BOARD OF DIRECTORS

GENERAL TERMS AND CONDITIONS FOR THE PROVISION

OF PAYMENT SERVICES BY ALTA BANKA A.D. BEOGRAD

in application as of July 22, 2023

Belgrade, July 07, 2023

**General Terms and Conditions for the Provision**

**of Payment Services by ALTA BANKA a.d. BEOGRAD**

1. **INTRODUCTION**

General Terms and Conditions for the Provision of Payment Services (hereinafter: General Terms) by ALTA banka a.d. Beograd (hereinafter: Bank) method of providing services, conditions for opening, maintaining, and closing payment accounts, as well as the rights and obligations of the contracting parties. Payment Services' User), method of providing services, conditions for opening, maintaining, and closing payment accounts, as well as the rights and obligations of the contracting parties.

The General Terms, along with the agreement on opening, maintaining and closing a current payment account and/or other agreement related to payment services, the service fee schedule tariff for services provided by ALTA banka a.d. Beograd (hereinafter: Service Fee Schedule), the Term Schedule for execution of payment services (hereinafter: Term Schedule), the request for establishing a business relationship and the request and contract for additional services represent the framework agreement on the provision of payment services (hereinafter: Framework Agreement). The Bank will, within a reasonable period of time before the conclusion of a framework agreement on payment services related to the payment account, deliver to the Payment Services’ User with an overview of services and fees, at no charge – on paper or another permanent data carrier, together with other information defined by applicable regulations.

The Bank makes the General Terms, Service Fee Schedule, Term Schedule, Overview of services and fees associated with the account and List of representative services available, within the Bank's business premises and on the Bank's website [www.altaBanka.rs.](http://www.altaBanka.rs/)

Unless the Bank and the Payment Services' User agree otherwise, the language of communication between the Bank and the Payment Services' User, before and for the term of the contractual relationship, will be Serbian.

The National Bank of Serbia (hereinafter: NBS) maintains a public register of payment service providers, payment institutions and register of electronic money institution, which is available at the Internet address [www.nbs.rs.](http://www.nbs.rs/)

In terms of the Deposit Insurance Act, a deposit is a dinar or foreign currency claim from a Bank that arises from a cash deposit, savings deposit, a bank current account or other cash account, as well as any other temporary situation that arises as a result of performing regular banking operations, and on the basis of which the legal or contractual obligation of the Bank to return funds arises. Deposits deposited with the Bank are insured in accordance with the Deposit Insurance Act. The amount of the insured deposit according to the Deposit Insurance Act is up to EUR 50,000 per depositor, which for dinar deposits, foreign currency deposits deposited in euros and foreign currency deposits deposited in other currencies, is determined in accordance with the aforementioned Deposit Insurance Act. The Deposit Insurance Act regulates the mandatory insurance of deposits of natural persons, sole proprietor, micro, small and medium-sized legal entities with banks, in order to protect the deposits of those persons in case of bankruptcy or liquidation of the bank and to preserve the stability of the financial system. In accordance with the Deposit Insurance Act, the Bank is required to insure all deposits of natural persons, sole proprietors, micro, small and medium-sized legal entities with the Deposit Insurance Agency. In accordance with the Deposit Insurance Act, a special fund was established - a deposit insurance fund to secure funds for deposit insurance and payment of insured amounts and other costs incurred in connection with the provision of funds for deposit insurance and payment of insured amounts. The deposit insurance fund is managed by the Deposit Insurance Agency. The insured deposit, among other things, does not include the deposits of persons connected with the Bank, in terms of the law governing the banking operation.

# DEFINITIONS

The terms in these General Terms have the following meanings:

**General Terms** mean the valid conditions for keeping payment accounts and providing payment services for legal entities, sole proprietor, farmers, and consumers;

**Bank** means ALTA banka a.d. with registered office at Bulevar Zorana Đinđića 121, New Belgrade, registered with the BRA in Belgrade under company registration number 07074433, account number with the NBS: 908-190-1-11, BIC code: JMBNRSBG, e-mail address: [info@altaBanka.rs.](mailto:info@altaBanka.rs) The Bank has an operating license from the National Bank of Serbia No. 23787101, in accordance with the Law on Banks. The Bank's website is available at [http://www.altaBanka.rs.](http://www.altaBanka.rs/)

**National Bank of Serbia**, Kralja Petra 12, Belgrade, exercises control over the Bank's operations during the provision of payment services.

**Distribution channels** in terms of these General Terms represent all the ways and means through which it is possible to access, contract and use the Bank's products and services. In the text of the General Terms itself, the term can mean Basic Branch/Branch/Office of the Bank, the Bank's website [www.altaBanka.rs,](http://www.altaBanka.rs/) eBanking, mBanking, ATMs, *etc*.

The **IPS QR** code is a standardized two-dimensional label, a two-dimensional barcode, which contains elements for presenting a payment order. The Bank allows the User to issue payment requests at the merchant's point of sale through access to the mobile Banking application, by generating their IPS QR code or by scanning the IPS QR code at the merchant. Through the mobile Banking application, the user selects a current account that is debited on the basis of realized instant transfer approvals, up to the amount of available funds.

**Payment Services' User** means a natural person or legal entity who uses or has used a payment service, in the capacity of payer and/or recipient of payment, or has approached the Bank for the purpose of using those services.

**Financial Services User**, in terms of the Law on the Protection of Users of Financial Services, means a natural person, sole proprietor and farmer as a holder or member of a family household, in terms of the law governing agriculture and rural development.

**Payment service provider** means a bank, electronic money institution, payment institution, NBS, Treasury Board or Public Postal Operator with registered office in the Republic of Serbia.

**Payment transaction** means the payment, transfer or disbursement of funds initiated by the payer or the payee, and is performed regardless of the legal relationship between the payer and the payee; Payment transaction on the basis of a bill of exchange means a payment transaction in which the User, as the recipient of the payment, initiates a transaction for debiting the payer's payment account based on the bill of exchange and payment order by which he requests the transfer of funds from the payer's account to his account.

**Payment order** means the instruction of the payer or payee to their Bank, which requires the execution of payment transactions.

**Payment account** means an account used to execute payment transactions, which is maintained by the Bank for one or more Payment Services' Users.

**Payment instrument** means any personalized tool and/or series of procedures agreed between the Payment Services’ Users and the payment service providers, which the Payment Services' User uses to issue a payment order (card, *etc*.).

**Payer** means a natural person or legal entity who issues a payment order against his payment account or consents to the execution of a payment transaction based on a payment order issued by the payee, and if there isn’t a payment account - a natural person or legal entity that issues a payment order.

**Payee** means the natural person or legal entity designated as the recipient of the subject payment transaction.

**Consumer** means a natural person who concludes a contract on payment services or a contract related to electronic money for purposes that are not intended for his business or other commercial activity.

**Sole proprietor** means a natural person who is not a consumer, *i.e.*, a natural person capable of business who performs an activity for the sake of doing business for the purpose of generating income, in accordance with the law governing companies and other laws.

**Farmer** means a natural person who is the owner or member of a family farmstead, which is exclusively engaged in agricultural production.

**Monetary assets** mean cash, account funds and electronic money.

**Cash** means banknotes and coins.

**Approved overdraft** is the limit on the payment account if the Bank and the Payment Services' User conclude a separate agreement.

**Service Fee Schedule** is the currently valid Service Fee Schedule for the Bank's fees, which determines the type, amount and method of payment of fees with regard to the use of payment services and keeping a payment account.

**Electronic money** means an electronically (including magnetically) stored monetary value that constitutes a monetary claim against the issuer of that money, and was issued after the receipt of funds for the purpose of executing payment transactions and is accepted by a natural and/or legal person who is not the issuer of that money.

**Electronic money holder** means a natural person or legal entity to whom electronic money is issued or has been issued, *i.e.*, a natural person or legal entity who approached the issuer of electronic money for the purpose of issuing that money, as well as any other natural person or legal entity who has a monetary claim.

**Digital banking** means a system that enables the execution of financial transactions using information and  
telecommunication technologies.

**Access parameters** mean the set of data provided to the Payment Services' User who uses electronic banking services (username, password, activation code, *etc.*).

**Authentication** of the Payment Services' User means checking and confirming the identity of the Payment Services' User during the use of electronic banking.

**Transfer of authorization** means a payment service where the payer initiates the execution of one or more payment transactions, including the issuance of a standing order, with his payment service provider.

**Instant payment - Instant transfer of authorization** is a domestic payment transaction that is executed by the transfer of authorization that the payer can initiate, at any time of the day every day of the year, and where there is a transfer of monetary assets to the payment account of the payee, in the manner and within the terms determined by the Term Schedule.

A **request for payment at the point of sale** means a payment order issued by the payer against his payment account  
using a payment instrument for instant transfer of authorization at the merchant's point of sale.

**Direct debit** means a payment service in which the payee, based on the payer's consent, initiates a payment transaction to debit the payer's payment account. The payer can give this consent to the payee, his payment service provider or the payee's payment service provider.

A **standing order** is an instruction that the payer gives to his bank to execute the transfer of approval, at regular intervals or at a predetermined date.

**Money transfer** means a payment service where the Bank receives funds without opening a payment account for  
the Payment Services' User.

**Business day** means the day, or part of the day, in which the bank operates in such a way as to enable the execution of payment transactions to the Payment Services' User.

The **value date** means the reference date, *i.e.*, the reference time used by the payment service provider when calculating interest on funds debited or approved on the payment account.

**Debit value date** means the debit value date of the user's payment account and may be the same or a later date than the date when that payment account was debited for the amount of the payment transaction.

**Credit value date** means the date of credit approval of the payee's payment account, no later than the business day when the funds for the payment transaction were approved to the Bank's account.

**Payment order receipt date** means the moment when the Bank received the payment order from the payer, the payee or the payer through the payee. If the payment order is not received during the Bank's business day, it is considered to have been received on the following business day.

**LPS** means the Law on Payment Services.

**Unique identification mark** means a combination of letters, numbers and/or symbols that the Bank defines for the Payment Services' User and which is used in a payment transaction for unambiguous identification of that user and/or his payment account (account number).

Distance **communication means** is any means that the provider and Payment Services' User can use for concluding a contract on payment services when they are not physically present at the same time.

**Permanent data carrier** means any means that allows the Payment Services' User to save the data intended for him, to access that data and to reproduce it in an unchanged form for a period that corresponds to the purpose of storage (*e.g.*, thumb drives, cellular number and card on which text messages can be saved, computer hard disk on which email can be saved, electronic address).

**Domestic payment transaction** means a payment transaction in which the payer's payment service provider and the payee's payment service provider provide that service within the territory of the Republic of Serbia.

**International payment transaction** means a payment transaction where one payment service provider provides this service within the territory of the Republic of Serbia and another within the territory of a third country, as well as a payment transaction where the same payment service provider provides that service for one Payment Services’ User within the territory of the Republic of Serbia, and for the same or another Payment Services' User within the territory of a third country.

**Current account** means a payment account maintained with the Bank, which is used to execute payment transactions and for other purposes related to the services provided by the Bank to the Payment Services' Users.

**Second payment account** means a payment account that is not a current account and is maintained by the Bank for one or more Payment Services' Users and is used to execute payment transactions based on a framework agreement, without special restrictions.

**Payment account with basic services** means an account used to execute payment transactions in dinars and in connection with which the Bank provides services in accordance with the LPS.

**Payment cards** is a tool that enables its holder to perform a payment transaction (payment, withdrawal and transfer) either through a receiving device or remotely, whereby the card may have, in accordance with the issuing contract, one or more functions.

**Digital wallet** is a software solution for mobile payments of other digital wallet service providers that allows adding a payment card to the service provider's application, for the purpose of using the payment card via a mobile device at ATMs and points of sale that support contactless payment and accept a digitized card as a payment instrument, as well as remote payments. The digital wallet service provider determines the type and characteristics of the mobile device on which it is possible to install the application and contract the provision of the digital wallet service.

**Digitized card** are personalized security elements stored in the digital wallet based on a valid payment card, which can be used as a payment instrument for initiating and executing payment transactions on a receiving device or remotely where the use of this payment instrument is enabled. All the agreed conditions for issuing and using a specific payment card between the Bank and the Payment Services' User also apply to the digitized card, unless otherwise specified in these General Terms. The Bank determines which types of payment cards can be registered in the digital wallet.

**Digital wallet service provider** is a legal entity that provides a digital wallet service for which the Bank, has enabled the addition and use of the card issued to the Payment Services' User in the form of a digitized card.

The **available funds on a debit payment card** means the balance of funds on the account, which can be increased by the amount of the approved overdraft in case of a current account.

The **available funds on a credit payment card** means the credit limit, that is, the contracted maximum amount of funds that the user of the payment instrument can use.

**Passive interest rate** means the rate at which interest is paid to the Payment Services' User for funds held on a payment account.

**Overview of services and fees associated with a payment account** (hereinafter: Overview of Services and Fees) is a document that contains a list of services, from the list of representative services offered by the payment service provider, and data on individual fees for each such service.

**List of representative services** is a prescribed NBS list of at least ten and at most twenty representative services connected to a payment account for which a Payment Services’ User pay fees, and which are offered by at least one payment service provider in the Republic of Serbia.

**Expressions**: home country, registered office, host country, qualified participation in a legal entity, parent company of a legal entity, subsidiary company, group of companies, companies linked by joint management, close connection between two or more legal entities or natural persons, joint payment account, electronic money institution, payment institution and payment system mean the same as in LPS.

**Legal residence in the Republic of Serbia** means the residence of a natural person in the Republic of Serbia in accordance with the regulations governing the temporary or permanent residence of citizens, *i.e.*, the residence of foreigners in accordance with the Law on Foreigners, including a foreigner residing in the Republic of Serbia, in accordance with the laws governing asylum and refugees or on the basis of an international agreement.

