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Information Memorandum dated 8 June 2016



CZECH EXPORT BANK  
ČESKÁ EXPORTNÍ BANKA

ČESKÁ EXPORTNÍ BANKA, A.S.

GUARANTEED BY STATUTE BY  
THE CZECH REPUBLIC

ARRANGER

CITIGROUP

DEALERS

BARCLAYS

BRED BANQUE POPULAIRE S.A.

ČESKÁ SPOŘITELNA, A.S.

ČESKOSLOVENSKÁ OBCHODNÍ BANKA, A.S.

CITIGROUP

GOLDMAN SACHS INTERNATIONAL

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KOMERČNÍ BANKA, A.S.

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€400,000,000

EURO-COMMERCIAL PAPER PROGRAMME

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## IMPORTANT NOTICE

This Information Memorandum (together with any supplementary information memorandum and information incorporated herein by reference, the "**Information Memorandum**") updates an information memorandum of a euro-commercial paper programme of Česká exportní banka, a.s. (the "**Issuer**") dated 20 September 2011 and contains summary information provided by the Issuer in connection with a euro-commercial paper programme guaranteed by statute by the Czech Republic (the "**Guarantor**") (the "**Programme**") under which the Issuer is authorised by its general meeting of shareholders (such authorisation being effective until 31 December 2021, or as otherwise extended) to issue and have outstanding at any time euro-commercial paper notes (the "**Notes**") up to a maximum aggregate amount of €400,000,000 or its equivalent in alternative currencies. Under the Programme, the Issuer may issue Notes outside the United States pursuant to Regulation S ("**Regulation S**") of the United States Securities Act of 1933, as amended (the "**Securities Act**") which will have the benefit of a guarantee by the Guarantor under Section 8 of Act No. 58/1995, as amended, of the Czech Republic (the "**Guarantee**"). The Issuer has, pursuant to a dealer agreement dated 8 June 2016 (the "**Dealer Agreement**"), appointed Citibank Europe plc, UK Branch as arranger for the Programme (the "**Arranger**"), appointed Barclays Bank PLC, BRED Banque Populaire S.A., Česká spořitelna, a.s., Československá obchodní banka, a.s., Citibank Europe plc, UK Branch, Goldman Sachs International, ING Bank N.V. and Komerční banka, a.s. as dealers for the Notes (the "**Dealers**") and authorised and requested the Dealers to circulate the Information Memorandum in connection with the Programme on their behalf to purchasers or potential purchasers of the Notes.

This Information Memorandum is not intended to give a complete and comprehensive overview of the Issuer or the Guarantor. Investors should seek further information from publicly available sources. However, the Issuer has confirmed to the Arranger and the Dealers that the information contained or incorporated by reference in the Information Memorandum is true and accurate in all material respects and not misleading and that there are no other facts the omission of which makes the Information Memorandum as a whole or any such information contained or incorporated by reference therein misleading.

Neither the Issuer, the Guarantor, the Arranger nor the Dealers accept any responsibility, express or implied, for updating the Information Memorandum and neither the delivery of the Information Memorandum nor any offer or sale made on the basis of the information in the Information Memorandum shall under any circumstances create any implication that the Information Memorandum is accurate at any time subsequent to the date thereof with respect to the Issuer or the Guarantor or that there has been no change in the business, financial condition or affairs of the Issuer or the Guarantor since the date thereof.

No person is authorised by the Issuer or the Guarantor to give any information or to make any representation not contained in the Information Memorandum and any information or representation not contained therein must not be relied upon as having been authorised.

Neither the Arranger nor any Dealer has independently verified the information contained in the Information Memorandum. Accordingly, no representation or warranty or undertaking (express or implied) is made, and no responsibility or liability is accepted by the Arranger or the Dealers as to the authenticity, origin, validity, accuracy or completeness of, or any errors in or omissions from, any information or statement contained in the Information Memorandum or in or from any accompanying or subsequent material or presentation.

The information contained in the Information Memorandum is not and should not be construed as a recommendation by the Arranger, the Dealers, the Issuer or the Guarantor that any recipient should purchase Notes. Each such recipient must make and shall be deemed to have made its own independent assessment and investigation of the financial condition, affairs and creditworthiness of the Issuer and the Guarantor and of the Programme (including a review of all publicly available information or other information sources as it may deem relevant) as it may deem necessary and must base any investment decision upon such independent assessment and investigation and not on the Information Memorandum.

Neither the Arranger nor any Dealer undertakes to review the business or financial condition or affairs of the Issuer or the Guarantor during the life of the Programme, nor undertakes to advise any recipient of the Information Memorandum of any information or change in such information coming to the Arranger's or any Dealer's attention.

Neither the Arranger nor any of the Dealers accepts any liability in relation to this Information Memorandum or its distribution by any other person. This Information Memorandum does not, and is not intended to, constitute an offer or invitation to any person to purchase Notes. The distribution of this Information Memorandum and the offering for sale of Notes or any interest in such Notes or any rights in respect of such Notes, in certain jurisdictions, may be restricted by law. Persons obtaining this Information Memorandum or any Notes or any interest in such Notes or any rights in respect of such Notes are required by the Issuer, the Guarantor, the Arranger and the Dealers to inform themselves about and to observe any such restrictions. In particular, but without limitation, such persons are required to comply with the restrictions on offers or sales of Notes and on distribution of this Information Memorandum and other information in relation to the Notes, the Issuer and the Guarantor set out under "**Selling Restrictions**" below.

**THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S) ("U.S. PERSONS") UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE AND IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER JURISDICTION.**

**The Notes have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities approved this Information Memorandum or confirmed the accuracy or determined the adequacy of the information contained in this Information Memorandum. Any representation to the contrary is unlawful.**

No application will be made at any time to list the Notes on any stock exchange. A communication of an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "FSMA")) received in connection with the issue or sale of any Notes will only be made in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Guarantor.

## **Tax**

No comment is made, and no advice is given by the Issuer, the Guarantor, the Arranger or any Dealer in respect of taxation matters relating to the Notes and each investor is advised to consult its own professional adviser.

## **Interpretation**

In the Information Memorandum, references to euros, € and EUR are to the lawful currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty on the Functioning of the European Union, as amended from time to time; references to Sterling and £ are to pounds sterling; references to U.S. Dollars and U.S.\$ are to United States dollars; references to JPY and ¥ are to Japanese Yen; references to CZK are to Czech koruna, references to Renminbi or CNY are to the lawful currency of the People's Republic of China and references to the EU are to the European Union.

Where the Information Memorandum refers to the provisions of any other document, such reference should not be relied upon and the document must be referred to for its full effect.

## **Documents Incorporated By Reference**

The most recently published audited financial statements of the Issuer and any subsequently published financial statements or interim financial statements (whether audited or unaudited) of the Issuer shall be deemed to be incorporated in, and to form part of, this Information Memorandum.

Any statement contained in a document incorporated by reference into this Information Memorandum or contained in any supplementary information memorandum or in any document incorporated by reference therein shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify supersede earlier statements contained in this Information Memorandum or in a document which is incorporated by reference in this Information Memorandum. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Information Memorandum.

Except as provided above, no other information, including information on the web sites of the Issuer and the Guarantor is incorporated by reference into this Information Memorandum.

Each Dealer will, following receipt of such documentation from the Issuer, provide to each person to whom a copy of this Information Memorandum has been delivered, upon request of such person, a copy of any or all the documents incorporated herein by reference unless such documents have been modified or superseded as specified above. Written requests for such documents should be directed to the relevant Dealer at its office as set out at the end of this Information Memorandum.

## **Risks Relating to Renminbi-Denominated Notes**

Notes denominated in Renminbi ("**Renminbi Notes**") may be issued under the Programme. Investors should note that Renminbi Notes contain particular risks for potential investors, including (but not limited to) the following:

- (a) Renminbi is not freely convertible and there are significant restrictions on remittance of Renminbi into and outside Mainland China,

- (b) the liquidity of Renminbi Notes and the Issuer's ability to source Renminbi outside Mainland China to service such Renminbi Notes may be limited, and
- (c) investment in Renminbi Notes is subject to exchange rate risks.

Investors should seek their own advice as necessary.

