

Regulations PLN and FX Term Deposits for Institutional Clients

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Attachment:

Fee on early withdrawal of some or all funds from a term deposit

Chapter I

General Provisions

§ 1

1. These „Regulations on PLN and FX Term Deposits for Institutional Clients” (hereinafter referred to as the „Regulations”) specify the rules and the manner of concluding and settling term deposit transactions and liabilities of the parties to the transaction between: the Client and mBank S.A. with its seat in Warsaw, hereinafter “Bank”.
2. Terms used in these Regulations are used in accordance with meanings ascribed to them in the Regulations „General Terms and Conditions of Co-operation with Clients in Financial Market Transactions”, with the reservation of paragraphs 3-4 and § 3 of these Regulations.
3. „Concluding a term deposit transaction” should be understood as:
 - 1/ establishing a term deposit,
 - 2/ change of conditions of term deposit (that is, change of clearing accounts for payment of deposit capital and /or payment of interest),
 - 3/ early withdrawal of a term deposit in full or in part.
4. „Frame agreement” should be understood as “Frame Agreement on the Principles of Co-operation in Financial Market Transactions” or „Frame agreement on the principles by which corporate customers place zloty and foreign currency term deposits by means of telephone instructions”.

§ 2

1. The Bank accepts term deposits from Institutional Clients.
2. An Institutional Client, hereinafter referred to as the „Client”, is:
 - 1/ a natural person, with whom the Bank has concluded a agreement for providing trust services, represented on the basis of a granted power of attorney by an entity managing a package of securities on order, or a natural person conducting economic activity,
 - 2/ a legal entity,
 - 3/ an organizational unit not holding the status of a legal entity, if it has legal capacity, who intends to conclude or has concluded a term deposit transaction with the Bank.
3. In matters not regulated by these Regulations, the provisions of the „General Terms and Conditions of Co-operation with Clients in Financial Market Transactions” Regulations which are an integral part of these Regulations, shall be applicable.
4. In case of discrepancies between the provisions of these Regulations and the „General Terms and Conditions of Co-operation with Clients in Financial Market Transactions” Regulations, the provisions of these Regulations shall be binding.

§ 3

The Client and the Bank conclude term deposit transactions according to the provisions of the currently effective legal regulations, in particular the Banking Law and Foreign Currency Law, and these Regulations, as well as the “General Terms and Conditions of Co-operation with Clients in Financial Market Transactions” Regulations.

Chapter II

Rules of Concluding Term Deposits Transactions

§ 4

1. Term deposit transactions may be concluded within the following agreements:
 - 1/ Frame agreement,
 - 2/ Integrated Bank Account Agreement,
 - 3/ agreement for services of electronic banking or a system of electronic banking of home banking type.
2. If a transaction is concluded beyond the scope of any of the agreements mentioned in paragraph 1, conclusion of the transaction shall be confirmed by a Term Deposit Agreement (Individual Contract).

§ 5

1. Concluding term deposit transaction may take place:
 - 1/ by telephone or
 - 2/ through systems of electronic banking made available to the Client or
 - 3/ directly in the Bank branch,by persons authorized to submit declarations of will within property rights and obligations on behalf of the Client and the Bank (including plenipotentiaries).
2. Concluding a term deposit transaction shall take place after arranging the conditions of transaction by the Client and the Bank.

