

**CLIENT INFORMATION BANK REGISTER AND NON-BANK CLIENT INFORMATION REGISTER
INFORMATION MEMORANDUM
(FOR CREDITOR ENTITIES)**

Dear Clients,

non-banking creditor entities (in particular leasing companies and companies providing consumer loans including some banks) participating in the project of the Non-Bank Client Information Register in the Czech Republic (hereinafter the "NBCIR") wish in order to reduce risks and increase the quality of offered products to regularly receive data regarding the payment prospects, credibility and payment discipline from the NBCIR as well as from the Client Information Bank Register in the Czech Republic (hereinafter the "CIBR"), which is a joint database of data created on the basis of information mutually provided by banks on contractual relations between banks and their clients.

For purpose hereof: (i) "client" means a natural person (whether engaged in business or not) or a legal person with whom the user has entered into a client agreement, an assigned debtor and also a member of the statutory body, sole shareholder or other authorized representative of the legal person, which concludes client agreements with user, supposing that these persons have provided a consent and the user is interested in obtaining a credit report; (ii) "assigned debtor" means a natural person (whether engaged in business or not) or a legal person for whom a factored debt has been assigned or shall be assigned by the client to the user under a client agreement.

Provisions related to the client, according to this document, shall apply *mutatis mutandis* to natural persons (whether engaged in business or not) and legal persons, who by personal guarantee secure the clients' obligations under the client agreement or with whom the user is negotiating on such guarantee.

With respect to the facts referred to above, starting from 2006 the mutual information (data) exchange regarding the payment prospects, credibility or payment discipline of clients between banks participating in the CIBR project (hereinafter the "banks") and non-banking creditor entities (hereinafter the "creditor entities").

An essential presumption for correct operation of the above mentioned mutual information (data) exchange between the banks and creditor entities outlined above shall be existence of consent from clients of banks and creditor entities to such information (data) exchange (more details on the manner and prerequisites for the mutual information (data) exchange are set forth in the chapter Information Processing and Exchange).

The aim of this document is to provide you, the clients of the creditor entities, with basic information on the information (data) exchange between the creditor entities and banks as well as on the CIBR and the NBCIR.

The NBCIR and CIBR Databases

First of all, we would like to inform you that the NBCIR and CIBR databases are two independently existing databases (even though they share certain common features described further in this document).

In the course of the information (data) exchange between creditor entities and banks, the NBCIR and CIBR databases remain independent; the mutual data exchange is carried out through operators of both registers (for details on the operators see the NBCIR and CIBR Operators chapters respectively) that continue to provide information (data) to their users (i.e. to the banks as the users of the CIBR and to the creditor entities as the users of the NBCIR); provided that all legal requirements are complied with, the operators provide their users with information (data) from both registers (for details see the Information Processing and Exchange chapter).

Basic Purpose of the NBCIR

The basic purpose of the NBCIR is the mutual information exchange between creditor entities regarding the payment prospects, credibility and payment discipline of their clients.

Basic Purpose of the CIBR

The basic purpose of the CIBR is, under the Act No. 21/1992 Coll., on banks, as amended (hereinafter the "Banking Act"), the mutual information exchange between banks regarding the payment prospects, credibility and payment discipline of their clients.

NBCIR and CIBR – Similar Purposes

The fundamental purpose of both NBCIR and CIBR is similar and this similarity of purposes makes the client data exchange between banks and creditor entities easier.

CIBR Operator

The operator of CIBR is CBCB – Czech Banking Credit Bureau, a.s., Identification No. (IČO): 261 99 696, having its registered office in Prague 4, Na Vítězné pláni 1719/4, Postal code: 140 00, entered in the Commercial Register administered by the Municipal Court in Prague, Section B, Entry 6735 (hereinafter the "CBCB").

NBCIR Users

Individual creditor entities that have concluded a NBCIR Data Processing Agreement with CNCB are the users of the NBCIR.

