

**MIRABANK A.D.****GENERAL TERMS AND CONDITIONS WHICH APPLY TO OPERATIONS INVOLVING PRIVATE INDIVIDUALS****I. INTRODUCTORY PROVISIONS**

General Terms and Conditions which apply to Private Individuals (hereinafter: General Terms and Conditions) Mirabank a.d. (hereinafter: the Bank) apply to the establishment and amendment of the business relationship, rights, obligations and responsibilities of the Bank and the Private Individual, communication between the Bank and the Private Individual, payment services, deposits, bank secrecy, personal data protection, the protection of clients' rights and interests, termination of the business relationship and all other issues relevant to operations with Private Individuals.

The Clients of the Bank are resident and non-resident Private Individuals who have utilised, are utilising or intend to utilise in future, financial services offered by the Bank for purposes which are not related to their area of business or other commercial activities (hereinafter: the Client). The General Terms and Conditions do not concern and are not applicable to entrepreneurs, regarding the law which regulates legal entities, nor to agricultural producers, nor agricultural holding owners or their family members regarding the law which regulates agricultural and rural development.

The Bank is obliged to ensure that a copy of the General Terms and Conditions is published visibly within its business premises in both the Serbian and English languages, as well as online, on the Bank's webpage located at [www.mirabankserbia.com](http://www.mirabankserbia.com) so that Clients may become familiar with the contents of said.

The Bank shall apply the General Terms and Conditions to the relationship between the Bank and the Client which is the result of a signed agreement between the Bank and the Client, application forms or other documentation signed by the Client in accordance with the Bank's acts, as well as other forms of collaboration between the Bank and the Client which have been formed in accordance with applicable laws and the Bank's acts and without the conclusion of a separate agreement, in written form.

The General Terms and Conditions include the Tariff of Fees and Schedule which are enclosed with the General Terms and Conditions and are an integral part of said.

An integral part of these General Terms and Conditions is the Review of the Tariff of Fees for Services of the Bank to Private Individuals, which is determined in accordance with the Decision of the Board of Directors of the Bank on Tariff of Fees of the Bank.

For the purpose of interpreting the provisions of the Framework Agreement and other agreements concluded by the Bank with clients, the term Tariff of Fees has the same meaning as the term Pricelist.

## **II. BUSINESS RELATIONSHIP**

### **1. Establishment of the Business Relationship**

The business relationship between the Client and the Bank is devised on the basis of a written agreement or through a written request or application form, or other document without the conclusion of a separate agreement, in accordance with applicable regulations and the Bank's acts, in such a manner that is understood to have the consent of both parties regarding mutual rights and obligations (hereinafter: the Agreement).

### **2. Notifying the Client during the Pre-agreement Phase**

The Bank is obliged to supply information and suitable explanation regarding the terms of the agreement, in accordance with applicable regulations governing the protection of financial service users, the Client, who has demonstrated an interest in depositing funds, and to provide a suitable explanation of the conditions regarding the agreement the Client has demonstrated an interest in (the offer), in such a manner that will allow the Client to compare various offers from others supplying the same services. The Bank is obliged to provide the Client with an offer of services in RSD, unless the Client has requested that the offer is provided in the RSD equivalent of a foreign currency, i.e. in a foreign currency, in accordance with the provisions which govern foreign currency exchange. The Bank is obliged to provide the Client with a written statement of the risks they are assuming when the service is provided in the RSD equivalent of a foreign currency, i.e. in a foreign currency.

In accordance with applicable regulations governing payment services, the Bank is obliged to provide the Client, the payment services user, with information which has been deemed as mandatory elements of the Framework Agreement, prior to concluding said agreement and within a reasonable amount of time, in such a manner which shall allow the Client to become familiar with the terms and conditions which pertain to the provision of payment services, as well as to compare offers of different payment service providers and assess whether these conditions and services suit the Client's needs. The Bank shall provide the Client with the mentioned information in such a manner that shall in no way mislead the Client regarding the terms and conditions under which payment services are provided. The Bank shall provide the Client with the information referred to above on paper and/or any other durable medium and/or shall submit a draft version of the Framework Agreement which contains all of the necessary information.

### **3. Notifying the Client during the Contractual Relationship**

Should, during the duration of the contractual relationship, a need arise to change one of the obligatory elements of the Deposit, the Bank is obliged to secure consent from the Client, in written form, prior to implementing said changes.

In cases where the fixed interest rate amount, i.e. the fixed interest rate and other costs are changed in favour of the Client, in accordance with the provisions which govern the protection of financial service users, these changes may be implemented immediately and without the Client's consent. In this case, the Bank is obliged to notify the Client regarding said changes immediately, in written form or through another durable medium and to include in the notification a date from which the changes are to come into force. In cases where the fixed interest rate has been changed in favour of the Client, the Bank is to provide a new deposit pay-out plan with the notification.

The Bank is obliged to inform the Client, in a timely and appropriate manner, of any changes to information which is not governed by the provisions of the protection of financial services users which have been defined as an obligatory element of the respective agreement.

It shall be considered that the Bank has timely informed the Client of the change, by sending a notification to the address provided by the Client, to the electronic mail address, by SMS message or by any other means envisaged by the regulations of the General Terms and Conditions and the agreement which regulates communication between the Bank and the Client.

### **III. RIGHTS, OBLIGATIONS AND RESPONSIBILITIES OF THE BANK**

The Bank has the discretionary right to freely choose Clients with whom it shall enter into a business relationship. This right is based on the assessments of the competent units of the Bank and the Decisions made by their bodies, in accordance with the Bank's procedures, which includes the discretionary right to reject the conclusion of an agreement. In this case, the Bank is not required to provide said Client with an explanation of the reasons for said rejection.

Unless expressly agreed otherwise, in written form, or prescribed by a corresponding regulation, the Bank shall not assume obligations and responsibilities other than those regulated by the General Terms and Conditions.

The Bank shall not be liable for damages in the following situations:

- if damages were the result of force majeure, war, a declared state of emergency, strike or due to any other circumstances under which the Bank had no influence;
- if damages were the result of actions taken by competent governmental bodies both domestic and foreign, or were the result of a disruption of the Bank's operations, which the Bank was unable to foresee, prevent or avoid;
- if damages were the result of a business decision made by the Client on the basis of verbal or written communication with the Bank;
- for all direct, consequential, unforeseeable, special or indirect losses or other damages sustained by the Client, due to the activities of a third party hired by the Bank;

- for all direct, consequential, unforeseeable, special or indirect losses or other damages sustained by a third party in relation to the Client, and due to any activities conducted by the Bank;
- if damages were the result of non-compliance with laws and by-laws on behalf of the Client;
- if damages were the result of the total or partial suspension of operations by the Bank, for valid reason, or the Bank limited its operations to certain days only or to a certain period of time.

The Bank is not obliged to verify the accuracy, completeness or validity of documents, be they domestic or foreign, sent to the Bank or within the Bank's possession, and those documents which name authorised individuals, guardianship, trustees and recipients.

The Bank reserves the right to begin the execution of its obligations regarding transactions concluded with Clients on the first business day, should said fall on a non-business day or day when the Bank is closed for business.

For the purpose of collecting due receivables, the Bank may automatically, without requesting special permission from the Client, collect the amount from all of the accounts the Client has at the Bank, transfer the unpaid amount to the Bank's account, as well as to potentially activate all security interest provided to the Bank.

The Bank is authorised to utilise the funds available on the Client's account, without their specific written consent or order in the process of forced collection, for payments under a court order or the decision of other state authorities, as well as other cases envisaged by applicable regulations.

The Bank calculates a default interest in accordance with applicable regulations on all past due receivables, from the moment of maturity, and if the agreed interest rate exceeds the default interest rate, the Bank has the right to apply the agreed interest rate on the amount in default, in accordance with applicable regulations.

The Bank has the right to block the use of services and/or products, partially or in full, without Client consent, in accordance with applicable regulations governing the prevention of money laundering, the financing of terrorism and the like, as well as due to other justified reasons or in accordance with other applicable regulations and decisions of the competent authorities, including, but not limited, to cases of abuse of account and/or other banking products.

The Bank reserves the right to enter into a business relationship with the Client in relation to the Bank's products under conditions other than those specified in the General Terms and Conditions, the Tariff of Fees and/or other general acts of the Bank.

The Client agrees that the Bank may at any time during the contractual relationship, as well as on the occasion of automatic renewal of the agreement, seek out reports on the

creditworthiness of the Client from the Credit Bureau, in which case the Client bears the cost of obtaining said reports.

In its business relationship with the Client, the Bank is required to act with due care, in accordance with applicable regulations, the Bank's acts and good business practices implementing good business practices and fair relations, and to notify the Client regarding the products and services it provides in a comprehensible manner, i.e. information is accurate and is not presented such the Client may generate the wrong idea regarding the conditions under which said products and services are to be used.

The Bank notifies the Client that the occurrence of events such as floods, fires, earthquakes, natural disasters, acts of terrorism, vandalism, threats, demonstrations, sabotages, wars, long periods of power outage, telecommunication issues, and any such other similar event over which the Bank has no control, may lead to temporary disruptions in the provision of services and the Bank's ability to perform activities in any area of its operations. Should such events occur, the Bank hereby notifies the Client that in such situations the Bank's internal act shall apply, said internal act relating to business continuity and disaster recovery, and that the Bank shall undertake all necessary steps to re-establish regular operations as soon as possible.

#### **IV. RIGHTS, OBLIGATIONS AND RESPONSIBILITIES OF THE CLIENT**

The Client has the right to request all relevant information from the Bank and to receive appropriate explanations and instructions concerning the implementation of the General Terms and Conditions pertaining to a specific financial service, as well as to request said conditions be delivered to the Client without delay, in written form or through another durable medium. If the Client requests said data to be submitted, the Client is obliged to submit said request to the Bank, in written form.

The Client who intends to conclude an agreement with the Bank may receive a draft version of said agreement by written request, and free of charge from the Bank.

The Client has the right to request that the Bank provide all information, data and instructions concerning its business relationship with the Bank, in written form or through another durable medium. The Bank has the right to collect a fee for the submission of information, data and instructions to the Client regarding its contractual relationship with the Bank, except in cases when corresponding regulations prescribe that said notices are to be provided free of charge.

For the purpose of establishing a business relationship or identification, the Client is obligated to submit to the Bank all the necessary documentation prescribed by applicable regulations and acts of the Bank. If the Client is a Private Individual and a resident, said Client is obliged to present the officer of the Bank with a valid ID card or passport, and if the Client is a Private Individual and a non-resident, then a valid passport is required. The Bank reserves the discretionary right to request additional documentation or to accept an alternate piece of

valid identification which, according to applicable regulations and/or acts of the Bank, may be used to verify the identity of the Client and other circumstances of significance to establishing a business relationship.

The Client is obliged, without delay and no later than within 3 days after the change has occurred, should applicable regulations fail to prescribe an alternate deadline, to notify the Bank regarding any and all changes to their first and/or surname, resident status, address/residence, e-mail address, telephone number and other changes of importance to mutual communication, as well as any changes in other elements significant to the timely execution of their obligations towards the Bank, such as changing jobs, job loss, a decrease or loss of income and the like. Should the Client fail to act as specified in this paragraph, the Client shall be liable for any resulting damage to both the Bank and the Client.

The documents and notifications submitted by the Client to the Bank, depending on the nature of the business between the Client and the Bank, the Bank's acts and concluded agreement, at the request of the Bank, shall be submitted in their original form or in the form of a copy, with or without certification by competent authorities confirming that the copy is identical to the original, and may also include a certified translation into the Serbian language completed by a certified court sworn interpreter if the documents are written in a foreign language, and in cases where the document has been issued abroad, it must be certified by an apostille or another form of legalisation, depending on country of issue. Client documentation submitted to the Bank that must undergo certification by a competent authority or must be issued by a competent authority at the Client's request, may not be older than the deadline identified by corresponding regulations and/or internal acts of the Bank.