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## SUMMARY OF THE PROGRAMME

<b>Issuer:</b>	Česká exportní banka, a.s.
<b>Arranger:</b>	Citibank Europe plc, UK Branch Barclays Bank PLC
<b>Dealers:</b>	BRED Banque Populaire S.A. Česká spořitelna, a.s. Československá obchodní banka, a.s. Citibank Europe plc, UK Branch Goldman Sachs International ING Bank N.V. Komerční banka, a.s.
<b>Issue and Paying Agent:</b>	Citibank, N.A., London Branch
<b>Maximum Amount of the Programme:</b>	The outstanding principal amount of the Notes will not exceed €400,000,000 (or its equivalent in other currencies) at any time (the " <b>Maximum Amount</b> "). The Maximum Amount may be increased from time to time in accordance with the Dealer Agreement.
<b>Guarantee:</b>	The Notes have the benefit of the statutory Guarantee.
<b>Ratings:</b>	The Programme has been assigned ratings by two of Moody's Investor Services, Ltd., Fitch Ratings Ltd and Standard & Poor's Credit Market Services Europe Ltd. at all times. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the relevant rating agency.
<b>Form of the Notes:</b>	The Notes will be in bearer form. The Notes will initially be in global form (" <b>Global Notes</b> "). A Global Note will be exchangeable into definitive notes (" <b>Definitive Notes</b> ") only in the circumstances set out in that Global Note.
<b>Delivery:</b>	Global Notes will be deposited with a common depository for Euroclear Bank S.A./N.V. (" <b>Euroclear</b> ") and Clearstream Banking, société anonyme (" <b>Clearstream, Luxembourg</b> ") or with any other clearing system. Account holders will, in respect of Global Notes, have the benefit of a Deed of Covenant dated 8 June 2016 (the " <b>Deed of Covenant</b> "), copies of which may be inspected during normal business hours at the specified office of the Paying Agent. Definitive Notes (if any are printed) will be available in London for collection or for

delivery to Euroclear, Clearstream, Luxembourg or any other recognised clearing system.

**Currencies:**

Notes may be denominated in euros, U.S. Dollars, Japanese Yen, Sterling, Czech koruna or any other currency subject to compliance with any applicable legal and regulatory requirements.

**Term of Notes:**

The tenor of the Notes shall be not less than one day (or such shorter term as may be agreed between the Issuer, the Paying Agent and the relevant Dealer **provided that** such term is practical in all relevant circumstances) or more than 364 days from and including the date of issue, to (but excluding) the maturity day, subject to compliance with any applicable legal and regulatory requirements.

**Denomination of the Notes:**

Notes may have any denomination, subject to compliance with any applicable legal and regulatory requirements. The initial minimum denominations for Notes are U.S.\$500,000, €500,000, £100,000, ¥100,000,000, CNY1,000,000 or CZK10,000,000. The minimum denominations of Notes denominated in other currencies will be in accordance with any applicable legal and regulatory requirements. Minimum denominations may be changed from time to time.

**Listing:**

The Notes will not be listed on any stock exchange.

**Yield Basis:**

The Notes may be issued at a discount or at a premium or may bear fixed or floating rate interest.

**Redemption:**

The Notes may be redeemed at par.

**Status of the Notes:**

The Issuer's obligations under the Notes will rank at least *pari passu* with all present and future unsecured and unsubordinated obligations of the Issuer as the case may be other than obligations mandatorily preferred by law applying to companies generally.

**Selling Restrictions:**

Offers and sales of Notes and the distribution of this Information Memorandum and other information relating to the Issuer and the Notes are subject to certain restrictions, details of which are set out under "**Selling Restrictions**" below.

**Taxes:**

All payments in respect of the Notes shall be made without withholding or deduction for or on account of any taxes imposed by the jurisdiction of incorporation of the Issuer (being, as of the date hereof, the Czech



Republic) or any political subdivision or taxing authority thereof, unless such withholding or deduction is required by law. If such withholding or deduction is required by law, the Issuer shall, subject to certain exceptions, be required to pay such additional amounts as shall result in receipt by the holder of such amounts as would have been received by it had no such withholding or deduction been required.

**Governing Law:**

The Notes and all non-contractual obligations arising out of or in connection with them will be governed by, and construed in accordance with, English law.

## DESCRIPTION OF ČESKÁ EXPORTNÍ BANKA, A.S.

*The information in this section is qualified by the most recently published audited consolidated and non-consolidated annual financial statements of the Issuer and, if published later, the most recently published unaudited interim financial statements of the Issuer (together the "Financial Statements") which shall be deemed to be incorporated in, and to form part hereof. See "Documents Incorporated By Reference" for information on how to obtain the Financial Statements.*

### Overview

Česká exportní banka, a.s. ("**CEB**") is a specialised banking institution supported by the Czech Republic (the "**State**"). It provides export financing to promote Czech exports. CEB was founded by the State under the laws of the Czech Republic as a joint stock company on 1 March 1995 and its registered office is at Vodičkova 34/701, 111 21 Prague 1, Czech Republic. CEB is registered in the commercial register maintained by the Municipal Court in Prague with file number B 3042, and its identification number is 63078333.

CEB is a 100 per cent. directly and indirectly State-owned and controlled bank: 84 per cent. of its shares are held by the State directly, with the remaining 16 per cent. held by Exportní garanční a pojišťovací společnost, a.s. (the "**EGAP**"), which itself is 100 per cent. State-owned. Pursuant to Section 6 of the Act No. 58/1995 Coll., as amended (the "**Act**"), stipulates that it is the condition for the provision of officially supported financing that the State shall maintain at least a two-thirds ownership in CEB.

CEB's mission is to provide State support for exports by granting export credits and by providing other export-associated banking services in accordance with the Act. CEB complements the services offered by other banks operating in the State by financing export transactions which require medium- or long-term funding at interest rates and in volumes otherwise unattainable for exporters in the banking market. The aim of this is to enable Czech exporters to compete internationally on terms comparable with those available to their foreign competitors.

CEB's obligations arising from its operations on financial markets are fully guaranteed by the State, unless such guarantee is prohibited by law of another state, as set out in Section 8 of the Act. CEB is a duly licensed bank and holds a banking licence issued by the Czech National Bank (the "**CNB**"). CEB therefore operates in accordance with all banking regulations of the State and is subject to supervision carried out by the CNB. Although the CEB's banking licence is extensive and entitles CEB, amongst others, to accept deposits, provide loans, carry out payments and settlements, trade on its own account in foreign currencies, grant guarantees and letters of credit, make documentary collection and deal with securities, CEB generally avoids involvement in transactions which could be completed by commercial banks on market terms and conditions.

### Management

CEB's executive and supervisory bodies consist of:

- (a) A supervisory board (which appoints and oversees the board of directors); and

- (b) A board of directors (which manages all CEB's operations and provides on-going directives to the CEB's senior management).

CEB's executive and supervisory bodies are supported by several divisions established to perform operational risk control functions and exercise strategic management responsibilities such as the audit committee, the credit committee, the assets and liabilities management commission, the information technologies development commission and the operational risk management commission.

### **Supervisory board**

The supervisory board of CEB appoints members of the board of directors and oversees the way CEB's board of directors' authority is exercised and the manner in which CEB's business is pursued. The supervisory board evaluates and monitors the implementation of the business strategy and banking policies on an on-going basis. The Supervisory Board consists of seven individuals who are elected for a term of five years by the CEB's general meeting of shareholders. Six of them are elected based on proposals of the respective shareholders and one is elected from CEB's employees based on a proposal by CEB's board of directors.

### **Board of directors**

The board of directors of CEB consists of five individuals. It is CEB's statutory governing body managing CEB's operations and deciding on all matters except those reserved for the CEB's general meeting of shareholders. The board of directors represents CEB with respect to third parties and delegates some of its tasks to employees. All its members have extensive experience in the Czech banking market.

### **Audit committee**

The audit committee focuses on evaluation of quality of financial governance of CEB by monitoring a financial reporting, administration and management of CEB and internal control systems.

### **Credit committee**

The credit committee is a permanent decision-making and advisory body of the board of directors for deciding on and evaluating all issues related to selected transaction and credit risk management, and the advisory body of CEB's senior management.

### **Assets and liabilities management commission**

The assets and liabilities management commission is a permanent decision-making and advisory body of the board of directors for deciding on and evaluating all issues related to assets and liabilities management and minimisation of market risks related to bank transactions and operations of CEB on financial markets.

### **Information technologies development commission**

The information technologies development commission is a permanent decision making and advisory body of the board of directors of CEB dealing with issues in relation to information and communication technology management.

## **Operational risk management commission**

Operational risk management commission is a permanent decision-making and advisory body of the board of directors. It makes decisions and evaluates operational risks including all areas related to information security management of CEB.

## **Controls and Management Information**

Control reports analysing loan exposure, projected cash flow for the following two years, foreign exchange exposure and interest rate exposure are produced by CEB's analysts on a daily basis and reviewed by the management of CEB. Monthly financial performance reports are produced for the senior management's review. An asset and liability management report is produced on a monthly basis and reviewed by the assets and liabilities committee, which consists of the senior management and meets monthly. This report analyses interest rate risk, foreign exchange risk and liquidity risk.

Quarterly reports including interim financial statements, details of outstanding loans and an analysis of potential new transactions are submitted to the board of directors.

