



## INFORMATION OVERVIEW ABOUT THE SYSTEM OF INSURANCE CLAIMS FROM CLIENT DEPOSITS

### Basic information about deposit protection

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| Deposits at Sberbank CZ are insured at:                        | Financial Market Guarantee System (Deposit Insurance Fund) <sup>1</sup>   |
| Insurance Limit:   | Compensation is provided in Czech Crowns up to the amount corresponding to 100 000 EUR per client deposited in Sberbank CZ <sup>2</sup>                         |
| If you have more deposits at Sberbank CZ:                      | Limit in Czech crowns up to the amount corresponding to 100 000 EUR applies in relation to the sum of all your deposits at Sberbank CZ                          |
| If you have a joint account with another person or persons:    | Limit in Czech crowns up to the amount corresponding to 100 000 EUR applies to each owner independently <sup>3</sup> .  |
| Period for repayment in case of failure of credit institution: | 7 working days (from 1.6. 2016) <sup>4</sup>  |
| Currency in which the deposit will be repaid:                  | Czech crown (CZK)   |
| Contact for Financial Market Guarantee System:                 | Financial Market Guarantee System (Deposit insurance Fond)<br>Residence: Týn 639/1, 110 00 Praha 1 –Old Town<br>Tel: (+420) 234 767 676<br>E-mail: info@gsft.cz |
| Further information is available at:                           | Tel.: 800 133 444<br>E-mail: mail@sberbankcz.cz<br>www.sberbankcz.cz<br>www.garancnisystem.cz   |

## Other important information:

Financial Market Guarantee System with the use of Deposit insurance fund protects under the given limit generally both non-entrepreneurs and entrepreneurs. Exceptions at certain deposits are stated on internet website of the Financial Market Guarantee System. Sberbank CZ will also inform you on request, whether specific products are insured or not. Whether a certain deposit is subject to protection provided by the System of insurance of deposit claims, Sberbank CZ will confirm the fact also based on the account statement.

## Explanatory notes about the basic information

### 1) System responsible for the protection of your deposit

Your deposit is insured within legal system of insurance of deposits. In case of insolvency of Sberbank CZ, a compensation up to the amount corresponding to 100 000 EUR is guaranteed.

Equivalent of the limit in Czech crowns is converted according to the current exchange rate announced by the Czech National Bank for the particular day, on which the CNB proclaims the Bank's inability to meet the obligations towards persons authorized by legal and contractual conditions or, after a court or an international court issues a decision, whose consequence is the suspension of the rights of the depositor to dispose of those deposits at Sberbank CZ, to which the insurance applies (decisive day).

### 2) Total insurance limit

If a deposit is not at disposal, due to credit institution inability to meet its financial obligations, the Financial Market Guarantee System (Deposit insurance fund) repays to their clients a compensation up to the amount of the stated limit. This compensation payment in Czech crowns totals the amount corresponding to 100 000 EUR and it is calculated on the whole bank or the credit union. For determination of the amount that should be repaid from the insurance all deposits of a particular depositor are kept at the same credit institution, and are calculated together with interest rate to the decisive day. For example, if a client keeps in Czech crowns an equivalent of 90 000 EUR on a saving account and an equivalent of 20 000 EUR on a current account, only the amount corresponding to 100 000 EUR will be repaid. This procedure is applied also in the cases when the credit institution operates under different commercial designations and trademarks.

In some instances, determined by bank legislature, deposits are protected even above the total amount corresponding to 100 000 EUR, but up to the maximum amount corresponding to 200 000 EUR. For example, it insures deposit of funds acquired by a sale of housing real estate, if the decisive day came within 3 months at the latest after crediting the amount on the account, and other cases defined in the bank legislature.

### 3) Insurance limit for joint accounts

In case of joint accounts (i.e. account with more co-owners according to § 41e Article 1 Act of Banks) each client's share receives an amount to limit of 100 000 EUR independently. Persons with mere disposition law are not co-owners of the account and the insured protection does not apply to them.