In cases where tax incentives are used in accordance with the Avoidance of Double Taxation Agreement, the Client (non-resident) is required to provide the Bank with evidence that the Client is the beneficial owner of the income (formal owner of revenues) generated in the Republic of Serbia and must submit to the Bank confirmation of their residency status once per year, issued by the country with which the Republic of Serbia has concluded an Avoidance of Double Taxation Agreement, in accordance with the taxation regulations of the Republic of Serbia, and this confirmation may be submitted on a form which is acceptable to competent bodies of the Republic of Serbia.

The Client is responsible for the costs or losses that may arise as a consequence of forgery, fraud, incompleteness, legal invalidity, as well as of the incorrect interpretation or translation of documents submitted to the Bank. The Client is liable for any losses that may arise from the fact that the Bank was not made aware of any defects in the legal or business capacity of the Client or authorised persons of the Client, as well as of their level of authorisation. When submitting orders to the Bank, the Client's orders must be clear and unambiguous, given in written form or other agreed upon form, in accordance with current legislation and acts of the Bank.

The Bank does not assume responsibility nor can it be held liable for the authenticity, validity or completeness of received documents, nor of correct interpretation and translation.

## **V. COMMUNICATION BETWEEN THE BANK AND THE CLIENT**

Communication between the Client and the Bank shall be in verbal and written form (through information and marketing materials available at the business premises of the Bank, through internet presentation, by phone, e-mail, SMS messaging, through direct verbal and written communication, as well as through other electronic forms of communication, including, but not limited to, mass media advertising). The listed modes of communication enable the Client to have access to information, whereby the Bank shall provide necessary information in written form or through another durable medium, when explicitly defined by relevant regulations.

The Bank shall deliver documents, memos, notices, warnings and the like to the Client's address indicated in the Specific Business Relationship Agreement concluded between the Bank and the Client or to the address specified in the request, application form or other document based on which the business relationship between the Bank and the Client has been established or in case of a change of address during the business relationship, to the address subsequently submitted to the Bank by the Client. Delivery shall be in written form or sent to the Client's e-mail address. In cases where the above mentioned documents are sent by mail, they shall be considered delivered to the Client as of the dispatch date. If correspondence is conducted via e-mail or SMS, it is considered received by the Client at the moment it is sent by the Bank.

Written information may also be delivered to the Client directly within the Bank's premises.

Specific types of documents (including, but not limited to various notifications sent by the Bank to its Clients, account statements, reports and the like), may be issued by the Bank without a signature or stamp but including a note specifying that the document is valid without signature and stamp.

If the Client does not inform the Bank regarding a change of address/residence in a timely manner, as well as regarding any change of data which has or may have an impact on the timely delivery of letters and other notifications addressed to the Client on the basis of information provided by the Client, said correspondence shall be deemed duly delivered if sent to the provided address, or in the form of a message sent through other channels of communication using the contact information provided in the agreement. The Bank has the right to use information regarding the Client pertaining to address, telephone numbers, e-mail address and other information used to establish contact, where such information was submitted by the Client to the Bank when signing the agreement i.e. the application form and/or other adequate documentation on which the business relationship is based, to deliver notifications regarding its activities, products and services, in the form of brochures, leaflets, electronic or text messages, as well as all other means of business communication and

business presentation. The Bank shall not be liable for unauthorised access to information and message content by third parties, sent to the Client by phone or to the address and/or e-mail address or through other adequate means of communication that were specified as contact details of the Client during the establishment of the business relationship.

## **VI. BANK SECRECY AND PERSONAL DATA PROTECTION**

Bank secrecy is the business secret the Bank is obliged to keep, whenever prescribed and in the manner defined by applicable regulations.

Bank secrecy is considered to be the following:

- information known to the Bank relating to personal data, financial status and transactions of the Client, as well as to persons who have ownership relationships with the Client, as well as to all persons connected with the Client, or the Client's business ties with the Bank or with other banks;
- balance and activity on individual deposit accounts;
- other data the Bank becomes privy to throughout the relationship with the Client.

Bank secrecy does not imply the following:

- public data and data which have been made justifiably available to interested parties through other sources;
- consolidated data which do not reveal the individual Client's identity;
- data concerning shareholders, i.e. what their individual hold is in the total share capital of the Bank, as well as data concerning other person's holdings in the Bank and data regarding these stakes, regardless of whether said persons are Clients of the Bank;
- data regarding the Client's timeliness in fulfilling their obligations towards the Bank.

The Bank and its employees, members of the Bank's bodies, shareholders, as well as its external auditor and other persons who, due to the nature of their work, have access to confidential data belonging to the Bank, are obliged to keep such data confidential and not to disclose said data to third parties, or to use said data in opposition to the interests of the Bank and its Clients, or in any manner that may result in material gain for them or third parties, nor are they to allow third parties to access said data. The obligation of the persons mentioned in the paragraph above to keep trade secrets does not cease even after the status on which basis they gained access to the data mentioned in said paragraph is terminated.

The Bank is not obliged to maintain Bank Secrecy if data is disclosed to: judicial and executive authorities, tax administration, the ministry responsible for internal affairs, bodies authorised to combat organised crime and to prevent money laundering, as well as other bodies and organisations, in accordance with authorisation prescribed by law and other regulations, as



well as to associations established by the Bank for the purpose of data collection regarding the amount, type and timeliness of the fulfilment of the obligations of the Bank's Clients.

During the establishment of a business relationship with the Bank, the Client grants consent to the Bank to collect and process data interpreted as banking secret and personal data and particularly sensitive personal data and may be collected and processed in accordance with applicable regulations; for the purpose of establishing a business relationship, fulfilling obligations envisaged by valid regulations and/or the agreement, providing services or mediation in the provision of services, implementing and providing administration services for products and services, collecting receivables and protecting the Bank against any violations of its rights, to the extent necessary for the achievement of said purposes and may deliver data resulting from the business relationship which is to be established to members of the bodies of the Bank, the Bank's shareholders, related parties of the Bank, the National Bank of Serbia, the Credit Bureau, external auditors, the Prevention of Abuse in Loan Operations Forum, i.e. the Prevention of the Abuse of Payment Cards with the Serbian Chamber of Commerce, the Prevention of Money Laundering Directorate, proxies for the collection of receivables, persons and bodies the Bank is obliged to submit such data to in accordance with applicable regulations, third parties with whom the Bank has concluded business cooperation agreements and/or confidentiality agreements necessary for the establishment of business relationships or regarding the business relationship being established between the Bank and the Client.

The Bank may process personal data from the previous paragraph by storing said in electronic form, printed hardcopies, scanned documents, and in any other manner customary to the Bank's business operations. The personal data from the previous paragraph may be used by employees of the Bank, for the above specified purposes, as well as the employees of other entities and/or institutions to whom the Bank delivers the data in accordance with applicable regulations, contractual obligations or based on their consent. The Bank may process data for the duration of the business relationship, as well as after the termination of said relationship. The Bank may use the data for the purpose of market and customer satisfaction analysis, as well as for advertising and offering the Bank's products and services, where the Client has the option to request that the Bank not contact the Client for the purpose of advertising, promoting new products, promoting products offered by the Bank and the like, by informing the Bank via a written notice.

The Client has the right to be informed regarding data held by the Bank which pertains to the Client, and also has the right to review said data, seek a copy of data pertaining to the Client, seek correction, supplement, updating, as well as deletion and temporary suspension of data processing, in accordance with the Law on Personal Data Protection.

The Client has the right to withdraw previously granted consent to data processing. Should the Client decide to withdraw consent, the Client is obliged to send a notice to the Bank regarding said, in written form or a transcript of a verbal statement, and to compensate the Bank for all justified costs and damage which may be suffered by the Bank. After the receipt

of the Client's notice regarding the withdrawal of the previously granted consent, the Bank is obliged to said Client data in the manner defined by applicable regulations.

The Client agrees and states that, based on the agreement concluded between the Client and the Bank and/or the request for the establishment of a business relationship, as well as based on the provisions of the Bank's General Terms and Conditions, which form an integral part of any agreement concluded between the Client and the Bank, the Bank may process and perform other activities defined and envisaged by the General Terms and Conditions. The consent and statement given in the above specified manner represent legal grounds for the Bank to collect and process the Client's personal data, in accordance with the provisions of applicable regulations which regulate personal data protection.

The Bank collects and processes personal data within a database which the Bank creates and uses to perform its activities.

Personal Data Protection is provided by the Bank to every individual, regardless of citizenship, place of residence, race, age, gender, language, religious beliefs, political or other beliefs, nationality, social background, assets, birth, education, social status or other characteristics.

The Bank shall responsibly and properly fulfil its prescribed obligations arising from the laws governing personal data protection.

## **VII. MONEY LAUNDERING AND TERRORIST FINANCING PREVENTION**

The Bank has the right to request from the Client information necessary for the performance of prescribed obligations pertaining to the prevention of money laundering and terrorist financing.

The Bank has the right to postpone or reject the establishment of a business relationship with the Client, to terminate an existing business relationship or postpone or refuse the execution of transaction orders or transactions via the Client's account, if it determines that money laundering and terrorist financing prevention regulations so dictate.

The Bank shall not open, keep accounts and execute transactions on the order of, or on behalf of persons who are named on the sanctions and embargoes lists, adopted in accordance with local and international regulations, relating to money laundering and terrorist financing prevention. In addition to the above specified, in its business operations the Bank may also apply other internal and watch lists created for the purpose of mitigating ML/TF risk.

## **VIII. PROTECTING THE RIGHTS AND INTERESTS OF THE CLIENT**

### **1. Complaints**

In the context of this clause of the General Terms and Conditions, the Client also implies the provider of collateral and has the right to file a complaint with the Bank, in written form if the Client believes that the Bank has failed to comply with the laws and regulations which govern financial services, the General Terms and Conditions or good business practices which relate to the services or obligations stipulated in the concluded agreement with the Client. The Client is under the obligation to submit their complaint to the Bank in written form, no later than within 3 (three) years from the day when the violation of the rights or legal interests of the Client had taken place, to the address of Mirabank a.d., ulica Španskih boraca broj 1, Beograd (*in English: No. 1 Španskih boraca Street, Belgrade*) or in written form directly to an officer of the Bank at the Bank's business premises, to the Bank's e-mail address; [complaints@mirabankserbia.com](mailto:complaints@mirabankserbia.com) as well as through the Bank's website; [www.mirabankserbia.com](http://www.mirabankserbia.com). Complaints not submitted in the above specified manner shall not be taken into consideration and the Bank shall not be held accountable to respond to said complaints. The Bank is under obligation to respond to the complaint in a clear and comprehensive manner no later than within 15 days from the receipt of said complaint, and in said response to inform the Client of their right to file a complaint with the National Bank of Serbia in accordance with applicable regulations. Exceptionally, if the Bank is unable to provide a response within the deadline of 15 days for any reason, the deadline may be extended by an additional 15 days, whereby the Bank is under obligation to notify the complainant, in written form regarding the situation within a period of 15 days from the date of receipt of the complaint.

## **2. Appeal**

If the Client is not satisfied with the response received from the Bank, or if the Bank failed to respond to the complaint within 15 days from the receipt of the complaint, under exceptional circumstances within the extended period of another 15 days, in a clear and comprehensive manner, the Client has the right to file a complaint, prior to filing a lawsuit, and no later than a deadline of 6 (six) months from the receipt of Bank's response or the expiry of said deadlines to respond to the complaint, to the National Bank of Serbia, in written form, by sending it to the following address: The National Bank of Serbia, Centre for the Protection and Education of Financial Services Users, Poštanski fah 712 (*in English: P.O. Box 712*) or via e-mail at [zastita.korisnika@nbs.rs](mailto:zastita.korisnika@nbs.rs)

## **3. Out-of-court Settlements**

In cases where the Client is not satisfied with the received response to the complaint or if said response was not provided to the Client within the prescribed deadline, the disputable relationship between the Bank and the Client may be settled in an extrajudicial proceeding - mediation proceeding. The Client may submit a proposal for mediation aiming to achieve an out-of-court settlement of the disputable relationship, where a proposal of this kind may also be submitted by the Bank. This proposal must also contain a deadline for acceptance, which may not be shorter than 5 (five) days from the proposal date. After the initiation of mediation proceedings, the Client may no longer lodge a complaint, except in case such mediation has

ended in suspension or abandonment, and, if a complaint has already been lodged, the National Bank of Serbia shall suspend its actions in response to the complaint and/or discontinue said actions if mediation ended in a settlement. The deadline for the submission of a complaint is halted during the mediation proceeding.

