

CLIENT INFORMATION BANK REGISTER AND NON-BANK CLIENT INFORMATION REGISTER INFORMATION MEMORANDUM (FOR CLIENTS OF NON-BANKING CREDITOR ENTITIES)

Dear Clients,

In order to reduce risks and increase the quality of offered products, the non-banking creditor entities (in particular leasing companies and companies providing consumer loans incl. some banks) participating in the project of Non-Bank Client Information Register (hereinafter the “NBCIR”) wish to regularly receive data regarding the payment prospects, credibility and payment record of their clients from the Client Information Bank Register (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 entity with whom/which the user has concluded or is negotiating a client agreement; (ii) “factored debtor” means a natural person (whether engaged in business or not) or a legal entity in respect of which the factored receivable shall be assigned or was already assigned under the client agreement from the client to the user.

With respect to the fact referred to above, the non-banking creditor entities are currently engaged in mutual information (data) exchange regarding the payment prospects, credibility and payment record of clients between the non-banking creditor entities participating in the NBCIR project (hereinafter the “Creditor Entities”) and the banks participating in the CIBR project (hereinafter the “Banks”).

An essential presumption for correct operation of the above mentioned mutual information (data) exchange between the creditor entities and the banks outlined above is the existence of consent from clients of the creditor entities and banks 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 the banks as well as on the NBCIR and the CIBR.

The NBCIR and CIBR Databases

We would primarily 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 the text).

As a part of the contemplated 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 creditor entities as the users of the NBCIR and to the banks as the users of the CIBR); from a certain moment on, provided that all legal requirements have been 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 record of their clients.

Basic Purpose of the CIBR

The basic purpose of the CIBR is, under the Banking Act, the mutual information exchange between banks regarding the payment prospects and credibility 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 creditor entities and banks easier.

NBCIR Operator

The operator of NBCIR is CNCB – Czech Non-Banking Credit Bureau, z.s.p.o., (previously LLCB, z.s.p.o.), Identification No. (IČO): 712 36 384, with its registered office in Prague 4, Na Vítězné pláni 1719/4, post code 140 00 (hereinafter “CNCB”).

CIBR Operator

The operator of CIBR is CBCB – Czech Banking Credit Bureau, a.s., Identification No. (IČO): 261 99 696, with its registered office in Prague 4, Na Vítězné pláni 1719/4, post code 140 00 (hereinafter “CBCB”).

NBCIR Users

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

As at the issue date of this document, i.e. 1 October 2015, the following companies are the users of the NBCIR:

- UniCredit Leasing CZ, a.s.
- RCI Financial Services, s.r.o.
- ČSOB Leasing, a.s.
- GE Money Auto, s.r.o.
- s Autoleasing, a.s.
- ŠkoFIN s.r.o.
- Credium, a.s.
- Toyota Financial Services Czech s.r.o.

- UNILEASING a.s.
- Erste Leasing, a.s.
- PSA FINANCE ČESKÁ REPUBLIKA, s.r.o.
- AGRO LEASING J.Hradec s.r.o.
- IMPULS-Leasing-AUSTRIA s.r.o.
- Raiffeisen – Leasing, s.r.o.
- Factoring České spořitelny, a.s. (Erste Factoring)
- SG Equipment Finance Czech Republic s.r.o.
- COFIDIS s.r.o.
- Home Credit a.s.
- BNP Paribas Personal Finance SA, odštěpný závod
- ESSOX s.r.o.
- PROFI CREDIT Czech, a.s.
- GE Money Leasing, s.r.o.
- VFS Financial Services Czech Republic s.r.o.
- UniCredit Fleet Management, s.r.o.
- Caterpillar Financial Services ČR, s.r.o.
- CONSUMER FINANCE HOLDING, a.s., organizační složka
- Aasa Czech a.s.
- IKB Leasing ČR, s.r.o.
- Provident Financial s.r.o.
- Different Money s.r.o.
- PACCAR Financial CZ s.r.o.
- D.S. Leasing, a.s.
- LeasePlan Česká republika, s.r.o.

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

Bank as NBCIR user

If the user of NBCIR is bank, then only within the scope of passive participation, which means providing of information (data) separately or as a whole showing the payment prospects, credibility and payment record of their clients, for the fulfillment of the basic purpose of the NBCIR, which is providing information regarding the payment prospects, credibility and payment record) of their clients.

CIBR Users

Individual banks that have concluded a CIBR Data Processing Agreement with CBCB are the users of the CIBR.

As at the issue date of this document, i.e. 1 October 2015, 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.
- GE Money Bank, a.s.
- Hypoteční banka, a.s.
- Komerční banka, a.s.
- mBank S.A., organizační složka

- Modrá pyramida stavební spořitelna, 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.
- 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 links 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., an Italian company (hereinafter referred to as “**CRIF**”), which is in charge, under applicable contractual documentation, of automated technical processing of client information provided to CNCB by creditor entities and to CBCB by banks. CRIF provides this automated processing to CNCB in the case of NBCIR and to CBCB in the case of CIBR.

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

CRIF – Czech Credit Bureau, a.s.

CRIF – Czech Credit Bureau, a.s. (hereinafter “**CRIF CZ**”) provides, under relevant agreements, services to CNCB in the case of the NBCIR and to CBCB in the case of CIBR connected with mutual information exchange regarding the payment prospects, credibility (and payment record) of their clients. CRIF CZ does not have access to information (data) on clients of creditor entities or banks.