# PROTECTION OF THE RIGHTS AND INTERESTS OF Payment Services' Users

The Payment Services' User has the right to protection of rights and interests in the event that the Bank does not comply with the provisions of the LPS, other regulations, general business conditions or good business practices related to services or obligations from the payment services contract.

The provisions of laws and by-laws governing the protection of rights and interests of users of financial services are also applied to the procedure for protection of the rights and interests of Payment Services' Users, sole proprietors and farmers, as well as legal entities, Payment Services' Users, or electronic money holders.

The provisions of the law governing the protection of users of financial services in case of natural persons, sole proprietors and farmers shall be applied accordingly to unfair contractual provisions and unfair business practices in the field of providing payment services and issuing electronic money, as well as to the procedure for their prohibition.

In addition to the provisions of this law regulating the rights and obligations of payment services users, the provisions of the law regulating the protection of financial services users, which refer to the rights and obligations of the bank as a credit card issuer, apply to the protection of credit card users who are consumers, the agreement on the issuance and use of credit cards and the protection of credit card users.

## The procedure for protecting the rights of Payment Services' Users

### Right to object

The Financial Services’ User may, within three years from the day when the action was taken, which, in the user's opinion violated his right or legal interest, submit a complaint in writing at the Bank's premises, by post, via e-mail to the address: [prigovori@altaBanka.rs,](mailto:prigovori@altaBanka.rs) as well as electronically using the appropriate form on the Bank's website home page.

The objection should contain data from which the relationship with the Bank can be undoubtedly established, as well as the reasons for submission.

If the Payment Services’ User submits a complaint through an attorney, a special power of attorney will also be submitted by which the he authorizes the attorney-in-fact to submit an objection to the Bank, on his behalf and for his account, and to assume actions during the procedure, based on that objection, and by which he authorizes that this data be made available to that attorney-in-fact, and which constitute banking secrets in the terms of the law governing banks, *i.e.*, trade secrets in terms of the law governing payment services. The same rule applies when the power of attorney is given by a consumer and a farmer.

The Bank will carefully consider the allegations from the received objection and provide the user with a written answer no later than 15 days from the date of receipt of the same, in such a manner that the answer is complete, understandable for the Payment Services’ User, refers to the subject of the objection and contains an assessment of the merits of the same, exceptionally if there are reasons that do not depend on the will of the Bank, that deadline can be extended by a maximum of 15 days, of which the Bank will notify the applicant in writing within 15 days from the day of receiving the objection.

In the response, the Bank is required to indicate to the Payment Services’ User that, if he is not satisfied with the Bank's response and before filing a court case, he can submit a complaint to the National Bank of Serbia within six months from the date of receipt of a response.

The Bank does not charge the Payment Services’ User - the complainant, a fee or any other related costs for handling the objection.

### Right to complain

If the Payment Services’ User is not satisfied with the answer received or the Bank has not submitted an answer within the specified period, the user can, within six months from the date of receipt of a response, *i.e.,* from the expiry of the deadline for submitting an answer, submit a complaint to the National Bank of Serbia in order to resolve the disputed situation, to the following addresses:

* + - * electronically via the web form on the home page of the National Bank of Serbia's website, part: Podnesite pritužbu/prigovor na rad davaoca finansijskih usluga/predlog za posredovanje
      * in writing to the address: Narodna Banka Srbije, Sektor za zaštitu korisnika finansijskih usluga, Nemanjina 17, 11000 Belgrade or PO Box 712, 11000 Belgrade.

### Right to initiate mediation proceedings

A Payment Services' User, a natural person, a sole prop rioter and a farmer, *i.e.*, a legal entity as a Payment Services' User or an electronic money holder, has the right to initiate an out-of-court settlement of a dispute (mediation) during the complaint procedure, which means stopping the complaint procedure until the completion of the out-of-court procedure, the settlement of the contested relationship. The deadline for filing a complaint is dormant while the mediation process is ongoing.

If the Payment Services' User is not satisfied with the response to the complaint, or if the response was not delivered within the prescribed period, *i.e.*, if he is not satisfied with the finding of the National Bank of Serbia on the complaint, the disputed relationship can be resolved in an out-of-court procedure - a mediation procedure.

The mediation procedure can be conducted before the National Bank of Serbia or another body or person authorized for mediation.

The mediation procedure before the National Bank of Serbia is free of charge.

The mediation procedure can be ended by agreement of the parties, suspension, or withdrawal. The provider of security funds has all the aforementioned rights, as well as the Payment Services' User.

### Right to judicial protection

If the Payment Services' User has objections to the Bank's operations in terms of compliance with and execution of legal and contractual obligations, he will try to resolve the disputed circumstances in agreement with the Bank, failing which, he can seek protection of his rights before a relevant court in Belgrade, in case of legal entities, *i.e.*, in front of the court with actual and territorial jurisdiction when it comes to other Payment Services' Users.

# CONFIDENTIALITY OF DATA ON PAYMENT SERVICES

The data obtained by the Bank during the course of operations, and related to the Payment Services' User, including data on his personality, as well as data on the payment transaction and the status and changes to the Payment Services' User’s payment account, constitute a trade secret.

Employees of the Bank, members of the Bank's bodies, as well as external auditors and other persons who, due to the nature of their work, have access to the data from the previous paragraph - are required to keep this data and cannot communicate nor enable access to this data to third parties.

The obligation to keep trade secrets does not end after the termination of the status, on the basis of which access to the data was granted.

Exceptionally, the Bank may communicate or provide the above data to third parties, i.e. provide access to the same:

* if the person to whom this data refers has previously given written consent;
* if, for the purpose of supervision, it is required by the authority that supervises the payment service provider;
* based on a decision or request of a court of jurisdiction;
* for the needs of the ministry responsible for internal affairs, the authority responsible for the fight against organized crime and the authority responsible for preventing money laundering, in accordance with regulations;
* for the needs of the tax administration in accordance with regulations governing the affairs under its jurisdiction and for the purpose of exchanging data with the tax authorities of other countries, on the basis of concluded bilateral and multilateral agreements, or of the authority responsible for the control of foreign exchange operations in accordance with regulations governing the affairs under its jurisdiction;
* in connection with property proceedings, based on the request of property guardians or consular representations of foreign countries, after submitting written documents proving the legitimate interest of those parties;
* in connection with the procedure for enforcement or security over the property of the Payment Services' User, based on a request from a court, collections agent or other relevant authority in that procedure;
* if prescribed by applicable regulations.

The Bank has the right to disclose information that constitute a trade secret to an investigative judge, public prosecutor and courts, *i.e.*, other bodies exercising public powers - exclusively for the purpose of protecting its rights, in accordance with the law.

The persons to whom the said data is made available, as well as the persons who are employed or engaged by those persons, may use the said data exclusively for the purpose for which it was obtained and may not further communicate or deliver it to third parties or enable those persons to access the said data, except as foreseen by law.

## Personal data protection

The Bank, in accordance with regulations governing personal data protection, banking operations, prevention of money laundering and terrorism financing, and other valid regulations, processes and uses the personal data of Payment Services’ Users.

The Bank collects and processes personal data within the databases it creates, which are in the function of performing business activities with the existence of an appropriate legal basis:

Activities with the existence of a corresponding legal basis:

* Processing for the purpose of fulfilling obligations from a contractual relationship, *i.e.*, preparing the conclusion of a contract;
* Processing based on the fulfillment of the Bank's obligations;
* Processing based on the informed consent of the person whose data is being processed, with prior notification of the person whose data is being processed about all important aspects of the processing;
* Processing for the legitimate interest of the Bank and the legitimate interest of third parties.

The Bank informs the Payment Services’ User of all relevant information related to the processing of personal data through the General information on the processing of personal data available on the Internet presentation https[://www.altaBanka.rs](http://www.altaBanka.rs/) and the Bank’s branch offices. The Bank collects personal data on the basis of legal authorizations and on the basis of the person's agreement/consent in accordance with the prescribed conditions expressed in written or electronic form. Consent to data processing can be revoked if the processing is carried out solely on the basis of consent, whereby the Payment Services’ User will be notified of the possible consequences.

In accordance with the Law on Personal Data Protection, the Bank is entitled to:

* Information and data related to the client (name, surname, date of birth, address of residence, email) about the business relationship with the Bank, submitted to the National Bank of Serbia, the Credit Bureau, authorities and persons to whom the Bank is required to submit such data in accordance with the Law on Contracts and Torts, processors with whom the Bank has a concluded agreement on the processing of personal data, and other persons who, due to the nature of the work they perform, must have access to such data (such as the Forum for the Prevention of Fraud in Credit Operations, the Chamber of Commerce of Serbia, the National Corporation for Home Loan Insurance and to all third parties with whom the Bank has concluded appropriate contracts on business cooperation that are necessary for the realization of the business relationship or are related to the business relationship between the Bank and the client.
* Processes personal data in order to prepare and implement a business relationship and in connection with the business relationship between the Bank and the Client, in order to fulfill the Bank's obligations in accordance with regulations and for the purposes and in a manner that the Bank considers necessary and/or expedient in performing its activities.

In accordance with the Law on Personal Data Protection, the Bank assumes technical, personnel and organizational measures to protect personal data, in accordance with established standards and procedures, in order to protect data from loss, destruction, unauthorized access, change, publication and any other misuse.

The Bank may collect and process data related to clients in order to prevent, investigate and detect fraudulent actions or abuses in connection with the execution of transactions and the use of payment services. For the sake of protection, safety and security, the Bank records clients at branches and in places where ATMs are located, which are accompanied by prominent notices, in order to inform clients about the filming and ensure their consent by entering the place being filmed.

The Bank will process collected personal data for the purpose of exercising rights and obligations from the contractual relationship for the duration of the Bank's business relationship with the person to whom the data pertains, except when the Bank is required to store the data for a limited time after the end of business cooperation with the person to whom the data pertains, the consent of the data subject or the Bank's legitimate interest (*e.g.*, in the event of a legal dispute between the data subject and the Bank). Personal data that is processed solely on the basis of the consent/consent of the person to whom the data pertains, is processed only for the period necessary to achieve the purpose of the processing for which the consent was granted, *i.e.*, until the consent is revoked by the person to whom the data pertains.

A person whose personal data is processed by the Bank has the right to access all personal data, its correction, addition, and deletion if there is no basis for processing, limitation, transferability, and objection. The data subject has the right to withdraw his consent at any time. Withdrawal of consent/consent does not affect the lawfulness of processing based on consent prior to its withdrawal.

The Payment Services’ User exercises his rights by submitting a request, to which the Bank will respond within 30 days, which deadline can be extended to 60 days if necessary. The Payment Services’ User can submit a complaint to the Bank if he believes that data processing has been carried out contrary to the provisions of the Law, he can also submit a complaint to the Commissioner.

In accordance with and with the user's consent, the Bank can download a report from the Credit Bureau on his existing obligations towards other creditors and can also submit to the Credit Bureau his data regarding the business relationship concluded with the Bank, as well as on possible non-compliance with contracted deadlines. If there is a need for a new report from the Credit Bureau for the same product, it will be considered that the Bank can obtain it based on the initial consent of the Payment Services’ User, without obtaining new consent from the Payment Services’ User. The Payment Services’ User can withdraw the given consent through any bank, of which he is required to notify the Bank in writing. The data obtained from the Credit Bureau’s report is one of the necessary elements for assessing the creditworthiness of the Payment Services’ User.

# PROVISION OF PAYMENT SERVICES

In accordance with the LPS, other laws and regulations, the Bank provides payment services on the basis of contracts, which represent domestic payment transactions executed in dinars and/or in the currency of third countries, as well as international payment transactions.

In accordance with the LPS, the Bank may, in terms of a contract, provide payment services to the Payment Services' Users under conditions that are more favorable for the Payment Services' User than the conditions established by the provisions of the LPS.

The Bank may, by contract, exclude or limit, by different stipulations, the application of certain provisions of the LPS if the Payment Services' User is a legal entity.

# ADVERTISING AND PROVIDING INFORMATION

The Bank advertises payment services in a clear and easy-to-understand manner, and provides information and notices from the LPS to the Payment Services' User, in Serbian or another language, in accordance with the contract.

The Bank provides certain information to the Payment Services' User, when defined by the LPS, by delivering it in a manner that does not require additional activities of the Payment Services' User (*e.g.*, by post or email or via text messages).

The Bank makes available the information defined by the LPS to the Payment Services' User by displaying it in a visible place within the Bank's business premises (branch offices, notice boards) and on the Bank's website.

# TYPES OF PAYMENT SERVICES

In accordance with the LPS, the Bank provides the Payment Services' User, with whom it has a concluded written contract, with services that are necessary for opening, managing and closing a current account, services that enable the payment and disbursement of cash, the transfer of funds, the execution of payment transactions where the funds are secured by a loan granted to the Payment Services' User, by issuing payment instruments, executing a money transfer, executing a payment transaction for which the payer gives consent using a telecommunications, digital or information technology device and others.

The Bank also provides additional services related to the current account.

The agreement on payment services is concluded as a framework agreement on payment services or as a one-off payment transaction agreement.

The framework agreement also regulates the conditions for opening, maintaining, and closing accounts and is concluded in written form. The one-off payment transaction agreement contracts the execution of one specific payment transaction that is not covered by the framework agreement.

The Bank can provide the Payment Services' User with information in the form of a draft framework agreement or a one-off payment transaction agreement, *i.e.*, a payment order containing this information.

## Change to the payment account

The Bank allows the Payment Services' User to change the payment account in the same currency, both as a new and as a previous payment services provider. Changing the payment account is done solely on the basis of authorization provided by the Payment Services' User, with or without closing the payment account that was opened with the previous payment services provider.