The Bank and the Client may decide to conduct the mediation proceeding before the National Bank of Serbia or another body or person authorised to perform mediation activities, where the mediation proceeding is free of charge before the National Bank of Serbia.

The mediation proceeding is finalised by an agreement of the parties, suspension or withdrawal.

#### **4. Right to Judicial Protection**

The initiation and course of the mediation proceeding between the Bank and the Client does not exclude or affect the right of the Client to seek out judicial protection in accordance with applicable regulations.

### **IX. PAYMENT SERVICES**

#### **1. Introductory Provisions**

The provisions of this chapter of the General Terms and Conditions are used to regulate the conditions and the manner of establishing and executing the business relationship between the Bank, as a provider of payment services and the Client, as the payment service user.

Payment services are regulated via a payment service agreement which is concluded as a framework agreement which is made up of the General Terms and Conditions, the Tariff of Fees and the Schedule and a separate Opening and Maintaining an Account Agreement or Provision of Payment Services Agreement (hereinafter: the Framework Agreement) or a Single Payment Transaction Agreement which governs the execution of a specific single payment transaction which is not covered under the Framework Agreement.

#### **2. Opening and Maintaining a Payment Account**

The Bank shall open and maintain the payment account on the basis of the Client's application and the Framework Agreement, as well as on the basis of the necessary documentation required under applicable regulations and/or Bank procedures. Exceptionally, the Bank may open a payment account without a request from the Client if corresponding regulations prescribe for the opening of such an account.

The Bank opens and maintains the following payment accounts:

- current accounts and

- special purpose accounts.

The Bank maintains accounts in the RSD and in the currencies listed in the Bank's currency list, depending on the type of payment account, in accordance with the provisions of the Opening and Maintaining Certain Types of Accounts Agreement and the General Terms and Conditions.

The Bank shall provide cash pay-in and pay-out services, transfer of funds and other payment services within the balance or the amount of available funds in the payment account, in accordance with the provisions of the Opening and Maintaining Certain Types of Payment Accounts Agreement, the General Terms and Conditions and applicable regulations.

If funds are transferred from the Client's foreign currency account to the foreign currency account of another Client of the Bank, said payment transaction shall be executed within the Bank, without the need to use the network of correspondent banks. If funds are transferred from the Client's foreign currency account with the Bank to the Client of another domestic or foreign bank, payment transactions of this kind are executed through a network of correspondent and open current accounts.

The Client may authorise one or more persons in written form, in the manner prescribed by the General Terms and Conditions for the execution of payment transactions under the Framework Agreement, i.e. Opening and Maintaining Certain Types of Payment Accounts Agreement.

While opening a payment account or concluding an agreement with a Client, or their legal representative (for minors and persons under guardianship), the Bank determines the identity of the Client, i.e. their legal representative by examining valid and credible personal documentation, Personal IDs or passports and any other documentation sought by the Bank and/or documents prescribed by applicable legislation, in which case the presence of the person being identified is mandatory. In addition to completing a request for the opening of a payment account, the Client is obliged to deposit a specimen signature on an adequate form in front of the Bank's officer. The Client agrees that the Bank may process data presented in the request for opening an account in accordance with the regulations that govern personal data protection, and that after the account is opened, the Client's personal data may be forwarded to the Unique Register of Accounts of Private Individuals kept by the National Bank of Serbia.

In the event of any changes to the Client's personal data or personal data of individuals authorised to use the account, the Client must notify the Bank without delay regarding said changes, in written form and/or by directly visiting the Bank's business premises, where the change can be immediately recorded and if necessary, due to the nature of the change, the Client is to provide a new specimen signature.

While opening the account and later, after said account has been opened, the Bank, while completing payment transactions throughout the business relationship, has the right to seek information from the Client as necessary for the execution of obligations resulting from regulations on the prevention of money laundering and terrorist financing, where, in the event that the Client fails to provide said information, the Bank shall not establish a business relationship with the Client, i.e. shall decline to execute a specific payment transaction as per order and/or through the Client's account or if so envisaged by regulations or the General Terms and Conditions, the Bank shall terminate the established business relationship.

The Bank shall close the Client's account in the following cases: at the written request of the Client provided that the Client has no outstanding obligations towards the Bank, against the observance of the notice period; in the event of the Client's death; based on an executive court order; in the event of mutual termination of the Opening and Maintaining an Account Agreement or the unilateral termination of the agreement on behalf of the Bank; in all other cases regulated by individual agreement, applicable regulations and the General Terms and Conditions.

The provisions of the General Terms and Conditions which define the termination of business relations between the Bank and the Client shall also apply to the termination of the Opening and Maintaining an Account Agreement, unless contrary to regulations that regulate payment services.

### **3. Payment Account Switching and Basic Payment Accounts**

The Bank shall enable those Clients who are opening or have an open payment account with the receiving payment services provider (hereinafter: the new payment account) to switch the payment account, in the same currency, either by closing or without closing the payment account held with the Bank. The Bank shall enable the Client to switch the payment account even if the Bank is at the same time both the transferring and the receiving payment services provider, and in such event that the Client opens a new payment account with the Bank in which case the Bank is the receiving payment services provider.

Payment account switching is conducted exclusively upon written authorisation whereby, the payment services user authorises the transferring payment services provider to undertake all or individual activities pertaining to payment account switching which said services providers are obliged to carry out in line with applicable regulations governing payment services. This authorisation may be used by the payment services user to identify standing orders, direct debit mandates, incoming credit transfers and other payment services that are to be switched to the new payment account, provided that the receiving payment service provider provides these services. By the authorisation, the payment service user specifies the date from which standing orders and direct debits are to be executed from the new payment account, whereby this date shall be at least six business days from the date on which the receiving payment services provider received the documentation from the transferring payment services provider.

Within two business days from the receipt of the authorisation for payment account switching, the Bank, as the receiving payment services provider shall request the transferring payment service provider to carry out the following tasks, in accordance with the authorisation: transmit to the Bank, and, if specifically requested by the payment services user, to him/her as well, a list of the existing standing orders and available information on direct debit mandates that the payment service user requested to be switched – within five business days from the receipt of this request; transmit to the Bank and, if specifically requested by the payment service user, to him/her as well, the available information about recurring incoming credit transfers and creditor-driven direct debits executed on the payment services user's payment account in the previous 13 months – within five business days from the receipt of this request; refuse the execution of a payment transaction based on incoming credit transfers and direct debits with the effect from the date specified in the authorisation and inform the payer and the payee of the reasons for refusal, if it does not provide a system for automated redirection to the new payment account; cancel standing orders with effect from the date specified in the authorisation; transfer any remaining positive balance from the previous to the new payment account on the date specified in the authorisation; close the payment account on the date specified in the authorisation. In the event that the Bank is the transferring payment services provider, at the request of the receiving payment services provider, and in the cases determined by law, at the request of the payment services user, it shall carry out the mentioned activities i.e. shall submit the mentioned documentation and information within the defined deadlines.

As the receiving payment services provider in terms of the new payment account, the Bank shall, within five business days from the receipt of the requested information from the transferring payment services provider, and in accordance with the authorisation and all the information received, do the following: set up the standing orders specified by the payment service user in the authorisation and execute them with effect from the date specified in the authorisation; make any necessary preparations to execute direct debits which the payment service user specified in the authorisation with effect from the date specified in the authorisation; inform the payment service user of other rights related to the execution of direct debits that are agreed; inform the payers specified in the authorisation and making recurring incoming credit transfers of the details of the new payment account of the payment service user and transmit to them a copy or original of the authorisation; inform the payees specified in the authorisation and using a direct debit to collect funds from the payment account of the payment service user of the details of the user's new payment account and the date from which direct debits are to be collected from that payment account and transmit to the payees, along with the information, the Bank shall submit a copy or original of the authorisation.

If the Bank is the transferring payment services provider in the process of payment account switching, it shall close the payment account of the payment services user if the Bank received from the receiving payment services provider information and documentation in line with applicable regulations, and if the payment services user does not have any outstanding



obligations on said account, otherwise the payment services user shall be notified of the fact that the closing account terms have not been met. The Bank, as the transferring payment services provider submits to the receiving payment services provider, information on all or same standing orders recurring direct debit mandates and recurring credit transfers where the payment service user is the payee, as well as any remaining positive account balance, if so requested by the payment service user in the authorisation.

The Bank shall make the following information pertaining to the switching readily available to the payment services user: obligations and responsibilities of the transferring and receiving payment services provider, the timeframes for the completion of actions, the fees (if any) charged for payment account switching, any information that the payment service user is required to provide to the payment service provider, the out-of-court dispute settlement options, in accordance with the law governing the protection of financial service consumers. The information referred to above shall be available free of charge, on paper or another durable medium, on all premises of the Bank accessible to payment service users and on the Bank's website. The Bank shall provide the payment service user information referred to herein, upon their request and free of charge.

The Bank shall provide the payment services user or make readily available information on any existing standing orders or direct debit mandates at his/her request and free of charge which the payment services user may have with the Bank.

The Bank shall refund to the payment service user, without delay, any damage suffered by the user in the switching process due to non-compliance of the Bank with the General Terms and Conditions and valid regulations, unless said non-compliance was the result of force majeure.

The Bank shall ensure that a Client, legally resident in the Republic of Serbia, who does not have a payment account, may open and use a payment account with basic features, upon his/her request for the purpose of executing payment transaction in the RSD currency (hereinafter: a Basic Payment Account). A Basic Payment Account includes the following basic services: services required to open, maintain and close said account; services enabling cash to be placed on a payment account; services enabling cash withdrawals from the payment account, i.e. the transfer of cash funds from or to the payment account.

The Bank shall promptly, and no later than within 10 business days from the date of receipt of the duly completed application, refuse to open a Basic Payment Account should the Client already have an opened Basic Payment Account with another bank, and in the event that the Client fails to provide a written statement and a notification issued by the other bank stating that the payment account will be closed, as well as in the event that there are reasons to refuse the application envisaged under applicable law, including but not limited to regulations governing anti-money laundering and terrorism financing and payment services.



In the event of the refusal of the application for opening a Basic Payment Account, the Bank shall promptly notify the Client, in written form and free of charge, of the reasons therefore, unless such disclosure is contrary to regulations, and shall send the Client information on his/her right to complain and the possibility of out-of-court dispute settlement in relation to the opening of a Basic Payment Account, in accordance with the law governing the protection of financial services users.

#### **4. Authorisation for Opening and/or Maintaining a Payment Account**

If the Client wishes to authorise another individual to open an account and/or manage and access the funds in their account, the Client is under obligation to provide the Bank with a written power of attorney, in the appropriate form, as well as to clearly specify the scope of activities and actions for which the specific person is authorised, within the said power of attorney. Authority to access funds on the account may also be granted at the business premises of the Bank in front of a competent officer, and the presence of the principal and the authorised individual(s) is mandatory. The Client, who is the owner of the account, is obliged to familiarise the authorised individual(s) with the contents of the General Terms and Conditions, as well as with the terms of each Opening and Maintaining an Account Agreement to which this individual has been authorised. It is considered that an individual who has been authorised to access the payment account has accepted the General Terms and Conditions, i.e. the Framework Agreement, at the moment said individual completes their first activity related to the payment account said individual has been authorised to access. The authorised individual(s) act in the name and on behalf of the Client, as the principal, based on a duly issued power of attorney. A power of attorney, certified by a competent body, must not be older than six months for residents and three months for non-residents, except in cases where applicable regulations prescribe an alternate compulsory period. A power of attorney written in a foreign language must be translated by an authorised court sworn interpreter for the language in which the power of attorney was drafted.