§ 6

1. Concluding a transaction of establishing a term deposit, the parties are obliged to arrange the following conditions, based on the rules specified in these Regulations:
 - 1/ currency and amount of the term deposit capital,
 - 2/ determination, whether the deposit is to be renewable, and in case of a renewable deposit determining whether interest after expiry of each date of the deposit should increase the capital of the deposit, or whether they should be transferred to an account indicated by the Client for payment of interest,
 - 3/ period of the deposit for which the interest is established and after which the bank shall capitalize or pay interest; the sum of periods of term deposit for renewable deposits should fall within the range of one day to ten years, provided that no period of term deposit renewal may exceed 2 years, for non-renewable deposits, the period should be within the range of one day to two years;
 - 4/ the period of term deposit, by indicating the day of beginning of the term deposit period and the expiry day of the term deposit period, with the reservation of paragraph 4 and § 11 paragraph 2,
 - 5/ interest rate on the deposit beginning day,
 - 6/ clearing account, where the Client deposits funds intended for the deposit at the amount corresponding to the deposit capital amount,
 - 7/ clearing account for return of the deposit capital,
 - 8/ clearing account for payment of interest by virtue of the deposit, with the reservation of paragraph 3.
2. If no account/accounts described in paragraph 1 points 7-8 were indicated upon conclusion of a transaction, the deposit capital and/or interest shall be transferred to the Client’s clearing account specified in paragraph 1 point 6.

3. In case where term deposit transaction is concluded into costs of unallowable debit balance, the account/accounts mentioned in paragraph 1 point 7-8, must be identical with the account mentioned in paragraph 1 point 6 under pain of the Bank using the right to withdraw from the term deposit transaction in accordance with § 19 of these Regulations. In such a case the clearing account mentioned in paragraph 1 point 6 should be a current/auxiliary account of the Client, kept by the Bank on grounds of a bank account agreement.
4. The last day of the term deposit period should not be a holiday. If the last day of the term deposit period falls on a holiday for the Bank or for the country of the term deposit (which means that the exchange rate of the term deposit currency cannot be settled or established), the expiry of term deposit shall take place on the first business day following that day.

§ 7

1. As the moment of receipt of an instruction for the Bank to conclude a term deposit transaction or withdraw a term deposit shall be the moment when a correct instruction from the Client is received by the Bank.
2. Instructions of concluding a term deposit transaction or withdrawal of a term deposit submitted to the Bank on a business day until the hours specified by the Bank and in the manner determined in paragraph 5, shall be executed on the day of their submission. Instructions submitted after the specified hour shall be realized by the Bank on the next business day.
3. Instructions of concluding a term deposit transaction or withdrawal of a term deposit submitted on a holiday shall be deemed by the Bank as received on the next business day.
4. Should the Bank refuse to implement an instruction to conclude a term deposit transaction or withdraw a term deposit, the Bank shall immediately inform the Client of this fact.
5. Detailed information concerning working hours for submitting instructions is given to the Client on websites of the mBank Group or by posting the information up in operations room of the Bank.

§ 8

Instructions of change of term deposit transaction conditions should be submitted to the Bank no later than:

- 1/ one business day before the expiry of a given period of term deposit in PLN,
- 2/ two business days before the expiry of a given period of term deposit in other currencies.

Chapter III

Conditions of Term Deposit Transactions

§ 9

The Bank accepts term deposits in selected currencies, in which the Clients' current/auxiliary accounts are kept.

§ 10

1. The minimum amount of a term deposit is PLN 50,000, or its equivalent in another currency.
2. The limit mentioned in paragraph 1 shall not apply to special-purpose deposits.
3. In justified cases, the Bank may conclude a term deposit transactions the amount of which is lower than the limit mentioned in paragraph 1.

§ 11

1. Term deposit may be, according to the Client's instruction, a nonrenewable deposit or a renewable deposit, i.e. automatically prolonged for subsequent periods corresponding in length to the period for which it was concluded.
2. In case of concluding a transaction of establishing a renewable deposit, the parties may not arranged the expiry day of the term deposit period. In such a situation the parties arranged the expiry day of term deposit period during the conclusion of transaction of change or withdrawal of term deposit.

§ 12

The Bank shall inform the Client about:

- 1/ Term deposit interest, confirming the transaction in the manner indicated in § 17 paragraph 1,
- 2/ The offered basic interest rates for term deposits in the form of announcements published in operation rooms of the Bank or websites of the mBank Group at www.mbank.pl.

§ 13

1. The interest rate on term deposits is fixed throughout the term of the deposit.
2. The interest on term deposits accrue at the actual number of calendar days from the starting day of the deposit inclusive until the end date of the term deposit exclusive.
3. The amount the interest rates of term deposits shall be established annually.
4. In case of renewable deposits, for the subsequent period of deposit, the Bank shall apply the value of interest from the business day preceding the expiry day of the previous term deposit period.