Annual information is required to be submitted for review by the Czech Parliament under the terms of the Act. This annual information report, which is not publicly available, includes financial results of CEB and general description of transactions, so that the Parliament can verify that CEB's primary purpose of supporting Czech exporters is being fulfilled.

Annual financial statements are prepared in accordance with international financial reporting standards as adopted by the European Union and are audited.

## **Products**

CEB offers the following export financing products:

- medium- and long-term export credits with a repayment term between two and twelve years; terms and conditions of credits and the level of official support, in particular concerning repayment terms and interest rates, are in full compliance with the OECD Consensus:
  - buyer's credits – credits extended to the buyer, i.e. to the foreign importer or to the importer's bank; and
  - supplier's credits – credits to the Czech exporter or the refinancing of credits extended by the exporter's bank;
- project financing credits and mixed loans, usually used in the financing of large infrastructure projects (provided predominantly as buyer's credits);
- short-term export credits of up to two years extended under market terms without an interest rate subsidy;
- credits for financing production intended for export (pre-export financing), i.e. special-purpose short-term credits at market terms extended to exporters in relation to concluded contracts; such credits may take the form of both direct and refinancing credits, and may also be extended on a revolving basis;

- long-term credits for the financing supporting foreign investments of a Czech legal entity;
- guarantees covering obligations of Czech producers issued in favour of foreign beneficiaries and related to the performance of export contracts, i.e. bid bonds, advance payment guarantees, performance bonds and warranty bonds under which CEB guarantees that the exporter will fulfil its contractual obligations; and
- purchase of short-term export receivables.

In addition, CEB offers further services to support the general competitiveness of Czech exporters such as providing structured framework credit agreements with banks in the Czech exporters' target markets, assisting with the development of financing structures for large-scale exports and providing advisory and consultancy services.

### **Credit approval process**

CEB follows a well-established credit approval process, during which CEB reviews, among others, liquidity, leverage, profitability and other pertinent ratios of the exporter, as well as information on the export transaction relating to a) the importer, including information on its legal name, registered office, legal status and ownership structure and financial reports for the past three years, b) the export transaction in question, including a description of destination country, a description of the project, importer's business plan for period corresponding with the lifetime of the required financing, a draft of the supply contracts, details of the type of products sold, terms of delivery and payment terms, information on the availability of EGAP insurance, the availability of security, and details of other parties and/or other banks involved in the transaction. CEB's evaluation of banks involved in the transaction includes also a review of their capital adequacy and assets composition. CEB fully implemented the Basel III rules. CEB adheres to all anti-money laundering and compliance procedures and requirements.

All transactions are reviewed, analysed and structured by CEB's export finance department and credit risk management department. The transactions, which qualify as potentially acceptable for CEB, are presented to CEB's credit committee. The credit committee reviews the proposed transactions and in certain cases makes the decision on the provision of the financing with respect to the reviewed transaction. If the reviewed transaction extends beyond the credit committee's approval authority, the credit committee makes a recommendation to the board of directors for the approval and the board of directors makes the final decision on the provision of financing of the transaction. Certain transactions are further reviewed by the supervisory board.

CEB undertakes a similar process when evaluating bank counterparties. In addition, CEB's analysts prepare an internal rating of each bank involved in the transaction using, among other things, research materials from rating agencies, where available. Additionally, CEB conducts an independent due diligence to form its view on the creditworthiness of the involved banking counterparties.

In the credit approval process, the board of directors makes final decisions based on the report of analysts and due diligence.

## **Credit portfolio structure**

The majority of CEB's activities have been focused on financing in the form of medium- and long-term loans. However CEB has also offered additional products such as short-term trade financing, pre-export financing and bank guarantees.

CEB maintains a separate lending book for officially-supported financing and a separate lending book for financing provided at market terms. The officially-supported financing accounts for a significant majority of the total credit portfolio.

During the recent years, CEB has experienced a shift in its activities from providing simple export credits to providing more sophisticated products, including structured products provided in co-operation with commercial banks and project finance.

## **Funding**

CEB raises its funds for the purpose of providing Czech export financing primarily by issuing debt instruments on international and domestic financial markets. Also, any profit earned by CEB is, after all necessary payments, reused in export financing.

Under Section 8 of the Act, the State guarantees repayment of all the resources obtained by CEB on international and domestic financial markets as well as all other obligations of CEB arising from its operations on financial markets. The Act provides that losses incurred by CEB as a result of providing financing of Czech exports on terms at a level which is unfavourable compared to CEB's own cost of funds will be covered by the state budget.

CEB's original capital was provided by the State and EGAP. This capital is invested in government securities or deposited at banks. The return on capital is used primarily to cover CEB's annual operating expenses.

## **Shareholders**

### **EGAP**

EGAP, which holds 16 per cent. of shares in CEB, was incorporated in June 1992 as a joint-stock company. It is 100 per cent. State-owned and EGAP's activities are governed by statute. EGAP was formed to provide insurance to financing institutions against political and commercial risks in connection with export credits related to exports of goods and services from the Czech Republic. Such insurance is provided with official support.

CEB and EGAP co-operate closely in Czech exports promotion as the majority of credits provided by CEB account for the majority of EGAP's insurance policies extended.

## DESCRIPTION OF THE CZECH REPUBLIC

### **The Czech Republic**

The Czech Republic, which directly or indirectly holds 100 per cent. share in CEB, is a landlocked country in Central Europe, bordered by Poland, Slovakia, Austria, and Germany. It was formed in 1918 as Czechoslovakia and after 1948 it became a communist-ruled country for more than 40 years. On 1 January 1993, after Czechoslovakia peacefully dissolved, the Czech Republic became an independent country with pluralist multi-party parliamentary representative democracy and separated legislative, executive and judicial powers.

The Czech Republic is a member of the European Union, North Atlantic Treaty Organization, the Organisation for Economic Co-operation and Development, the Organization for Security and Co-operation in Europe, the Council of Europe and the Visegrád Group. It is also a party to a number of bilateral international treaties concerning foreign trade and economic cooperation. In addition, the Czech Republic is also a member of the World Trade Organization and a party to multilateral agreements concerning foreign trade with the Commonwealth of Independent States.

The Czech Republic has not joined the third stage of the European Economic and Monetary Union.

The Czech Republic is regularly rated by the international rating agencies and its foreign currency long-term sovereign debt rating has been steadily improving since 1998.

By statute, the Czech Republic is liable for, and guarantees repayment of, all obligations of CEB for repayment of financial resources obtained by CEB and for all obligations following from other operations by CEB on financial markets.

## SELLING RESTRICTIONS

### 1. **General**

Each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that it will observe all applicable laws and regulations in any jurisdiction in which it may offer, sell, or deliver Notes and it will not directly or indirectly offer, sell, resell, re-offer or deliver Notes or distribute the Information Memorandum, circular, advertisement or other offering material in any country or jurisdiction except under circumstances that will result, to the best of its knowledge and belief, in compliance with all applicable laws and regulations.

### 2. **United States of America**

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S. Each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that it has not offered or sold and will not offer or sell, Notes constituting part of its allotment within except in accordance with Rule 903 of Regulation S.

Each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that it has offered and sold the Notes, and will offer and sell the Notes (i) as a part of their distribution at any time and (ii) otherwise until 40 days after the later of the commencement of the offering and closing date (the "**distribution compliance period**"), only in accordance with Rule 903 of Regulation S.

Each Dealer has also agreed (and each further Dealer appointed under the Programme will be required to agree) that, at prior to confirmation of sale of Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect:

"The Securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S."

Each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that neither it, nor any of its affiliates nor any person acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes, and that it and they have complied with the offering restriction of Regulation S.



Terms used in this paragraph have the meanings given to them by Regulation S.

### 3. **The United Kingdom**

Each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that:

- (a) (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and
- (ii) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (the "FSMA") by the Issuer;
- (b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (c) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

### 4. **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "FIEA"). Accordingly, each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

### 5. **Czech Republic**

No approval or permit has been sought or obtained from the Czech National Bank in accordance with the Act on Conducting Business in the Capital Market (Act

No.256/2004 Coll., as amended) (the "**Czech Capital Markets Act**") or otherwise in respect of the Notes or the Information Memorandum (except for notifying the Czech National Bank under the Act on Bonds (Act No.190/2004 Coll., as amended)). No application has been filed nor has any permission been obtained nor has any other arrangement been made for accepting the Notes for trading on any regulated market in the Czech Republic. Pursuant to Section 34(4)(c) of the Czech Capital Markets Act, the provisions of the Czech Capital Markets Act relating to public offering of investment securities do not apply to offering of securities unconditionally and irrevocably guaranteed by an EU Member State (such as the Notes) and the offering of the Notes is therefore exempt from the Czech regulation of public offering of investment securities.