In the event of any amendments regarding authorised individuals responsible for the management of the payment account or the scope of authority, the Client must inform the Bank without delay, personally at the Bank's premises and must provide satisfactory evidence of said amendment, which the Bank deems acceptable.

The authorisations and deposited specimen signatures of persons authorised to manage the payment account or access funds on the account are valid until revocation of the same, where such revocation has to be made in written form, and in a form acceptable to the Bank. Until the moment of withdrawal, the Bank may rely on valid authorisations or powers of attorney and shall not be liable for damage that may occur due to the management and access to funds in the payment account of the Client based on said authorisations or powers of attorney.

From the moment the Bank receives information regarding the death of the Client in whose name the account was opened, all powers and potentially granted special powers of attorney for managing the account cease to be effective and the funds in said account are blocked and

are inaccessible. Until the moment the Bank receives information regarding the death of the Client, the Bank cannot be held liable for any activities and access to the funds available on the account, based on previously issued authorities and shall not be held liable for any damage that may occur.

Upon the receipt of a legally binding decision on inheritance based on a legally binding and enforceable judicial decision or the decision of another competent body or a legally binding and mandatory decision on inheritance or other decision of a competent body, all in accordance with relevant regulations, the Bank shall act in accordance with the provision of said act.

## **5. Payment Transactions**

Payment transactions imply a pay-in, transfer and pay-out of money initiated by the payee or the recipient of payment, and is executed regardless of the legal relationship between the payee and the recipient of the payment.

The Bank provides payment services in local and foreign currency, in the country and abroad, and is irrevocably authorised to accept payments on behalf of the Client, and the Client may access funds in the account in the amount of available funds, all in accordance with the General Terms and Conditions, individual agreement and applicable regulations.

To provide the services that are the subject of the Opening and Maintaining a Payment Account Agreement, the Bank assigns an identification number to the Client, which is required for each payment transaction. The identification number is also the number of the Client's payment account, which is used for the execution of payment services.

Payment transactions that are the subject of the Opening and Maintaining a Payment Account Agreement can be made only by entering the correct identification number. It is considered that the payment order was properly executed if the Bank completes the payment order in accordance with the identification number specified on the payment order (the payer and/or payment recipient). If the Client provides the Bank with an incorrect identification number or if any other important element of the payment order has been incorrectly entered, or if the Client fails to authorise the payment order, responsibility towards the Client for the proper and timely execution of orders shall be determined in accordance with applicable regulations and the General Terms and Conditions. If the payment order contains the identification number without any other prescribed information or if other specified data do not correspond to the identification number, the Bank shall execute the order under the identification number, if it meets the other agreed upon conditions for its execution, and in said cases the Bank shall be liable only for the execution of the payment transaction in accordance with the identification number.

A payment order issued for the execution of a single payment transaction is a Single Payment Transaction Agreement concluded between the Client and the Bank (hereinafter: Single

Payment Transaction Agreement). A single payment transaction is executed without the obligation of the payer to open a payment account with the Bank.

The Bank is obliged to make the following information readily available to the Client, prior to concluding the Single Payment Transaction Agreement: identification number or other data to be provided by the Client for the correct execution of a payment order; time limit for the execution of a payment transaction; type and amount of all fees charged by the Bank and, if the Bank collects these fees in an aggregate amount, a breakdown of the types and amounts of each individual fee making up the aggregate fee; if currency conversion is applied, the exchange rate and/or reference exchange rate used by the Bank for the payment transaction. The Bank provides the Client with the information referred to here in the form of a payment order containing said information, and at the request of the Client, the Bank is obliged to provide said information to the Client on paper or other durable medium. The Bank is obliged to make readily available to the Client, other information which has been deemed by law to be mandatory elements of the Framework Agreement and is important in executing single payment transactions.

The Bank is obliged to immediately upon receipt of the payment order for the execution of a single payment transaction, submit to the Client and make readily available the following information: a reference number or other data which shall allow the Client to identify payment transactions and information relating to the payee; the amount of the payment transaction in the currency indicated in the payment order; the amount of any fees charged to the Client for execution of a payment transaction and, if the Bank collects these fees in an aggregate amount, a breakdown of the types and amounts of each individual fee making up the aggregate fee; if currency conversion is applied, the exchange rate and/or reference exchange rate used by the Bank, as the payer's payment service provider in executing the payment transaction, and the amount of the payment transaction after currency conversion; and the date of receipt of the payment order. The Bank is obliged to submit this information to the Client on paper or other durable medium, at the request of the Client.

## **6. Instant Debit Transfer**

The Bank enables its Clients to make instant transfers at the Bank's counter and / or via the ebanking application under the following conditions:

- that the Client has the appropriate system requirements and application for using the eBanking service;
- that the payment orders in RSD are in question;
- that the payment orders are less than RSD 300,000.00 and that they are marked as urgent.

The time of receipt of the instant transfer of the credit initiated in paper form represents the time when the order is processed by the Bank, ie when all the conditions for receiving the payment order and its execution are met.

It is considered that the time of receipt of an electronic payment order (issued by the User via electronic banking) is the time when the electronic order is processed by the Bank's service or when the User is notified of successful receipt and status of the order via application in accordance with user instructions. Regardless of the possible previous participation of the Bank in the process of drafting that payment order.

The Bank enables its clients to receive funds on payment accounts with the Bank on the basis of payment transactions initiated by the payer through another bank.

Payment orders that are less than RSD 300,000.00 and marked as URGENT are automatically executed as INSTANT payments in the IPS NBS system.

All orders for payment or approval of the Bank's clients' accounts based on IPS transactions are available to clients on a 24/7/365 basis and are executed in a time limited to 10 or about 10 seconds from the moment of receipt of the order defined in the previous paragraphs.

In the event that the conditions for the execution of the order are not met, the Bank shall submit a negative response to the payer's payment service provider, together with the reasons for non-acceptance of the order. In that case or if the waiting time for a response has expired, the execution of the Instant Payment order in the payment system will be denied, of which the payer's and payee's payment service provider will be notified by the National Bank of Serbia as the payment system operator. The Bank, as the payer's payment service provider, may reject the payment order after submitting the instant transfer order to the payment system only if it receives a notification on the refusal to execute the instant transfer order referred to in this paragraph.

The payer's payment service provider has the right to initiate a refund from the payee's payment service provider on the basis of the Instant payment if client executed the payment order more than once, in an amount greater than the amount specified in the order, to another payee. If client made that transfer by mistake due to technical problems, as well as for other reasons stated by the payer. The Bank, as the payee's payment service provider, is obliged to refund the funds in accordance with the applicable regulations on the basis of the request for refund, or to reject such a request, stating the reasons.

Other provisions of these General Terms and Conditions shall be applied to all issues not defined in this section.

## **7. Consent for the Execution of Payment Transactions**

The Bank shall execute a payment transaction only if the payment transaction is authorised, i.e. it is considered authorised if the payer has given consent to execute the payment transaction or to execute a series of payment transactions which incorporates this specific payment transaction, and after the Bank has completed the authentication process for the payment transactions for which the Client has provided consent.

The manner in which approval is granted for the completion of a payment transaction depends on the payment instrument and the distribution channel of the Bank. The Client grants approval for the execution of a payment transaction: initiated at the business premises of the Bank - by signing the order; by the payment recipient - by signing the order; through e-Banking - by using an authentication code; by entering other personalised safety features requested at the POS (payments via internet, etc.); Client signature, i.e. user signature on the transaction slip, if so requested from the Client at the point of sale.

Granting consent for payment transactions initiated in a manner not defined by the General Terms and Conditions may be provided by a separate agreement. It is considered that the Client has subsequently given their consent when, after the completed transaction they remove the documents from the Bank which refer to a specific payment transaction (certificates, certified payment orders, etc.).

By accepting these General Terms and Conditions, the Client authorises the Bank to debit all Client's accounts with the Bank, regardless of the currency of said accounts, for the purpose of settling receivables the Bank has towards the Client, which have arisen on any grounds. In the event that the settlement of the Bank is charged through the foreign currency accounts of the Client, when calculating, the Bank shall apply the Bank's current buying rate for foreign currency on the date the account is debited.

## **8. Payment Order (receipt, rejection of execution and withdrawal of the payment order)**

Payment transactions via current and other accounts in payment operations shall be executed by using adequate payment orders that constitute as an instruction issued by the payer or the payment recipient, to execute a payment transaction.

A payment order is an instruction of the payer or the payment recipient for the payment service provider to execute a payment transaction. Payment orders for foreign currency payments consist of one copy, whereas other payment orders consist of at least two copies, where, at the Client's request and with the consent of the Bank, the transfer order may consist of only one copy. The order must be valid, legible and authorised by the Client in the agreed manner. The Client is responsible for the completeness and accuracy of the information specified in the payment order, and shall, prior to giving consent for the execution of a payment transaction, the Client shall check the elements and the content of the payment order which initiates the payment transaction and/or a series of payment transactions.

The Bank may debit the payment account of the Client without the Client's payment order in the following cases: in an enforcement procedure, i.e. forced collection from the Client, in accordance with applicable regulations; for the purpose of the collection of matured fees for services provided by the Bank in accordance with the provisions of the Framework Agreement, or other due receivables of the Bank towards the Client that result from the business relationship between the Bank and the Client, if such type of collection has been

agreed and in other cases provided by applicable regulations. Payment transactions made in this way are not considered unauthorised payment transactions.

By signing the Opening and Maintaining an Account Agreement, i.e. the Framework Agreement, the Client irrevocably authorises the Bank to execute the payment to offset the balance of the payment account the Client has open with the Bank, when the particular payment account does not have available adequate resources for the execution of the obligations as per the agreement. If the Client has more than two payment accounts (local or foreign currency), the Bank has the right to and at its discretion, determine the order in which funds are to be transferred. If the transfer is made from the Client's foreign currency account, the Bank shall apply the currency buying rate for foreign currency on that date.

The reclamation of funds which is conducted in specific cases where the completion of the payment order has been done improperly (more funds have been transferred than the amount indicated on the payment order, repeatedly executed payment order or funds that are transferred to another payment recipient) has priority over the execution of all other payment transactions from the payment account to which funds have been transferred.

The Bank receives payment orders through its distribution channels, in accordance with the provisions of the Opening and Maintaining of a Specific Account Agreement. The time of receipt of the payment order is the time when the Bank has received an order directly from the Client - payer or indirectly from the recipient of the payment. The cut-off time for the acceptance of orders is defined by the Schedule which is an integral part of the Framework Agreement. The payment order received by the Bank after the deadline prescribed by the Schedule is considered received on the following business day (provided that the business day is a whole business day or part of a business day for the Bank so as to allow the execution of payment transactions for the user of payment services, where the user of payment services in terms of applicable regulations is a Private Individual or legal entity that uses or has used payment services in the capacity of payer and/or payment recipient or has approached the payment service provider in order to use said services).

If the Client has specifically agreed the day of execution of the order with the Bank, the time of receipt of the order shall be deemed as the day of the agreed upon start of the execution of the order. If the payment order is received on a non-business day of the Bank, it is considered received on the following business day.

In the event of a standing order, the time of receipt of the standing order shall be the day defined by the standing order itself.

If the Client and the Bank agree that the payment order is to start on a specific date or on a date at the end of a specific period, or on a day when the Client provides the Bank with the necessary funds, it is considered that the payment order has been received on said specific day. If the payment order is received on a non-business day, it is considered received on the following business day.