As of 5 October 2016, the following companies are the users of the NBCIR:

- AGRO LEASING J.Hradec s.r.o.
- Benefi a.s.
- BNP Paribas Personal Finance SA, odštěpný závod
- Caterpillar Financial Services ČR, s.r.o.
- COFIDIS s.r.o.
- CONSUMER FINANCE HOLDING ČESKÁ REPUBLIKA, a.s.
- Creamfinance Czech, s.r.o.
- Credium, a.s.
- ČSOB Leasing, a.s.
- D.S. Leasing, a.s.
- Erste Leasing, a.s.
- ESSOX s.r.o.
- Factoring České spořitelny, a.s. (Erste Factoring)
- Home Credit a.s.
- IKB Leasing ČR, s.r.o.
- IMPULS-Leasing-AUSTRIA s.r.o.
- Kreditech Česká republika s.r.o.
- LeasePlan Česká republika, s.r.o.
- Mercedes-Benz Financial Services Česká republika, s.r.o.
- MONETA Auto, s.r.o.
- MONETA Leasing, s.r.o.
- PACCAR Financial CZ s.r.o.
- PROFI CREDIT Czech, a.s.
- Provident Financial s.r.o.
- PSA FINANCE ČESKÁ REPUBLIKA, s.r.o.
- P&P Loan s.r.o.
- Raiffeisen – Leasing, s.r.o.
- RCI Financial Services, s.r.o.
- Rerum Finance s.r.o.
- s Autoleasing, a.s.
- SG Equipment Finance Czech Republic s.r.o.
- ŠkoFIN s.r.o.
- Toyota Financial Services Czech s.r.o.
- UniCredit Fleet Management, s.r.o.
- UniCredit Leasing CZ, a.s.
- UNILEASING a.s.
- VFS Financial Services Czech Republic s.r.o.
- Zaplo Finance s.r.o.
- Zonky s.r.o.

The up-to-date list of NBCIR users is available on the information lines and web pages of individual NBCIR users and the NBCIR operator.

CIBR Users

The users of the CIBR are individual banks that have concluded the Agreement on Participation in the CIBR Project with CBCB.

As of 5 October 2016, the following companies are the users of the CIBR:

- Air Bank a. s.
- Citibank Europe plc, organizační složka
- Česká spořitelna, a.s.
- Českomoravská stavební spořitelna, a.s.
- Československá obchodní banka, a.s.
- Equa bank a.s.
- ERB bank, a.s.
- Expobank CZ a.s.
- Fio banka, a.s.

- Hypoteční banka, a.s.
- Komerční banka, a.s.
- mBank S.A., organizační složka
- Modrá pyramida stavební spořitelna, a.s.
- MONETA Money Bank, a.s.
- Oberbank AG pobočka Česká republika
- Raiffeisen stavební spořitelna a.s.
- Raiffeisenbank a.s.
- Sberbank CZ, a.s.
- Stavební spořitelna České spořitelny, a.s.
- UniCredit Bank Czech Republic and Slovakia, a.s.
- Všeobecná úverová banka a.s., pobočka Praha
- Waldviertler Sparkasse Bank AG
- Wüstenrot hypoteční banka, a.s.
- Wüstenrot-stavební spořitelna a.s.
- ZUNO BANK AG, organizační složka

The up-to-date list of CIBR users is available on the information lines and web pages of individual CIBR users and the CIBR operator.

CRIF S.p.A.

Another party participating in the data processing in the NBCIR and CIBR is CRIF S.p.A., established in accordance with the law of the Italian Republic, with its registered office at Via M. Fantin 1-3, 40131 Bologna, Italian Republic (hereinafter the "**CRIF**"), which is in charge, under applicable contractual documentation, of automated technical processing of client information provided to CBCB by banks and to CNCB by creditor entities. CRIF provides this automated processing to CBCB in the case of CIBR and to CNCB in the case of NBCIR.

We would like to emphasize again in this regard that although CRIF is the party in charge of final technical processing of client information (data) for both CNCB and CBCB, the CIBR database and the NBCIR database are two independently existing databases and remain independent even within the framework of the information (data) exchange between banks and creditor entities.

CRIF – Czech Credit Bureau, a.s.

