

# Foreign Exchange

Review the terms, exchange rate information, transaction conditions, fees, and important details for foreign exchange services provided by Jet Bank.

## Foreign Exchange, Treasury & Financial Markets

### What does Jet Bank's Treasury function do?

Jet Bank's Treasury function manages the Bank's liquidity, foreign exchange activity, interbank transactions, investments, and financial market risks.

Its role is to help ensure that Jet Bank remains liquid, prudent, and compliant with the applicable Bank of Albania regulatory framework. The Treasury function operates in accordance with the Law "On Banks in the Republic of Albania" and applicable Bank of Albania regulations.

### Why is Treasury important for customers?

Treasury helps ensure that Jet Bank has sufficient liquidity to meet daily operational needs and customer obligations.

This means the Bank actively monitors available funds, payment flows, nostro balances, expected inflows and outflows, and liquidity buffers, so customer transactions can be executed in a timely and controlled way.

### What are the main responsibilities of Treasury?

Treasury has four main responsibilities:

- **Liquidity Management** — ensuring the Bank can meet payment obligations under normal and stressed conditions.
- **Foreign Exchange Transactions** — executing currency exchange transactions at transparent, market-driven rates.
- **Money Market and Investment Activities** — managing liquidity through interbank placements, borrowings, and government securities.
- **Risk Monitoring** — monitoring liquidity, market, and counterparty risks within approved limits.

### What foreign exchange services does Jet Bank provide?

Jet Bank provides foreign exchange services based on transparent and market-driven pricing.

Exchange rates are determined based on market conditions and reliable market data sources. Before confirming

a transaction, the customer is informed of the applicable exchange rate, the amount to be debited, the amount to be credited, and any applicable fees or commissions.

### How does an FX transaction work?

Every FX transaction follows three key steps:

**1. Rate disclosure**

Before execution, the customer receives the applicable exchange rate, the amount to be debited and credited, and any applicable fees or commissions.

**2. Customer confirmation**

The transaction proceeds only after the customer explicitly confirms the quoted terms.

**3. Execution and recording**

The transaction is executed at the confirmed rate, recorded, and remains auditable in line with regulatory requirements.

### Are exchange rates shown before confirmation?

Yes. The exchange rate is shown before the transaction is confirmed.

The customer sees the rate, the amount to be converted, the amount to be received, and any applicable fees or commissions before proceeding.

The transaction is executed at the rate applicable at the time of customer confirmation.

### Are the exchange rates final or indicative?

Exchange rates may vary in line with market conditions.

Rates displayed publicly may be indicative and updated during business hours. The final transaction is executed at the rate applicable at the time the customer confirms the transaction.

### Which currency pairs does Jet Bank support for FX?

Jet Bank supports FX activity for:

- EUR / ALL

### Are Jet Bank FX rates competitive?

Jet Bank aims to provide transparent and market-driven exchange rates.

The applicable rate is shown before confirmation, and the customer decides whether to proceed based on the quoted rate and transaction details.

### What is liquidity management?

Liquidity management is the process through which Jet Bank ensures it has enough available funds to meet daily obligations, including customer payments and operational needs.

Jet Bank continuously monitors cash flows and maintains sufficient liquidity buffers to support timely execution of payments under normal and stressed conditions.

### Which liquidity regulations does Jet Bank follow?

Jet Bank manages liquidity in accordance with **Bank of Albania Regulation No. 71/2009 on Liquidity Risk Management** and applicable LCR and NSFR requirements.

### What is LCR?

LCR stands for **Liquidity Coverage Ratio**.

It measures whether the Bank has enough high-quality liquid assets to cover short-term obligations over a 30-day stress period.

### What is NSFR?

NSFR stands for **Net Stable Funding Ratio**.

It measures whether the Bank has sufficient stable funding sources over a one-year horizon.

### Does Jet Bank maintain liquidity buffers?

Yes. Jet Bank maintains liquidity buffers to meet customer and operational obligations.

### What money market activities does Jet Bank perform?

Jet Bank may conduct interbank placements and borrowings and invest in short-term government securities, such as Treasury Bills.

These activities support liquidity management, payment execution, and prudent use of excess liquidity. The Bank prioritises capital preservation, high liquidity, and low risk.

### Why does Jet Bank invest in government securities?

Jet Bank may invest in short-term government securities to support liquidity management and preserve capital within a prudent risk framework.

### What market risks does Jet Bank manage?

Jet Bank is primarily exposed to:

- foreign exchange risk;
- limited interest rate risk.

Market risk is managed through defined limits, continuous monitoring, and compliance with regulatory foreign exchange open position limits.

### How does Jet Bank manage financial market risk?

Jet Bank manages financial market risk through a structured governance and control framework.

This includes:

- segregation of duties;
- internal risk limits;
- continuous monitoring;
- independent oversight by Risk Management;
- reporting to management bodies.

### Who monitors Treasury risk?

Treasury risk is monitored independently by the Risk Management function.

Risk limits are set and monitored independently, and positions are regularly reported to ALCO and senior management.

### Does Jet Bank disclose Treasury information to customers?

Yes. Jet Bank publishes Treasury and Financial Markets information in line with transparency and disclosure requirements.

## What should customers know before confirming an FX transaction?

Before confirming an FX transaction, customers should check:

- the currency pair;
- the exchange rate;
- the amount to be debited;
- the amount to be credited;
- any applicable fees or commissions;
- whether the displayed rate is still valid;
- the final transaction details.

The transaction is executed only after customer confirmation and at the rate applicable at that moment.

## Can exchange rates change during the day?

Yes. Exchange rates may change in line with market conditions.

If the customer does not confirm the transaction immediately, the rate may change before the transaction is executed. The applicable rate is the one confirmed by the customer at the time of execution.

## Are fees and commissions applicable to Treasury or FX services?

Fees and commissions may apply according to the Bank's tariff schedule.