The Bank shall execute a payment order if the following conditions have been met: if the payment order is valid; if the payment order is accompanied by adequate documents prescribed by foreign currency regulations or the prevention of money laundering and terrorist financing; if the payment account has sufficient funds to cover the entire amount of the order and the fee or if the Client making a cash payment to their payment account, hands over the cash to the Bank in the amount necessary for the execution of orders and fees, unless otherwise agreed for each additional specific service; if consent for the payment order was granted in the agreed manner; if the account is not blocked due to reasons prescribed by regulations; if there are no legal impediments to execute the order; if the signature on the payment order is identical to the specimen signature deposited with the Bank by the Client or an authorised individual.

The Bank reserves the right to request additional information from the Client related to the payment transaction, if said obligation arises from regulations governing the prevention of money laundering and terrorist financing, regulations governing foreign exchange transactions or prescribed by the Bank's internal acts are enacted according to these regulations.

If the above mentioned conditions for the Bank to execute the payment order have not been met, the Bank may decline to execute a payment order, in which case it shall, in accordance with applicable regulations, inform the Client regarding said and if possible provide the reasons for the rejection, as well as the possibility and procedures necessary to correct the errors that led to said rejection, no later than within the period prescribed for the execution of the payment transaction.

If the execution of the payment order is denied, it is considered that the payment order was not received, and if the Client corrects the deficiencies in the payment order and meets the requirements for its completion, it is considered that the corrected payment order is submitted as a new payment order, and the Bank shall commence with the execution of the payment order in accordance with the General Terms and Conditions.

Payments to foreign countries and foreign collections may be completed by remittance and other payment instruments that are used in international payment transactions, in accordance with applicable regulations.

The Bank performs outgoing payments towards foreign countries charged to the payment account of the Client, on the basis of a valid order and in accordance with the Schedule, provided that all other requirements for the execution of the payment order have been met in accordance with applicable regulations and the provisions of General Terms and Conditions.

A payment order may be withdrawn at any moment before it becomes no longer withdrawable, by revoking consent for the execution of the payment transaction or sequence



of payment transactions, so that any following payment transaction in a sequence of payment transactions is also deemed unauthorised.

A payment order cannot be withdrawn after the Bank has received the payment order, where in situations that a payment transaction is initiated by the payment recipient or the payer through the payment recipient, the Client as the payer cannot withdraw the payment order after it has been issued or once consent has been granted to the payment recipient for the execution of the payment transaction. Exceptionally, if the payment transaction is initiated by the payment recipient through direct debit, the Client as the payer, may cancel the payment order of the payment recipient by the end of the business day preceding the day set as the start of the execution of the payment order.

Upon the expiry of the deadlines set forth in the previous paragraph, the Client can no longer withdraw the payment order, unless otherwise agreed with the Bank. If the payment transaction is initiated by the payment recipient or payer through a payment recipient, the cancellation of the payment order upon the expiry of said deadlines cannot be completed without the consent of the payment recipient.

Withdrawal of the payment order must be completed in written or electronic form, depending on the form of delivery of the payment order, where said withdrawal must contain all of the important elements of the payment order to be withdrawn (the amount, recipient, payer, execution date, etc.).

For international payment transactions, the Client may request in written form, the cancellation of the payment order at the time and in a manner that makes it possible to initiate the cancellation of the specific payment transaction contained in the order, and may also submit a request for revocation or invalidation after the execution of a payment transaction, in which case a fee is charged according to the Tariff of Fees, and there are no guarantee that this attempt will be successful and that the Client shall not suffer consequences in this regard.

## **9. Responsibility of the Bank and the Client in the Execution of Payment Services**

For domestic payment transactions executed in the RSD, the transaction amount will be credited to the account of the payment services provider of the recipient the same business day when the Bank receives the payment order in accordance with the General Terms and Conditions. For other payment transactions, different deadlines for the execution of payment transactions may be applied in accordance with applicable regulations.

Upon receipt of a payment order from a foreign bank, the Bank shall inform the Client of the inflow from abroad, in whose name, i.e. on whose behalf the payment has been made.

The payment account of the Client is approved in the currency in which the Bank's account was approved. The Bank shall approve funds on the Client's payment account and permit



access to available funds on the account, after receiving an approval notification for the Bank's account, but not before the date of collection of the currency, which is the date that foreign banks or other local bank approves the Bank's account. If the funds on the Bank's account are approved on a non-business day, the funds are considered received on the following business day. If the approved account with the Bank is in a currency for which the recipient of the payment does not have an open account with the Bank, the Bank shall not be able to record an incoming payment unless the Client, as the recipient of the payment, opens an adequate foreign currency account.

In the event of a domestic payment transaction, if the Client makes a cash payment to the payment account with the Bank in the currency set for said payment, the value date of the approval of said payment account corresponds to the date when the cash was received.

The Bank is obliged to ensure that the Client may access funds immediately upon the approval of said funds on the Client's payment account. If the Client requests a cash pay-out from the payment account, the Bank shall pay-out such cash immediately and free of charge, where if the amount of said cash pay-out exceeds RSD 600,000.00 or the counter value of effective foreign currency calculated at the official median exchange rate exceeds the amount of RSD 600,000.00, the Bank shall pay-out said funds no later than by the following business day.

The Bank shall ensure that the value date of debiting the Client's payment account in relation to the execution of a payment transaction is the same or later than the date when said payment account is debited with the amount of the payment transaction.

The Bank shall not perform payment transactions for the Client who has not provided approval in the manner stipulated in the Framework Agreement, the General Terms and Conditions and applicable regulations (unauthorised transaction). In cases where an unauthorised payment transaction has been completed, the Bank shall immediately upon learning of said transaction, refund the amount of the transaction to the Client or return the Client's payment account to the state it would have been in had the unauthorised payment transaction not occurred in the first place, in which case the Client will receive a refund of the amounts of any fees that were collected, as well as a refund of the amount of any interest to which the Client would be entitled to had the unauthorised payment transaction not occurred. However, the Client as the payer bears losses resulting from the execution of unauthorised payment transactions up to the amount of RSD 3,000.00, if said transactions were executed due to a lost or stolen payment instrument or a payment instrument that was misused due to the Client's failure to protect their personalised elements, in that by way of derogation, the National Bank of Serbia may prescribe that the payer shall bear losses arising from execution of unauthorised payment transactions up to an amount not exceeding RSD 3,000, taking into account in particular the nature of personalised security elements of a payment instrument and the circumstances in which the payment instrument was lost, stolen or misused. In particular, immediately upon the receipt of a payment instrument, the Client is obliged to take all reasonable and adequate measures to protect the personalised security elements of said instrument.

The Client as the payer shall cover all losses resulting from the execution of unauthorised payment transactions, if said transactions were executed due to fraudulent behaviour of the Client as the payer or failure to meet their obligations to use the payment instrument in the agreed upon manner, failure to take all reasonable and adequate measures aiming to protect personalised security elements immediately upon the receipt of the payment instrument or to notify the Bank of theft, loss or misuse of the payment instrument, or due to the intentional actions or gross negligence of the Client. The Client is obliged to use the payment instrument in accordance with the prescribed, i.e. contracted conditions that regulate the issuance and the use of said instrument, and immediately upon becoming aware of the loss, theft or misuse of the payment instrument, to notify the Bank or the person designated by the Bank regarding the situation.

The Bank issuing the payment instrument shall ensure that personalised items are available only to the Client to whom said payment instrument is issued, to enable the Client to adequately report theft, misuse or loss of a payment instrument at all times, as well as to prevent any further use of the payment instrument after receiving notification of theft, misuse or loss of a payment instrument in accordance with the General Terms and Conditions.

The Bank is obliged to provide the Client with proof confirming that the Client had informed the Bank of theft, loss and/or misuse, if the Client submitted a request for the presentation of said proof within 18 months from the date of said notice.

The Client shall not be charged with losses if the Bank fails to provide adequate notification regarding the lost, stolen or misused payment instrument in accordance with applicable regulations, except if said losses are the result of the fraudulent actions of the Client.

The Client shall not cover losses originating from unapproved payment transactions which have been executed after the Client has informed the Bank that the payment instrument has been lost, stolen or misused, unless said losses originate from the fraudulent actions of the Client.

If the Bank is responsible for a non-executed or improperly executed payment transaction initiated by the Client as the payer, immediately after becoming aware of the situation, the Bank is obliged to refund the amount of the non-executed or improperly executed payment transaction to the Client's account, i.e. to return the payment account of the Client to the state it would be in had the improperly executed payment transactions not occurred in the first place, unless the user of payment services has demanded valid execution of the transaction. The Bank is responsible for non-executed or inadequately executed payment transactions, in which respect the Bank is under obligation to return all fees collected from the Client, i.e. the amounts of all the interest payable to the Client in relation to a non-executed or inadequately executed payment transaction.

For payment transactions which are initiated by standing orders or direct debit, the Bank shall not be liable if the funds on the Client's account are not sufficient, if instructions are not clear, if the third-party invoices or similar documents are not clear or are not timely delivered to the Bank, as well as in other cases that are beyond the control and influence of the Bank. In the event of direct debiting, the payment service provider of the payment recipient shall be obliged to submit a payment order within a deadline that allows the Bank to credit the account of the payment service provider of the payment recipient with the amount of the payment transaction.

If a payment transaction was initiated by the payment recipient or the Client as the payer through the payment recipient, the payment service provider of the payment recipient shall be liable for the correct submission of a payment order to the Bank, i.e. for timely submission, and if the payment order is not submitted or not properly submitted, the payment service provider shall be obliged to send said order again to the Bank immediately after learning of said situation. If the payment service provider of the payment recipient provides evidence to said payment recipient and to the Bank if necessary, confirming that the payment service provider is not responsible towards the payment recipient, the Bank shall be responsible towards the payer for the non-executed or inadequately executed payment transaction. The Bank, which is in accordance with the provisions of this paragraph, shall be responsible for the non-executed or improperly executed payment transaction, shall be obliged to refund the amount of the non-executed or improperly executed payment transaction to the Client, i.e. to return the payment account of the Client to the state it would have been in had the improperly executed or non-executed payment transactions not occurred in the first place, unless the user of payment services has demanded proper execution of the transaction. The Bank, which in accordance to the provisions of this paragraph, is responsible for non-executed or inadequately executed payment transaction and shall return all fees collected from the user of the payment services, i.e. shall pay the amounts of all the interests payable to the Client in relation to the non-executed or inadequately executed payment transaction.

The Bank shall be liable towards the Client for non-executed and improperly executed payment transactions, in the event when the mediator, who participates between the payment service providers is responsible for said execution, in which case the Bank shall be entitled to receive compensation of damages from the mediator, where the above said arrangement does not apply to international payment transactions.

The Bank is obliged to act in accordance with the above said provisions and ensure the return of the unapproved, unexecuted or inadequately executed payment transaction in the manner specified above, if the Client informs the Bank of the unapproved, unexecuted or inadequately executed payment transaction, i.e. if the Client requires adequate execution of the transaction, immediately after becoming aware of said transaction, but no later than within 13 months from the transaction, whereas after the expiry of the period of 13 months, only under the condition that the Bank has failed to provide the Client with information regarding the payment transaction in question, as prescribed by the regulation that governs payment services.

Regardless of the liability of the non-executed or improperly executed payment transaction, at the Client's request, the Bank shall take appropriate measures to determine the payment transaction cash flow and provide the Client with information regarding the outcome of the measures taken, without delay.

If the Client claims that they did not authorise the executed payment transaction or that the payment transaction was not executed nor properly executed, and informs the Bank of the incident, and the Bank claims otherwise after the receipt of said notice, the Bank shall provide corresponding proof that the payment transaction had been authorised, properly recorded and booked and that the execution of said transaction was not influenced by any technical malfunction or other shortcoming.