When changing a payment account, the Payment Services' User can transfer all or some standing orders, multiple direct debits and multiple transfers for authorization, as well as funds on the payment account (available positive balance), if so specified in that authorization.

The Bank, as the previous payment services provider, is required to act upon the request of a new payment services provider in the manner and within the deadlines in accordance with that authorization. The Bank closes an account if the Payment Services' User has no outstanding obligations on that account, if he returns the payment instruments (payment cards, checks) and if the Payment Services' User has given an order to that effect. If the conditions for closing the account are not met, the Bank will notify the Payment Services' User without delay.

The Bank, as a new payment services provider, acts within five business days from the day of receipt of complete documentation.

The Bank provides or makes readily available information on existing standing orders and direct debits, to the Payment Services' User at his request and free of charge.

The Bank, as the previous payment services provider to the Payment Services' User, or to a new payment services provider, provides the following information free of charge:

1. a list of existing standing orders and available information on consents for direct debits, the execution of which the Payment Services' User requested to be transferred to a new payment account - within five business days from the date of receipt of this request;
2. information on multiple receipt transfers of authorization and direct debits where consent was given to the payee or the payee's payment service provider, and which were made on the Payment Services' User’s payment account during the previous thirteen months - within five business days from the date of receipt of this request;

The Bank is required to compensate without delay the damage caused to the Payment Services' User during the change of payment account, if it acted contrary to the provisions of regulations governing payment services, except in case of force majeure occurring during the change of payment account. The Bank will make, to the Payment Services' User, easily available information on:

* + obligations and responsibilities of the previous and new payment service provider,
  + deadlines for the implementation of activities
  + fees charged in connection with a change to the payment account, if such fees exist;
  + all data that the Payment Services' User is required to submit to the payment services provider;
  + the possibility of out-of-court settlement of a contested relationship in accordance with the law governing the protection of users of financial services.

The above information will be available free of charge, on paper or other durable data carrier, within all of the Bank's premises to which the Payment Services' User has access, as well as on the Bank's website.

# TYPES OF PAYMENT ACCOUNTS

Based on the submitted request, the Bank opens and maintains the following types of accounts for the Payment Services' User:

* current account
* payment account with basic services (only for Consumers)
* other payment account.

The Bank can open, maintain, and close current accounts, payment accounts with basic services and other payment accounts that can be for one or more payment account users (joint payment account) based on the LPS and NBS regulations that govern this matter.

Other payment accounts are payment accounts that are opened at the request of the Payment Services' User in addition to the current account, for specific purposes.

The Bank maintains a joint payment account as a payment account for two or more Payment Services' Users in accordance with the framework agreement on opening, maintaining and closing a joint payment account. Each Payment Services' User who is an individual holder of a joint payment account can dispose of the entire funds on that account, unless the contract stipulates restrictions on the disposal of funds on this account.

Funds on a joint payment account can be used, in full, to settle the obligations of an individual holder of this account towards third parties.

The contract cannot limit the right of a third party to, during bankruptcy or liquidation proceedings, execution or enforced collection proceedings conducted against an individual holder of a joint payment account, collect its claims against that holder against the entire funds on the joint payment account, unless otherwise foreseen by the law.

## Current account

A current account is a payment account maintained with the Bank, which is used to execute payment transactions as well as for other purposes related to the services provided by the Bank to the Payment Services' User.

The Bank can conclude an agreement on opening a current account with the Payment Services' User under the conditions that the Payment Services' User:

* has previously been familiarized with these General Terms of which the Term Schedule and the Service Fee Schedule are an integral part, as well as that during the pre-contractual phase he was handed an Overview of Services and Fees, as well as a draft of the contract as a proposal for its conclusion, and that he accepts the same;
* he has submitted a completed application for opening an account on the Bank's form;
* submitted to the Bank the documentation that enables the identification of the account user and the person authorized to dispose of the funds on the account, in compliance with all applicable regulations, including the regulations governing the prevention of money laundering and terrorism financing, and
* submitted all other documentation required by the Bank in accordance with current regulations for opening a current account.

Exceptionally, Payment Services' Users - legal entities and sole proprietors, along with the account opening application, are not required to submit documentation that the Bank receives in electronic form from the BRA (data on registration in the register of companies, notification of the authority responsible for statistics on classification by activity - if the classification is performed by the authority responsible for statistics, as well as the document of the relevant authority containing the tax identification number) or another public register maintained in accordance with regulations of the Republic of Serbia.

A Payment Services' User who wants to open an account with the Bank can do so personally, and can authorize another person to conclude an agreement on opening and maintaining a current account with the Bank on his behalf and for his account, *i.e.*, a framework agreement, as well as dispose of the funds on his account. In this case, the Bank opens an account, *i.e.*, enables disposal of the funds on the account based on the authorization of the authorized representative certified by a relevant authority.

The authorization must contain all the data in accordance with applicable regulations and cannot refer to the right to transfer the power of attorney to third parties. The attorney-in-fact, *i.e.*, the authorized person, has no right to close the current account except when specified in the power of attorney.

Authorization to dispose of funds on the account can be issued to an authorized person at the Bank's premises. The authorization given at the Bank's premises, on the Bank's form, implies the disposal of funds (payments, withdrawals, transfer, *etc*.), but does not imply actions resulting in the opening, closing/closing/liquidation of accounts, for which a special authorization is required.

The authorization to open a current account and dispose of funds on the account, certified by a relevant authority in accordance with regulations, cannot be older than 6 months at the time of submission to the Bank. Authorizations, which are submitted to the Bank, must be in the Serbian language or in a foreign language with a Serbian translation provided by a court interpreter. The authorized person is required to provide the Bank with the power of attorney for inspection of the certified documents on the basis in which the identity of the account owner is established, the identity of the authorized person, and other necessary documentation.

The Bank can also open a current account for a minor natural person on the basis of a contract that is signed by his legal representative, on behalf and for the account of that person, and establishes the identity of the representative.

The Bank also opens an account on the basis of a court or administrative act, in which case the contract for opening that account is concluded by the authorized person from that act. For persons under guardianship, the contract on opening an account is concluded by the person designated as the guardian under a decision issued by the guardianship authority, *i.e.*, the person from an executive court decision.

A minor who has reached the age of 15 and who works (*e.g.*, through a youth cooperative) can independently open a dinar current account and distribute funds from that account, without the possibility of issuing checks or concluding a contract.

In order to dispose of funds on a current account, the signatures of the account owner and the persons authorized to dispose of those funds which will be used to sign the payment order forms, if any, are deposited with the Bank.

The authorizations are valid until written revocation by the account holder or cancellation of the power of attorney by the authorized person.

In addition, authorizations are valid until the Bank receives a formal notice of the death of the natural person - consumer, written cancellation by the authorized person, or notice of termination of the authority of the legal representative/guardian.

In case of a legal entity or a sole proprietor, the given authorization is valid until receipt of a formal notification of the termination of the power of attorney, or until the replacement of the person authorized for representation, *i.e.*, until the opening of bankruptcy proceedings against the legal entity.

The Bank is not liable for any damage caused by the actions of the attorney, legal representative/guardian, which were assumed after the termination of the authorization and before the moment of notifying the Bank about the termination of the authorization. The Bank bears no liability for any damage that may occur due to the failure of the Payment Services' User to timely notify the Bank of any change related to the status of his account, as well as the limitation, cancellation, or modification of authorizations.

During the procedure for opening a current account, the Bank is required to determine the identity of the Payment Services' User and carry out other procedures that are in accordance with current legal regulations governing the prevention of money laundering and terrorism financing in the Republic of Serbia. The Bank has the right to request other documentation, in accordance with its own needs or regulations in force at the time of contract conclusion. The Payment Services' User is liable for the truthfulness and completeness of all data specified in the current account opening application. The Payment Services' User is required to compensate the Bank for any loss or expense arising from untrue or incomplete data submitted by the Payment Services' User. The Bank reserves the right to refuse to open a current account without stating cause. The Bank keeps data on open current accounts in its own records, and submits the same in accordance with regulations on the Single Register of Accounts maintained by the National Bank of Serbia. Data from the Single Register of Accounts are not publicly available and are subject to the provisions of current regulations governing the protection of personal data.

When opening a current account and concluding a contract with the Payment Services' User - consumer, *i.e.*, his attorney, legal representative or guardian, the Bank determines the identity of the mentioned persons by inspecting the originals of valid personal documents, in accordance with valid regulations and internal acts of the Bank, or certified copies thereof.

The Bank keeps a copy of the personal document on the basis of which it performed identification, in accordance with the law or a certified copy of the document it received for the purpose of opening an account. After receiving the application for opening an account and the receipt of complete documentation, the Bank will approve or reject the application for opening a current account.

In case the application is rejected, the Bank is not required to state cause.

## Payment account with basic services (Consumers)

Without questioning the application of the provisions of the law governing the prevention of money laundering and terrorism financing and other provisions of this law, the Bank will enable a Consumer, who has legal residence in the Republic of Serbia and does not have an open payment account, to open and use a payment account with basic services at his request.

In case of rejecting the application for opening an account with basic services, the Bank will without delay, in written form and free of charge, provide the applicant with a notification about the rejection and the reasons for the rejection, unless such notification is prohibited by regulations.

At the Consumer's request, the Bank will open, or reject an application for, a payment account with basic services, without delay and at the latest within ten business days from the date of receipt of a proper application.

The Bank will also enable the Consumer to open and use a payment account with basic services via a public postal operator, if the public postal operator provides payment services in the name and for the account of the Bank.

A payment account with basic services is a payment account used to execute payment transactions in dinars. The Bank is required to offer basic services related to this account, defined in terms of the LPS, when opening a basic account only to the extent that it already offers these services to Consumers in connection with other payment accounts.

Basic services related to the payment account include:

1. services required for opening, maintaining, and closing that account;
2. services that enable the payment of cash to a payment account;
3. services that enable the payment of cash from a payment account at counters or at ATMs and other similar devices;
4. payment transaction execution services, *i.e.*, transfer of funds from the payment account, *i.e.*, to the payment account, and
   1. direct debit,
   2. using a payment card, including online payments,
   3. by transfer of authorization, including a standing order, on appropriate devices, Bank counters and by using the

Internet.

* 1. instant transfer of approval at the merchant's point of sale using a mobile Banking application, *i.e.*, by exchanging data between the user's (buyer/payer) electronic devices by presenting the user's data via a standardized two-dimensional IPS QR code (payer’s presentation), or by downloading merchant data from a standardized two-dimensional IPS QR code (merchant’s presentation).

The Bank will reject the application for opening a payment account with basic services if the Consumer already has a payment account with another Bank, unless the Consumer gives a written declaration and submits a notification from another bank that the payment account will be closed.

The Bank will enable the Consumer to perform an unlimited number of payment transactions in connection with the services.

The Bank may unilaterally terminate the framework agreement on a payment account with basic services if at least one of the following conditions has been met:

1. the Consumer intentionally used the payment account for illegal purposes;
2. no payment transaction has been made on the payment account in excess of 24 consecutive months;
3. the Consumer obtained the right to a payment account with basic services based on incorrect information;
4. the Consumer subsequently opened a second payment account that allows him to use the services associated with the basic account;
5. the Consumer no longer has a legal residence in the Republic of Serbia.

The Bank will deliver to the Consumer, free of charge, a notice of the reasons for such termination, no later than two months before the effective date of such termination, unless such notification is prohibited by regulation. In case the application is rejected, the Bank will provide the Consumer with information about the right to object and complain, and about the possibility of an out-of-court settlement of the contested relationship in connection with the opening of a payment account with basic services.

Payment Services' User - Consumer, who wants to open an account with the Bank can do so personally, and can authorize another person to conclude an agreement on opening and maintaining a current account with the Bank on his behalf and for his account, *i.e.*, a framework agreement, as well as to dispose of funds on his account, as detailed under Item 8.1 of these General Terms.

## Business through a current account

The Bank warrants to perform payment services on behalf of the Payment Services' User through the current account within the available funds on that account.

Available funds are a positive balance of funds on a current account, as well as the agreed approved overdraft for that account.

In order to dispose of the funds on the payment account, the Payment Services' User - legal entity and/or sole proprietor deposits with the Bank signatures of persons authorized to dispose of funds, and who will sign payment orders.

The Payment Services' User - Consumer deposits a signature with the Bank in order to dispose of the funds on a current account. The said funds can be disposed of by the Payment Services' User - Consumer, or his attorney-in-fact, legal representative, or guardian, within the limits of the subject power of attorney, *i.e.*, within the framework of legal authorization.

The Payment Services' User can, in writing, immediately after opening a current account or subsequently, authorize other persons to dispose of funds on a current account.

The Payment Services' User is required to familiarize the authorized person with the content of the General Terms and the provisions of the contract on opening, maintaining, and closing an account for which he is authorized.

In order to dispose of funds on a current account of a user, a current account of a natural person - Consumer, the same can authorize a third party - am attorney-in-fact (maximum of two persons), in which case his signature is certified by a notary public or another authorized body, unless the authorization was given in front of an authorized employee of the Bank and with the presence of an authorized person. The authorization given at the Bank's premises, on the Bank's form, implies the disposal of funds (payments, withdrawals, transfer, *etc*.), but does not imply actions resulting in the opening, closing/closing/liquidation of accounts, for which a special authorization is required.

## Additional services associated with an account

The user can contract with the Bank one or more additional services that are connected to his payment account, if he fulfills the special conditions specified for each additional service, namely:

* electronic Banking/mobile Banking;
* direct debit;
* issuance of checks (Consumers only);
* standing order;
* debit card;
* credit card;
* approved account overdraft;
* and other additional services that the Bank may subsequently introduce, which will be regulated by the contract and special conditions for that additional service.