§ 14

1. In case of non-renewable deposits, after the expiry of deposit period, interest is transferred to a bank account indicated by the Client for payment of interest.
2. In case of renewable deposit, after the expiry of each deposit period, interest, depending on the Client's instruction, shall increase the deposit capital or shall be transferred to the bank account indicated by the Client for payment of interest.

§ 15

The Bank shall have the right to change interest rates for renewable term deposit in subsequent periods for which the deposit is renewed in case of occurrence at least one from the reasons listed below:

- 1/ change of basic interest rates for term deposits in the Bank or
- 2/ change of interest rates in the interbank money market (WIBID, LIBOR, EURIBOR for one, three or six months or appropriately for the deposit period) or
- 3/ change of obligatory reserve rate or
- 4/ change of the level of NBP interest rates or

- 5/ change of interest rates in central banks of countries in currencies of which the Bank keeps bank accounts or
- 6/ change of policy rules applied by NBP, having direct impact on the liquidity situation in the banking sector.

Chapter IV

Rules of Term Deposits Transactions Settlement

§ 16

1. On the first day of deposit period, the Bank shall charge the clearing account agreed with the Client and shall establish the Client's term deposit.
2. On the expiry day of the term deposit period, the Bank shall close the Client's term deposit and shall appropriately acknowledge the clearing account/accounts with the amount of the term deposit capital and interest.

§ 17

1. The following shall be the confirmation of term deposit transaction:
 - 1/ statement from current/auxiliary account, made available to the Client in accordance with the bank account agreement, including operations concerning the deposit,
 - 2/ Term Deposit Agreement in case the Client concludes an Individual Contract with the Bank.
2. A change of the form of confirmations by the Bank, mentioned in paragraph 1 shall not constitute a change to these Regulations.

§ 18

1. A Client who is bound by an Individual Agreement shall sign and deliver to the Bank a copy of this Agreement within the time limit specified in the "General Terms and Conditions of Co-operation with Clients in Financial Market Transactions".
2. If the Client fails to comply with the obligation referred to in sec. 1, the Bank may withdraw from performing the Agreement and inform the Client that the term deposit transaction has not been concluded. Funds shall be returned to the Client's account, provided that the Bank is entitled to remuneration for handling the transaction, and the provisions of §19(2) of these Rules shall apply *mutatis mutandis*.

§ 19

1. If, on the starting day of the term deposit period, no funds are secured by the Client on the clearance account agreed during conclusion of the transaction, the Bank shall be entitled to debit the Client's current/auxiliary account maintained by the Bank under a bank account agreement with the term deposit amount so that an unallowable debit balance arises in the account, or to terminate the term deposit transaction within 30 days of its conclusion.
2. If the Bank terminates the term deposit transactions for the reasons specified in sec. 1, the Client shall pay to the Bank the transaction handling fee of 0.02% of the term deposit amount but no less than PLN 200 or the equivalent of this amount in another currency in which the term deposit was opened.

§ 20

1. In case where the Client holds a current/auxiliary account with the Bank, the Bank shall have the right to debit this account with the amount of remuneration mentioned in §19 (2) of these Regulations.
2. In case where the Client does not hold a current/auxiliary account with the Bank, the Client shall have the obligation to immediately transfer the amount of remuneration mentioned in §19 (2) of these Regulations, to the Bank's account, indicated by the Bank.

§ 21

1. Before the due date, the Client may withdraw the whole of or any part of the term deposit capital. The remaining part of the deposit capital must not be lower than the minimum deposit amounts specified in §10 of these Regulations, with the reservation of paragraph 2.
2. In case of the Client's instruction submitted through the system of electronic banking, early withdrawal of the deposit may take place while maintaining the following conditions:
 - 1/ withdrawal of the term deposit takes place in full,
 - 2/ clearing account for return of the deposit capital and clearing account for payment of interest by virtue of the deposit, are accounts kept by the Bank on the basis of bank account agreements concluded with the Client and in the same currency.
3. The withdrawn capital of term deposit shall be transferred to the indicated Client's account on the day of concluding the transaction.
4. In case of withdrawal of term deposit, the Bank shall proceed in accordance with the content of §22 of these Regulations.