There shall be no responsibility of the Bank or the Client in terms of the execution of payment transactions, unless the fulfilment of obligations is impossible due to force majeure or if said is envisaged by applicable regulations. The Bank shall return the entire amount of the approved and properly executed payment transaction, initiated by the payment recipient or the Client as the payee through the payment recipient, under certain conditions, as follows: that the Client as the payee has given their consent for the execution of the payment transaction without a specified accurate amount, that the amount of the payment transaction is higher than the amount the Client as the payee could reasonably expect, taking into consideration amounts of the Client's previous payment transactions, the conditions set forth in the Framework Agreement and the circumstances of a specific case, where situations involving higher amounts which are the consequence of currency exchange under the agreed reference exchange rate, are excluded. In order for the Bank to provide a refund, the Client must submit adequate proof that the above specified conditions have been met and to submit a request within a period of 56 days from the date of said debiting. The deadline for acting upon the Client's request is 10 business days, during which the Bank shall either return the entire amount of the payment transaction or notify the Client regarding reasons why the request was rejected, while at the same time informing the Client of the procedure for achieving the protection of their rights and interests envisaged by applicable regulations. The Client is not entitled to a refund of an approved and properly executed payment transaction if the Client directly gave consent to the Bank to execute the payment transaction and if the Bank or the payment recipient informed the Client of the upcoming payment transaction at least 28 days prior to maturity.

If the payment order has been executed in accordance with the identification number designating the payment recipient from said order, it is considered that said payment order has been adequately executed pertaining to the determination of the payment recipient, regardless of other data submitted to the Bank.

If the identification number submitted to the Bank by the user of the payment service is not accurate, the Bank is not responsible for the non-executed or improperly executed payment transaction. In such cases, at the request of a payment services user, the Bank, as the payment

services provider shall promptly take all reasonable measures in order that the payment services user receives a refund of a payment transaction amount, and the payee's payment service provider shall cooperate to this aim with the payer's payment service provider and provide all the necessary information to the provider so that the payment transaction amount is refunded. If, in addition to this, the money cannot be refunded to the payer, the Bank, as the payer's payment services provider shall, upon the payer's written request, immediately submit all the available information which the payer needs to exercise the right to refund (e.g. information about the payee's payment services provider and/or the payee).

In the event the payment transaction was not executed due to an incorrect identification designation number, the Bank shall be obliged, immediately after becoming aware of said, to return the amount of the unexecuted payment transaction to the user of payment services.

In the event the Bank transfers a larger amount than was set forth in the payment order or executes the payment order more than once, the payment service provider of the payment recipient shall be obliged to return said funds to the Bank without delay, based on adequate proof provided by the Bank.

In the event where a smaller amount is transferred, the Bank may transfer the difference to the payment service provider of the payment recipient, without the request of the user of the payment services, within the deadline envisaged for the execution of the payment transaction.

In the event that the Bank transfers the funds to another payment recipient, not the one specified on the payment order, the Bank shall properly execute the payment transaction without special request of the user of payment services within the deadline for the execution of the payment transaction, whereby the payment service provider of the payment recipient who received the funds by error must return said funds without delay on the basis of adequate proof. In this sense, the Bank may reverse, without special request and consent from the Client, the entry that was made by error on the Client's account, and is under obligation to inform the Client of the correction if the Client requests an explanation for the corrections made.

The Bank shall always require clear and explicit instructions (orders) from the Client for the execution of payment transactions both domestic and international, in written form, and specifying the purpose of payment. The instructions must be submitted by the Client and received by the Bank in a timely manner so that the Bank may complete the payment transaction in a standard manner, without having to use any specific form of urgent communication. The Bank shall execute payment transactions in the RSD during working hours of the business day on which it was received, or at the currency date if such date is specified in the payment order, depending on whichever date is later for orders prescribed by relevant regulations pertaining to payment services. Within the Schedule, the Bank determines the time by which it shall be deemed to have received orders or instructions on said business day, but where such time cannot be longer than the time determined by the

National Bank of Serbia for orders in domestic payment operations. If the Client has specifically agreed the day of execution of the order with the Bank, the time of receipt of the order shall be deemed as the day of the agreed upon start of the execution of the order. Orders regulated by governing regulations pertaining to foreign currency business, the Bank will carry out within the timeframe agreed with the Client for each payment transaction. The Bank shall not be responsible for the improper execution of international payment transactions or payment transactions in foreign currency, carried out through a correspondent bank, except in cases of its own gross negligence. The Bank shall not be liable for damage in the event that after the receipt of the payment order from the foreign bank to the value date of the payment transaction, the Bank does not receive any coverage from abroad, i.e. foreign bank withdraws, blocks and/or modifications of the order, in which case the Bank shall not be able to process the receipt of the payment and said amount is then reversed. The obligation of the Bank to execute payments by debiting the positive balance of foreign currency accounts or to fulfil the obligations in foreign currency will be limited to the extent and the period in which the Bank may not or may only conditionally access currency pertaining to said obligation, due to political measures or events in the country of the respective currency. To the extent and over the period in which said measures or events exist, the Bank is not obliged to make payments to a place that is different from the currency country, nor in another currency (including local currency) or to provide cash for said payment, which will not affect the right of the Client or the Bank to carry out mutual offsetting of receivables in the same currency. The Bank shall not be liable towards the Client for any damage resulting from exchange rate differences for the execution of the order in a currency other than the original currency specified in the order, if said order was received from the payer's provider of payment services or was obliged to convert the inflow in accordance with applicable regulations.

In terms of execution of payment orders of the Client, the Bank does not bear any responsibility in the following cases of suspension of payments due to the application of international regulations, the application of relevant rules and regulations applicable to the Bank or its affiliates, moratorium of a correspondent bank, in accordance with the regulations of the foreign country. The Bank shall in no event be liable for loss/damage caused by changes in exchange rates or value of security instruments, if the delay or misdirection of the relevant order has been caused by the actions or omissions of the Client, or any third party.

## **10. Payment Account Statements**

Unless otherwise agreed, the Bank shall issue payment account statements once per month directly at its business premises or shall send said by e-mail when the Bank's records include information on the Client's e-mail address or via e-Banking or in any other appropriate manner in accordance with applicable regulations and the provisions of the General Terms and Conditions which allows the Client to retain said information and reproduce it in an unmodified form. At the written request of the Client, the Bank shall provide the Client with a printed account statement, once per month, free of charge.

The Client must immediately verify the accuracy and completeness of the statement, as well as of other reports and notifications received from the Bank. In the event of a complaint, the Client shall no later than within 10 days after the receipt of the submitted document, submit a complaint that must contain precise information and explained, and deliver said to the Bank in written form, and no later than within 13 months from the date of debiting, under the threat of loss of the right to a refund and other rights prescribed by the law, and after the expiry of the deadline of 13 months, only under conditions that the Bank has failed to provide the Client with all the required information pertaining to the payment transaction in accordance with applicable regulations. If the Client fails to submit an objection to the Bank in accordance with the above said, it shall be deemed that the Client has accepted the statement as accurate.

### **11. Standing Order**

A standing order is an instruction given by the Client, as the payer, to the Bank, as the payment services provider which holds the payer's payment account to execute credit transfers at regular intervals or on predetermined dates.. The Bank shall execute the standing order if there are sufficient funds only in the account to cover the entire defined amount of the standing order, increased by the fees set forth in the Bank's Tariff of Fees. All payment transactions that form a part of a sequence of payment transactions under an agreed standing order shall be observed as payment transactions approved by the Client. A standing order is agreed by signing a standing order form and by entering all the relevant elements/data pertaining to the payment transactions being executed or is defined by contractual provisions. A standing order ceases to be effective in the agreed upon manner, first and foremost on the defined day, by withdrawal of the standing order by the Client, as well as by closing the account being debited with the payments.

### **12. Direct Debit**

The Client and the Bank may agree to execute a sequence of payment transactions through direct debit, where said payment service enables the Client to settle its liabilities towards the payment recipient based on consent delivered to the Bank, the payment recipient and/or service provider of the payment recipient. In case of direct debit, the payment recipient initiates a payment transaction to debit the payer's account based on the consent of the Client, as payer.

Direct debit may be a single or repeated transaction, with fixed or variable amounts and fixed or periodical maturity and is contracted by signing a direct debit form. The Bank shall execute a direct debit in accordance with the conditions and instructions submitted by the payment recipient. All payment transactions that form a part of a sequence of payment transactions initiated by the payment recipient and based on direct debit, are deemed authorised.

### **13. e-Banking**



The Client contracts the use of e-Banking services with the Bank by signing an application form for e-Banking, where the said application form defines the scope of services selected by the Client, in which case the mutual rights and obligations between the Client and the Bank are defined by the provisions of this clause, i.e. the General Terms and Conditions.

E-Banking service users are Clients who have an open payment account with the Bank. By using e-Banking services, the Client may review the balance on their account and perform payment transactions in the RSD within the country and conduct the conversion of both RSD and foreign currencies through their RSD, i.e. foreign currency accounts. To ensure the uninterrupted use of e-Banking services, the Client is under obligation to provide technical preconditions for which they will receive notification when they apply for said services.

Electronic Banking services are available as e-Banking services and m-Banking services. Internet Banking services are available through WEB channel (the internet), whereas mobile Banking services are available through a mobile phone application and SMS channel. The Client has the right to use e-Banking services that the Client selects when filling in the request, i.e. application form for said service.

After signing the application form, the creation and activation of e-Banking services or the activation of specific e-Banking services follows. When signing the application form, the Bank shall provide the Client with the data necessary to activate said services, in written form. E-Banking services are activated by submitting an activation code via e-mail or SMS message.

Clients using internet banking services log in to the e-Banking application by entering their user names and passwords. It is essential that the Client keeps their log in details safe, and does not reveal said details to any person nor to keep said details in their mobile phone. The password must be kept strictly confidential and the Bank does not have the right to ask the Client to reveal their password. The password is changed immediately after it is suspected that it has been compromised. It is recommended to regularly change the password. In the event of abuse of said data by any third party, the provisions of the General Terms and Conditions shall apply, which regulate the liabilities for unauthorised payment transactions executed through the use of a payment instrument.

In order to ensure that electronic payments through e-Banking remain as safe as possible, the Client authorises all electronic payments through SMS messages. During SMS authorisation, it is necessary for the Client to authorise each payment order through a time-limited secret code sent to the Client's phone number specified in the application form, via SMS. In order to prevent abuse by third parties, the Client is obliged to: use antivirus software and to maintain said software on a regular basis; to download the latest safety updates (or patches) for the web browser and operative system; to check the time and date of the last log in, when logging in to internet Banking; to change the password immediately after suspecting that it has been compromised; to regularly change the password.

The Client may change the password at any time using the option "change my password".



The Bank may reject the Client's request to activate e-Banking services even after the signing the application form, but is obliged to inform the Client of said through one of the communication channels provided between the Bank and the Client.

The Client's payment orders are executed in accordance with the Framework Agreement and applicable regulations. The Bank reserves the right, for transactions executed via e-Banking by the Client, to require the submission of documents regarding the executed transaction. Via e-Banking, the Client may access funds in the payment account with the Bank. The Client may use the service - *Check Account Balance* for all types of accounts (RSD and foreign currency) opened with the Bank.

The Bank shall not be liable for refunds, if the Client has entered incorrect data in the payment order when initiating transactions through e-Banking and the Bank has executed said order.

The Bank collects a fee in accordance with its Tariff of Fees for the provision of e-Banking services.

The Client is obliged to comply with the provisions defined by the General Terms and Conditions and applicable regulations, to act in good faith and with due diligence and to preserve the confidentiality of all the data being used and the devices intended to be used for e-Banking purposes (computer, mobile phone, etc.), and if an unauthorised person misuses the password or said devices in any way, the provisions of the General Terms and Conditions shall apply, which regulate the liability for unauthorised payment transactions executed through the payment instrument. The Client is obliged to immediately report the loss, theft or misuse of the password and/or above specified devices and shall verify said in written form, within two days.