## Ways and means of communication between the User and the Bank

The Bank offers the Payment Services' User the possibility of communication in order to issue payment orders in accordance with legal requirements and technical capabilities:

* at Bank counters;
* via the electronic and mobile Banking system.

The Bank receives payment orders through its distribution channels, in accordance with the provisions of the contract on opening and maintaining a current account and other special contracts and the provisions of these General Terms.

For Payment Service’ Users who decide to use electronic banking services, the Bank will enable the use of services connected to the payment account by using appropriate application software on a computer, for payment from a current account based on an electronically sent payment order, insight into the account balance, review of changes to the account, an overview of statements, receiving and sending special and general messages and more.

The conditions for the use of electronic banking services are that the Payment Services' User has an open current account with the Bank, appropriate computer and communication equipment, telecommunication connections in accordance with the Bank's system requirements, as well as a filled out and signed application form for the use of electronic banking services, and the appropriate contract on the use of electronic services.

The Payment Services' User - legal entity and sole proprietor can authorize one or more persons to use electronic banking services, in the application form, and indicate the level of authorization for those persons (authorization to send data and/or authorization to view data). The Payment Services' User can withdraw the given authorizations, which will be submitted in writing to the Bank. Upon receipt of the Payment Services User's request, the Bank will block the use of electronic banking services, by the authorized person, on the same day.

Based on the Payment Services' User's request for electronic banking services, specified in the application form, the Bank will provide the Payment Services' User, with a fee according to the Service Fee Schedule, access parameters and, if necessary, other means of authentication (smart card, token, card reader, *etc.*), with instructions for installation and use. The Bank reserves the right to introduce, incorporate changes and adapt the existing system and security regulations in connection with the use of electronic banking services, about which it informs the Payment Services' User via the Internet, written or electronic mail, text message, message in the electronic banking application, announcement on a voice machine or other communication channel. For each electronic banking service, the Bank is required to enable the Payment Services' User to view information, as well as perform transactions within the scope and in the manner specified in the application form/request and user instructions.

The Payment Services' User uses electronic banking services in accordance with the submitted request/application form, and the fee for the use of this service is calculated and charged in accordance with the Service Fee Schedule.

All electronic messages received using the electronic banking service are automatically recorded in the Bank's information system. All data related to payment transactions are stored in the Bank's database and stored in a secure manner, and can be reproduced on paper or on the screen and represent irrefutable evidence of the completed transactions and their content.

The Payment Services' User is required to protect the use of programs and equipment from any abuse and unauthorized access or use by third parties. The Bank is not liable for any damage that may occur in case of misuse by an authorized or unauthorized person, in case of unauthorized inspection or use of programs or equipment, *etc*.

The Bank has the right to partially or completely disable the use of electronic banking services without the consent of the Payment Services' User:

* if he suspects that the Payment Services' User or a third party is abusing those services;
* if the Payment Services' User does not comply with applicable regulations, contractual provisions, these General Terms;
* if, in the meantime, the Payment Services' User has become high risk in respect of money laundering

and terrorism financing;

* for other reasons that contradict the purpose of using electronic banking.

The Bank is required to inform the Payment Services' User about the blocking of the use of services by electronic means.

The Bank enables Payment Services' Users to use services connected to a payment account by using the appropriate software on a mobile telecommunication device. All provisions stated for the use of electronic banking services also apply to the use of mobile banking services.

## Account blocking and termination of the account

If the Payment Services' User is a natural person, the Bank will block and close the account by limiting all payments from the account, upon receiving notification of the death of the owner, in case of loss, disappearance or theft of the savings booklet, payment card, as well as based on a court decision, the decision issued by other relevant authorities, and other grounds in accordance with applicable regulations. The Bank may, by order of the competent authority, refuse to carry out any transaction from the account.

The Bank closes the payment account in accordance with the applicable regulations and provisions of the agreement:

* at the personal or written request of the Payment Services' User - natural person, if the contractual parties have no outstanding mutual obligations, or at the personal and written request of a legal representative or attorney with special authorization for closing an account,
* based on a court decision;
* at the decision of the Bank, in accordance with these General Terms and the contract concluded with the client.

The Bank reserves the right to declare inactive accounts on which there have been no changes initiated by the Payment Services' User - natural person, during the last 24 months. The Bank has the right to close inactive accounts. The funds found on the account will be paid to the Payment Services' User - natural person, in accordance with a sent notice regarding the closing of an account. After closing a payment account, the Bank issues a certificate to the Consumer, free of charge, stating that the payment account has been closed, together with the information that all obligations of the Bank, in connection with the opening, management and closing of that account, have been settled, in written form on paper or on another permanent data carrier.

If the Payment Services' User is a legal entity and a sole proprietor, the blocking and termination of an account will be carried out by the Bank limiting all payments from the account based on court rulings, decisions issued by other relevant authorities, and other grounds in accordance with legal regulations and the Bank's business policy. Closing the accounts of legal entities and sole proprietor is carried out on the basis of a written request to close the account or on the basis of a framework agreement on payment services that regulates the conditions for opening, maintaining and closing payment accounts, and transfers funds to the account specified in that request, *i.e.*, contract. The Bank closes accounts even if there were no changes initiated by the Payment Services' User - legal entities and sole proprietors during the last 24 months. The Bank also closes accounts if a legal entity or sole proprietor ceases to exist as a legal entity based on the law or other regulation, due to bankruptcy, liquidation or deletion from the register of companies, due to status changes. If the payment account is closed on the basis of the law, the Bank transfers funds from the account of the legal entity and sole proprietor to the account of the legal successor, *i.e.*, to the account of a person designated by law or other regulation and closes the accounts of that legal entity and sole proprietor. After closing the payment account of a legal entity, *i.e.*, a sole proprietor, the Bank, at the request of this person, issues to that person a certificate of closing the payment account free of charge, together with the information that all obligations of the Bank in connection with the opening, management and closing of that payment account have been settled, in writing form on paper or on another permanent data carrier.

## EXECUTION OF PAYMENT TRANSACTIONS

The Bank warrants to provide certain payment services to the Payment Services' User, in accordance with the LPS, as well as under the conditions and in the manner defined by the payment services contract, and the Payment Services' User warrants to pay a fee accordingly.

The Bank warrants to receive and record payment orders, as well as to execute payment transactions based on the same, within the available funds on the account, according to the legally defined priorities and time of receipt.

The Payment Services' User is required to provide coverage on the current account, in an amount that corresponds to the amount specified in the payment order increased by the amount of the corresponding fee, and on the day designated as the day for the execution of the transaction according to the order. Unless otherwise stipulated in the framework agreement, the Bank refuses to execute the order if coverage has not been provided.

The Payment Services' User - payer, is required to keep records of transactions and the balance of funds on a current account.

The Bank, in the capacity of the payer's payment service provider, ensures that the debit value date, in connection with the execution of the payment transaction, is the same or later than the date when that current account was debited for the amount of the payment transaction.

The form, content, and method of using payment order forms for the execution of payment transactions in dinars has been prescribed by the National Bank of Serbia.

In case of a domestic payment transaction executed in dinars, the Bank will make the payment on the same business day in which it was received, or on a future value date (later date).

In case of international payment transactions and payment transactions in the currency of third countries, the provisions of laws and by-laws governing foreign exchange operations will be applied, and the provisions of the LPS are applied to everything related to the execution of the mentioned payment transactions.

A payment transaction cannot be executed if the account of the Payment Services' User is blocked by the NBS, or if it is contrary to imperative regulations, *i.e.*, in case of an incorrect payment order.

The Bank executes a payment transaction on the basis of a payment order that contains a unique identification mark or other data that the Payment Services' User is required to provide for the proper execution of a payment transaction. A payment order submitted in paper form is executed after the control of the signature and seal on the payment order, if the Payment Services' User has opted to use a seal in his business relationship with the Bank.

A payment order executed in accordance with the unique identification code of the payee, from that order, is considered properly executed in the part that refers to the determination of the payee, regardless of other data submitted to the Bank.

If separate regulations (*e.g.*, the Law on the Prevention of Money Laundering and Financing of Terrorism, *etc.*) for the execution of a payment order require specific documentation or special data (identification and verification of the identity of the Payment Services' User, the basis of the transaction), the Bank will execute the payment order if those documents or data are submitted, *i.e.*, presented on a prescribed form. Data on the Payment Services' User must be collected and checked if it is a matter of transferring funds exceeding EUR 1,000, in RSD countervalue at the middle exchange rate of the National Bank of Serbia, except when paying taxes, fines and other public duties or in case of withdrawing money from an ATM.

If the stated conditions are not met, the Bank may refuse to execute the payment order and inform the Payment Services' User. If it is possible and permitted under applicable regulations, the Bank will inform the Payment Services' User about the possibilities and procedures for correction, no later than the deadline set for the execution of the payment transaction.

The Payment Services' User is required to provide the Bank with true and reliable documentation, data, and statements, as prescribed by applicable regulations, the contract and these General Terms.

Orders submitted by the Payment Services' User to the Bank must be clear and unambiguous, given in writing or in contracted agreed manner, in accordance with applicable regulations and acts of the Bank. If there is a need of the Payment Services' User for the urgent execution of an order, he must inform the Bank at the same time as order issuance. The Payment Services' User is liable for damage caused by unclear and ambiguous orders.

If the Bank assesses that it is unable to execute an order within a reasonable time, it will inform the Payment Services' User without delay.

The Payment Services' User must immediately check the accuracy and completeness of current or other account statements, as well as other reports and notifications received from the Bank.

A statement is considered to be approved if it is not challenged within 15 days from the day the account is debited/receipt of statement, whichever date is later.

Exceptionally from the previous paragraph of this article, the Bank is required to provide the Payment Services' User, who is a Consumer, with a refund of the amount of an unapproved, unexecuted or improperly executed payment transaction if this user informs him of such payment transaction, *i.e.*, if he requests the correct execution of the payment transaction, immediately after learning of that payment transaction, provided that the notification, *i.e.*, the request, was delivered no later than 13 months from the debiting date.

In accordance with the contractual relationship, the Payment Services' User is required to inform the Bank if he does not receive documents from the Bank within the stipulated period of time (current or other account statement, various calculations, *etc.*). The Bank is not liable for damage that may occur due to the absence of its document, if it was not notified about the absence immediately, or if the delay was caused by reasons beyond the Bank's control.

## Consent of the Payment Services' User for the execution of a payment transaction

The form, method of giving and withdrawing consent for the execution of a payment transaction is defined by the contract.

The Bank executes a payment transaction or a series of payment transactions, for which the Payment Services' User has given prior consent, in the manner foreseen by the contract. If the aforementioned has not been specifically foreseen by the contract, it will be considered that the Payment Services' User has given his consent for the execution of the payment transaction prior to execution, if he has done so in the following manner:

* by submitting a signed payment order in paper form, with entered information on the amount, currency, payment code, date and name of the recipient, and the recipient’s account number with the Bank. For Payment Services' Users - legal entities or sole proprietor, in addition to the above conditions, the payment order must be stamped, if they requested the use of a seal when opening the account;
* by submitting a payment order using electronic or mobile banking, which authenticates the Payment Services' User (by entering the assigned unique personalized identifier, PIN, TAN, CVV2, 3D secure code, *etc.*);
* in another contracted manner (by handing over the amount of cash required for the execution of the payment order, including the amount of fees, signing the slip, presenting the payment instrument to the contactless payment device, inserting the payment card into the Bank's ATM, and entering the minimum data necessary for approving the cash withdrawal transaction prescribed by the card issuer, *i.e.*, in a manner determined by the consent device, when using payment instruments.

During the course of business cooperation, the Payment Services' User (legal entity or sole proprietor) can change his decision on the use of a seal, in his business relationship with the Bank, by submitting a request for opting out of using a seal and a signature specimen card that have not been certified with a seal.

The Payment Services' User gives consent to the execution of a payment transaction, or a series of payment transactions, by signing a duly completed order and the payment transaction for which the consent was given, in the specified manner or in any other manner, according to which the Payment Services' User will undoubtedly agree to the execution of the payment transaction.

For avoidance of doubt, consent is considered to have been issued subsequently, when the Payment Services' User - after the payment transaction has already been completed - receives the documents (certificates, certified payment orders, *etc.*) related to the respective payment transaction.

## Debiting a payment account without a payment order

The Bank will, without the consent of the Payment Services' User and without a payment order, debit the current (dinar or foreign currency) account:

* during an enforcement procedure conducted over the Payment Services' User, in accordance with current regulations;
* in the event of an erroneously approved domestic dinar payment transaction to the Payment Services’ User’s current account, based on submitted evidence from the payer's payment service provider (another bank). The Bank will immediately return (transfer as a refund) the received funds to the payer's payment service provider;
* in case of correction of the Bank's error made during the execution of payment transactions, incorrect posting of debits or account approval;
* on the basis of the collection of all due unpaid amounts associated with the principal, interest, commissions/charges, and expenses that the Payment Services' User owes to the Bank based on individual contracts that have been or will be concluded with the Bank. The Bank first tries to collect the due obligations of the Payment Services' User from his RSD current account with the Bank, and if the Payment Services' User does not have an RSD current account at the Bank, or does not have sufficient funds on that account, the Bank collects its claims partially or entirely from the Payment Services' User’s FX current accounts with the Bank. The Bank will apply the purchase rate, from the Bank's exchange rate list for foreign exchange on the day of the transaction, in case of collection of receivables from a Payment Services' User’s, natural persons, sole proprietors or farmers, FX current account, in terms of the Law on the Protection of Users of Financial Services;
* in other cases prescribed by law.