§ 22

1. With respect to a withdrawn term deposit, the Client shall:
 - 1/ receive the interest accrued in accordance with the agreed interest rate for the actual time of maintenance of the term deposit, and
 - 2/ pay the early withdrawal fee in the amount adopted on the day of opening the term deposit.
2. The fee referred to in sec. 1(2) shall be calculated on the withdrawn term deposit for the time from withdrawal of the term deposit principal amount until the planned end date of the deposit.
3. The Bank shall inform the Client about the percentage level of the fee referred to in sec. 1(2) in the manner specified in the Appendix to these Regulations.

§ 23

1. Acting in accordance with the Client's order, the Bank may block the term deposit for a period arranged with the Client.
2. During the blockade of the term deposit, early withdrawal of the term deposit funds is not possible.

Chapter V

Final Provisions

§ 24

1. The Client may file a complaint relating to provision of services by the Bank under the Agreement.
2. Complaints may be lodged in each organisational unit of the Bank which renders customer services. The number of the Bank's organisational units together with their addresses is available on the mBank Group website.

3. Complaints may lodged in writing, orally — by phone or during a personal contact with a Bank's employee, as well as electronically, in particular via the electronic mBank CompanyNet system.
4. Each complaint should include a detailed description of the contested event, the Client's expectations as to the manner of solving the complaint, the bank account number, name and Statistical ID Number (REGON) of the Client as well as the particulars of the person lodging the complaint (first name, surname, telephone number and email address).
5. The Bank shall process complaints promptly as soon as possible, provided that the time limit for processing a complaint and responding to it should not exceed 30 calendar days from receipt of the complaint by the Bank. In exceptionally complex matters, where a complaint cannot be processed and a response cannot be provided within the time limit indicated in the preceding sentence, the deadline for complaint processing and responding to the complaint may be extended to maximum 60 days, of which the Bank shall notify the Client.
6. After processing a complaint, the Bank shall inform the Client about the outcome of the complaint procedure. A response to a complaint shall be provided in writing, via another permanent information medium, or — for Clients that are legal entities or unincorporated organisational entities — via electronic mail.
7. If the claims raised in the Client's complaint are not accepted, the Client may apply to the Bank for re-examination of the matter within 14 days of receiving a response to the complaint. The appeal shall be made in writing. The appeal should contain the information referred to in sec. 4.
8. Provisions of sections 1–7 shall be without prejudice to the Client's right to assert claims against the Bank in accordance with generally applicable legal regulations.

The Bank's operations are supervised by the Polish Financial Supervision Authority (Komisja Nadzoru Finansowego, KNF).

