

Pursuant to Article 73, paragraph 1, point 5) of the Law on Banks and Article 15, paragraph 1, point 5) of the Statute of OTP banka Srbija AD Beograd, blvd Zorana Djindjica 50 a/b, the Board of Directors of the Bank, at its session held on 29.07.2019. and on 20.09.2019. has established the following:

**GENERAL TERMS AND CONDITIONS OF  
OTP banka Srbija AD Beograd  
PART I – GENERAL TERMS  
(Consolidated version)**

## **I INTRODUCTORY PROVISIONS**

The General Terms and Conditions of OTP banka Srbija AD Beograd (hereinafter: General Terms and Conditions) include standard operating terms and conditions which OTP banka Srbija AD Beograd (hereinafter: Bank) shall apply to all Bank's Clients, terms and conditions for the establishment of business relation between the Client and Bank, communication procedure between the Client and Bank, terms and conditions for the execution of transactions between the Client and Bank and other issues of interest to the Bank's operation with Clients.

General terms and conditions shall consist of 2 (two) parts as follows:

- **Part I** – General Terms and Conditions contain basic and general provisions applicable to Clients – legal entities, to standard terms and conditions of operation, the establishment of business relation between the Bank and Client, securities taken by the Bank, communication procedure and terms and conditions of executing a transaction between a Client and the Bank.
- **Part II** – General Terms and Conditions applied to individuals, entrepreneurs and farmers, in addition to general and basic provisions relative to business, establishing relations between Bank and Client, i.e. communication procedure between them, also contains general provisions common to the whole groups of banking products, in particular products regulated by legislation regulating the protection of consumers of financial services, namely: deposits, loans, overdrafts, bank credit cards, therewith the minimum conditions for the said product type shall be expressed in a special catalogue of Bank products the adoption of which is under the competence of the Bank's Executive Board.

The General Terms and Conditions Part I are exclusively relative to clients – legal entities, while the provisions from Part II are dedicated to natural persons, entrepreneurs and farmers, therewith appropriate provisions of General Terms Part I may apply to clients - natural persons, entrepreneurs and farmers unless otherwise regulated by General Operating Terms and Conditions Part II, In case of discrepancies between Part I and Part II in relation to clients – natural persons, entrepreneurs and farmers the General Operating Terms and Conditions Part II shall prevail.

Bank's Clients are legal entities and natural persons (residents and non-residents), entrepreneurs and farmers (hereinafter: Client) that use the Bank's services or approach the Bank with a purpose to use them and which the Bank identified as such. Unless otherwise determined by these General Terms and Conditions, the word "Client" shall serve as common denomination for natural, legal entities, entrepreneurs and farmers.

By legal entity, the General Terms and Conditions shall imply the following: a company, bank, voluntary pension fund, insurance company, company for voluntary pension funds management, company for pension funds management, investment fund, stock market, brokerage and dealer company, investment company cooperative, other legal entity, social organization an association of citizens, foundation and trusts.

A natural person is an individual who uses, has used or intends to use Bank services for purposes other than for his business purposes or another commercial activity.

An entrepreneur implies a natural person with civil capacity which independently operates its activity for the purpose of creating income and which as such is registered in the competent registers of companies, all in line with the law that regulates companies, whereas farmer implies a holder or member of a family farm estate, in the sense of the law regulating agricultural and rural development.

The Bank shall put at Clients' disposal a wide range of bank products and services, particularly:

- Opening, maintaining and closing a bank account,
- Execution of standing orders for internal and external payments,
- Domestic and foreign payment transactions,

- Approval of various types of loans,
- Issuance of guarantees and letters of credits,
- Discount bills,
- Custody services,
- Administration and custody of financial instruments for the account of third persons,
- Investments services,
- Brokerage and dealer services,
- (Debit and credit) payment cards,
- E-banking services,
- Dinar and foreign currency saving,
- Exchange services and operations with foreign currencies,
- Acceptance of deposits,
- Factoring,
- And other bank products and financial services pursuant to relevant regulations, with remark that Bank product and services under indent 1 (Opening, maintaining and closing a bank account), indent 2 (Execution of standing orders for internal and external payments), indent 3 (Domestic and foreign payment transactions), indent 11 Payment cards (Debit and credit cards namely in the part referring to debit cards) and indent 12 (electronic banking services) are regulated by General Terms for Provision of Payment Services of the Bank, whereas products and services under indent 12 (electronic banking services) are regulated also by Special Terms for the use of Electronic Banking Service for Legal entities and Entrepreneurs, and are available to the Clients on Bank's internet presentation on [www.otpsrbija.rs](http://www.otpsrbija.rs) and Bank's Branches.

Apart from the General Terms and Conditions, the Bank shall enforce to its business relation with the Clients the Bank's acts which, in compliance with positive regulations, defines in detail the Bank's business operation and support the implementation of the General Terms and Conditions.

Individual application of the General Terms and Conditions by Clients shall be ensured by the conclusion of an agreement between the Bank and Client provided that the agreement contains the General Terms and Conditions that relate to the subject of the agreement or the agreement expressly refers to them.

The Bank shall be obliged to apply the General Terms and Conditions to the relations between the Bank and Client established on the basis of:

- a written agreement between the Bank and Client,
- an admission form or another document signed by the Client in compliance with the Bank's acts,
- other forms of business cooperation between the Bank and Client established in compliance with applicable regulations and Bank's acts without a conclusion of a written agreement

The Bank shall at a visible place in its branches and on the internet presentation of the Bank post a copy of the General Terms and Conditions in the Serbian language to enable the Clients to become acquainted with the terms and conditions of operation with the Bank.