The executed payment transaction from this item is not considered an unapproved payment transaction.

## Time of receipt and deadline for execution of a payment transaction

The time of receipt of the payment order means the moment when the Bank received the payment order issued by the Payment Services' User during the Bank's business day, within the time frame set by the Bank in the Term Schedule for the receipt of payment orders, and the payment order will be executed in accordance with the Term Schedule, which is an integral part of these General Terms.

In case of a domestic payment transaction executed in dinars and received during a business day, the Bank will ensure that the amount of the transaction will be approved to the payment recipient’s account, on the same business day when the Bank received the payment order. For other payment transactions, the deadlines for execution of the payment transaction determined by the LPS, or other regulations, will be applied.

Payment orders received after the end of the business day will be considered received on the Bank's next business day, with the fact that, if possible, the Bank will execute the payment order on the current day.

The time of receipt of a payment order at an ATM is the moment when the Payment Services' User has given consent for the execution of the transaction and the payment service provider, the issuer of the payment instrument, has carried out the authentication and authorization procedure. A payment order issued using a payment card at an ATM is executed immediately, if the conditions for payment are met.

Payment orders that are executed as instant authorization transfers are executed on the same business day within the deadlines established by regulations, if the conditions for implementation have been met.

The Payment Services' User has the right to withdraw funds in cash from his account, in a branch or at the Bank's ATMs, immediately after the recorded inflow of funds. Exceptionally from the previous paragraph, if the Payment Services' User withdraws, in cash, funds in excess of RSD 600,000.00, or FX whose amount in RSD countervalue value at the official middle exchange rate of the National Bank of Serbia is greater than RSD 600,000.00, the Bank will make a payment of such funds no later than the following business day.

If the funds on the Bank's account were approved on a day other than the Bank's business day, or after the end of the business day, in accordance with the Term Schedule, it will be considered that the Bank received the funds on the following business day.

## Refusal to execute a payment order

A payment order that the Bank did not execute due to a lack of available funds on an account, an error in the order, *etc.*, is considered rejected at the end of the Bank's business day, *i.e.*, it is considered not received.

The Bank has the right to refuse a payment transaction if all the conditions for the execution of the transaction foreseen by the framework agreement have not been met, or if there are legal obstacles to the execution of that order, *i.e.*, if its execution would be contrary to the regulations governing the prevention of money laundering and terrorism financing, as well as the Bank's internal acts adopted on the basis of those regulations or a decision issued by relevant authorities.

In the event that the Bank refuses to execute a payment order, the Bank notifies the Payment Services' User on the same business day with a statement of account transactions, orally, by phone, via email or text message or by posit, and, if possible, stating reasons for such refusal and the procedure for the correction of errors that are the cause of the rejection, unless such notification is prohibited by applicable regulations.

The Bank has the right to suspend the execution of a transaction that has already started without the consent of the Payment Services' User if, based on the provisions of the relevant law, it determines that there are clear indications that point to money laundering and/or terrorism financing.

## Revocation of payment order / irrevocability of payment order

The Payment Services' User can revoke a payment order at any time before the irrevocability of that order, in accordance with the LPS.

The payment order is revoked by withdrawing consent for the execution of a payment transaction or a series of payment transactions in the form and manner established by the contract.

The Payment Services' User cannot revoke a payment order after it has been received by the payer's payment service provider, except in cases foreseen by the LPS.

When the payment transaction was initiated by the payee or the payer through the payee, the payer cannot revoke the payment order after issuing it or giving consent for the execution of the payment transaction to the payee.

After the expiration of the terms, irrevocability occurs and the Payment Services' User can revoke the payment order only based on an agreement with the Bank.

The Payment Services' User, a legal entity, can revoke an approved payment order only on the basis of an agreement with the Bank.

The framework agreement can determine that the Bank can charge the Payment Services' User a fee for revoking a payment order after the expiration of the terms stipulated in the LPS and the contract.

## Execution of a payment transaction to the payee

The Bank executes payment transactions to the payee by approving funds on his payment account or, if the payee does not have a payment account with the Bank, by making the funds available without delay, in the manner and under the conditions foreseen by the LPS and other regulations.

If the funds were approved on a day other than the Bank's business day, it is considered that the Bank received the funds for the payee on the following business day.

The Bank, in its capacity as a payment services provider for the payee, ensures that the date of approval of the payee's payment account, in connection with the execution of the payment transaction, is no later than the business day when the funds of the payment transaction were approved on the Bank's account.

The Bank ensures that the crediting date of the Payment Services' User’ payment account, for a domestic payment transaction, who pays cash in the currency of that payment account, is the date when the Bank received the cash, as well as that the Payment Services' User can dispose of funds immediately after receiving them, in accordance with the LPS.

When executing the payer's payment transaction, the Bank transfers the total amount of the payment transaction defined in the payment order. Exceptionally, the Bank and the Payment Services' User, as the recipient of the payment, may agree to collect the fee from the amount of the payment transaction that is transferred - before approving the funds to the recipient's account in accordance with the provisions of the LPS. In accordance with the contract, in the case of foreign currency inflow, the account is debited in the available currency, and the RSD exchange rate used for the calculation of the Bank's fee is the official middle exchange rate of the NBS valid on the day of fee collection.

## Cancellation of postings and corrections of incorrectly realized orders

Posting of transactions on the Payment Services' User’s account made by mistake or omission of the Bank's employee, or due to some other error on the part of the Bank can be canceled (reversed) by simply entering the correction of the error and without a special order from the Payment Services' User.

## Instant payments

Payment orders up to RSD 300,000.00, including that amount, for which the Payment Services' User, when filling out the order for a domestic payment transaction in dinars, chose the option for instant, urgent payment via electronic services or entered as an urgent payment order submitted at the Bank’s counter, the Bank will execute through IPS (Instant Payment System) of the National Bank of Serbia, with the aim of immediate execution of payment transactions initiated in this manner. Instant transfer of authorization is a domestic payment transaction in dinars that the Payment Services' User, as a payer, can initiate at any time of the day every day of the year, and whose transfer is executed, within the shortest period of time, via the IPS payment system. If the payee's payment service provider is not a participant of the IPS system, the Bank will not execute a payment order for which the Payment Services' User has chosen instant payment through the IPS system and will inform the Payment Services' User about this before giving consent for the execution of the payment transaction. In that case, as well as when there are objective obstacles to the functioning of the IPS system, the Payment Services' User can give the Bank consent for the execution of an order that will not be implemented through the IPS system. If the Bank has received a notice that the execution of an instant transfer order has been rejected, it will notify the Payment Services' User personally if the order was given in paper form at a branch of the Bank, *i.e.*, in electronic form within the electronic service that the Payment Services' User used to initiate IPS transactions and the order will not be executed.

## International payment transactions

In international payment transactions, the Bank will approve the funds on the payee's account, immediately after receiving the notification that the Bank's account has been approved, the payee's statement on the basis of collection, and accompanying documentation (if the same is prescribed by regulations on foreign exchange operations).

Regarding the execution of the Payment Services' User’s instructions, the Bank bears no responsibility for the realization of an international payment transaction in the following cases: suspension of payments, moratorium of a foreign collection agent or third parties associated with the agent, application of international binding regulations and sanctions and in accordance with the regulations of the respective foreign country.

The Payment Services' User issuing an order will cover all costs associated with the execution of a payment order via a correspondent bank. The Bank can debit each individual or all accounts of the Payment Services' User that are kept with the Bank, in order to settle all costs incurred by the execution of such orders. During the execution of payment transactions abroad, where the Payment Services' User has chosen the option of SHA costs (split costs), the Bank transfers the full amount of the payment transaction only to the first intermediary bank that participates in the execution of the payment order and bears no responsibility for the possible execution of a reduced payment amount by intermediaries.

When executing payment transactions abroad, where the Payment Services' User has chosen the option of OUR costs (in

in which case he bears all costs abroad), the Bank is authorized to, without the prior consent of the Payment Services’ User, debit the Payment Services' User’s account for all costs for which the correspondent bank debits the Bank's account based on that transaction. The Bank informs the Payment Services' User about the amount of these costs through the account statement. If the correspondent Bank's costs are paid by charging from the RSD account, the Bank will apply the Bank's valid selling rate for the specific FX, in which the actual cost was charged by the correspondent Bank on the day of cost calculation, for the calculation of the said expenses.

## Standing order

A standing order (a special written authorization on the Bank's form) implies that the Bank, in accordance with the payer's instructions, carries out regular periodic transfers of predetermined/determinable amounts of funds from the payer's account to another account. The Payment Services' User (payer) can submit a request to the Bank for collection from the account by means of a standing order on a special written form of the Bank, by which he authorizes the Bank to make regular or occasional payments against his account, according to the conditions defined by the signed standing order. With a standing order, the Payment Services' User grants permission to the Bank, in advance, to debit his account in favor of a specific payee, for a precisely defined amount, with defined payment terms, with the possibility of a certain number of repeated payments, for a certain period of time or until revocation. The Bank will execute the standing order in accordance with the conditions defined by the Payment Services' User. If the defined day for the execution of the standing order falls on a non-working day, the payment will be made on the first following working day. The Payment Services' User is required to secure funds on the account, for payment by standing order, at the time of its execution. The Bank executes a standing order only if there are sufficient funds on the account, to cover the defined payment amount in full, unless it is a claim of the Bank, in which case the funds are withdrawn from the account in accordance with the available balance. Any change related to the instructions, terms and validity of a standing order, the Payment Services' User is required to notify the Bank in writing and without delay. The standing order ceases to be valid upon expiry of the term for which it was issued, upon cancellation by the Payment Services' User or the Bank, in the event of the death of the Payment Services' User. The standing order is automatically terminated by closing the account to which the standing order was linked.

## Direct debit

Direct debit implies that the payee initiates the transfer of funds from the payer's account to his account, based on the consent given by the payer to that payee, his payment service provider or the payee's payment service provider. Based on a payment transaction initiated in this manner, the payer's payment service provider transfers funds to the payee on the date or dates mutually agreed upon by the payer and the payee. The Payment Services' User is required to provide funds for payment by direct debit, on the account, at the time of its execution. The Bank executes direct debits only if there are sufficient funds on the account to cover the payment in full. The payer gives his consent, to the Bank, by signing the request for account debiting via direct debit, on a special written form provided by the Bank. Direct debit ceases to be valid upon expiry of the term for which it was issued, upon cancellation by the Payment Services' User or the Bank, in case of death of the Payment Services' User. Direct debit is automatically terminated by closing the account to which the direct debit has been linked.

## Improper execution of a payment transaction

The Bank has the following rights and obligations in certain cases of improper execution of a domestic payment transaction:

* if the Bank transfers to the payee's payment service provider an amount that exceeds the amount specified in a payment order, or if it executes a payment order several times by mistake - the payee's payment service provider, based on proof from a bank that made the mistake, is required to return those funds without delay;
* if an amount less than the amount stated in the payment order was transferred to the payee's payment service provider, the Bank, as the payer's payment service provider, can transfer the difference to the payee's payment service provider within the appropriate period and without the Payment Services' User's request for the correct execution of the transaction;
* if the funds were transferred to another payee, and not the one indicated, the Bank, as the payer's payment service provider, can properly execute the transaction within the appropriate period and without the Payment Services' User's request for the correct execution of that transaction, and the payee's payment service provider, to whom funds were erroneously transferred, is required to return the received funds to the Bank without delay, as the payer's payment service provider, based on evidence received from the Bank, as the payer's payment service provider who made the mistake.
* This refund has priority over the execution of all other transactions from the payment account to which the resources were transferred.

In the event of an unexecuted or improperly executed payment transaction, the Bank is required, regardless of responsibility for the correct execution of the payment transaction, to immediately take appropriate measures at the request of its Payment Services' User to determine the flow of funds and to provide the user, without delay, with information on the outcome of the assumed measures.

# BANK FEES IN CONNECTION WITH THE EXECUTION OF PAYMENT TRANSACTIONS

For payment transaction services, the Bank charges fees from the Service Fee Schedule available at all of the Bank’s branch offices and on the Bank's website [www.altaBanka.rs](http://www.altaBanka.rs/). The Service Fee Schedule is an integral part of the framework agreement, and with his signature the Payment Services' User confirms that he is familiar with and agrees to the Service Fee Schedule.

The Bank collects fees for payment services, in the contracted manner, by automatically debiting the current account of the Payment Services' User. The Payment Services' User authorizes the Bank to collect due obligations based on fees from all payment and deposit accounts.

The Bank does not charge a fee to the Payment Services' User, natural persons, sole proprietors and farmers, for withdrawing cash from a current account.

The Payment Services' User, a natural person, sole proprietor, and farmer, has the right to cancel the account free of charge, while for closing the account for legal entities, the Bank charges a fee.

# INTEREST RATE AND EXCHANGE RATE

The Bank can calculate and pay interest on the funds that the Payment Services' User keeps in his RSD and FX current account in accordance with its business decision. The method of interest calculation and the amount of the interest rate are contractually determined.

The Bank has the right to change the amount of the interest rate, methods, and terms of interest calculation, regarding which it informs the Payment Services' User in writing on paper or in another agreed manner and acts in accordance with the provisions of the LPS and these General Terms, governing amendments to the framework agreement at the Bank's proposal.

On the amount of the unauthorized overdraft on the dinar current account, for which the User has not been granted an approved account overdraft, the Bank calculates and charges statutory default interest. The Bank will calculate interest on the amount of the unauthorized overdraft on the dinar current account arising in connection with the agreement on approved account overdraft concluded between the Bank and the Payment Services User, at the rate of statutory default interest or at the contracted interest rate, if it is higher.

The Bank publishes and makes available data on the interest rate on the Bank's website information.