CRIF – Czech Credit Bureau, a.s., Identification No. (IČO): 262 12 242, having its registered office in Na Vítězné pláni 1719/4, Nusle, 140 00 Prague 4, entered in the Commercial Register administered by the Municipal Court in Prague, Section B, Entry 6853 (hereinafter the "**CRIF CZ**") provides, under relevant agreements, services to CBCB in the case of CIBR and to CNCB in the case of the NBCIR connected with mutual information exchange regarding the payment prospects, credibility (and payment discipline) of their clients. CRIF CZ does not have access to information (data) on clients of creditor entities or banks.

NBCIR and Its Content

NBCIR is a database containing data on contractual relations between creditor entities and their clients. NBCIR is created on the basis of information (data) that creditor entities provide to CNCB and which separately or as a

whole indicate the payment prospects, credibility and payment discipline of clients of creditor entities.

The following personal data on clients are processed in the NBCIR:

- identification data on the client (such as the name, last name, last name given at birth, date of birth, place and country of birth and residential address of the client);
- client's birth registration number (see the Birth Registration Number chapter below);
- personal data showing whether the client (or the applicant – in the case of a guarantor) and the creditor entities have entered into any contractual relationship or not;
- personal data showing client's financial obligations that have, will or may come into existence *vis-à-vis* the creditor entity in connection with the contractual relationship and on performance of these obligations by the client;
- personal data showing security over the client's obligations connected with the contractual relationship with the creditor entities;
- personal data showing whether the receivable, which arose from the contractual relationship between the client and the creditor entities, was already assigned and following client's performance of client's obligations in relation to the respective assigned receivable; all this only if the creditor entities continues to administer the respective assigned receivable henceforth and with fulfilment of all others contractual terms;
- any other personal data indicating the payment prospects, credibility (or payment discipline) of the client and made available by the client to the creditor entities or data acquired by the creditor entities in connection with performance or, as the case may be, a failure to fulfil any particular contractual relationship with the creditor entities.

In case of natural person clients, the processing (in particular initial and ongoing entry or updating) of information (data) in the NBCIR is conditional upon provision of consent to data processing.

Dealing with information (data) in the NBCIR (without making it available to the CIBR users) shall be subject to the following rules that do not apply to the mutual information (data) exchange between the banks and the creditor entities.

Information (data) is entered and subsequently processed in the NBCIR in the extent in which it can serve for assessing the payment prospects, credibility and payment discipline of a client and in which the client provided to the creditor entity it in connection with a contractual relation or which may result from a contractual relation for the period of

duration of such relation (see the list of personal data processed in the NBCIR above).

The contents of the NBCIR thus include in particular basic identification data on clients, data on clients' liabilities, on timeliness of performance thereof, on security over such liabilities, etc. (see the list of personal data to be processed in the NBCIR). In the NBCIR, sensitive personal data on clients (e.g. data regarding health status, etc.), who are natural persons, in the sense of Processing (in particular initial and ongoing entry or updating) of information (data) in the NBCIR shall **not** be processed, according to the applicable provisions of the Act No. 101/2000 Coll., on the protection of personal data and amending some acts, as amended (hereinafter the "**Personal Data Protection Act**").

Information (data) contained in the NBCIR shall be regularly once in a month updated and maintained for the needs of mutual information exchange between creditor entities throughout the duration of the contractual relation between a creditor entity and its client (including situation when the creditor entity exercises administration of the respective assigned receivable – see above mentioned specification of personal data which are processed in the NBCIR) and for a period of another four (4) years following the fulfilment of all the financial obligations of the client under the client agreement. If the requested agreement was not concluded with the client, information (data) is kept in the NBCIR for a period of six (6) months from the date of filing a client's (or user's) request for conclusion of the relevant agreement (including an agreement relating to assignment of factored debts of an assigned debtor). Upon expiration of the relevant period of time, such information (data) shall be blocked (which means that it shall be in an inaccessible form and it shall not be possible to process it) and shall no longer be provided in any manner for the purposes of mutual information exchange between creditor entities; following the five-year blocking period the information (data) shall be automatically liquidated.

Information (data) on contractual relations with clients are provided by creditor entities to CNCB, which processes such data in the NBCIR using the system for final automated technical data processing of the Italian company CRIF. In Italy, the information is finally technically processed in an automated manner, which is in compliance with Personal Data Protection Act, since in Italy the same rules apply to dealing with data (with personal data on clients – natural persons) as in the Czech Republic.

