

INFORMATION REGARDING THE CSOB EMBARGO POLICY



International organizations and authorities such as the United Nations, the European Union and local or other national authorities can all impose restrictive measures against countries, organizations, legal entities and/or individuals for committing or being suspected of infringement of human rights and international law, acts of crime, terrorism, money-laundering etc. These measures are most commonly referred to as sanctions or embargoes.

CSOB has a responsibility towards customers and authorities to conduct business in a lawful and ethical way. Therefore, we will observe laws and binding requirements of applicable laws and regulations, and for reasons of social responsibility, we may also choose to be more strict than legally imposed.

Embargoes

An embargo is a restrictive measure or sanction on national and/or international level. Although provisions differ by country, person or agency, we distinguish two common types of embargoes:

- **Financial embargoes:** restrictions related to financial operations and financial resources
- **Trade embargoes:** restrictions on the import or export of certain goods or trade with certain countries or parties

CSOB Bank complies with financial and trade embargoes issued by the United Nations (made enforceable in Slovakia), the European Union and by the Slovak legislator, and any other embargo issued by a number of Third Countries that it determines are relevant such as the USA (OFAC).

For more information on UN, EU and OFAC sanctions, please click on the respective links below.

Observing embargo regulations means that CSOB will not provide funds or economic resources to persons, entities or government agencies that appear on embargo sanction lists or support any kind of transaction with these parties. This not only helps us to avoid penalties for breaching international sanctions, it also helps you, as our customer, manage some of the risks associated with international trade.

CSOB has implemented certain screening measures in its different processes to ensure compliance with the applicable restrictions and regulations and with its own policy where this is stricter. As a result, a customer may be requested to provide CSOB with more information or documentation on transactions or counterparties before CSOB can process a transaction or payment.

Please note that Correspondent Banks also have the right to suspend any transaction in case their monitoring system detects a potential breach of embargoes. In case of suspended transactions CSOB Bank acts only as intermediary between the customer and the correspondent bank, without having any influence on the result of their investigation.

In order to avoid complications customers are advised to contact the bank when considering doing business with countries, persons, entities or government agencies against which restrictive measures have been imposed. For more information on applicable embargoes or on specific CSOB policies, please get in touch with your CSOB contact person.

CSOB specific country policies

CSOB has decided to go further than the legally applicable sanction programs and to apply a stricter policy with respect to the following countries: Crimea, Cuba, Iran, North-Korea, Russia, South-Sudan, Sudan, Syria and Venezuela. CSOB deems these countries to be more sensitive, for instance because comprehensive or complex embargoes or export control regulations are imposed under UN, EU or Third Country legislation or regulations, and/or because of the presence of a significant number of blocked individuals or entities. Therefore, please always contact your contact person at CSOB when you have questions regarding our policy with respect to one of these countries.

Through a thorough screening of the transaction details CSOB wants to make sure that the transaction is legally allowed and within the limits of our own policy.

The details for each country policy may change at any given time, due to changing regulations or political circumstances.

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Crimea

CSOB will not process any payments in USD, CAD or GBP that involve Crimean parties. CSOB will only process non-USD, non-GBP or non-CAD payments for its own customers, after thorough screening of the transaction details to make sure the transaction is legally allowed and within the limits of our own policy.

Cuba

CSOB will not process any payments in USD, CAD or GBP that involve Cuban parties. CSOB will only process non-USD, non-GBP or non-CAD payments for its own customers, after thorough screening of the transaction details to make sure the transaction is legally allowed and within the limits of our own policy.

Iran

CSOB will not process any payment or transaction that is related to Iran.

Myanmar/Burma

Besides financial transactions to and from sanctioned persons and entities, various other transactions and related financial transactions can be excluded, regardless of the currency.

Therefore, a financial transaction regarding Myanmar/Burma will only be processed after thorough screening of the transaction details, to make sure that the transaction is transparent, legally allowed and also, within the boundaries of CSOB internal policy regarding Myanmar/Burma.

North-Korea

CSOB will not process any payment or transaction that is related to North-Korea.

Russia

Sanctions on Russia are very diverse and comprehensive, EU and OFAC sanctions are different.

Therefore, every transaction that has any link to Russia will be thoroughly screened to make sure the transaction is legally allowed and within the limits of our own policy.

Sudan and South-Sudan

The majority of sanctions wrt. Sudan and South-Sudan have been revoked, however with the exception of the so-called name sanctions and asset freezes.

Irrespective of the currency, CSOB will only process transactions (both trade related and retail transactions) for its own customers and after thorough screening of the transaction details, to make sure, the transaction is transparent, legally allowed and within the limits of CSOB internal policy.

Syria

CSOB will not process any payments in USD, CAD or GBP that involve Syrian parties.

CSOB will only process non-USD, non-CAD or non-GBP payments for its own customers, after thorough screening of the transaction details to make sure the transaction is legally allowed and within the limits of our own policy.

Venezuela

Sanctions on Venezuela are not only very diverse and comprehensive: EU and Third Country sanctions also cover a range of various types of activities, persons, entities and currencies.

CSOB will not process payments in USD, GBP nor CAD, involving Venezuelan parties. CSOB will only process non-USD, non-GBP or non-CAD payments for its own customers and after a thorough screening of the transaction details to ensure that the transaction is legally allowed and within the limits of CSOB internal policy regarding Venezuela.

UN: <https://www.un.org/sc/suborg/en/sanctions/un-sc-consolidated-list>

EU: <http://ec.europa.eu/dgs/fpi/what-we-do/sanctionsen.htm>

US (OFAC): <http://www.ustreas.gov/offices/enforcement/ofac/sdn/>