When performing a payment transaction that requires the exchange of currencies, the Bank applies the exchange rate list of the Bank valid on the day of the transaction for the Payment Services' User - Consumer. For amounts exceeding a specific limit, the Bank can foresee the application of a more favorable exchange rate for the Payment Services' User - Consumer.

The Bank’s exchange rate list is available on its website and at every branch office of the Bank.

The Bank executes payment orders in the currency in which the payment order was issued, *i.e.*, in the currency agreed upon by the Payment Services' User and the Bank, in accordance with regulations governing foreign exchange operations.

When executing payment transactions that require currency conversion, and which were not initiated using a payment card, the exchange rate (buying and/or selling) of the FX in relation to the RSD, valid at the time of execution of the payment transaction, will be used. If a special contract or law does not provide for the application of a specific exchange rate, for the conversion between different foreign currencies and the domestic currency, the valid exchange rate from the Bank's exchange rate list at the time of the conversion will be applied, namely:

* selling rate for conversion into local currency;
* selling rate if domestic currency is converted into foreign currency, and
* buying/selling rate when converting one foreign currency into another foreign currency.

The Bank applies the change in the interest rate and currency exchange rate immediately and without prior notification to the Payment Services' User, if they are based on changes in the agreed reference interest rate or reference exchange rate. If the interest rate and currency exchange rate change is in favor of the Payment Services' User, the Bank applies the subject changes immediately and without prior notification of the Payment Services' User. In these cases, the Bank informs the Payment Services' User within the contracted term.

# RIGHTS, OBLIGATIONS AND RESPONSIBILITIES OF PAYMENT SERVICES USERS

The Payment Services' User - consumer, in connection with the execution of a payment transaction, has the right to request a refund of the amount for an unapproved, unexecuted or improperly executed payment transaction, *i.e.*, the correct execution of a payment transaction, provided that he has informed the Bank about such a transaction immediately and submitted a request for the correct execution of the payment transactions, no later than within 13 months from the date of debiting.

The Payment Services' User - Consumer, can submit a request for a refund even after the expiry of the period of 13 months from the date of debiting, in case the Bank, in accordance with the provisions of Chapter II of the LPS, did not inform him about the subject transaction.

The Payment Services' User - legal entity or a sole proprietor, has the right to request a refund of the amount for an unapproved, unexecuted or improperly executed payment transaction, *i.e.*, to request the correct execution of a payment transaction, provided that he has informed the Bank about such a transaction immediately and submitted a request for the correct execution of the payment transaction no later than within 30 days from the date of debiting.

The Payment Services' User is required to ensure the use of programs and equipment against any abuse and unauthorized access or use by third parties.

The Bank is not liable for any damage that may arise:

* in case of abuse by an authorized or unauthorized person;
* in case of unauthorized access or use of programs or equipment that ensures secure data exchange based on and in connection with the concluded agreement, *etc*.

The contracting parties will not be liable for the consequences of non-fulfillment or partial non-fulfillment of their obligations if this occurs as a result of circumstances, the occurrence of which, the contracting parties could not foresee or prevent, and for the duration of those circumstances.

Payment Services' Users - legal entities and sole proprietors, are required to inform the Bank about status and other changes that are registered with other authorities and organizations, as well as to take the necessary legal actions to harmonize the data related to their current accounts with this change, within three days from the date of receipt of the decision on the registration of that change.

In the event that the Payment Services' User has provided the Bank with an incorrect unique identification code, due to which the payment transaction was not executed or was executed incorrectly, the user has the right to demand that the Bank immediately take all reasonable measures to return the amount of the payment transaction to the Payment Services' User. At the request of the Payment Services' User, the Bank is required to immediately notify the payee's payment service provider. If it is not possible to make a refund to the Payment Services' User, the Bank will, upon the Payment Services' User’s written request, immediately deliver all available information that he needs to exercise the right to a refund (*e.g.*, information about the recipient's payment service provider and/or about the payee). The Bank may charge a special fee, for the above measures, as foreseen by the framework agreement and the Service Fee Schedule.

# RIGHTS, OBLIGATIONS AND RESPONSIBILITIES OF THE BANK

The Bank has the discretionary right to freely choose the Payment Services' User with whom it will enter into business relations, which includes the possibility to refuse the conclusion of a contract, that is, entering into a business relationship, without the obligation to state cause.

The Bank has the right not to accept the conclusion of a contract and/or the provision of payment services to the Payment Services' User. The Bank has the right to suspend the possibility of using certain services and/or products without the consent of the Payment Services' User in accordance with regulations on the prevention of money laundering and terrorism financing as well as other regulations.

It will be considered that the Bank has provided information on the mandatory elements of the agreement in accordance with the LPS, in a way that allows the Payment Services' User to familiarize himself with the conditions related to the provision of payment services, and to compare the offers received from different payment service providers and assess whether these conditions and services correspond to his needs, by submitting the overview of fees and services and the draft of the framework agreement, in paper form or on other permanent medium, within a reasonable period of up to seven days before the conclusion of the framework agreement.

The Bank ensures that the Payment Services' User receives at least one copy of the signed framework agreement.

The Bank will make the information easily available to the Payment Services' User before concluding the agreement on a one-off payment transaction: about the unique identification mark or other data that the Bank is required to provide for the proper execution of the payment order; on the deadline for execution of the payment transaction; the type and amount of all fees charged by the Bank to the Payment Services' User, *i.e.*, the type and amount of each individual fee if a collective fee will be charged; currency exchange rate, (if currency is exchanged) *i.e.*, the reference exchange rate used by the Bank for the payment transaction, and other information. After receiving an order for the execution of a one-off payment transaction, the Bank will make easily available information on the reference designation, the amount of the transaction, the fee amount, the exchange rate (if the currency is exchanged) and the date of receipt of the payment order. At the request of the Payment Services' User, the Bank will deliver the aforementioned information on paper or on another permanent data carrier.

Before the execution of an individual payment transaction initiated by the Payment Services' User as a payer on the basis of a framework agreement, the Bank is required to provide the Payment Services' User, at his request, with precise information about the deadline for the execution of that payment transaction and the fees that will be charged to him, and if the Bank collects these fees collectively, about the type and amount of each individual fee that makes up the collective fee, as well as other information foreseen by the LPS.

When, on the basis of the framework agreement, the Bank executes a payment transaction, it is required to provide the Payment Services' User, as the payer, *i.e.*, the payee, immediately after debiting the User's payment account or after receiving the payment order/execution of the transaction, the following information:

* reference designation or other data that enable the Payment Services' User to identify an individual payment transaction and information related to the payee;
* the amount of the payment transaction in the currency in which the User's payer's payment account was debited, or in the currency which the user specified in the payment order;
* the amount of any fee charged to the Payment Services' User for the execution of an individual payment transaction, and if the Bank collectively charges these fees - the type and amount of each individual fee that makes up the collective fee;
* the amount of interest paid by the Payment Services' User, if such interest was paid;
* if the currency is exchanged - the currency exchange rate used by the Bank when executing the payment transaction, as well as the amount of the payment transaction after the currency exchange;
* the date of validity of the approval of the payee's payment account, *i.e.*, the date of receipt of the payment order.

Immediately after the execution of an individual payment transaction (debit/credit of an account), the Bank will provide the Payment Services' User, Consumer, with information related to an executed transaction foreseen by applicable regulations, by sending a text message to the cellular number registered in the Bank's database, which was provided by the Payment Services’ User, Consumer, during the establishment of a business relationship with the Bank, *i.e.*, later during the implementation of the contract, in the event of its change.

The Payment Services' User, Consumer, has the right to receive, at his request, one additional statement of monthly changes for the current account/individual completed payment transactions, free of charge. The request for this statement can be submitted by the Payment Services' User in person at the Bank's counter or in writing, in which case the Bank, depending on his choice, will submit a monthly statement at the Bank’s counter, by electronic mail or on paper by post, by sending it to the address of the Payment Services' User, Consumer, registered in the Bank's system.

The Bank delivers the aforementioned information to the Payment Services' User - legal entity and a sole proprietor, periodically, and at least once a month, in an agreed manner that allows the Payment Services' User to save and reproduce this information in an unchanged form, in accordance with the LPS.

The Bank delivers or makes readily available information on the amount, the date when the funds were made available, the amount of the fee and other things, to the Payment Services' User, as the recipient of the payment immediately after the execution of the payment transaction.

According to the contracted terms, the Bank delivers to the Payment Services' User - Consumer, at his request, once a month on paper, free of charge, information about individual executed transactions.

At least once a year, the Bank delivers to the Payment Services' User - Consumer, free of charge, a report on all fees charged for services connected to the payment account (report on collected fees).

At the request of that Payment Services' User, the Bank delivers a report on fees charged to the Payment Services' User who is not a Consumer.

The report on collected fees also contains data on applied interest rates and the total amount of interest, if the payment service provider charged and/or paid interest, during the reporting period, for certain services connected to the payment account.

The Bank can submit the report on collected fees electronically, and it is required to submit it in paper at the request of the Payment Services' User.

The Bank may charge the Payment Services' User only those fees related to the execution of a payment transaction defined by the Service Fee Schedule, about which it has previously informed him in accordance with the LPS. The Bank can bear responsibility under the conditions of the LPS and other regulations, for non-execution, improper execution or execution of an unapproved payment transactions, in which case the account user shall refund the amount of the payment transaction, *i.e.*, undertakes to restore the payer's account to the state in which it would have been if the payment transaction in question had not been executed, as well as to refund all fees and the amount of interest on which the Payment Services' User would had the right to in case the payment transaction, for which there is no consent of the payer, was not executed.

The Bank is not responsible for refunding the amount of unapproved, unexecuted, or improperly executed payment transactions and calculated fees if the execution was caused by:

* unforeseeable and irreversible circumstances that the Bank, despite taking all measures, could not influence;
* the Bank's obligation arising from mandatory regulations;
* by the Payment Services' User’s defrauding or if the Payment Services' User accidentally or due to negligence fails to fulfill his obligations

in connection with payment instruments;

* falsified payment order submitted to the Bank by the Payment Services' User,
* the Payment Services' User’s sending data or payment orders in the form of an unprotected record, in which case he is not responsible for possible damage during the execution of payment transactions, on the basis of payment orders sent in the described manner and when the responsibility for safe and correct data transmission lies with the sender of the data, *i.e.*, Payment Services’ User;
* using a lost or stolen payment instrument or a payment instrument that has been misused because the Payment Services' User failed to protect its personalized security elements - The Payment Services' User is responsible for the entire loss in the event of a fraudulent act by the Payment Services' User, misuse or failure to fulfill obligations from the LPS resulting from intent or extreme carelessness;
* if the Payment Services' User does not notify the Bank immediately after becoming aware of the same, *i.e.*, within 13 months (consumer), i.e. within 30 days (legal entity and sole proprietor), from the day of the debit, about the unapproved, unexecuted, or improperly executed payment transaction, *i.e.*, if he does not properly request execution of a payment transaction.

The Bank will reimburse the Payment Services' User - Consumer, upon his timely request, a refund of the approved and properly executed payment transaction initiated by the payee or the payer through the payee, under the conditions, in the manner and according to the procedure prescribed by the LPS.

The Bank is not liable for an unexecuted or improperly executed payment transaction if the Payment Services' User has submitted an incorrect unique identification code to the Bank.

In the event that the Payment Services' User has provided the Bank with an incorrect unique identification code, due to which the payment transaction was not executed, the Bank is required to refund the amount of the unexecuted payment transaction to the user immediately upon learning of the same.

The Bank's rights and obligations in certain cases of improper execution of a domestic payment transaction are regulated by the framework agreement in the manner defined by the LPS.

# EXCEPTIONS REGARDING THE FRAMEWORK AGREEMENT AND INFORMING PAYMENT SERVICES USERS OF INTERNATIONAL PAYMENT TRANSACTIONS AND PAYMENT TRANSACTIONS IN THE CURRENCY OF THIRD COUNTRIES

The Bank is not required to provide the Payment Services' User before concluding the contract on payment services, *i.e.*, to make easily available information regarding the deadline for the execution of the payment transaction through a foreign bank of the payee in a third country, if it does not have such information, in case of international payment transactions or payment transaction in the currency of third countries. The Bank will not be required to inform the Payment Services' User about the expected time of execution of the payment transaction, as well as the amount of the fee charged for the execution of an international payment transaction or payment transaction in the currency of third countries, as well as the expected amount of this fee, if at the moment of concluding the framework agreement, it does not have information about the exact fee amount.

## APPROVED ACCOUNT OVERDRAFT

The Bank may grant a permitted account overdraft to Payment Services’ Users who have an open current account for receiving salaries/pensions (hereinafter: approved overdraft).

The Bank may provide a Payment Services’ Users, who fulfills the requirements, an approved account overdraft in which case the parties conclude an approved overdraft agreement. Along with the agreement, the Bank provides the Payment Services’ Users with an overview of mandatory elements of the approved account overdraft.

The Bank approves the approved overdraft at the written request of the Payment Services’ Users who meets the conditions, up to the maximum term defined by the Bank's act that regulates that type of product.

The Bank calculates and charges the statutory default interest or the contracted interest, if it is higher, for the unauthorized account overdraft on the Payment Services’ Users, Consumer’, account.

The Payment Services' User - Consumer, and the Bank shall, by contractually regulate the method of settlement of due obligations arising from an unauthorized overdraft.

The Bank can, upon request, grant overdrafts to legal entities and sole proprietors who have an open current account with the Bank and meet the conditions for overdraft approval.

The decision on approving/rejecting the request for an approved overdraft is made after the request has been submitted, the necessary documentation has been submitted and the credit rating has been assessed. Upon approval of the request, the Bank and the user conclude an agreement on approved overdraft.