CNCB makes the information (data) processed in this manner available in the form of credit reports to credit entities that use the services of the NBCIR on the basis of their requests, exclusively for the purpose of mutual information exchange between credit reports on the payment prospects, credibility and payment discipline of their clients. CNCB provides or may provide the creditor entities also with the score, which is the synthetic value predicating the information (data) evaluation about the client, included always in relevant credit report, which the creditor entities use for evaluation of payment prospects, credibility and payment discipline of their clients; the score is provided within the scope of credit reports.

In accordance with the relevant provisions of the Personal Data Protection Act, personal data on natural person clients can be processed for the purposes of mutual information exchange between creditor entities only subject to consent from these natural person clients. Inclusion of personal data in the NBCIR by one of the creditor entities does not automatically mean that such data is freely available to other creditor entities – any other creditor entity wishing to enquire about such data contained in the NBCIR must obtain written consent from the relevant client individually; in the case of personal data on natural person clients a principle of the so-called double consent is applied in the NBCIR.

CIBR and Its Content

CIBR is a database containing data on contractual (loan) relations between banks and their clients. CIBR is created on the basis of information that banks provide to CBCB and which, separately or as a whole, indicate the payment prospects and credibility of bank clients (in case of CIBR the clients' personal data are processed *mutatis mutandis* in the scope as in NBCIR).

Processing (in particular initial and ongoing entry or updating) of information (data) in the CIBR is not, under the applicable provisions of the Personal Data Protection Act and the Banking Act, conditional upon provision of consent from banks' clients who are natural persons to processing of data on them in the CIBR.

Dealing with information (data) in the CIBR (without making it available to the NBCIR users) shall be subject to special rules of which banks inform their clients as a part of the contractual relation between each bank and its client. These rules do not apply to the mutual information (data) exchange between the banks and creditor entities.

NBCIR and CIBR – Shared Features

Due to the difference outlined above, as far as concerns client' consents to data processing in the NBCIR and CIBR, special rules shall apply to the mutual information exchange between creditor entities and banks. These rules are set forth in the Information Processing and Exchange chapter. However, there are certain features that both the NBCIR and CIBR share. These features can be characterized as follows and make the mutual exchange easier while all security as well as legal rules are complied with:

- Information (data) is entered into and subsequently processed in the NBCIR and CIBR in the scope in which they can serve for assessment of payment prospects, credibility or payment discipline of clients and in which the client provided such information (data) in connection with negotiations on entering into contractual relationship or which may arise from the contractual relationship throughout its duration or in connection with administration of the respective assigned receivables.
- Therefore, in particular basic identification data on clients, data on clients' liabilities, on timeliness of the performance thereof and on security over such liabilities, etc. constitute the contents of both the NBCIR and CIBR.

- No sensitive personal data on natural person clients are processed in the NBCIR and CIBR in the sense given by the Personal Data Protection Act (e.g. data regarding health status, etc.).

- Information (data) contained in the NBCIR and CIBR shall be regularly once in a month updated and maintained for the needs of mutual information exchange throughout the duration of the contractual relation between a bank or a creditor entity and its client and for a period of further four (4) years following the expiration thereof (including situation when bank or creditor entity exercises administration of the respective assigned receivable). If the requested agreement was not concluded with the client, information (data) shall be kept in the CIBR for a period of one (1) year and in the NBCIR for a period of six (6) months from the date of filing a client's request for conclusion of the relevant agreement. Upon expiration of the relevant period of time, such information shall be blocked (which means that it is in an inaccessible form and it is not possible to process it) and shall not be provided for the purposes of mutual information exchange at all; following the five-year blocking period the information (data) shall be automatically liquidated.