NBCIR and Its Contents

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 record 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, birth name, 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 entity have entered into any contractual relationship or not;
- personal data showing client's financial obligations that have come, 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 entity;
- personal data showing whether the receivable, which arose from the contractual relationship between the client and the creditor entity, 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 entity continues to administer the respective assigned receivable henceforth and with fulfillment of all others contractual terms;
- any other personal data indicating the payment prospects, credibility and payment record of the client and made available by the client to the creditor entity or data acquired by the creditor entity in connection with performance or, as the case may be, a failure to fulfill any particular contractual relationship with the creditor entity.

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) is subject to the following rules that do not apply to the mutual information (data) exchange between the creditor entities and the banks.

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 record of a client and in which the client provided it to a creditor entity in connection with a contractual relation or which may result from a contractual relation for the period of duration of such relation or from administration of the respective assigned receivables (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 natural person clients in the sense of the Personal Data Protection Act **are not** processed (e.g. data regarding the health status, etc.).

Information (data) contained in the NBCIR is 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 further four (4) years following the expiration thereof. 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 request for conclusion of the relevant agreement. Upon expiration of the relevant period of time, such information will be blocked (which means that it will take a form in which it will be inaccessible and it will be impossible to process it) and will not be provided for the purposes of mutual information exchange between creditor entities at all; following the 5-year blocking period the information (data) will be automatically destroyed.

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 law, 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 on the basis of their requests to the creditor entities that use the services of the NBCIR, exclusively for the purpose of mutual information exchange between creditor entities on the payment prospects, credibility and payment record of their clients.

CNCB provides or may provide the creditor entities also with the score, within the credit reports, which is the synthetic value predicating the data evaluation about the client included always in credit report, which the creditor entities use for evaluation of credibility and payment prospects of their clients.

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 Contents

CIBR is a database containing data on contractual (loan) relations between banks and their clients. CIBR is created on the basis of information (data) that banks provide to CBCB and which separately or as a whole indicate the payment prospects and credibility of clients of banks (in the CIBR, personal data on clients are processed to a similar extent as in the 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) is subject to special rules of which banks inform their clients as a part of the contractual relation between each bank and its clients. 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 must 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 and, as the case may be, payment record 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 the health status, etc.).
- Information (data) contained in the NBCIR and CIBR is 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) is 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 will be blocked (which means that it will take a form in which it will be inaccessible and it will be impossible to process it) and will not be provided for the purposes of mutual information exchange between creditor entities at all; following the 5-year blocking period the information (data) will be automatically destroyed.

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 the NBCIR and CIBR, in particular as concerns:

- the purpose of information (data) processing that enables creditors and banks, prior to execution of an agreement in which a consumer credit is agreed, to mutually exchange information and assess the payment prospects, credibility and payment record 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 NBCIR – contents, CIBR – contents and NBCIR and CIBR – Shared Features;
- the information (data) processing period; for details see the part of NBCIR – contents, CIBR – contents 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 NBCIR users and CIBR users; for details see the part of NBCIR – contents, CIBR – contents and NBCIR and CIBR – Shared Features; as concerns the obligation of CNCB and CBCB to allow creditors and banks from other EU member states to access information (data) contained in the NBCIR and CIBR under the same conditions as creditors and banks from the Czech Republic, CNCB and CBCB shall fulfill such obligation by allowing access to the NBCIR and CIBR databases on a non-discriminatory basis to all authorized NBCIR users and/or authorized CIBR 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 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 applicable law to grant such consent for the NBCIR.

Together with further 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 NBCIR database, 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 and 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 Creditor Entities and Banks

Information (data) on contractual relations with clients is provided by creditor entities to CNCB in the case of the NBCIR and by banks to CBCB in the case of the CIBR; CNCB further processes such data in the NBCIR and CBCB in the CIBR 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 law, 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 in the NBCIR database available to creditor entities and, similarly, CBCB makes the information (data) processed in this manner in the CIBR database available to the banks. The information is 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, as the case may be, payment record of their clients.

The mutual information (data) exchange between creditor entities and banks also information (data) from the other database (i.e. data from CIBR for creditor entities and data from NBCIR for banks) are available in the form of credit reports (including a possible score) upon request by users

(i.e. creditor entities or banks) under the relevant agreements concluded between CNCB (as the NBCIR operator) and CBCB (as the CIBR operator) and further between CNCB and creditor entities and CBCB and banks.

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

- In order any creditor receives any data from the NBCIR or CIBR databases, it needs 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 need your written consent.

In the event of mutual data exchange between creditor entities and banks, the so-called double consent principle is applied (i.e. one consent will be required for the user to be able to enter information (data) in “its” register and another consent will be required for the user to be able to raise an enquiry to either register). The exchange will be only possible for information (data) and only for the banks and creditor entities which will have your consent in all respects.

NBCIR Client Center

We wish to inform you that the activities and services of the NBCIR Client Center are provided to clients of creditor entities without any changes and clients of creditor entities can continue in contacting the NBCIR Client Center. The NBCIR Client Center provides in particular the following services:

- it informs clients on data that is processed in the NBCIR (in the case of natural person clients it does so 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 is provided for a consideration not exceeding the costs of provision thereof;

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

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.

Such 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;
- data encryption in the event of transfer of information.

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

In connection with the information (data) exchange between creditor entities and banks, all entities involved have 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 moment of commencement of the mutual information (data)

exchange between creditor entities and banks, special protection of clients – natural persons remains intact to the full extent as required by law 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 entity, 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 law, 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 is not entirely in compliance with law, you are entitled to contact the Office for Personal Data Protection.

NBCIR Client Center

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

NBCIR Client Center
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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.