# PAYMENT INSTRUMENTS

## Obligations of the Payment Services' User in connection with a payment instrument

The Payment Services' User is required to use the payment instrument in accordance with the prescribed, *i.e.*, contracted conditions governing the issuance and use of that instrument.

The Payment Services' User is required to take all reasonable and appropriate measures immediately after receiving the payment instrument to protect the personalized security elements of that instrument (*e.g.*, personal identification number).

The Payment Services' User is required to notify the Bank, *i.e.*, the person authorized by the Bank, immediately after learning about the loss, theft, or misuse of a payment instrument, as well as to request its blocking, with the obligation to confirm the request in writing to the Bank within 3 days from the day of learning.

### Obligations of the Bank in connection with a payment instrument

The Bank secures:

* + - * that the personalized security elements of the payment instrument are available exclusively to the Payment Services' User to whom that instrument was issued;
      * that the Payment Services' User can, at any time, inform the Bank in an appropriate manner about the loss, theft or misuse of the payment instrument, *i.e.,* at the request of the User, enable the use of the payment instrument again;
      * to prevent any further use of the payment instrument after the Payment Services' User has notified  
        the payment services provider in accordance with the LPS;
      * at the request of the Payment Services' User, submit proof that the user has informed the Bank in writing about the loss, theft or misuse of the payment instrument, provided that the request for the submission of such proof was submitted by the User within 18 months from the date of submission of the request.

The Bank bears the risk of delivering the payment instrument and personalized security elements of that instrument to the Payment Services' User.

### Limitation in the use of a payment instrument

The Payment Services' User and the Bank can agree on a spending limit for an individual payment transaction, or several payment transactions within a specific period of time, if these transactions are executed on the basis of a payment instrument used to authorize the execution of those transactions.

The Payment Services' User and the Bank can contract by a framework agreement that the Bank can disable the use of a payment instrument (blocking the payment instrument) if there are justified reasons related to the security of that payment instrument, if there is suspicion of unauthorized use or its use for fraudulent purpose, or if there is an increase in the risk that the Payment Services' User will not be able to fulfill his payment obligation when the use of a payment instrument is connected to the approval of a loan, *i.e.*, an approved account overdraft.

The Bank informs the Payment Services' User about the intention to block a payment instrument and the reasons for the same. If it is not able to inform him about it before blocking the payment instrument, the Bank will do so immediately after blocking. The Bank is required to deliver the notification of the intention to block, *i.e.*, the blocking of a payment instrument, to the Payment Services' User in the manner defined by the framework agreement, to the last address communicated to the Bank.

Exceptionally, the Bank will not notify the Payment Services' User in accordance with this paragraph if giving such notification is prohibited by regulations or if there are justified security reasons.

The Bank will enable the use of the payment instrument or will replace it with a new one once there are no longer any reasons for it being blocked.

## Payment cards

Based on a request and the concluded contract, and in accordance with these General Terms, the Bank issues payment cards to a natural person - a Consumer (of legal age, able to do business, domestic or foreign natural person), as well as to a legal entity or sole proprietor, *i.e.*, a person for whom an authorized person - a legal representative submits a request for issuing a payment card (hereinafter: payment card user).

The Bank issues a payment card free of charge, to a Payment Services' User, that can be used to initiate payment transactions from a current account, where, in domestic payment transactions, the processing, netting and settlement of transfer orders issued on the basis of its use are performed within the payment system in the Republic of Serbia.

A payment card that can be used to initiate payment transactions from a current account, and in which domestic payment transactions are not carried out in the Republic of Serbia, is issued by the Bank at the special written request of the Payment Services' User, and only if a payment card, from the previous paragraph, has already been issued to the user from the same current account.

Payment cards are issued for the period determined by the contract, with the possibility of reissuance. The validity period of the payment card is marked on the card, and it can be used until the last day of the month marked on the card.

Payment cards are the property of the Bank. The payment card is in the name of the user and is not transferable to another person.

The payment card user may not leave the card as a pledge or security.

The payment card user is liable for the accuracy of all data given in the request for card allocation, *i.e.*, the request for opening an account, as well as for further changes in personal data that he is required to report to the Bank.

An expired payment card may not be used, and the payment card user is required to destroy it without delay.

## Types of payment services for payment card users:

The Bank provides the following payment services to payment card users:

* payment of goods and services via payment card at authorized points of sale, which includes Internet points of sale,

designated with a Dina or Visa mark in accordance with the provisions of the concluded contract;

* cash withdrawal at the counters of commercial banks and post offices;
* withdrawing cash and checking balances at ATMs;
* other services.

Specific services provided to the payment card user, depending on the payment card type, are expressly stated in the individual payment card agreement.

## Card delivery

The Bank personally delivers an inactivated card and a secret personal identification number (PIN) to the payment card user. The Bank is required to ensure that the payment card user has access to the PIN until the card is delivered.

When collecting the card, the payment card user is required to sign the delivery form, thereby confirming that he has received the card, with correctly entered data and an unopened and undamaged envelope with the PIN.

When receiving a card, the payment card user is required to sign the same, with a ballpoint pen in the place provided for that purpose, immediately after receiving it. The card is activated after delivery.

The Bank guarantees to the payment card user that no person has had the opportunity to find out the associated PIN until the card was handed over to him.

The payment card user is required to keep the assigned PIN secret, in order to protect the card from abuse, especially not to write down the PIN on the card or any other document that is kept with the card. The PIN can only be used by the payment card user. Otherwise, the payment card user bears any potential financial consequences arising from card misuse.

If the payment card user does not sign his card, the payment card will be considered invalid, and any financial

consequences in case of misuse of an unsigned card will be borne by the payment card user.

## Method and conditions for using payment cards

The rights and obligations of the Bank and the payment card user are defined by the agreement on issuing and using the card.

For transactions made through the use of the card in the country and abroad, the Bank debits the account, *i.e.*, the credit portion under the conditions established by the agreement and the Bank's acts for each type of payment card issued by the Bank.

Payment cards can only be used within the limits of the available funds on the accounts, *i.e.*, approved credit limits.

Cards can be used at all points of sale, Bank counters and ATMs in the country and abroad, that have a prominent card brand, except for the VISA Virtuon card, which is only used for online payments.

## Calculation for transactions performed by payment card users, consumer

For transactions made using a Visa card abroad, if the currency of the transaction is different from the EUR, the calculation will be made in the EUR according to the Visa International exchange rate valid on the day of transaction execution. The foreign currency account of the payment card user will be debited in the EUR countervalue, regardless of the currency in which the transaction was performed. In the absence of EUR funds on the payment card user's account, the conversion will be carried out in RSD, at the middle exchange rate of the National Bank of Serbia on the day the transaction is processed by the Bank. The countervalue in dinars is rounded to two decimal points.

The payment card user agrees that in the absence of funds on the current account, for the collection of transactions and fees made in the country, the Bank may, without notifying the payment card user, make a payment from the foreign currency account of the card user, whereby the foreign currency funds will be previously converted into RSD at the middle exchange rate of the National Bank of Serbia on the day of the transfer. The payment card user agrees that the Bank will collect the due and unpaid obligations arising from the use of the card from all other accounts of the payment card user.

## Calculation for transactions performed by payment card users, legal entities and sole proprietors

If card transactions were carried out abroad in the EUR, the Bank performs the conversion into the RSD at the Bank's selling rate on the day of payment of due obligations. For transactions carried out abroad in a third currency, the exchange rate of the Visa card organization for conversion to the EUR currency is applied first, and then, on the day of payment of the transaction, the selling rate of the Bank for foreign exchange for the EUR is applied. The dinar account of the payment card user, regardless of the currency in which the transaction was made, will be debited for the countervalue in dinars (rounded to two decimal points).

## Rights, obligations, and responsibilities of the payment card user

When making a transaction, the payment card user is required, at the recipient's request, to show an identification document, sign a copy of the POS account (slip) the same as on the card or enter a PIN, which is considered consent to the transaction and guarantees for the accuracy of the amount.

The payment card user is required to demand that all transaction procedures at the point of sale are carried out in his  
presence.

When withdrawing cash at an ATM, the payment card user is identified by entering a PIN, thereby granting consent for all payment transactions at the ATM. The number of unsuccessful PIN entry attempts is limited to two. On the third incorrect PIN entry, the ATM retains the card.

The Bank can block the payment card if the user has due and unpaid obligations towards the Bank on any basis, if there is a suspicion that the payment card is being used without authorization, as well as in other cases important for the safe use of the payment card, *i.e.*, cases foreseen by applicable regulations.

The payment card user gives consent to the execution of a transaction by providing personalized security features when making online payments (entering the card number, *etc.*).

It is the responsibility of the card acceptor to issue a copy of the receipt/slip as confirmation of the completed transaction.

The payment card user is required to keep the payment card in a safe manner and check its presence.

The payment card user is required to keep a copy of the POS and ATM (cash machine) receipt, as confirmation of the conclusion of the transaction for their further needs or potential complaints.

Costs associated with the withdrawal of cash at an ATM, and the purchase of goods and services with a payment card, are defined by the Service Fee Schedule.

## Rights, obligations, and responsibilities of the Bank in connection with a payment card

The Bank can block a payment card in case of inadequate use or non-fulfillment of obligations under the loan based on a credit card, or an account for which the payment card is a means of use, or in other cases foreseen by applicable regulations. The card is unblocked by the Bank.

The Bank is not liable for damage caused by inadequate storage and damage to the card, and the costs of replacing the card shall be borne by the payment card user, in accordance with the Service Fee Schedule, unless otherwise foreseen by applicable regulations.

The specifics of the use of certain types of payment cards are more closely prescribed in individual contracts on the issuance and use of payment cards.

## Additional payment card

At the written request of the payment card user, consumer, the Bank, in addition to the basic card, can issue up to two additional payment cards, the use of which is the responsibility of the user of the basic payment card. The user of the additional payment card connected to the current account is also the authorized person for the current account and can dispose of the funds on the current account for which the additional payment card was issued.

The person authorized to use the additional payment card has the same rights, obligations, and responsibilities regarding the use of the card as does the user of the basic card.

Additional cards and PINs are collected personally by the users of the payment card, whose name is contained on that card.

The user of the basic payment card bears material and all other liability for the use, misuse and/or unauthorized use of all additional payment cards issued at his request.

The payment card user can revoke the given authorization in writing, with the obligation to return the additional payment cards to the Bank.

At the written request of the legal representative of a legal entity and/or sole proprietor, the Bank may issue multiple business cards, each of which bears the name of the employee who is the card user. The person in whose name the business card was issued is responsible for the correct use of the above business cards. The legal entity bears liability for misuse, unauthorized and irregular use of each payment card connected to the account or credit limit.

## Damaged, stolen, and lost payment card

The payment card user is required to immediately report the loss, theft, misuse of the card or the theft of data from the card to the Bank or to the telephone number 011 3010217, of the Authorization Center indicated on the card, and request the blocking of the card, with the obligation to thereafter, within three days from the report, confirm in writing to the Bank that he previously reported the loss/theft/misuse.

The Payment Services' User, Consumer, sole proprietor, and farmer shall bear the losses arising from the execution of unapproved payment transactions up to the amount of RSD 3,000, if those transactions were made due to the use of a lost or stolen payment card, or a payment card that was misused, because the Payment Services' User failed to protect its personalized security elements. The Payment Services' User, legal entity, shall bear the entire loss incurred in the manner referred to by this paragraph.

The Bank is required to provide the Payment Services' User with a refund of the amount of unapproved transactions from the previous paragraph if this user informs it of an unapproved payment transaction, immediately after learning about that payment transaction, provided that the notification or request is submitted no later than within 13 months from the date of debiting, in case of the Payment Services' User, consumer, *i.e.*, within 30 days in case of a sole proprietor and farmer.

The payment card user shall bear all losses in connection with every transaction carried out by a fraudulent act committed by himself, and shall also bear losses arising from unfulfilled obligations arising from these General Terms of the obligation to notify the Bank without delay of the loss, theft and misuse of the payment card and the obligation to adequately saves your personal identification number (PIN).

Upon receipt of a written report on the loss, theft or misuse of the card, the Bank may issue a new card to the Payment Card User, upon request. The cost of creating a new card is borne by the payment card user, unless otherwise foreseen by applicable regulations.

A payment card user who finds the card after reporting its disappearance must not use it, but is required to return it to the Bank after it has been canceled (cut vertically in half). Otherwise, he bears all legal liability.

In the event that the payment card is destroyed or damaged, the payment card user is required to notify the Bank in writing.

The payment card user does not bear losses arising from transactions made after reporting to the Bank the loss, theft or unauthorized use of the Card, *i.e.* data from the card, unless he himself committed the abuse or participated in the abuse or acted with the intent to defraud.

In order to protect the payment card user, the Bank, by sending text messages, provides the payment card user with the service of informing about transactions that occurred using the basic and additional payment cards.

The payment card user is required to submit the correct number of his cellular number, as well as any change to the cellular number telephone, and to notify the Bank without delay.

## Fees related to the use of a payment card

The type and amount of fees charged to the Payment Card User are determined by the Bank in the Service Fee Schedule and the contract. The payment card user contractually authorizes the Bank to debit his current account in RSD or FX for all transactions, costs and commissions arising from the use of or in connection with the use of a payment card.

## Complaints

The payment card user is required to keep copies of issued invoices/slips, in case of any complaints.

The payment card user, the consumer can file a complaint regarding the use of the payment card in writing, using of the appropriate form provided at the Bank's counter, within 13 months from the date of debiting. If the Bank did not provide information about the payment transaction in the agreed manner, the deadline for complaints may be longer than 13 months.