Special notification of processing of information (data) on agreements by which a consumer credit is agreed in the NBCIR and CIBR databases

In compliance with the relevant provisions of Act No. 145/2010, Coll., on Consumer Credit, as amended, we wish to hereby inform you that information (data) on agreements in which a consumer credit is agreed are also processed on a standard basis within the framework of information (data) processed in the NBCIR and CIBR databases. The same rules and conditions apply to such processing as to the processing of information (data) on other types of contractual (credit-related) relationships in NBCIR and CIBR, in particular as concerns:

- the purpose of information (data) processing that enables banks and creditors, prior to execution of an agreement in which a consumer credit is agreed, to mutually exchange information and assess the payment prospects and the credibility (and payment discipline) of the client (consumer), namely the client's (consumer's) ability to repay the consumer credit;
- the extent of information (data) processing; for details see the part of CIBR – Its Content, NBCIR – Its Content and NBCIR and CIBR – Shared Features;
- the information (data) processing period; for details see the part of CIBR – Its Content, NBCIR – Its Content and NBCIR and CIBR – Shared Features; it applies that information (data) on all contractual relationships (including agreements in which a consumer credit is agreed) shall be maintained for the needs of mutual information exchange throughout the duration of the relevant contractual relationship and for a period of another four (4) years following termination thereof, regardless of the method of termination of the contractual relationship (i.e. also in the event of rescission of or withdrawal from the agreement);

- making information (data) available to CIBR users and NBCIR users; for details see the part of CIBR – Its Content, NBCIR – Its Content and NBCIR and CIBR – Shared Features; as concerns the obligation of CNCB and CBCB to allow banks and creditors from other EU member states to access information (data) contained in the NBCIR and CIBR under the same conditions as banks and creditors from the Czech Republic, CNCB and CBCB shall fulfil such obligation by allowing access to the NBCIR and CIBR databases on a non-discriminatory basis to all authorized CIBR users and/or authorized NBCIR users;

- the provision of information (data) contained in the NBCIR and CIBR databases to clients; for details see the part of NBCIR – Client Centre.

Birth Registration Numbers

The structure of the NBCIR and CIBR databases requires that both registers will also process information on birth registration numbers of natural persons who are clients of users of the NBCIR and CIBR. The applicable legal regulation stipulates that your birth registration number can be used in the CIBR also without your consent, while in the NBCIR only subject to your prior written consent; we would like to inform you in this connection that you have no duty under the Personal Data Protection Act to grant such consent for the NBCIR.

Together with additional information, your birth registration number constitutes a unique set of data which reliably identifies you in both NBCIR and CIBR databases and which will effectively prevent any confusion for another individual listed in either NBCIR or CIBR database. Therefore, you are required to provide your birth registration number in order your data is entered into either database (NBCIR or CIBR), which is why your consent to use of your birth registration number constitutes a part of the consent to personal data processing.

Dealing with your birth registration number in the NBCIR or CIBR, including the purpose, time, manner of the processing and security thereof, is fully subject to the other parts of this document and to the consent to personal data processing.

Information Processing and Exchange between Banks and Creditor Entities

Information (data) on contractual relations with clients are provided by banks to CBCB in the case of the CIBR and by creditor entities to CNCB in the case of the NBCIR; CBCB further processes such data in the CIBR and CNCB in the NBCIR using the system for final automated technical data processing of the Italian company CRIF. In Italy, the information is finally technically processed in an automated manner, which is in compliance with Personal Data Protection Act, since in Italy the same rules apply to dealing with data (with personal data on clients – natural persons) as in the Czech Republic.

CBCB makes the information (data) processed in this manner in the CIBR database available to the banks and,

similarly, CNCB makes the information (data) processed in this manner in the NBCIR database available to creditor entities. The information shall be made available exclusively for the predetermined purpose, i.e. mutual information exchange between the relevant users (i.e. banks or creditor entities) on the payment prospects, credibility or payment discipline of their clients.

In the mutual information (data) exchange, information (data) from the other database (i.e. data from NBCIR for creditor entities and data from CIBR for banks) shall be made available in the form of credit reports (including a possible score) upon request by the relevant users (i.e. banks or creditor entities) under the relevant agreements concluded between CBCB (as the CIBR operator) and CNCB (as the NBCIR operator) and further between CBCB and banks and CNCB and creditor entities.