## 6. The Netherlands

Zero Coupon Notes (as defined below) in definitive form may only be transferred and accepted, directly or indirectly, within, from or into The Netherlands through the mediation of either the Issuer or a member firm of Euronext Amsterdam N.V. admitted in a function on one or more of the markets or systems operated by Euronext Amsterdam N.V. (*toegelaten instelling*) in full compliance with the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of 21 May 1985 (as amended) and its implementing regulations and must either be:

- (i) between individuals or legal entities who or which trade or invest in securities in the conduct of a profession or trade (which includes banks, dealers, insurance companies, pension funds, other institutional investors and commercial enterprises which regularly, as an ancillary activity, invest in securities); or, in any other case
- (ii) recorded in a transaction note which includes the name and address of each party to the transaction, the nature of the transaction and the details and serial number of such Note.

No such mediation is required: (a) in respect of the transfer and acceptance of rights representing an interest in a Zero Coupon Note in global form, or (b) in respect of the initial issue of Zero Coupon Notes in definitive form to the first holders thereof, or (c) in respect of the transfer and acceptance of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession, or (d) in respect of the transfer and acceptance of such Zero Coupon Notes within, from or into The Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in a Zero Coupon Note in global form) of any particular Series or Tranche are issued outside The Netherlands and are not distributed into The Netherlands in the course of initial distribution or immediately thereafter.

In the event that the Savings Certificates Act applies, certain identification requirements in relation to the issue and transfer of, and payments on, Zero Coupon Notes have to be complied with.

As used herein "Zero Coupon Notes" are Notes that are in bearer form and that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

## **7. People's Republic of China**

Each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that neither it nor any of its affiliates has offered or sold or will offer or sell any of the Notes in the People's Republic of China (excluding Hong Kong, Macau and Taiwan) (the "**PRC**") or to residents of the PRC, except as permitted by the securities laws of the PRC.

## **8. Hong Kong**

Each Dealer has represented and agreed (and each further Dealer appointed under the Programme will be required to represent and agree) that:

- (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**")) other than (i) to "professional investors" as defined in the SFO and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and
- (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under that Ordinance.

## **9. Singapore**

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Information Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore (the "**MAS**"). Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289 of Singapore) (the "**SFA**")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions

specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

## FORM OF MULTICURRENCY BEARER PERMANENT GLOBAL NOTE

### (Interest Bearing/Discounted)

THE SECURITIES REPRESENTED BY THIS GLOBAL NOTE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE "**SECURITIES ACT**") OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT) UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE AND IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER JURISDICTION. THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL THE SECURITIES OF THE TRANCHE OF WHICH THIS SECURITY FORMS PART.

[Purchasers of Renminbi denominated Notes should note that the Renminbi is not a freely convertible currency. All payments in respect of Renminbi denominated Notes will be made solely by transfer to a Renminbi bank account maintained outside of the PRC (as defined below) in accordance with prevailing rules and regulations. The Issuer cannot be required to make payment by any other means (including in another currency or by bank transfer to a bank account in the PRC). In addition, there can be no assurance that access to Renminbi funds for the purposes of making payments on Renminbi denominated Notes or generally may not remain or become restricted. For these purposes the "PRC" means the People's Republic of China (excluding Hong Kong Special Administrative Region of the People's Republic of China ("Hong Kong"), the Macau Special Administrative Region of the People's Republic of China and Taiwan).]<sup>1</sup>

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<sup>1</sup> Use if the Notes are denominated in Renmibi.

**ČESKÁ EXPORTNÍ BANKA, A.S.**  
**(Incorporated in the Czech Republic)**  
**guaranteed by statute by the Czech Republic**

ISIN: \_\_\_\_\_

Issued in London on: \_\_\_\_\_

Specified Currency: \_\_\_\_\_

Maturity Date<sup>2</sup>: \_\_\_\_\_

Nominal Amount: \_\_\_\_\_  
(words and figures if a Sterling denominated Note)

Reference Rate: \_\_\_\_\_  
month LIBOR/EURIBOR/CNH  
HIBOR/[OTHER]<sup>3</sup>

Reference Rate Screen Page:<sup>4</sup> \_\_\_\_\_

Interest Determination Date:<sup>5</sup> \_\_\_\_\_

Relevant Time:<sup>6</sup> \_\_\_\_\_

Day Count Fraction:<sup>7</sup> \_\_\_\_\_

Calculation Agent:<sup>8</sup> \_\_\_\_\_

Fixed Interest Rate:<sup>9</sup> \_\_\_\_\_ % per annum

Margin: <sup>10</sup> \_\_\_\_\_ %

Interest Payment Dates:<sup>11</sup> \_\_\_\_\_

1. For value received, **ČESKÁ EXPORTNÍ BANKA, A.S.** (the "**Issuer**") promises to pay to the bearer of this Global Note on the Maturity Date the Nominal Amount together with interest thereon at the rate and at the times (if any) specified herein.

All such payments shall be made in accordance with an issue and paying agency agreement dated 8 June 2016 (as amended, restated or supplemented from time to time, the "**Agency Agreement**") between the Issuer, the issue agent and the paying agents referred to therein, a copy of which is available for inspection at the offices of Citibank, N.A., London Branch (the "**Paying Agent**") at Citigroup Centre, Canada

<sup>2</sup> Not to be more than 364 days from (and including) the Issue Date.

<sup>3</sup> Complete/Delete as appropriate.

<sup>4</sup> Complete for floating rate interest bearing Notes only if a Reference Rate other than LIBOR, EURIBOR OR CNH HIBOR is specified. If the specified Reference Rate is LIBOR, EURIBOR OR CNH HIBOR leave blank as these provisions are covered in Condition 12.

<sup>5</sup> Complete for floating rate interest bearing Notes only if a Reference Rate other than LIBOR, EURIBOR OR CNH HIBOR is specified. If the specified Reference Rate is LIBOR, EURIBOR OR CNH HIBOR leave blank as these provisions are covered in Condition 12.

<sup>6</sup> Complete for floating rate interest bearing Notes only if a Reference Rate other than LIBOR, EURIBOR OR CNH HIBOR is specified. If the specified Reference Rate is LIBOR, EURIBOR OR CNH HIBOR leave blank as these provisions are covered in Condition 12.

<sup>7</sup> Complete for floating rate interest bearing Notes only if a Reference Rate other than LIBOR, EURIBOR OR CNH HIBOR is specified. If the specified Reference Rate is LIBOR, EURIBOR OR CNH HIBOR leave blank as these provisions are covered in Condition 12.

<sup>8</sup> Complete for floating rate interest bearing Notes only.

<sup>9</sup> Complete for fixed rate interest bearing Notes only.

<sup>10</sup> Complete for floating rate interest bearing Notes only. Margin to be equal to or greater than zero.

<sup>11</sup> Complete for interest bearing Notes.

Square, Canary Wharf, London, E14 5LB, and subject to and in accordance with the terms and conditions set forth below. All such payments shall be made upon presentation and surrender of this Global Note at the order of the Paying Agent referred to above by transfer to an account denominated in the Specified Currency maintained by the bearer with (i) a bank in the principal financial centre in the country of the Specified Currency or, (ii) if this Global Note is denominated or payable in euro by transfer to a euro account (or any other account to which euro may be credited or transferred) maintained by the payee with, a bank in the principal financial centre of any member state of the European Union or, (iii) if this Global Note is denominated or payable in Renminbi, to a Renminbi account maintained in accordance with the applicable laws and regulations at such bank in Hong Kong.

Notwithstanding the foregoing, presentation and surrender of this Global Note shall be made outside the United States and no amount shall be paid by transfer to an account in the United States, or mailed to an address in the United States. In the case of a Global Note denominated in U.S. Dollars, payments shall be made by transfer to an account denominated in U.S. Dollars in the principal financial centre of any country outside of the United States that the Issuer or Paying Agent so chooses.

2. This Global Note is issued in representation of an issue of Notes in the aggregate Nominal Amount.
3. All payments in respect of this Global Note by or on behalf of the Issuer shall be made without set-off, counterclaim, fees, liabilities or similar deductions and free and clear of, and without deduction or withholding for or on account of, taxes, levies, duties, assessments or charges of any nature now or hereafter imposed, levied, collected, withheld or assessed on behalf of the Czech Republic or any political subdivision or taxing authority of or in any of the foregoing ("**Taxes**"), unless the withholding or deduction of Taxes is required by law. In that event, the Issuer shall, to the extent permitted by applicable law or regulation, pay such additional amounts as shall be necessary in order that the net amounts received by the bearer of this Global Note after such deduction or withholding shall equal the amount which would have been receivable hereunder in the absence of such deduction or withholding, except that no such additional amounts shall be payable where this Global Note is presented for payment:
  - (a) by or on behalf of a holder which is liable to such Taxes by reason of its having some connection with the jurisdiction imposing the Taxes other than the mere holding of this Global Note; or
  - (b) more than 15 days after the Maturity Date or, if applicable, the relevant Interest Payment Date or (in either case) the date on which payment hereof is duly provided for, whichever occurs later, except to the extent that the holder would have been entitled to such additional amounts if it had presented this Global Note on the last day of such period of 15 days.
4. If the Maturity Date or, if applicable, the relevant Interest Payment Date is not a Payment Business Day (as defined herein) payment in respect hereof will not be made and credit or transfer instructions shall not be given until the next following Payment Business Day (unless that date falls more than 364 days after the Issue Date, in which case payment shall be made on the immediately preceding Payment Business Day)

and neither the bearer of this Global Note nor the holder or beneficial owner of any interest herein or rights in respect hereof shall be entitled to any interest or other sums in respect of such postponed payment.