The Bank shall not be responsible in the event that the Client cannot use e-Banking services due to an interference in telecommunication channels, as well as due to any other circumstances that are beyond the control and influence of the Bank.

The Bank shall block e-Banking services in the following circumstances: if the Bank concludes that the Client has, while using electronic services, failed to comply with applicable regulations, General Terms and Conditions or the Opening and Maintaining an Account Agreement concluded between the Client and the Bank; if the Client reports the loss, theft or misuse of a password or device intended for the use of e-Banking; if the Bank in any way becomes aware of the unauthorised use of the password or other data necessary for the use of e-Banking by a third party; in all other cases where there are doubts regarding unauthorised access to passwords or other data necessary for the use of e-Banking, i.e. if there are justified reasons pertaining to safety or if there is doubt regarding the unauthorised use or use for fraudulent purposes.

Blocking electronic services prevents its further use. Prior to implementing the blockade, the Bank shall inform the Client via telephone, SMS or other appropriate means of the intention and the reasons for the blockade, and if the Bank is unable to do so before the blockade, it shall notify the Client immediately afterward, at its premises, by telephone, SMS, by e-mail or through one of the communication channels provided between the Bank and the Client.

The Bank shall not notify the Client of the blockade if the giving of said notice is prohibited by applicable regulations or if there are legitimate security concerns. The Bank shall allow the Client to use e-Banking again after the conditions for the blockade cease to exist.

The Bank will unblock electronic services by enabling the Client to access the service again, in the manner prescribed by the General Terms and Conditions. The Client may request the temporary blockage of individual e-Banking services by submitting a written request directly at the Bank's premises.

At any moment, the Client may cancel the use of e-Banking services. Said services may be cancelled at the business premises of the Bank, in written form. Prior to cancelling e-Banking services, the Client is under the obligation to reimburse all debts incurred by using said services. The Bank reserves the right to cancel e-Banking services to the Client, if the Client fails to comply with the General Terms and Conditions.

The closing of all of the Client's accounts with the Bank is accompanied by the further inability to use e-Banking services.

In cases where e-Banking services are cancelled or closed in another manner, the Client is obliged to pay all due fees for the use of e-Banking services and all other fees defined in the General Terms and Conditions or the applicable Tariff of Fees, which relate to e-Banking and in this sense, authorises the Bank to automatically, without further consent, debit its accounts in the amounts of the above specified fees.

#### **14. Costs Borne by the Client**

The Bank calculates and collects fees for payment services, other fees and actual costs in accordance with the General Terms and Conditions, the agreement and the Tariff of Fees.

The fees for international payment transactions are defined in the Tariff of Fees and presented without the fees of other banks participating in the transfer of funds. The amounts of the fees of other business banks participating in the transfer of funds depends on their business policies. The expected fee amount charged by other banks participating in the transfer of funds in international payment transactions can range from EUR 0 to 150 or be expressed in the RSD equivalent, depending on the business policies of other banks and the current regulations in the countries in which these banks operate.

The Bank shall provide the Client, free of charge and in a timely manner before concluding with him/her the Framework Agreement, a document containing a list of services from the list of representative Bank services provided by the Bank, as the payment services provider, and the details concerning fees for each of these services tied to the payment account (hereinafter: the Fee Information Document). The Fee Information Document is sent, free of charge – in hardcopy or via another durable medium, in a manner that provides for proof of submission and shall be made available at the counters of the Bank's branches and its internet webpage.

At the Client's request, and free of charge, the Bank shall submit the Fee Information Document in hardcopy or via another durable medium.

No less than once per year, free of charge, the Bank shall submit to the Client, in the manner envisaged in the General Terms and Conditions relating to communication between the Bank and the Client, a statement containing all fees paid in relation to services linked to the payment account. At the request of the Client, the Bank shall submit the Statement of Fees in hardcopy.

In addition to provisions pertaining to the fees and other costs specifically explained in this clause, the provisions set forth in Chapter XII, in the *Fees and Costs* clause shall also apply to the business relationship between the Bank and the Client in terms of fees and costs.

## **15. Exchange Rate**

For the conversion of local currency into foreign currency, foreign currency into domestic currency and foreign currency into another foreign currency, the Bank applies the exchange rates from the Bank's List of Exchange Rates, which is valid at the time of conversion, unless the parties agree otherwise for a particular case, in accordance with an offer from the Bank. The Bank's exchange rates are available on its website at [www.mirabankserbia.com](http://www.mirabankserbia.com) and at the Bank's business premises.

For the conversion of currencies, as well as during the completion of payment transactions requiring the conversion of currencies, the following shall apply:

- the Bank's buying rate if foreign currency is being converted into the local currency,
- the Bank's selling rate if local currency is being converted into foreign currency,
- if one foreign currency is used to purchase another foreign currency, the Bank's buying rate applies to the foreign currency with which the purchase is conducted and converted into the local currency, then the Bank's selling rate applies to the foreign currency sold by the Bank, and the resulting amount of the local currency is converted into the other foreign currency.

## **16. Interest on Funds in Clients' Payment Accounts**

The Bank shall not calculate nor pay interest on the funds held in the current accounts of its Clients, unless otherwise expressed in a separate agreement.

## **17. Amendments, Term and Termination of the Framework Agreement**

Amendments to the Framework Agreement are made by introducing changes and/or modifications to the General Terms and Conditions, including the Tariff of Fees and the Schedule which are integral parts of the Agreement. If the Bank proposes amendments to the provisions of the Framework Agreement, the Client shall be provided with a written proposal of said amendments no later than two months prior to the proposed commencement of their application. The Client shall be considered notified on the day when a written notice with the amendments is sent by post or courier service, sent via e-mail or through another durable medium. Simultaneously with the said proposal, the Client shall be notified regarding their right to terminate the Framework Agreement prior to the effective date of the proposed amendment without the obligation to pay the fees and other costs, if the Client does not accept said proposal, it shall be deemed that the Client has agreed to the amendments if by the effective date of the amendments the Client does not, in written form, inform the Bank of their disagreement with the proposed amendments.

After receiving the proposal referred to in the previous paragraph, the Client may agree the proposed changes come into effect before the proposed date for the commencement of their application.

If the amendments of the Framework Agreement pertain to changes in the interest rates or the exchange rates, the Client agrees that the Bank may implement said changes immediately, without prior notice to the Client, if said amendments are based on changes to the reference interest rate or reference exchange rate stipulated in the Agreement, or if the said changes are implemented in favour of the Client. In such cases, the Bank shall inform the Client of changes to the interest rate and exchange rate within 15 days from said change, by SMS message, electronic mail or other means of communication envisaged between the Bank and the Client.

Amendments to individual agreements are made in the form of annex.

The Framework Agreement is concluded on a permanent basis and shall be terminated by consensual or unilateral termination.

The Client agrees that the Bank may terminate the Framework Agreement in all cases envisaged by the Opening and Maintaining a Payment Account Agreement, the Single Supplementary Service Agreement and the General Terms and Conditions, and in cases foreseen by applicable regulations, by submitting a termination notice in writing or through another durable medium, in accordance with the provisions of the General Terms and Conditions which regulate communication between the Bank and the Client, against a notice period no shorter than 2 months. In the event that the Client's activities involve unlawful

and/or illegal actions or activities for which there is reasonable doubt that such activities are of a criminal nature, the Bank is entitled to the right to unilaterally terminate the Framework Agreement without prior notice.

For the mentioned reason, the Bank may unilaterally terminate the Framework Agreement governing the opening of the Basic Payment Account should one of the following terms be met: the Client deliberately used the payment account for illegal purposes; there has been no transaction on the payment account for more than 24 consecutive months; the Client provided incorrect information in order to obtain the Basic Payment Account; the Client has subsequently opened a second payment account; the Client is no longer legally resident in the Republic of Serbia. In the event that the Framework Agreement governing the opening of the Basic Payment Account is unilaterally terminated because the Client intentionally used the payment account for illegal purposes or he/she obtained the Basic Payment Account based on incorrect information, the termination of the Framework Agreement shall take effect the moment the fulfilment of one of these terms is established.

The Client has the right to terminate the Framework Agreement without compensation, with a notice period of one month, with the obligation to provide the Bank with a written termination statement.

In the event of termination of the Framework Agreement, the Client shall be obliged to pay fees for the payment services provided up to and including the date of termination, and if said fee has been paid in advance, the Bank shall return a proportional part of the fee to the Client.

The Client may seek the provisions of the Framework Agreement to be declared null and void if they are contrary to the information on the mandatory elements given to the Client by the Bank during the pre-agreement phase by providing a draft agreement.

The provisions of the General Terms and Conditions defining the termination of business relationship between the Bank and the Client shall also apply to the termination of the Framework Agreement, unless said termination is contrary to applicable regulations.

With the termination of the Framework Agreement, all individual agreements that constitute an integral part of the Framework Agreement, also cease to be effective.

If the Client has entered into multiple opening and maintaining payment account agreements with the Bank, the termination of one of these agreements does not lead to the termination of the other agreements. The termination of an individual supplementary service does not result in the termination of the Opening and Maintaining a Payment Account Agreement, while the termination of the Opening and Maintaining a Payment Account Agreement is a prerequisite for the termination of all supplementary service agreements related to the payment account.

## **X. DEPOSITS**

## 1. General Provisions

A deposit is a monetary liability of the Bank, in RSD or foreign currency, arising from the deposit of funds on the current or other financial account, based on which a legal or contractual obligation of the Bank is created to return said funds. The conditions applicable to deposits, as well as the rights and obligations of the Bank and the Client are regulated by the Deposit Agreement. The Bank shall pay interest to the Client who deposits funds with the Bank at a rate determined by the agreement.

## 2. Deposit Type and Deposit Timeframe

The Bank opens and maintains deposit accounts, which may be dedicated and non-dedicated. In terms of maturity, deposit accounts may be divided into on demand deposit savings accounts (a-vista deposits) and fixed-term savings accounts (term deposits).

A-vista deposits are funds deposited over an unspecified period of time and with the accruing of interest on the deposit account, except in exceptional cases when an individual agreement defines otherwise.

Term deposits are the deposit of funds over a specified timeframe. The term begins on the day the deposit is made to the deposit account and ends on the last day of the agreed timeframe. Upon the expiry of the term period, the Bank shall credit the Client's account with the deposited principal amount and the accrued interest.

A-vista savings accounts and term deposit savings accounts may be in local (RSD) or foreign currency (in EUR and other currencies found on the Bank's exchange rate list). In exceptional cases, the Bank may also receive deposits in other currencies other than the ones specified herein, which shall in any case be regulated by the provisions of a specific deposit agreement. The Bank does not index deposits.

If the Client opts for an automatic extension of the non-dedicated term deposit, after expiry of the term, the principal amount shall be automatically deposited for the same period, according to the applicable interest rate as at the date of such automatic depositing, whereas the calculated and credited interest shall be made available to the Client.

In the mentioned cases, the deposit shall be treated as new deposit with the same (existing) account number.

In the event that the Client does not opt for the automatic renewal of the non-dedicated term deposit, after the expiry of the term, the principal amount and interest will be made available to the Client from the day of expiry of the term. In the event of automatic extension of the term for non-dedicated deposit, the Bank shall notify the Client regarding the term, in which

case the Deposit Agreement may be extended and regarding the new interest rate, no later than 15 days after the term expiry. The Client has the right to terminate the agreement within 30 days after the receipt of this notification and without any fees and with the agreed-upon interest for the expired term deposit.

Automatic extension of the contracted term for non-dedicated time deposits shall cease based on a written request from the Client, which must be submitted to the Bank at least 5 (five) business days prior to the expiry of the contracted term, otherwise the term deposit shall be extended in accordance with the provisions of the General Terms and Conditions and the agreement.

The Bank has the right not to extend the deposit term, in which case the Bank is under obligation to inform the Client thereabout in written form, no later than 15 days prior to the expiry of deposit term, in which case the Client has the right to receive interest for the expired deposit term.

