not have the currency pair corresponding to the Benchmark

4. As the Alternative Benchmark we apply the Alternative Benchmark for EUR and the Non-Base Currency divided by the Alternative Benchmark for EUR and the Base Currency.

#### Is it possible to return to the Benchmark?

5. If we apply the Alternative Benchmark because:
  - 1/ the Benchmark is not published anymore, and the Administrator or the authority supervising the Administrator announced that the Benchmark had been discontinued permanently
  - 2/ another event occurred, due to which we could not apply the Benchmark in a Transaction in accordance with the law, we apply the Alternative Benchmark, even if these reasons cease to apply later.
6. If the Alternative Benchmark is applied for different reasons, we apply the previous Benchmark from the day on which it is published again.



Such different reasons may include technical issues experienced by the Administrator, as a result of which the Benchmark is not published once or temporarily.

#### Procedure we follow when the Administrator changes the method of determining the Benchmark

7. If the Administrator changes the method of determining the Benchmark, we do not adjust the transaction terms in any way. We apply the changed Benchmark even if the Administrator deems the change to be significant.

#### Information obligation

8. The Bank will publish information that:
  - 1/ an event occurred which results in the Bank not being able (at the given time or in the future) to apply the Benchmark;
  - 2/ the Benchmark has been discontinued;
  - 3/ the Bank applied the Alternative Benchmark;
  - 4/ the Bank applied the Adjustment;
  - 5/ the Bank returned to applying the previous benchmark.
9. The Bank provides this information to the Client via its website ([www.mbank.pl/wskazniki](http://www.mbank.pl/wskazniki)) and in the manner prescribed in the Master Agreement.
10. The Bank publishes information on Benchmarks and Alternative Benchmarks on its website ([www.mbank.pl/wskazniki](http://www.mbank.pl/wskazniki)).

#### Reapplication

If the Alternative Benchmark permanently replaces the Benchmark used so far, the provisions of the Appendix referring to the Benchmark used so far are applied to the Alternative Benchmark, including the Adjustment.