As used in this Global Note:

**"Payment Business Day"** means any day other than a Saturday or Sunday which is either (i) if the Specified Currency is any currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars, New Zealand dollars or Renminbi, shall be Sydney, Auckland or Hong Kong respectively or (ii) if the Specified Currency is euro, a day which is a TARGET Business Day;

**"TARGET Business Day"** means a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) System which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto, is operating credit or transfer instruction in respect of payments in euro.

Provided that if the Paying Agent determines with the agreement of the Issuer that the market practice in respect of euro denominated internationally offered securities is different from that specified above, the above shall be deemed to be amended so as to comply with such market practice and the Paying Agent shall procure that a notice of such amendment is published in accordance with paragraph 12(g) not less than 15 days prior to the date on which any payment in euro falls due to be made in such manner as the Paying Agent may determine.

5. The payment obligation of the Issuer represented by this Global Note constitutes and at all times shall constitute a direct and unsecured obligation of the Issuer ranking at least *pari passu* with all present and future unsecured and unsubordinated obligations of the Issuer other than obligations mandatorily preferred by law applying to companies generally.
6. This Global Note is negotiable and, accordingly, title hereto shall pass by delivery and the bearer shall be treated as being absolutely entitled to receive payment upon due presentation hereof free and clear of any equity, set-off or counterclaim on the part of the Issuer against any previous bearer hereof.
7. This Global Note is issued in respect of an issue of Notes of the Issuer and is exchangeable in whole (but not in part only) for duly executed and authenticated bearer Notes in definitive form (whether before, on or, subject as provided below, after the Maturity Date):
  - (a) if the clearing system(s) in which this Global Note is held at the relevant time is closed for business for a continuous period of 14 days or more (other than by reason of weekends or public holidays statutory or otherwise) or if any such clearing system announces an intention to, or does in fact, permanently cease business; or



- (b) if default is made in the payment of any amount payable in respect of this Global Note.

Upon presentation and surrender of this Global Note during normal business hours to the Issuer at the offices of the Paying Agent (or to any other person or at any other office outside the United States as may be designated in writing by the Issuer to the bearer), the Issue Agent shall authenticate and deliver, in exchange for this Global Note, bearer definitive notes denominated in the Specified Currency in an aggregate nominal amount equal to the Nominal Amount of this Global Note.

- 8. If, upon any such default and following such surrender, definitive Notes are not issued in full exchange for this Global Note before 5.00 p.m. (London time) on the thirtieth day after surrender, this Global Note (including the obligation hereunder to issue definitive notes) will become void and the bearer will have no further rights under this Global Note (but without prejudice to the rights which the bearer or any other person may have under a Deed of Covenant dated 8 June 2016 (as amended, re-stated or supplemented as of the date of issue of the Notes) entered into by the Issuer).
- 9. This Global Note has the benefit of a statutory guarantee by the Czech Republic as a guarantor pursuant to Section 8 of Act No. 58/1995, as amended.
- 10. If this is an interest bearing Global Note, then:
  - (a) notwithstanding the provisions of paragraph 1 nad, if any payment of interest in respect of this Global Note falling due for payment prior to the Maturity Date remains unpaid on the fifteenth day after falling so due, the Nominal Amount shall be payable on such fifteenth day;
  - (b) upon each payment of interest (if any) prior to the Maturity Date in respect of this Global Note, the Schedule hereto shall be duly completed by the Paying Agent to reflect such payment;
  - (c) payments due in respect of Notes for the time being represented by this Global Note shall be made to the bearer of this Global Note and each payment so made will discharge the Issuer's obligations in respect thereof. Any failure to make the entries referred to in (b) above shall not affect such discharge;
  - (d) if no Interest Payment Dates are specified on this Global Note, the Interest Payment Date shall be the Maturity Date.
- 11. If this is a fixed rate interest bearing Global Note, interest shall be calculated on the Nominal Amount as follows:
  - (a) interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days or, if this Global Note is denominated in Sterling or Renminbi, 365 days at the Fixed Interest Rate with the resulting figure being rounded to the nearest amount of the Specified Currency which is available as legal tender in the country or

countries (in the case of the euro) of the Specified Currency (with halves being rounded upwards); and

- (b) the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is an "**Interest Period**" for the purposes of this paragraph.

12. If this is a floating rate interest bearing Global Note, interest shall be calculated on the Nominal Amount as follows:

- (a) in the case of a Global Note which specifies LIBOR as the Reference Rate on its face, the Rate of Interest will be the aggregate of LIBOR and the Margin (if any) above or below LIBOR. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days or, if this Global Note is denominated in Sterling, 365 days.

As used in this Global Note:

"**LIBOR**" shall be equal to the rate defined as "LIBOR-BBA" in respect of the Specified Currency (as defined in the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc., as amended, updated or replaced as at the date of this Global Note, (the "ISDA Definitions")) as at 11.00 a.m. (London time) or as near thereto as practicable on the second London Banking Day before the first day of the relevant Interest Period or, if this Global Note is denominated in Sterling, on the first day thereof (a "**LIBOR Interest Determination Date**"), as if the Reset Date (as defined in the ISDA Definitions) was the first day of such Interest Period and the Designated Maturity (as defined in the ISDA Definitions) was the number of months specified on the face of this Global Note in relation to the Reference Rate; and

"**London Banking Day**" shall mean a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London;

- (b) in the case of a Global Note which specifies EURIBOR as the Reference Rate on its face, the Rate of Interest will be the aggregate of EURIBOR and the Margin (if any) above or below EURIBOR. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days.

As used in this Global Note, "**EURIBOR**" shall be equal to EUR-EURIBOR-Reuters (as defined in the ISDA Definitions) as at 11.00 a.m. (Brussels time) or as near thereto as practicable on the second TARGET Business Day before

the first day of the relevant Interest Period (a "**EURIBOR Interest Determination Date**") as if the Reset Date (as defined in the ISDA Definitions) was the first day of such Interest Period and the Designated Maturity (as defined in the ISDA Definitions) was the number of months specified on the face of this Global Note in relation to the Reference Rate;

- (c) in the case of a Global Note which specifies CNH HIBOR as the Reference Rate on its face, the Rate of Interest will be the aggregate of CNH HIBOR and the Margin (if any) above or below CNH HIBOR. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 365 days.

As used in this Global Note:

"**CNH HIBOR**" shall be equal to the CNH-HIBOR-TMA (as defined in the ISDA Definitions) as 11.15 a.m. (Hong Kong time) or if, at or around that time it is notified that such rate will be published at 2.30 p.m. (Hong Kong time), then as of 2.30 p.m. or as near thereto as practicable on the second Hong Kong Banking Day before the first day of the relevant Interest Period (a "**CNH HIBOR Interest Determination Date**"), as if the Reset Date (as defined in the ISDA Definitions) was the first day of such Interest Period and the Designated Maturity (as defined in the ISDA Definitions) was the number of months specified on the face of this Global Note in relation to the Reference Rate; and

"**Hong Kong Banking Day**" shall mean a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Hong Kong;

- (d) in the case of a Global Note which specifies any other Reference Rate on its face, the Rate of Interest will be the aggregate of such Reference Rate and the Margin (if any) above or below such Reference Rate. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the Day Count Fraction specified hereon. As used in this Global Note, the Reference Rate shall be equal to the Reference Rate which appears on the relevant Screen Page as at the Relevant Time on the Interest Determination Date as each such term is specified hereon;
- (e) the Calculation Agent will, as soon as practicable after 11.00 a.m. (London time) on each LIBOR Interest Determination Date or 11.00 a.m. (Brussels time) on each EURIBOR Interest Determination Date or 11.15 a.m. (Hong Kong time) or if, at or around that time it is notified that the CNH HIBOR rate will be published at 2.30 p.m. (Hong Kong time), then as of 2.30 p.m. on each CNH HIBOR Interest Determination Date or at the Relevant Time on each other specified Interest Determination Date (as the case may be), determine the Rate of Interest and calculate the amount of interest payable (the "**Amount of Interest**") for the relevant Interest Period. "**Rate of Interest**" means the

rate which is determined in accordance with the provisions of paragraph 12(a), (b) or (c) (as the case may be). The Amount of Interest payable per Note shall be calculated by applying the Rate of Interest to the Nominal Amount, multiplying such product by the actual number of days in the Interest Period concerned divided by 360 or, if this Global Note is denominated in Sterling or Renminbi, by 365 or the relevant Day Count Fraction and rounding the resulting figure to the nearest amount of the Specified Currency which is available as legal tender in the country or countries (in the case of the euro) of the Specified Currency (with halves being rounded upwards). The determination of the Rate of Interest and the Amount of Interest by the Calculation Agent named above shall (in the absence of manifest error) be final and binding upon all parties;