The non-dedicated depositing of funds is done by applying terms from one to thirty-six months, where it is possible to agree on a different term with the Client, which shall be regulated by an individual deposit agreement. The deposit term for dedicated deposits is contracted in accordance with the maturity of the underlying affair for the purpose for which the deposit was made, unless an individual agreement prescribes otherwise.

For RSD and foreign currency, a-vista and term savings accounts, the Bank may prescribe a minimal and maximal amount of funds that may be deposited on such accounts.

### **3. Nominal Interest Rate**

For RSD and foreign currency, a-vista and term deposits, the interest rate is defined by an agreement concluded between the Bank and the Client. Interest is credited to the account in the same currency in which the relevant deposit was made.

The nominal annual interest rate is expressed as a gross amount, at the annual level and depends on the type of deposit, currency and the term for which the funds are deposited with the Bank.

In accordance with the regulations that regulate personal income tax, applicable as at the date of adoption of the General Terms and Conditions, the Bank shall calculate and pay the interest income tax in the name and on behalf of the Client, i.e. debit the Client with the said amount, except for the interest on RSD funds under savings and other deposits, term or a-vista deposits, by deducting said amount from the gross accrued interest. Should applicable tax regulations subsequently change, the Bank shall act in the prescribed manner, directly acting in accordance with applicable regulations, without the need to amend the General Terms and Conditions or annex existing individual agreements.

#### **4. Calculation Method and Accrual of Interest**

When calculating the interest on funds held in a-vista savings accounts and term savings accounts, the Bank shall apply a simple (proportional) method of calculation by using the actual number of days in the year, i.e. 365 days.

The interest on all accounts is calculated daily, and paid/credited to the account in accordance with the conditions specified in the agreement:

- on an RSD and foreign currency, a-vista savings account, interest is credited to the account annually, on the last day of the year, unless the agreement prescribes otherwise,
- on an RSD and foreign currency term savings account, interest is credited upon the expiry of the term, unless the agreement prescribes otherwise.

#### **5. The Manner and Conditions under which the Client May Access Deposited Funds**

By entering into a Term Deposit Agreement, the Client agrees to deposit the agreed amount on the account with the Bank over a certain period of time. The duration of the term for term deposits, i.e. the date of commencement and expiry of such term, are determined by the agreement.

If the expiry of the contracted deposit term falls on a non-business day, the Bank shall not extend the term until the following business day and for the period until the following business day the Bank shall not calculate accompanying interest.

Upon the expiry of the agreed term period, the Bank shall make the deposited principal and accrued interest available to the Client in accordance with the provisions of the individual agreement. The term deposit expires with the expiration of the term deposit period or if it is terminated prior to the expiration by either contracting party.

If the Client withdraws funds early, prior to the expiry of the agreed term, the Client shall not have the right to calculate nor be credited for any of the interest, unless the individual agreement specifies otherwise.

The Client shall be obliged to notify the Bank regarding their intention to withdraw funds early, by sending a written notice 3 business days prior to the withdrawal of funds.

The rights and obligations between the Client and the Bank shall be defined in more detail by an individual agreement.

#### **6. Type and Amount, i.e. Range of All Fees and Other Costs Included in the Calculation of the Effective Interest Rate, Borne by the Client**



In the calculation of the effective interest rate, in addition to the nominal interest rate and the maturity of the deposit, in accordance with currently applicable by-laws of the National Bank of Serbia, the Bank includes the following:

- the cost of opening and maintaining a current account;
- interest income tax (foreign currency savings only).

The types and amounts of all the fees and other costs presented in the Tariff of Fees are subject to change and shall be determined on a quarterly basis in accordance with the provisions of the General Terms and Conditions.

## **7. Insured Deposit Amount**

The Bank shall be obliged to insure the deposit with the Deposit Insurance Agency, in the amount of said deposit, where the insured amount guaranteed by the Republic of Serbia for the insured deposit amounts to EUR 50,000.00 per depositor, which shall be determined and paid to the beneficiary in the manner prescribed by the Deposit Insurance Law. At the time of adoption of the General Terms and Conditions, the provisions of the Deposit Insurance Law prescribe that in the event of the bankruptcy or liquidation of the Bank, the Deposit Insurance Agency shall, via the pay-out Bank, pay the amount of insured deposits up to EUR 50,000.00 per depositor in the Bank, on the grounds of the following deposit: insured RSD deposits in the RSD counter value as per the official median exchange rate of the EUR on the date of initiation of bankruptcy or liquidation of the Bank, secured foreign currency deposits deposited in EUR and insured foreign currency deposits deposited in other currencies (other than EUR), recalculated into EUR at the exchange rate of EUR to each individual currency in which the deposits are placed, calculated as per the official median RSD to EUR exchange rate and the official median exchange rate of the RSD to said currency, in force on the date of the initiation of bankruptcy proceedings or liquidation of the Bank.

The Integral part of these General Terms and Conditions is Overview of interest rates for deposits from private individuals which is determined by Decision on interest rates adopted by the Board of Directors of the Bank.

## **XI. FEES AND EXPENSES**

The Bank shall calculate and charge the Client with the fees and other expenses on the basis of separate agreements and General Terms and Conditions, with which the Client is familiar and which they have accepted and consented to completely.

The Bank shall calculate and charge fees in accordance with the Tariff of Fees that constitutes an integral part of the General Terms and Conditions, by debiting all of the Client's payment accounts with the Bank.

The fees that the Bank charges its Clients for rendered services are variable, and the Bank reserves the right to change and/or supplement the fees and other costs charged for the services it provides once every quarter, taking alternatively into account the inflation rate in the event of an inflation rate increase, a change of the consumer price index, a change of the mandatory reserves with the National Bank of Serbia, a change in the value of the local currency against the EUR exchange rate, a change in local and foreign reference interest rates, a change in legal regulations, deterioration of the credit rating of the country, deterioration of the Client's risk factor in accordance with regulations of the National Bank Serbia and the Bank's internal acts, the deterioration of the conditions under which the Bank borrows on local and on international markets, and the growth of the EMBI (Emerging Markets Bond Index), the Bank's corporate objectives, market conditions and competition, market disturbances and other circumstances that may have a negative impact on the Bank's business operations.

Any change to the Tariff of Fees shall also apply to the agreements already concluded and shall be applied from the date of entry into force of the amendments, without concluding a separate annex to the agreement, provided that such an arrangement is not contrary to applicable regulations.

The Client may access more information regarding the Bank's Tariff of Fees, i.e. the provision of services and opening and maintaining of the account, as well as on other services provided by the Bank at the Bank's website [www.mirabankserbia.com](http://www.mirabankserbia.com) or during business hours at the business premises of the Bank.

The Client is obliged to be regularly informed regarding fees, as well as on the change of other elements of the business relationship with the Bank, regardless of the product due to which a business relationship was entered into with the Bank.

All current accounts of the Clients in RSD, except accounts that are associated with non-dedicated term deposit accounts for the duration of the time deposit, are subject to monthly fees for account maintenance in accordance with the Bank's Tariff of Fees, regardless of whether any financial transactions have been recorded on said accounts.

The Client shall bear all the expenses incurred by the Bank while carrying out orders issued by the Client, as well as other actions in the execution of the business relationship between the Bank and the Client, in accordance with the Bank's Tariff of Fees applicable at the date of execution of orders or taking of other actions (e.g. the cost of DHL, correspondents fees, etc.).

The Bank retains the right to collect a fee from the Client for actual costs relating to foreign and domestic banks in the following cases:

- incomplete or defective data on the submitted payment order;

- when the Client has instructed the Bank to execute payments towards a foreign country without specifying the IBAN and appropriate BIC for the payment account in another country;
- the costs of the foreign bank if the option 'to debit the instructing party' (OUR) has been selected on the payment order towards a foreign country;
- sending the payment order abroad through an intermediary bank;
- receipt of the payment order from abroad through an intermediary bank, except in cases when the intermediary bank has collected its fees by reducing the amount of the payment transaction.

## **XII. TERMINATION OF THE BUSINESS RELATIONSHIP**

The Bank and the Client may, at their sole discretion, at any time, terminate their business relationship, with or without a notice period, in accordance with the General Terms and Conditions, the agreement and applicable regulations. Such right is granted to the Client if all liabilities towards the Bank have been settled by the Client.

Apart from the reasons envisaged by relevant legal and other regulations, i.e. the provisions of any part of the General Terms and Conditions and the agreement concluded between the Bank and the Client, the business relationship may be terminated without a notice period or with a notice period, if there is a justified reason why the continuation of said business relationship would be unacceptable for the Bank. The following cases are observed as justified reasons, in particular:

- when the Client has given false information and statements on their financial status, which were significant to the Bank in deciding on the approval of specific services of the Bank or taking certain action which exposed the Bank to risk;
- when the Client has not provided the Bank with documentation determined by specific regulations governing the prevention of money laundering and financing of terrorism, or other applicable regulations;
- if the Client's financial situation deteriorates significantly or if there is a real possibility for said deterioration, and if it puts at risk the proper fulfilment of its obligations towards the Bank,
- in the event of any breach of contractual obligations by the Client or a third party to the detriment of the Bank, in particular in the event of default in the settlement of financial obligations towards the Bank, in accordance with the provisions of a specific agreement;
- if it is determined that the Client has undergone enforcement measures to restore international peace and security, in accordance with the resolutions of the United Nations Security Council;
- if there is suspicion that the Client is involved in the commission of offenses, including money laundering and financing of terrorism, or if it is determined that the Client is on lists recognised by the Bank, in accordance with local and international regulations, concerning the prevention of money laundering and terrorist financing;

- if there is a reputational risk for the Bank for any reason if the Bank continues to collaborate with the Client in a business capacity;
- if the Client withdraws their consent for personal data collection and processing without a justified reason;
- in the event of expiry of the agreement which regulates further use of certain services offered by the Bank;
- in other cases, provided by valid regulations including, but not limited to provisions of regulation governing the Bank's right of free choice of clients, as well as in accordance with provisions of individually concluded contracts.

The Bank has the right to terminate the agreement in line with the legal deadlines, if the Client fails to meet its contractual obligations in accordance with a notice received from the Bank regarding the amendment of those elements of the agreement and the General Terms and Conditions that have been envisaged as subject to change.

The Bank shall send a notice of termination of the business relationship to the Client, and said submission of the notice shall be governed by the provisions of the General Terms and Conditions relating to communication between the Bank and the Client.

On the day of unilateral termination, the Bank's receivables under other products approved to the Client shall become due, with all accompanying interests and other costs that the Bank has and may have in the process of collecting due debt.

If the Client fails to meet their obligations, the Bank may initiate proceedings for the collection of the entire amount of the remaining receivables. Upon termination of the business relationship between the Bank and the Client, and provided that the Client has settled all of their obligations towards the Bank in full, the remaining funds in the Client's accounts shall be made available to the Client.

### **XIII. APPLICABLE LAW AND JURISDICTION**

The interpretation of agreements and other legal relations, as well as the resolution of a disputed relationship between the Bank and the Client is performed by applying the laws and regulations of the Republic of Serbia, unless otherwise agreed.

Any disputes between the Bank and the Client shall be resolved by a court chosen according to where the Bank is seated, unless otherwise agreed.

### **XIV. FINAL PROVISIONS**

The General Terms and Conditions are made publicly available to Clients and are considered published as at the date when they are published visibly in the Bank, and are also available on the Bank's website.

It is considered that the Client is familiar with the contents of the General Terms and Conditions published in said manner and that any instruction given to the Bank by the Client constitutes the acceptance of the General Terms and Conditions.

The General Terms and Conditions are published in both the Serbian and English languages, where in the event of a discrepancy between the Serbian and English versions of the text, the Serbian version of the General Terms and Conditions shall prevail.

The provisions of these General Terms and Conditions shall take effect as of the date of approval hereof and shall be applied as of 22 October 2020.