



## CitiService News

February 1, 2018 | Edition No. 2

### In this edition

- Your Card on the Move
- The Regional Processing Centre in Olsztyn has a new address
- Split Payment Mechanism
- Annual confirmation of balances
- Export L/C - co-operation agreement with Bank Gospodarstwa Krajowego
- Important information for users of Visa Business corporate cards
- Technical innovation facility
- Bank holidays in February and March 2018

### Service Shortcuts



Extract from the Table of Fees and Commissions



Foreign Exchange Rates



CitiService News



Market Analyses



Contact with CitiService:  
tel.: 801 24 84 24; 22 690 19 81

### Your Card on the Move



We kindly inform you that a new "Your Card on the Move" webpage is now available at [www.kartybiznes.pl](http://www.kartybiznes.pl). It has been designed to provide Cardholders with ongoing support during their business trips and give them easier access to benefits. The major features of the site are:

- Now you can check your insurance coverage, including claim submission instructions
- You can initiate the card limit change
- You can search for the nearest ATM and check exchange rates
- If your card is lost, needs to be blocked or you need your PIN recovered, now as a User you can contact the Corporate Card Customer Service by selecting the relevant icon
- You can gain access to your transaction history through CitiManager Mobile.

Come and check this new solution.

### The Regional Processing Centre in Olsztyn has a new address



Please be informed that as of 12 January, following the decision of the Governor of Warmia-Mazury Province (Wojewoda Warmińsko-Mazurski), the name of the street, at which the Olsztyn Centre's is located, has been changed.

The old street name, ulica Wincentego Pstrowskiego, has been replaced with ulica 5 Wileńskiej Brygady AK.



## Split Payment Mechanism

As of **1 July 2018**, amendments to the VAT Act and some other acts will come into effect, introducing the **Split Payment Mechanism**, which changes how the VAT-related payments are to be made.

For the transfer **Originator**, the system will be **voluntary** - she/he will be able to order a transfer in PLN using a dedicated transfer message as a result of which the specified VAT amount will be collected in the first place from the VAT account (if the funds deposited in this account are not sufficient, then the missing VAT amount will be collected from the clearing account). The transfer will be obligatorily recorded on the beneficiary's account in such a way that the specified VAT amount will be recorded in the VAT account attached to the clearing account indicated as the account for making payments.

For **incoming** transfers, however, this system will be **mandatory**. This means that even if you do not plan to use actively the Split Payment Mechanism, your counterparty may order such a transfer for your benefit, and the Bank will move the VAT amount to your VAT account.

According to the current text of the Act, the Bank will open **one VAT account** for you which will be attached to each of your PLN clearing accounts (or you can apply to a greater number of VAT accounts to be opened for you). For example, if you have three PLN accounts (accounts A, B and C), two EUR accounts (accounts D and E) and one USD account (account F) - the Bank will open one VAT account in PLN and attach it to your accounts A, B and C, respectively. This VAT account will be credited and debited with VAT amount as a result of Split Payment settlements with your counterparties. The account could be also debited with your VAT payments to the Tax Office.

Once the Split Payment Mechanism is implemented, the use of funds accumulated in the VAT account will be subject to certain limitations. The permitted transfers are: a transfer corresponding to the VAT amount, sent to your suppliers under the SPM, a transfer between holder's own VAT accounts with the same bank, if this results from the Customer's individual structure, or a transfer to the Tax Office to pay the VAT. A withdrawal of funds from the VAT account for any other purpose can be made on the basis of an order of the Head of the Tax Office.

We invite you to join Citi Handlowy's webinar on Split Payments.

There is below session of webinar planned in **Polish**:

- **20 February (Tuesday) from 1:00 PM (13:00) to 3:00 PM (15:00)**

We also offer an additional session in **English**:

- **15 February (Thursday) from 3:00 PM (15:00) to 5:00 PM (17:00)**

All technical details on how to join the webinar will be available soon.

We also invite you to contact your Account Manager, who will give a **booklet** on the new regulation, where you will find information about the planned changes in bank account maintenance and in your settlements with counterparties and the Tax Office.



### Annual confirmation of balances

On 11 January 2018, we have sent you the documents with annual balance confirmations. Please remember send us back the the second copy of the received document with your signature, within 14 days of receipt, to:

**Bank Handlowy w Warszawie S.A.**  
**Biuro Obsługi Rachunków Klientów Korporacyjnych / Account Support Office, Corporate Customers**  
**ul. Goleszowska 6**  
**01-249 Warsaw**



### Export L/C - co-operation agreement with Bank Gospodarstwa Krajowego

On 10 January 2018, Bank Handlowy w Warszawie S.A. ("Citi Handlowy") signed the agreement with Bank Gospodarstwa Krajowego ("BGK").