§ 25

1. Deposits (PLN or FX) of the following depositors shall be subject to protection under the Bank Guarantee Fund, in line with the rules set out in the Act of 14 December 1994 on Bank Guarantee Fund:
 - 1/ natural persons,
 - 2/ legal entities (corporations),
 - 3/ unincorporated organizational units, provided they have legal capacity,
 - 4/ school savings schemes and savings-and-loans schemes for workers,
 depositors that are a party to a personal bank account agreement or are obliged to pay an amount to the Bank for banking activities (confirmed with documents issued by the Bank in the name of the party, or personal depository certificates referred to in Article 9(1) of the Financial Instruments Trading Act of 29 July 2005, and the persons referred to in Article 55(1) and Article 56(1) of the Banking Law, subject to Article 26q of the Act on Bank Guarantee Fund, unless their debt to the Bank has matured before the guarantee condition fulfilment date (within the meaning of the Act on Bank Guarantee Fund).
2. If the Bank maintains a single account for several entities (a joint account), each of such entities shall be a depositor to the extent specified in the account agreement, and in the absence of contractual provisions or regulations in this respect – in equal parts.
3. If the Bank maintains an account for a civil law partnership, registered partnership, professional partnership, limited partnership or limited joint-stock partnership, such a partnership shall be the depositor.
4. The guaranteed funds shall be subject to mandatory guarantee scheme from the day of their payment to the bank account no later than on the day preceding the day of fulfilment of the guarantee condition, and for receivables resulting from banking activities, if such an activity was performed before the day of fulfilment of the guarantee condition – up the amount (including interest accrued until the day of fulfilment of the guarantee condition, in accordance with the interest rate indicated in the agreement, regardless of their maturity date) equivalent in PLN to EUR 100,000 – in 100%.
5. To calculate the EUR value in PLN, the average exchange rate on the day of guarantee condition fulfilment shall be taken into account, as published by the National Bank of Poland.
6. The amount equivalent in PLN to EUR 100,000 constitutes the maximum claim that a depositor may have against the Bank Guarantee Fund, regardless of the amounts held on bank accounts and the number of such accounts, or the number of claims the Client is entitled to receive from the Bank.
7. Claims under the guarantee shall be barred by limitation after 5 years from the guarantee condition fulfilment day.

§ 26

1. The provisions of these Regulations may be amended during the effective term of a term deposit.
2. The amended Regulations shall apply to the existing deposits and renewed deposits after their effective date.
3. The amended Regulations or the notification of changes to the Regulations, including the effective date of such changes, shall be delivered to Clients who entered into agreements with the Bank as indicated in §4, in the manner defined in sections 4–6.
4. For Clients who use the electronic banking system under an agreement concluded with the Bank, the new text of the Regulations or the notification referred to in sec. 3 may alternatively be delivered via a hyperlink to the mBank Group's website (www.mbank.pl), posted on the electronic banking website, containing the amended text of the Regulations. Together with the hyperlink, the electronic banking system website will contain information about the date of publication of changes to the Regulations on the website, as well as information on the effective date of such changes. The day of delivering the changed Regulations to the Client shall be the eighth day from the publication of changes to the Regulations on the website of mBank Group at www.mbank.pl.
5. For Clients who use the electronic home banking system under an agreement concluded with the Bank, the new text of the Regulations or the notification referred to in sec. 3 may alternatively be delivered via electronic mail of the home banking system. In this case, the Bank shall inform the Client via the electronic mail how to access the changed Regulations for downloading and the date on which the amended Regulations will be available for downloading. The day of delivering the changed Regulations shall be the eighth day from making the changed Regulations available to the Client for download.
6. In situations other than described in sections 4–5, delivery to the Client of the amended Regulations referred to in sec. 1 shall be made by publication of the changes on mBank Group's website at www.mbank.pl/aktualnosci/msp-korporacje, containing the amended text of the Regulations. Apart from the amended text of the Regulations, information will be provided about the date of publication of the changed Regulations and the effective date of such changes. The day of delivering the changed Regulations to the Client shall be the eighth day from the publication of changes to the Regulations on the website of mBank Group at www.mbank.pl/aktualnosci/msp-korporacje.
7. Client's refusal to accept the new conditions of term deposits resulting from the amended Regulations should be expressed in writing within 14 days of delivery of the new text of the Regulations or the notification, and shall also constitute withdrawal of the instruction to renew the term deposits if the Client used such renewable deposits.
8. No statement of will regarding acceptance of the new terms and conditions of the Regulations within 14 days of their delivery shall be deemed by the Bank as acceptance of the new Regulations by the Client as at the effective date of such changes.
9. Opening or renewal of a new term deposit by the Client on each date following the effective date of the new terms and conditions of term deposits shall mean that the changed terms and conditions of the Regulations have been accepted.
10. No statement of will regarding acceptance of the new terms and conditions of the Regulations within 14 days of their delivery shall be deemed by the Bank as acceptance of the new Regulations by the Client as at the effective date of such changes.
11. The amended Regulations shall come into force on the date indicated by the Bank, but no earlier than after 14 days from their delivery in accordance with the provisions of sections 3–6.