- (f) the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is called an "**Interest Period**" for the purposes of this paragraph; and
  - (g) the Issuer will procure that a notice specifying the Rate of Interest payable in respect of each Interest Period be published as soon as practicable after the determination of the Rate of Interest. Such notice will be delivered to the clearing system(s) in which this Global Note is held at the relevant time or, if this Global Note has been exchanged for bearer definitive Notes pursuant to paragraph 7, will be published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*).
13. If the proceeds of this Global Note are accepted in the United Kingdom, the Nominal Amount shall be not less than £100,000 (or the equivalent in any other currency).
14. Instructions for payment must be received at the offices of the Paying Agent referred to above together with this Global Note as follows:
- (a) if this Global Note is denominated in Australian dollars, New Zealand dollars, Hong Kong dollars, Renminbi or Japanese Yen, at least two Business Days prior to the relevant payment date;
  - (b) if this Global Note is denominated in United States dollars, Canadian dollars, Swiss francs, euro or Sterling, at least one Business Day prior to the relevant payment date; and
  - (c) in all other cases, at least two Business Days prior to the relevant payment date.

As used in this paragraph, "**Business Day**" means:

- (i) a day other than a Saturday or Sunday on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London; and

- (ii) in the case of payments in euro, a TARGET Business Day and, in the case of payments in Renminbi a day on which commercial banks are open for general business (including clearing and settlement of Renminbi) in Hong Kong, in all other cases, a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre in the country of the Specified Currency.
15. This Global Note shall not be validly issued unless manually authenticated by Citibank, N.A., London Branch as issue agent.
16. This Global Note and any non-contractual obligations arising from or connected with it are governed by, and shall be construed in accordance with, English law.

The English courts have jurisdiction to settle any dispute arising out of or in connection with this Global Note (including a dispute regarding the existence, validity or termination of this Global Note). The Issuer irrevocably submits to the jurisdiction of such courts and waives any objection to proceedings in such courts whether on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum. This submission is made for the benefit of the bearer only and shall not affect the right of the bearer to take proceedings in any other court of competent jurisdiction within the European Union nor shall the taking of proceedings in one or more jurisdictions within the European Union preclude the bearer from taking proceedings in any other jurisdiction within the European Union (whether concurrently or not).

The Issuer irrevocably appoints the Consul Department of the Embassy of the Czech Republic in London currently located at 26 Kensington Palace Gardens, London W8 4QY as its agent for service of process in any proceedings before the English courts in connection with this Global Note. If any person appointed as process agent is unable for any reason to act as agent for service of process, the Issuer will appoint another agent in England, and failing such appointment within 15 days, the bearer shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Paying Agent. This subparagraph applies to proceedings in England and to proceedings elsewhere. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate the relevant proceedings. This paragraph 16 does not affect any other method of service allowed by law.

The Issuer irrevocably and unconditionally agrees not to claim any immunity from proceedings brought by the bearer against it in relation to this Global Note in any jurisdiction and to ensure that no such claim is made on its behalf, consents generally to the giving of any relief or the issue of any process in connection with those proceedings, and waives all rights of immunity in respect of it or its assets to the extent permitted by the laws of such jurisdiction.

17. No person shall have any right to enforce any provision of this Note under the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of any person which exists or is available apart from that Act.

Signed on behalf of:

**AUTHENTICATED** by:

**ČESKÁ EXPORTNÍ BANKA, A.S.**

**CITIBANK, N.A., LONDON BRANCH**

without recourse, warranty or liability and for authentication purposes only

By: \_\_\_\_\_  
(*Authorised Signatory*)

By: \_\_\_\_\_  
(*Authorised Signatory*)

By: \_\_\_\_\_  
(*Authorised Signatory*)

**SCHEDULE**

**PAYMENTS OF INTEREST**

The following payments of interest in respect of this Global Note have been made:

Date Made	Payment From	Payment To	Amount Paid	Notation on behalf of the Paying Agent

## Form of Multicurrency Definitive Note

(Interest Bearing/Discounted)

ČESKÁ EXPORTNÍ BANKA, A.S.

THE SECURITIES REPRESENTED BY THIS NOTE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE **SECURITIES ACT**) OR ANY U.S. STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT) UNLESS AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT IS AVAILABLE AND IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER JURISDICTION. THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE COMPLETION OF THE DISTRIBUTION OF ALL THE SECURITIES OF THE TRANCHE OF WHICH THIS SECURITY FORMS PART.

Unless between individuals not acting in the conduct of a business or profession, each transaction regarding this Note which involves the physical delivery thereof within, from or into The Netherlands, must be effected (as required by the Dutch Savings Certificates Act (*Wet inzake Spaarbewijzen*) of 21 May 1985 (as amended)) through the mediation of the Issuer or a member firm of Euronext Amsterdam N.V., admitted in a function on one or more of the markets or systems operated by Euronext Amsterdam N.V. and must either be:

- between individuals or legal entities who or which trade or invest in securities in the conduct of a profession or trade (which includes banks, dealers, insurance companies, pension funds, other institutional investors and commercial enterprises which regularly, as an ancillary activity, invest in securities); or, in any other case
- recorded in a transaction note which includes the name and address of each party to the transaction, the nature of the transaction and the details and serial number of this Note.<sup>12</sup>

[Purchasers of Renminbi denominated Notes should note that the Renminbi is not a freely convertible currency. All payments in respect of Renminbi denominated Notes will be made solely by transfer to a Renminbi bank account maintained outside of the PRC (as defined below) in accordance with prevailing rules and regulations. The Issuer cannot be required to make payment by any other means (including in another currency or by bank transfer to a bank account in the PRC). In addition, there can be no assurance that access to Renminbi funds for the purposes of making payments on Renminbi denominated Notes or generally may not remain or become restricted. For these purposes the PRC means the People's Republic of China (excluding Hong Kong Special Administrative Region of the People's Republic of China (Hong Kong), the Macau Special Administrative Region of the People's Republic of China and Taiwan).]

<sup>12</sup> This legend should be placed on zero coupon or discounted Notes and Notes on which interest only becomes due at maturity and which are (a) not listed on the Official Segment of Euronext Amsterdam N.V.'s stock market and (b) issued within The Netherlands, or issued outside The Netherlands but distributed within The Netherlands in the course of initial distribution or immediately thereafter.



**ČESKÁ EXPORTNÍ BANKA, A.S.**  
**(Incorporated in the Czech Republic)**  
**guaranteed by statute by the Czech Republic**

ISIN: \_\_\_\_\_

Issue Date: \_\_\_\_\_

Maturity Date<sup>13</sup>: \_\_\_\_\_

Specified Currency: \_\_\_\_\_

Nominal Amount: \_\_\_\_\_  
(words and figures if a Sterling denominated Note)

Reference Rate: \_\_\_\_\_ month

LIBOR/EURIBOR/CNH

HIBOR/[OTHER]<sup>14</sup>: \_\_\_\_\_

Interest Payment Date(s): \_\_\_\_\_

Reference Rate Screen Page:<sup>15</sup>

Interest Determination Date:<sup>16</sup> \_\_\_\_\_

Relevant Time:<sup>17</sup> \_\_\_\_\_

Day Count Fraction:<sup>18</sup> \_\_\_\_\_

Fixed Interest Rate:<sup>19</sup> \_\_\_\_\_ %per annum

Margin: <sup>20</sup> \_\_\_\_\_ %

Calculation

Agent:<sup>21</sup> \_\_\_\_\_

1. For value received, **ČESKÁ EXPORTNÍ BANKA, A.S.** (the "**Issuer**") promises to pay to the bearer of this Note on the Maturity Date the Nominal Amount together with interest thereon at the rate and at the times (if any) specified herein.

<sup>13</sup> Not to be more than 364 days from (and including) the Issue Date. For Hong Kong dollar or Renminbi denominated Fixed Rate Notes consider applying modified following business day convention to the Interest Payment Date and the Maturity Date.

<sup>14</sup> Complete/delete as appropriate.

<sup>15</sup> Complete for floating rate interest bearing Notes only if a Reference Rate other than LIBOR, EURIBOR, CNH HIBOR is specified. If the specified Reference Rate is LIBOR, EURIBOR OR CNH HIBOR leave blank as these provisions are covered in Condition 12.