The user of the payment transaction - legal entity and sole proprietor submits the complaint in writing, on the prescribed form, within the deadline of 30 days from the day of debiting.

If a transaction is made at an ATM, and the payment card user forgets the money at the ATM, the Bank bears no responsibility.

In the event of a justified complaint, the Payment Card User is exempt from any costs, and the claimed amount of the transaction is credited to the Payment Card User's account upon completion of the procedure.

Complaints related to the quality of goods and services paid for with the card are submitted by the payment card user exclusively to the point of sale where the transaction took place.

## Cancellation of card use

The Bank has the right to deny the right to use the card and declare it invalid to the payment card user who does not comply in any way with these conditions, especially the rules on safekeeping and safe use of the card and PIN. The Bank also informs the network of payment card recipients about the cancellation of the use of the payment card.

The payment card user can cancel the use of the card in writing, in compliance with the cancellation period of 30 days from the date delivery of a notice of cancellation to the Bank, with settlement of all debts incurred on that basis.

A request to close a current account and/or foreign currency account, with which the payment card was issued, is considered a cancellation of the use of the payment card (basic and additional). Termination of the authorization to dispose of funds on a current and/or foreign currency account constitutes the cancellation of the use of the additional card.

The Payment Services' User can cancel the use of the card, in which case all cards - basic and additional will cease to be valid. In case of cancellation of further use of the card, the user warrants to pay the Bank all obligations arising from the use of the payment card (primary and additional) until the day of termination of the card.

The payment card user has the right to cancel the card free of charge.

A payment card whose use has been canceled must be immediately returned to the Bank and cancelled.

If the payment card user is not able to hand over the canceled payment card to the Bank, he is required to proceed as in the event of reporting a stolen/lost card.

## Digitization of the card

* + 1. **Adding a card to a digital wallet**

The user, independently, decides on the activation and use of Digital Wallet applications of the Digital Wallet Service Provider. By activating the Digital Wallet service, the Payment Services' User can, in the manner determined by the Digital Wallet Service Provider, add a valid payment card to the Digital Wallet in the form of a Digitized Card, and it can be used as a payment instrument to initiate and execute payment transactions at an ATM, acceptance device or in another manner foreseen for the use of this form of payment, the Bank is, in accordance with the valid framework agreements and these General Terms for the provision of payment services, fully responsible to the users for the execution of payment transactions using Google Pay and Apple Pay applications, through payment cards that are owned by the Banks which it issues to Payment Services' Users.

## Using a Digitized Card

The Payment Services' User can use the Digitized Card as a payment instrument to initiate payment transactions on the receiving device or remotely where it is possible to use this form of payment instrument. The terms and conditions of using the Digital Wallet service are regulated between the Payment Services' User and the Digital Wallet Service Provider. The Payment Services' User authorizes, *i.e.*, gives consent for the execution of a payment transaction initiated by using the Digitized Card through personalized security elements stored in the Digital Wallet of the Digital Wallet Service Provider. For payment transactions made with a Digitized Card, fees are collected in the same manner as if the transaction was initiated by a payment card on the basis of which the Digitized Card was generated. If the user has several digitized payment cards in the same Digital Wallet, the Payment Services' User determines the order of the Digitized Cards for initiating payment transactions according to the rules set by the Digital Wallet Service Provider in accordance with the rules for using the Digital Wallet application/service.

## Replacement of a payment card and issuance of a new payment card

If the Bank, for any reason, replaces the payment card of the Payment Services' User on the basis of which the Payment Services' User created a Digitized Card in the Digital Wallet (*e.g.*, the previous payment card has expired, or the payment card has been replaced for other reasons), the Payment Services' User is required to register a new payment card in the Digital Wallet, if he wants to continue using this service. If, for any reason, the contract on the basis of which the Bank issued the payment card, on the basis of which the Digitized Card was generated, is terminated, or the Bank has, for any reason, denied the right to the use of the payment card (blocked the payment card), the right to use the Digitized Card will be revoked simultaneously. Deletion of the Digitized Card from the Digital Wallet does not affect the ability to use the Payment Card on the basis of which the deleted Digitized Card was generated, and if after that the Payment Services' User wishes to use his Payment Card as a Digitized Card again, he can re-register it in the Digital Wallet. Deletion of the Digitized Card from the Digital Wallet does not release the Payment Services' User from the obligation to settle all obligations arising from the use of that Digitized Card before deletion.

## Termination or limitation of the right to use a Digitized Card

The Bank has the right to disable the addition of the Payment Card to the Digital Wallet and/or the permanent or temporary use of the Digitized Card at any time, if one of the following conditions has been met:

* + - * if there is a suspicion that an unauthorized person is trying to add a Payment Card to the Digital Wallet;
      * if during the process of adding the Payment Card to the Digital Wallet, the Bank is notified that the mobile device on which Payment Card was added has been lost or stolen;
      * if the Bank prevents adding that type of Payment Card to the Digital Wallet or the Bank no longer allows

adding the Payment Card to the Digital Wallet Service Provider;

* + - * if there is suspicion of unauthorized use of the Payment Card and/or Digitized Card, *i.e.*, use of

payment cards with intent to defraud;

* + - * in case of blocking or expiration of the payment card on the basis of which the Digitized Card was created;
      * at the request of the Payment Services' User.

Blocking a payment card, *i.e.*, preventing its use by the Bank, also applies to the Digitized Card, which was created on the basis of the payment card. Blocking the Digitized Card does not necessarily result in the blocking of the payment card on the basis of which the Digitized Card was created. If the Digital Wallet Service Provider prevents the Payment Services' User from adding and using the Bank's Digitized Card for any reason, the User may contact the Digital Wallet Service Provider.

## Security

For security reasons, in case of adding a payment card to the Digital Wallet on a mobile device, the Payment Services' User is required to handle the mobile device with due care and to take reasonable measures to protect and preserve the confidentiality of the personalized security elements stored in the Digital Wallet.

Obligations regarding the method of handling the payment card that the Payment Services' User has assumed based on the contract concluded with the Bank also refer to the personalized security elements stored in the form of a Digitized Card in the Digital Wallet.

For security reasons, the Payment Services' User warrants to:

* + - * not add their payment cards to the Digital Wallet located on another person's mobile device;
      * not to use security settings (password, secret number, default pattern, *etc*.) to access (unlock) the mobile device in such a way that other persons can guess or connect them to the Payment Services User, on the mobile device to which he has added or plans to add a Digitized Card;
      * not make available to other persons the selected security settings (password, secret number, default pattern) for accessing (unlocking) the mobile device to which he has added or plans to add a Digitized Card;
      * not allow other persons to access the mobile device by storing their biometric data (fingerprint, face scan, *etc.*);
      * in case of suspicion that the security settings (password, secret number, default pattern, etc.) for accessing the mobile device to which he has added or plans to add a Digitized Card, are known to others, the Payment Services' User shall replace them without delay.

Payment transactions initiated with a Digitized Card will be considered to have been made by the Payment Services' User, unless the Payment Services' User has previously reported to the Bank the theft, loss or misuse of the mobile device or its personalized security elements. Provisions of these General Terms shall apply to the responsibility of the Bank and the Payment Services' User for payment transactions initiated with a Digitized Card, and are also valid for other payment instruments issued by the Bank.

## 16.5.6 Fees

The Bank does not charge the Payment Services' User a fee for registering a card in the Digital Wallet or for using a Digitized Card. The Bank has no influence on the potential collection of fees by the Digital Wallet Service Provider for its service, or third parties that provide services directly or indirectly related to that service.

# CONDITIONS FOR AMENDMENTS AND ADDENDA AND TERMINATION OF THE FRAMEWORK AGREEMENT

If the Bank proposes amendments and addenda to the provisions of the framework agreement, it is required to submit a proposal of the same to the Payment Services' User no later than two months before the proposed day of their application.

After receiving the proposal from paragraph 1, the Payment Services' User can agree to the proposed amendments and addenda taking legal effect before the proposed date of commencement for their application.

The framework agreement may define that the Payment Services' User will be considered to have agreed with the proposal from paragraph 1 of this part of the General Terms if he has failed to inform the Bank that he does not agree with that proposal before the date of implementation of the proposed amendments and addenda, which the Bank is required to inform the Payment Services' User off simultaneously with the delivery of that proposal.

In the event referred to under paragraph 3 of this part of these General Terms, the Bank is required to inform the Payment Services' User, simultaneously with the submission of the proposal from that paragraph, of his right to terminate the framework agreement without payment of compensation and other costs before the date of implementation of the proposed amendments and addenda, if he does not accept that proposal.

The payment service provider is required to submit to the Payment Services' User the proposal from paragraph 1 of this part of the General Terms and Conditions in writing. The Payment Services' User is entitled to terminate the framework agreement before the date of implementation of the proposed amendments without paying fees and other costs, with the obligation to settle all his obligations towards the Bank according to the account and return to the Bank all unrealized blank checks in his possession, as well as all payment cards that are connected to the payment account, and to provide the funds necessary for the settlement of the obligations for the checks that have been realized but have not yet matured at the time of termination of the agreement, as well as other fees and expenses incurred in connection with the account. The Payment Services' User submits the declaration of termination to the Bank in writing, to the address of the Bank's registered office, or by handing it over at the Bank's counter, no later than the day before the day set for the start of application.

With respect to legal entities, if the Bank proposes an increase above the agreed fee and other costs that are borne by the Payment Services' User, and or changes to other mandatory elements according to the contract on opening and maintaining an account, it is required to inform the Payment Services' User - legal entity, no later than 15 days before the start of implementation. Within the same period, the Bank will notify the legal entity of the proposed amendments and addenda to the provisions of the framework agreement, and the Payment Services' User, legal entity, will be considered to have agreed with the submitted proposal if, before the day of implementation of the proposed amendments and addenda, he has not informed the Bank that he does not agree with that proposal.

# TERMINATION OR NULLITY OF THE FRAMEWORK AGREEMENT REQUIRED BY THE PAYMENT SERVICES’ USER

## The right of the Payment Services' User to terminate the framework agreement

The Payment Services' User has the right to terminate the framework agreement at any time with a notice period of one month.

Written notice of termination must be signed by the legal representative.

The Payment Services' User has the right to terminate the framework agreement in other cases established by the law governing contracts and torts or another law.

The Payment Services' User who terminates the framework agreement is required to pay the Bank a fee only for the payment services provided up to the date of such termination, and if such fee has neem paid in advance, the Bank is required to return a proportional part of the paid fee to the Payment Services' User. The Bank does not charge a fee for termination of the framework agreement.

The Payment Services' User can request that the provisions of the framework agreement that contradict the information provided during the pre-contractual phase, *i.e.*, provisions related to information related to the mandatory elements of the contract, which were not previously delivered to the Payment Services' User, be declared null and void.

## Right of the payment service provider to terminate the framework agreement

The Bank has the right to terminate the framework agreement concluded for an indefinite period, with a notice period of two months.

The Bank can terminate the framework agreement in other cases established by the law governing contracts and torts or another law.

The Bank is required to deliver the notice of termination of the framework agreement to the Payment Services' User in writing. In case of termination, the Payment Services' User has an obligation to pay the Bank a fee only for the payment services provided up to the date of such termination, and if such fee has neem paid in advance, the Bank is required to return a proportional part of the paid fee to the Payment Services' User. The Bank cannot charge the Payment Services' User a fee for termination of the framework agreement.

In addition to the cases foreseen by the previous provisions of these General Terms, or by the provisions of the agreement concluded with the user, the Bank may terminate the agreement in the following cases and within a shorter period of two months:

* if the Payment Services' User does not comply with the provisions of the agreement, these General Terms, applicable regulations or after receiving a warning from the Bank regarding a violation;
* if the Payment Services' User, when concluding a framework agreement, a contract on business cooperation or a contract on a particular additional service, submitted incorrect or untrue personal data or other data that are important for the correct and legal provision of services;
* if the Payment Services' User does not inform the Bank about status changes or other changes;
* in case of criminal acts committed by the user of financial services;
* in case of money laundering and terrorism financing;
* and in other cases established by current regulations.

# RIGHT TO WITHDRAW

The law regulating the protection of users of financial services guarantees the right to withdraw from a loan agreement, *i.e.*, in terms of these General Terms, the conclusion of the approved overdraft agreement and the agreement on the issuance and use of a credit card.

The user of financial services, a natural person, a sole proprietor, and a farmer, has the right to withdraw from a concluded approved overdraft agreement, agreement on the issuance and use of a credit card, within 14 days from the date of conclusion of that contract, without stating cause.

When withdrawing from a contract, and before the expiry of the term referred to in that paragraph, the user is required to inform the Bank of his intention to withdraw, in a manner that confirms the receipt of this notification, whereby the date of receipt of this notification is considered the date of withdrawal from the contract. This notice shall be delivered in writing or on another durable data carrier.

The user of financial services who withdraws from an approved overdraft agreement, agreement on the issuance and use of a credit card is required to immediately, and no later than within 30 days from the date of sending the notification from paragraph 3 of this part of the General Terms, return to the Bank the principal amount and interest from the basic transaction, during the use of the loan product.

The Bank is not entitled to other fees, except for the fees from the previous paragraph and expenses incurred by the relevant authorities.

# TRANSITIONAL PROVISIONS

These General Terms and Conditions for the Provision of Payment Services by ALTA banka a.d. Beograd will be applied on the 15th day following its posting within the Bank’s business premises and on the Bank’s Internet webpage.

On the date of application of these General Terms and Conditions for the Provision of Payment Services by ALTA banka a.d. Beograd the General Terms and Conditions for the Provision of Payment Services by ALTA banka a.d. Beograd from March 25, 2022 effective as of June 15, 2022 shall cease to apply.