### 4) Payment

Financial Market Guarantee System with use of Deposit Insurance Fund, Týn 639/1, 110 00 Praha 1, tel: (+420) 234 767 676, e-mail: [info@gsft.cz](mailto:info@gsft.cz) is a system of deposit insurance applicable for compensation repayment. Compensation payment of your deposits up to the total amount corresponding to 100 000 EUR will commence within 7 working days at the latest from the decisive day. In some cases (e.g. financial funds registered on the account of the payment institution etc.) the period for commencement of the payment can be longer (15 working days). If within the stated period you do not receive your payment, you should contact the Financial Market Guarantee System (Deposit Insurance Fund), for after a certain period a limitation term for the application of the claim could elapse. Objective limitation term with payments in case of credit institutions residing in the Czech Republic makes 3 years according to § 41h, Article 3 of Act of Banks. Further information can be acquired on [www.garancnisystem.cz](http://www.garancnisystem.cz).

## What is Deposit Insurance Fund

The Deposit Insurance Fund is a legal entity regulated by the Act of Banks no. 21/1992 Coll., which is not a governmental fund in the sense of a special law. No special regulations about insurance apply to the insurance of deposit claims. All banks and branch offices of foreign banks are obliged to participate in the System of deposit insurance and will contribute to the Fund within the scope determined by the Law about banks.

## What is insured

Deposits of the citizens (individuals) and firms (legal entities) in Czech or foreign currency, including interest, are insured. Namely on the conditions of fulfilling the requirements for identification of a fund owner:

- Current accounts in Czech or foreign currency of individuals and legal entities
- Saving accounts in Czech or foreign currency of individuals and legal entities
- Term deposits in Czech or foreign currency of individuals and legal entities
- Deposit books in Czech or foreign currency of individuals and legal entities

If one person at Sberbank CZ has deposits kept on private and business accounts, a common insurance limit of 100 000 EUR is applied to all of them together.

## Specifics of deposit insurance of regional self-governing units

Deposits of regional self-governing units can be insured only in case, that their fiscal income is documented to the Bank in compliance with the law no. 243/2000 Coll., about the budget determination of some taxes to regional self-governing units and to some public funds, and they do not exceed 500 000 EUR in the decisive period (tax income declared in statement FIN2-12M determined according to the decree no. 5/2014 Coll.) The decisive period is considered a calendar year, which is two years prior to the year, for which the claims have to be insured – therefore for the deposit insurance for 2016 it is necessary to submit the statement for 2014.

Based on the documented amount of tax incomes Sberbank CZ issues without unnecessary delay a statement, whether and for what period the deposit claims of the regional self-governing unit are insured.

Deposit claims of the regional self-governing unit will be insured from the beginning of the calendar year immediately following the year, in which the regional self-governing documented the total amount of tax income not exceeding the total amount of 500 000 EUR, or from the day, the Bank issues a statement about the deposit claim insurance of the regional self-governing unit, if the regional self-governing declared the total amount of tax income not exceeding 500 000 EUR in the year, in which the deposit claims of the regional self-governing units should be insured.

## What is not insured

- Bills of Exchange and securities (e.g. deposit bills of Exchange, shares, bonds, share certificates).
- Bank deposits (interbank deposits), financial institutions deposits, health insurance deposits, and government funds deposits.
- The deposit insurance does not apply to retirement savings, complementary retirement funds, life insurance and capital insurance
- Subordinate debts (institution's deposits, which are eligible to be included in its capital)
- Prepaid pay cards not connected to any account, issued in for of electronic money.

## Who is insured

The condition for insurance of each deposit is, that the depositor is properly identified.

- In case of citizens, the deposits are kept under their first name, last name, birth number (or date of birth or an identification number) and the permanent address of the depositor.
- In case of firms, where the deposit is kept under a commercial firm or a name of a legal person, its place of residence and identification number (only for local companies)

An individual or a legal entity does not have to apply for the deposit insurance. Deposits kept in banks, building societies or credit unions are insured automatically, directly from the law.