<sup>16</sup> Complete for floating rate interest bearing Notes only if a Reference Rate other than LIBOR, EURIBOR, CNH HIBOR is specified. If the specified Reference Rate is LIBOR, EURIBOR OR CNH HIBOR leave blank as these provisions are covered in Condition 12.

<sup>17</sup> Complete for floating rate interest bearing Notes only if a Reference Rate other than LIBOR, EURIBOR, CNH HIBOR is specified. If the specified Reference Rate is LIBOR, EURIBOR OR CNH HIBOR leave blank as these provisions are covered in Condition 12.

<sup>18</sup> Complete for floating rate interest bearing Notes only if a Reference Rate other than LIBOR, EURIBOR, CNH HIBOR is specified. If the specified Reference Rate is LIBOR, EURIBOR OR CNH HIBOR leave blank as these provisions are covered in Condition 12.

<sup>19</sup> Complete for fixed rate interest bearing Notes only.

<sup>20</sup> Complete for floating rate interest bearing Notes only.

<sup>21</sup> Complete for all floating rate interest bearing Notes and for fixed rate interest Notes denominated in Renminbi only.

All such payments shall be made in accordance with an issue and paying agency agreement dated 8 June 2016 (as amended, restated or supplemented from time to time, the "**Agency Agreement**") between the Issuer, the issue agent and the paying agents referred to therein, a copy of which is available for inspection at the offices of Citibank, N.A., London Branch (the "**Paying Agent**") at Citigroup Centre, Canada Square, Canary Wharf, London, E14 5LB, and subject to and in accordance with the terms and conditions set forth below. All such payments shall be made upon presentation and surrender of this Note at the offices of the Paying Agent referred to above by transfer to an account denominated in the Specified Currency maintained by the bearer with (i) a bank in the principal financial centre in the country of the Specified Currency, (ii) if this Note is denominated or payable in euro by transfer to a euro account (or any other account to which euro may be credited or transferred) maintained by the payee with, a bank in the principal financial centre of any member state of the European Union or, (iii) if this Note is denominated or payable in Renminbi, to a Renminbi account maintained in accordance with the applicable laws and regulations at such bank in Hong Kong.

2. All payments in respect of this Note by or on behalf of the Issuer shall be made without set-off, counterclaim, fees, liabilities or similar deductions and free and clear of, and without deduction or withholding for or on account of, taxes, levies, duties, assessments or charges of any nature now or hereafter imposed, levied, collected, withheld or assessed by or within the Czech Republic or by any authority therein or thereof having power to tax ("**Taxes**"). If the Issuer or any agent thereof is required by law or regulation to make any deduction or withholding for or on account of Taxes, the Issuer shall, to the extent permitted by applicable law or regulation, pay such additional amounts as shall be necessary in order that the net amounts received by the bearer of this Note after such deduction or withholding shall equal the amount which would have been receivable hereunder in the absence of such deduction or withholding, except that no such additional amounts shall be payable where this Note is presented for payment:
  - (a) by or on behalf of a holder which is liable to such Taxes by reason of its having some connection with the jurisdiction imposing the Taxes other than the mere holding of this Note; or
  - (b) more than 15 days after the Maturity Date or, if applicable, the relevant Interest Payment Date or (in either case) the date on which payment hereof is duly provided for, whichever occurs later, except to the extent that the holder would have been entitled to such additional amounts if it had presented this Note on the last day of such period of 15 days.
3. If the Maturity Date or, if applicable, the relevant Interest Payment Date is not a Payment Business Day (as defined herein) payment in respect hereof will not be made and credit or transfer instructions shall not be given until the next following Payment Business Day (unless that date falls more than 364 days after the Issue Date, in which case payment shall be made on the immediately preceding Payment Business Day) and neither the bearer of this Note nor the holder or beneficial owner of any interest herein or rights in respect hereof shall be entitled to any interest or other sums in respect of such postponed payment.

As used in this Note:

**"Payment Business Day"** means any day other than a Saturday or Sunday which is both (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the relevant place of presentation, and (B) either (i) if the Specified Currency is any currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which, if the Specified Currency is Australian dollars, New Zealand dollars or Renminbi, shall be Sydney, Auckland or Hong Kong) or (ii) if the Specified Currency is euro, a day which is a TARGET Business Day; and

**"TARGET Business Day"** means a day the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET2) System which utilises a single shared platform and which was launched on 19 November 2007, or any successor thereto, is operating credit or transfer instructions in respect of payments in euro.

Provided that if the Paying Agent determines with the agreement of the Issuer that the market practice in respect of euro denominated internationally offered securities is different from that specified above, the above shall be deemed to be amended so as to comply with such market practice and the Paying Agent shall procure that a notice of such amendment is published in accordance with paragraph 8(g) not less than 15 days prior to the date on which any payment in euro falls due to be made in such manner as the Paying Agent may determine.

4. The payment obligation of the Issuer represented by this Note constitutes and at all times shall constitute a direct and unsecured obligation of the Issuer ranking at least *pari passu* with all present and future unsecured and unsubordinated obligations of the Issuer other than obligations mandatorily preferred by law applying to companies generally.
5. This Note is negotiable and, accordingly, title hereto shall pass by delivery and the bearer shall be treated as being absolutely entitled to receive payment upon due presentation hereof (notwithstanding any notion of ownership or other writing hereon or notice of any previous loss or theft thereof) free and clear of any equity, set/off or counterclaim on the part of the Issuer against any previous bearer hereof.
6. If this is an interest bearing Note, then:
  - (a) notwithstanding the provisions of paragraph 1 nad, if any payment of interest in respect of this Note falling due for payment prior to the Maturity Date remains unpaid on the fifteenth day after falling so due, the Nominal Amount shall be payable on such fifteenth day;
  - (b) upon each payment of interest (if any) prior to the Maturity Date in respect of this Note, the Schedule hereto shall be duly completed by the Paying Agent to reflect such payment; and

- (c) if no Interest Payment Dates are specified on this Note, the Interest Payment Date shall be the Maturity Date.
7. If this is a fixed rate interest bearing Note, interest shall be calculated on the Nominal Amount as follows:
- (a) interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days or, if this Note is denominated in Sterling or Renminbi, 365 days at the Fixed Interest Rate with the resulting figure being rounded to the nearest amount of Specified Currency which is available as legal tender in the country or countries (in the case of the euro) of the Specified Currency (with halves being rounded upwards); and
  - (b) the period beginning (and including) on the Issue Date and ending (but excluding) on the first Interest Payment Date and each successive period beginning (and including) on an Interest Payment Date and ending (but excluding) on the next succeeding Interest Payment Date is an "**Interest Period**" for the purposes of this paragraph.
8. If this is a floating rate interest bearing Note, interest shall be calculated on the Nominal Amount as follows:
- (a) in the case of a Note which specifies LIBOR as the Reference Rate on its face, the Rate of Interest will be the aggregate of LIBOR and the Margin (if any) above or below LIBOR. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days or, if this Note is denominated in Sterling, 365 days.

As used in this Note:

"**LIBOR**" shall be equal to the rate defined as "LIBOR-BBA" in respect of the Specified Currency (as defined in the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc., as amended, updated or replaced as at the date of this Note, (the "**ISDA Definitions**")) as at 11.00 a.m. (London time) or as near thereto as practicable on the second London Banking Day before the first day of the relevant Interest Period (a "**LIBOR Interest Determination Date**"), as if the Reset Date (as defined in the ISDA Definitions) was the first day of such Interest Period and the Designated Maturity (as defined in the ISDA Definitions) was the number of months specified on the face of this Note in relation to the Reference Rate; and

"**London Banking Day**" shall mean a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London;

- (b) in the case of a Note which specifies EURIBOR as the Reference Rate on its face, the Rate of Interest will be the aggregate of EURIBOR and the Margin (if any) above EURIBOR. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 360 days.

As used in this Note, "**EURIBOR**" shall be equal to EUR-EURIBOR-Reuters (as defined in the ISDA Definitions) as at 11.00 a.m. (Brussels time) or as near thereto as practicable on the second TARGET Business Day before the first day of the relevant Interest Period (a "**EURIBOR Interest Determination Date**"), as if the Reset Date (as defined in the ISDA Definitions) was the first day of such Interest Period and the Designated Maturity (as defined in the ISDA Definitions) was the number of months specified on the face of this Note in relation to the Reference Rate;

- (c) in the case of a Note which specifies CNH HIBOR as the Reference Rate on its face, the Rate of Interest will be the aggregate of CNH HIBOR and the Margin (if any) above or below CNH HIBOR. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the actual number of days in such Interest Period and a year of 365 days.