§ 27

1. A Client using the electronic banking system under an agreement with the Bank undertakes to the Bank to read the information provided by the Bank via the electronic banking system, in particular information about amended Regulations, at least once a week.
2. A Client using the electronic home banking system under an agreement with the Bank undertakes to download and read the textual information provided by the Bank via the electronic mail of the electronic home banking system, at least once a week.
3. A Client who does not use the electronic banking systems referred to in sections 1–2 undertakes to the Bank to read the information provided by the Bank to Clients, in particular information about amended Regulations published on the mBank Group's website at www.mbank.pl/aktualnosci/msp-korporacje at least once a week.

§ 28

To the extent specified in these Payment Services Regulations, the provisions of Chapter II of the Payment Services Act of 19 August 2011 and Article 34, Articles 35–37, Article 40 (3)–(4), Article 45, Article 46 (2)–(5), Article 47, Article 48 as well as Article 51, Articles 144–146 of the Payment Services Act or, if permissible, other provisions of law which modify or amend said provisions, shall not apply.

§ 29

1. The Bank, as a personal data controller within the meaning of the Personal Data Protection Act of 29 August 1997, hereby informs that the Client's data as well as the data of the Client's representatives shall be processed within the data filing system maintained by the Bank for the purpose of fulfilment of the terms and conditions of agreement made with the Bank.
2. Additionally, the Bank informs that in order to exercise the Bank's statutory rights and fulfil its statutory obligations involved in the performance of banking activities, the Client's data may be transferred to:
 - 1/ The Banking Register System – a database controlled – within the meaning of the Personal Data Protection Act – by the Polish Bankers' Association having its registered office in Warsaw, established and operating on the basis of Article 105(4), (4a) and (4d) and Article 105a of the Banking Law.
 - 2/ Biuro Informacji Kredytowej S.A. (credit information bureau) having its registered office in Warsaw, established and operating on the basis of Article 105(4), (4a) and (4d) and Article 105a of the Banking Law.
 - 3/ business information bureaus operating in accordance with the Act of 9 April 2010 on disclosure of business information and exchange of business data, if:
 - a/ the overall amount of liabilities to the Bank is at least PLN 500,
 - b/ the payment or payments are due for at least 60 days,
 - c/ at least one month has elapsed from sending a request for payment by the lending Bank disclosing the data, via registered mail to the mailing address indicated by the Client, and if no such address was indicated – to the Client's registered office address, with a warning that the data will be disclosed to such a bureau, and with the business name and registered address of the bureau.
3. The Client's data collected in the Banking Register System maintained by the Association of Polish Bankers and in Biuro Informacji Kredytowej S.A. may be disclosed to:
 - 1/ other banks,
 - 2/ financial institutions which are banks' subsidiaries within the meaning of the Banking Law of 29 August 1997,
 - 3/ other entities holding relevant statutory authorisations – subject to the terms and conditions laid down in the Banking Law of 29 August 1997,
 - 4/ business information bureaus operating in accordance with the Act of 9 April 2010 on disclosure of business information and exchange of business data, to the extent and subject to the conditions laid down in the Act, in response to requests filed by such bureaus and to the requested extent.
4. Pursuant to the provisions of the Personal Data Protection Act, the Client and the Client's representatives shall be entitled to:
 - 1/ access and correct their data,
 - 2/ object against personal data processing for direct marketing of the Bank's products and services.

FEE FOR EARLY WITHDRAWAL OF SOME OR ALL FUNDS FROM A TERM DEPOSIT

1. Pursuant to the provisions of §22 of the Regulations governing "PLN and FX Term Deposits for Institutional Clients", the Bank shall be entitled to a fee for early withdrawal of the funds from the term deposit.
2. The fee is charged on the withdrawn portion of the term deposit for the period from the date of withdrawal of the term deposit funds until the planned end date of the term deposit.
3. The value of the Bank's fee is:
 - 1/ for PLN deposits – 1.5% p.a.
 - 2/ for currency deposits – 1.0% p.a.