An essential particular for the mutual information (data) exchange between the creditor entities and the banks outlined above is the existence of consent from clients who are natural persons. We would like to emphasize the following in this connection:

- Inclusion of personal data in the CIBR by one of the banks or in the NBCIR by one of the creditor entities (in accordance with applicable rules of the NBCIR or CIBR) does not automatically mean that such data is freely available to other banks or creditor entities.

- In order for any creditor receives any data from the NBCIR or CIBR databases, it will need your written consent again to be able to ask for such data contained in the NBCIR or CIBR.

- There is certain difference for banks since banks are not required to have consent for an enquiry only to the CIBR database; however, for enquiries to the NBCIR, the banks as well as creditor entities will need your written consent.

CIBR Client Centre

We also wish to inform you that the activities and services of the NBCIR Client Centre are provided to clients of creditor entities without any changes and to clients of creditor entities can continue in contacting the NBCIR Client Centre (see below).

The NBCIR Client Centre provides in particular the following services:

- it informs clients on data that is processed in the NBCIR (in accordance with the requirements of the Personal Data Protection Act);

- it serves as a point for filing clients' requests for information on what data is processed on clients in the NBCIR; information shall be provided for compensation for material costs necessary for provision of information;

- it serves as a point for filing potential complaints or comments from clients in connection with inaccurate data processed in the CIBR.

Technical and Organizational Warranties to Safeguard Information (Data) in the NBCIR

As far as concerns operation of the NBCIR, we would like to inform you that all entities involved have adopted due measures to prevent unauthorized or accidental access to information (data) in the NBCIR, changes thereto, destruction or loss thereof, unauthorized transfer or processing thereof or any other misuse of information contained in the NBCIR.

These due measures include in particular the following:

- regular change of individual access codes and access names to the NBCIR;
- transfer of information through private lines, rendering unauthorized access to information impossible;
- encryption of data in the event of transfer of information.

Technical and Organizational Guarantees for Information (Data) Security during Exchange Thereof between Banks and Creditor Entities

In connection with the information (data) exchange between banks and creditor entities, all entities involved adopted due measures to prevent unauthorized or accidental access to information (data) in the NBCIR or CIBR, changes thereto, destruction or loss thereof, unauthorized transfer or processing thereof or any other misuse of information contained in the NBCIR or CIBR.

Special Protection of Rights of Clients - Natural Persons

We would like to inform you that regardless of the mutual information (data) exchange between banks and creditor entities, special protection of clients – natural persons remains intact to the full extent as required by Personal Data Protection Act and NBCIR rules.

On the basis of the obligations set forth in the Personal Data Protection Act, we wish to inform you hereby of your rights resulting from the provisions of Section 21 of the Personal Data Protection Act. If you discover or believe that any creditor entities, CNCB or other entities which participate in data processing in the NBCIR (i.e. the relevant data controllers or data processors) carry out processing of your personal data which is in conflict with the protection of your private life or in conflict with Personal Data Protection Act, in particular if your personal data is inaccurate, you can:

- a) ask the relevant data controller or data processor for an explanation;
- b) request that the relevant data controller or data processor rectify the defective situation; in particular you can request repair or supplementation of your personal data; if necessary, a temporary blocking or liquidation of such data will be performed on the basis of your request.

If your request is found rightful, the relevant entities are obliged to immediately rectify the defective situation. If the relevant data controller or data processor fails to accommodate your request or if, in your opinion, processing of your personal data shall not be entirely in compliance with Personal Data Protection Act, you shall be entitled to contact the Office for Personal Data Protection.

NBCIR Client Centre

CNCB – Czech Non-Banking Credit Bureau, z.s.p.o.

NBCIR Client Center
Na Vítězné pláni 1719
140 00 Prague 4
The Czech Republic
Tel.: +420 277 778 650
E-mail: klient@cncb.cz
Internet: www.cncb.cz

Business hours of the NBCIR Client Center:

Monday:	8:00 – 18:00
Tuesday:	9:00 – 17:00
Wednesday:	8.00 – 18.00
Thursday:	9:00 – 17:00
Friday:	9:00 – 17:00

Before contacting us by phone, e-mail or mail, please look at our website: www.cncb.cz, where you may find a reply to your enquiry.