

## **Information on payment transactions carried out within the SWIFT network**

Dear Clients,

Please read the following information carefully:

Upon the client's request, HSBC Bank plc – the Prague branch (hereinafter referred to as 'the Branch') carries out the clients' international payment transfers to a recipient's account kept at his bank through the Society for Worldwide Interbank Financial Telecommunication – SWIFT. This society is duly registered in Belgium and is currently the only organization providing this type of services worldwide. If the Branch is expected to offer its clients global payment services, it has no other choice than to make international payments through the SWIFT network that meets the strictest safety standards and whose functions are employed by the Branch as well as by other banks performing international payments.

The SWIFT Company's operational centers are located in Europe and in the USA and secure the temporary storage of all the data related to completed transactions. The data are simultaneously saved in their identical form on several servers divided according to geographic criteria, which corresponds to the international standards for the securing of continuous payments as well as to the requirements for bank surveillance.

Since September 11, 2001, the US Finance Department has requested - based on a securing judicial order – the SWIFT operational center in the USA to provide data on payment transactions for the purpose of fight against terrorism. As stated by the SWIFT representatives, the SWIFT Company and the US Finance Department reached an agreement which reduces the extent of the data required under the securing warrant of the US court to a minimum volume necessary only for the purpose of fight against terrorism. Securing the data from payment transactions based on a judicial order is legal in the USA. All related matters are solved on an international level, which also applies to the European legislation governing trade secret.

**By making this announcement the Branch informs its clients that their personal data used during international payment transactions (i.e. name and possibly also address, account number, payment amount, and the purpose of payment) may become part of the information disclosed by the SWIFT Company to the US Finance Department for the purpose of fight against terrorism.**