The agreement signed between Citi Handlowy and BGK is an agreement on co-operation between both banks, which would make it possible for Bank Handlowy Warsaw to confirm letters of credit as BGK would take over the risk of the bank who opened the L/C, for a price agreed with BGK.

Citi Handlowy's confirmation of L/C means Citi Handlowy's obligation to pay to the exporter (beneficiary), so the exporter does not have to rely solely on the reliability or stability of the bank, which opened the L/C, because he would be protected also by the obligation assumed by Citi Handlowy. In addition, if a given L/C has a deferred payment date, the exporter can apply to Citi Handlowy for early payment.

The co-operation between Citi Handlowy and BGK would come particularly valuable when a given bank, which opens the L/C, is a bank with lower rating - previously, this stopped Citi Handlowy from confirming letters of credit, even though the client expected an additional security for payment under the L/C for the completed delivery of goods.

Both banks working together with respect to takeover of other banks' risks means for Citi Handlowy's clients that their export transactions are fully secure and they can expand their export to companies with higher financial risks to to exotic markets.



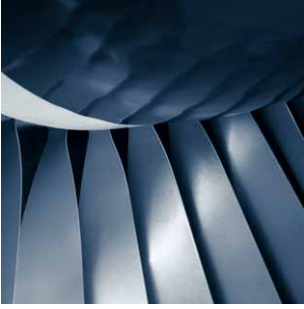
### IMPORTANT INFORMATION FOR USERS OF VISA BUSINESS CORPORATE CARDS (Visa Business Debit Cards, Visa Business Charge Cards, Guaranteed Visa Business Cards)

Please be informed that the **3D Secure service** will be launched for Visa Business Corporate Cards. This service will provide additional security during transactions without physical use of the card, over the Internet.

The mechanism will work as follows: during an online transaction, the Cardholder will be asked to enter the 3D Secure password, which they will receive in the form of a text message to the mobile telephone number provided to the Bank.

NOTE. To this end, please submit or update the mobile telephone number database of Cardholders of Visa Business Corporate Cards issued to your company's employees – **by the end of March this year.**

Please submit the information using the following email address: [karty.obsluga.klienta@citi.com](mailto:karty.obsluga.klienta@citi.com) or by calling +22 692 26 62.



## Technical innovation facility

### EU funds for investments of technological nature for SME

#### Operational Programme "Intelligent Development" Measure 3.2.2: Technical innovation facility

Citi Handlowy invites you to make use of advisory support provided by our European Union Team when you apply for funding from EU funds. Under **Measure 3.2.2: Technical innovation facility**, our Clients can receive funding for their investment undertakings, which consist in implementation of innovations of technological nature.

#### Important dates:

- call for applications announced - **15 January 2018**.
- call for applications opened - **15 February 2018**.
- call for applications closed - **24 May 2018**.

**Sum to be allocated in the competition in 2018: PLN 550,000,000**

Entrepreneurs can apply for this support when their planned investments meet the following conditions:

- the technology they plan to implement has the form of: industrial property right, R&D outcome, outcome of industrial research, or non-patented technical knowledge
- the planned investment would help to produce new or significantly improved goods, processes or services (as compared to those currently produced in Poland)
- the application assessment will entail an analysis of innovative nature and market potential of the final deliverable (goods, service) of the project
- the maximum value of the financing (technological bonus) is PLN 6 million

The following expenses will be covered by the support:

- purchase of new and used fixed assets
- expansion of existing structures, buildings, machines
- installation and launching of the acquired fixed assets
- purchase of intangible assets (e.g. patents, licenses etc.).

Interested Clients are invited to contact our EU Team (an organisational unit within Citi Handlowy).

#### Contact:

**Marcin Fabisiewicz**, tel. 697 080 785, [marcin.fabisiewicz@citi.com](mailto:marcin.fabisiewicz@citi.com)  
**Wojciech Głowacki**, tel. 667 683 954, [wojciech.glowacki@citi.com](mailto:wojciech.glowacki@citi.com)



## Bank holidays in February and March 2018

Please note below the days in February and March 2018 when orders received on that day will be effected on the following business day due to a currency exchange holiday (i.e. a public holiday in a given country).

FEBRUARY	
8	SI
11	JP
12	JP
13	PT
15	CN
16	CN, HK, LT, SG
19	CA, CN, CY, GR, HK, US
20	CN
21	CN
23	RU

MARCH	
5	BG
8	RU, UA
9	RU
13	AE
15	HU
16	HU
19	IE
21	JP,ZA
29	DK, ES, IS, NO
30	AT, AU, BE, CA, CH, CZ, DE, DK, EE, ES, EU, FI, FR, GB, HK, HU, IE, IS, LU, NL, NO, PT, SE, SG, SI, SK, ZA