As used in this Note:

"**CNH HIBOR**" shall be equal to the CNH-HIBOR-TMA (as defined in the ISDA Definitions) as 11.15 a.m. (Hong Kong time) or if, at or around that time it is notified that such rate will be published at 2.30 p.m. (Hong Kong time), then as of 2.30 p.m. or as near thereto as practicable on the second Hong Kong Banking Day before the first day of the relevant Interest Period (a "**CNH HIBOR Interest Determination Date**"), as if the Reset Date (as defined in the ISDA Definitions) was the first day of such Interest Period and the Designated Maturity (as defined in the ISDA Definitions) was the number of months specified on the face of this Note in relation to the Reference Rate; and

"**Hong Kong Banking Day**" shall mean a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in Hong Kong;

- (d) in the case of a Note which specifies any other Reference Rate on its face, the Rate of Interest will be the aggregate of such Reference Rate and the Margin (if any) above or below such Reference Rate. Interest shall be payable on the Nominal Amount in respect of each successive Interest Period (as defined below) from the Issue Date to the Maturity Date only, in arrear on the relevant Interest Payment Date, on the basis of the Day Count Fraction specified hereon. As used in this Note, the Reference Rate shall be equal to the Reference Rate which appears on the relevant Screen Page as at the Relevant Time on the Interest Determination Date as each such term is specified hereon;

- (e) the Calculation Agent will, as soon as practicable after 11.00 a.m. (London time) on each LIBOR Interest Determination Date or 11.00 a.m. (Brussels time) on each EURIBOR Interest Determination Date or 11.15 a.m. (Hong Kong time) or if, at or around that time it is notified that the CNH HIBOR rate will be published at 2.30 p.m. (Hong Kong time), then as of 2.30 p.m. on each CNH HIBOR Interest Determination Date or at the Relevant Time on each other specified Interest Determination Date (as the case may be), determine the Rate of Interest and calculate the amount of interest payable (the "**Amount of Interest**") for the relevant Interest Period. "**Rate of Interest**" means the rate which is determined in accordance with the provisions of paragraph 8(a), (b) or (c) (as the case may be). The Amount of Interest payable per Note shall be calculated by applying the Rate of Interest to the Nominal Amount denomination, multiplying such product by the actual number of days in the Interest Period concerned divided by 360 or, if this Note is denominated in Sterling, 365 days and rounding the resulting figure to the nearest amount of the Specified Currency which is available as legal tender in the country or countries (in the case of the euro) of the Specified Currency (with halves being rounded upwards). The determination of the Rate of Interest and the Amount of Interest by the Calculation Agent named above shall (in the absence of manifest error) be final and binding upon all parties;
  - (f) the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date is called an "**Interest Period**" for the purposes of this paragraph; and
  - (g) the Issuer will procure that a notice specifying the Rate of Interest payable in respect of each Interest Period be published as soon as practicable after the determination of the Rate of Interest. Such notice will delivered to the bearer of this Note, or if that is not practicable, will be published in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*).
9. If the proceeds of this Note are accepted in the United Kingdom, the Nominal Amount shall be not less than £100,000 (or the equivalent in any other currency).
10. Instructions for payment must be received at the offices of the Paying Agent referred to above together with this Note as follows:
- (a) if this Note is denominated in Australian dollars, New Zealand dollars, Hong Kong dollars, Renminbi or Japanese Yen, at least two Business Days prior to the relevant payment date;
  - (b) if this Note is denominated in United States dollars, Canadian dollars, Swiss francs, euro or Sterling, at least one Business Day prior to the relevant payment date; and
  - (c) in all other cases, at least two Business Day prior to the relevant payment date.

As used in this paragraph, "**Business Day**" means:

- (i) in the case of payments in Sterling, a day other than a Saturday or Sunday on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London; and
  - (ii) in the case of payments in euro, a TARGET Business Day, in the case of payments in Renminbi a day on which commercial banks are open for general business (including clearing and settlement of Renminbi) in Hong Kong, and, in all other cases, a day on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in the principal financial centre in the country of the Specified Currency.
11. This Note shall not be validly issued unless manually authenticated by Citibank, N.A., London Branch as issue and paying agent.
  12. This Note and all non-contractual obligations arising from or connected with it are governed by, and shall be construed in accordance with, English law.
  13. The English courts have jurisdiction to settle any dispute arising out of or in connection with this Note (including a dispute regarding the existence, validity or termination of this Note). The Issuer irrevocably submits to the jurisdiction of such courts and waives any objection to proceedings in such courts whether on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum. This submission is made for the benefit of the bearer only and shall not affect the right of the bearer to take proceedings in any other court of competent jurisdiction within the European Union nor shall the taking of proceedings in one or more jurisdictions within the European Union preclude the bearer from taking proceedings in any other jurisdiction within the European Union (whether concurrently or not).
  14. The Issuer irrevocably appoints the Consul Department of the Embassy of the Czech Republic in London currently located at 26 Kensington Palace Gardens, London W8 4QY as its agent for service of process in any proceedings before the English courts in connection with this Note. If any person appointed as process agent is unable for any reason to act as agent for service of process, the Issuer will appoint another agent in England, and failing such appointment within 15 days, the bearer shall be entitled to appoint such a person by written notice addressed to the Issuer and delivered to the Issuer or to the Specified Office of the Paying Agent. This sub-paragraph applies to proceedings in England and to proceedings elsewhere. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate the relevant proceedings. This paragraph 14 does not affect any other method of service allowed by law.
  15. The Issuer irrevocably and unconditionally agrees not to claim any immunity from proceedings brought by the bearer against it in relation to this Note in any jurisdiction and to ensure that no such claim is made on its behalf, consents generally to the giving of any relief or the issue of any process in connection with those proceedings, and waives all rights of immunity in respect of it or its assets to the extent permitted by the laws of such jurisdiction.

16. No person shall have any right to enforce any provision of this Note under the Contracts (Rights of Third Parties) Act 1999 but this does not affect any right or remedy of any person which exists or is available apart from that Act.

**AUTHENTICATED** by  
**CITIBANK, N.A., LONDON BRANCH**  
without recourse, warranty or liability and for  
authentication purposes only

Signed on behalf of:  
**ČESKÁ EXPORTNÍ BANKA, A.S.**

By: \_\_\_\_\_  
(*Authorised Signatory*)

By: \_\_\_\_\_  
(*Authorised Signatory*)

By: \_\_\_\_\_  
(*Authorised Signatory*)



**SCHEDULE  
PAYMENTS OF INTEREST**

The following payments of interest in respect of this Note have been made:

Date Made	Payment From	Payment To	Amount Paid	Notation on behalf of the Paying Agent
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

## PROGRAMME PARTICIPANTS

### ISSUER

#### **Česká exportní banka, a.s.**

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110 00 Prague 1  
Czech Republic

Telephone No.: +420 222 843 206

Facsimile No.: +420 224 218 111

Attention: Treasury Department

### ARRANGER

#### **Citibank Europe plc, UK Branch**

Citigroup Centre  
Canada square  
London E14 5LB  
United Kingdom

Telephone No.: +44(0) 20 7986 9070

Facsimile No.: +44(0) 20 7986 6837

Attention: Short-Term Fixed Income Desk

### DEALERS

#### **Barclays Bank PLC**

5 The North Colonnade  
Canary Wharf  
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Telephone: +44 20 7773 9075

Fax: +44 20 7516 7548

Contact: ECP Trading Desk

#### **BRED Banque Populaire S.A.**

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Fax: +33 1 4004 7436

Contact: moneymarket@bred.fr

#### **Citibank Europe plc, UK Branch**

Citigroup Centre  
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Canary Wharf  
London E14 5LB  
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Fax: +44 20 7986 6837

Contact: Short-Term Fixed Income Desk

#### **Česká spořitelna, a.s.**

Olbrachtova 1929/62  
Prague 4  
Czech Republic

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Contact: Debt and Equity Capital Markets

**Československá obchodní banka, a.s.**

Radlická 333/150  
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Fax: +420 261 353 828

Contact: Primary Issues Department

**Goldman Sachs International**

Peterborough Court  
133 Fleet Street  
London EC4A 2BB  
United Kingdom

Telephone: +44 20 7774 2630

Fax: +44 20 7774 5186

Contact: Money Market Desk

**ING Bank N.V.**

Foppingadreef 7  
1102 BD Amsterdam  
The Netherlands

Telephone: +31 20 563 8181

Fax: +31 20 565 8515

Contact: ECP Desk / TRC 00.114

**Komerční banka, a.s.**

Václavské nám. 42  
Prague 1  
Czech Republic

Telephone: +420 222 008 522, +420 222 008  
229

Fax: +420 224 248 113, +420 222 008 677

Contact: Global Finance Platform,  
Institutional Sales

**THE ISSUE AGENT AND PAYING AGENT**

**Citibank, N.A., London Branch**

21st Floor  
Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

Telephone No.: +353 1 622 2238

Facsimile No.: +353 1 622 4029

Attention: Peter Larsen