General Terms and Conditions shall be drafted in the Serbian and English languages. In case of inconsistencies between the Serbian and English versions of the text, the Serbian version shall take precedence. The Client may rest assured that the Bank shall execute its orders in good faith and do its best to protect the Client's interest in every individual case.

Apart from standard posting of the General Terms and Conditions at a visible place, the Bank shall ensure that the Client is additionally familiarized with the General Terms and Conditions fully or in a part referring to a specific bank product by informing the Client that they may submit a request to the Bank and thus obtain written information about the General Terms and Conditions and adequate explanations and instructions related to the application of the General Terms and Conditions.

The Bank shall be obliged to protect the secrecy of transactions and services provided and Client's data, all in compliance with the practice and relevant domestic laws and other regulations.

In case of discrepancies between the provisions of the concluded written agreement and General Terms and Conditions and the provisions of other Bank's acts, business relations between the Bank and Clients shall be governed by the provisions of the concluded Agreement, then by the provisions of the General Terms and Conditions and then by the provisions of other Bank's acts.

## **II BANK'S RIGHTS, OBLIGATIONS AND RESPONSIBILITIES**

The Bank shall, in business relations with the Client, act with due care, in compliance with applicable regulations, Bank's acts and good business practice.

Based on the ranking of competent Bank's services and decisions of its bodies and in compliance with its procedures, the Bank shall have the right to freely select a Client and establish business relations, which includes a discretionary right to refuse to conclude an agreement and/or provide a service to a Client.

The Bank shall be obliged to submit to the Client, on the Client's request, an abstract from the General Terms and Conditions that describes a specific Bank's product.

The Bank shall not assume obligations and responsibilities except for those regulated by the General Terms and Conditions and except in case when this is determined by applicable regulations or Bank's acts and/or when this is agreed in writing between the Bank and Client.

In business relation between the Bank and Client, the Bank shall not be liable to the Client for the damage:

- resulting from force majeure, war, emergency situation, strike, etc. or as a result of the circumstances the Bank had no influence on or that could not be foreseen or prevented or avoided;
- resulting from work stoppage which is a consequence of the actions taken towards the Bank by competent state authorities inland or abroad, or as a consequence of the disruption in the Bank's operation which the Bank could not prevent or avoid;
- resulting from the Client's business actions on the basis of verbal communication with the Bank or written communication in which the Bank did not unequivocally assume an obligation/risk with the Client.

The day when the Bank receives in writing clear, explicit instructions and/or orders with all required information and/or documents, in line with the General Terms and Conditions and relevant laws and provisions applicable to the specific business relation, shall be deemed to be the date when such instructions or orders are issued, with the remark that if this refers to issuing of payment orders and performing of payment transactions in accordance with the Law on payment services, this is regulated with General Terms for the Provision of Payment Services of the Bank. The Bank reserves the right to commence with the execution of operations agreed with the Client the first following working day if the first day is a non-working day (weekend, holiday), on which the Client shall be informed in a suitable manner, including but not limited only to this Agreement on the specific use of product.

The Bank shall be entitled to block, without the Client's approval, an option to use services and/or products, partially or fully, for purpose of preventing money laundry and financing of terrorism, in line with applicable regulations that regulate this matter and/or for other justified reasons including, but not limiting to, cases of account and/or payment card abuse, etc. The Bank may annul, without the Client's special order or approval, bookings into the Client's account made by mistake.

For purpose of fulfillment of the principle of transparency of operation and provision of complete information to the Client, the Bank shall be obliged to point out, without delay and in addition to pointing out in its internet presentation, the following acts and their amendments and supplements at a visible place in Bank's branch offices:

- Valid foreign exchange list;
- Effective interest rates per products in line with relevant regulations;
- Tariff of fees for the collection of commission and costs per all products;
- General Terms and Conditions and other information relevant for the establishment of business relation between the Bank and its Clients

Communication between the Clients and the Bank shall be done orally and in writing (through informative and advertising materials available at the Bank's counters, Internet presentation, telephone contact, Customer service, direct oral and written communication as well as through other electronic forms of communication including communication via electronic platforms that include information and telecommunications technologies used to provide these services to users of the Bank electronically, as well as advertising through public media).

Every written communication between the Client and Bank shall be conducted personally or by a courier and, envisaged by the General Terms and Conditions, it shall be deemed received by the Bank only after the Client's copy of a document has been verified by the Bank's stamp or after the Bank has issued a written confirmation of receipt.

In case a document is submitted to the Bank or the Bank sends a document in accordance with the Client's order, the Bank shall with a reasonable attention examine the document to determine whether the document is in line with the instructions.

Delivery of documents to the Client or third party shall be deemed completed only after a careful examination of the authorization for the reception of the relevant documents.

The Bank shall not assume nor may bear responsibility for the originality, validity or completeness of the received documents, harmful consequences that may result from the use of written material inadequate for the documents, accurate interpretation or translation nor for the type, quality or nature of goods referred to in the documents.

Documents of foreign origin presented to the Bank as a proof of identity or authorization shall be carefully examined with respect to their suitability in line with applicable laws and regulations and Bank's internal acts.

However, the Bank shall not bear any responsibility to this respect outside of the framework of rules referring to due attention.

Written correspondence from the Bank to the User shall be sent only to the last known address, and any information or documents that the Bank has sent to the last address given by the Client and/or the Bank received from the competent organization where the Client is registered, shall be deemed duly delivered. The Bank can also communicate with the Client in writing, by sending notifications via SMS, through fax, via electronic platforms and electronic-mail if the Bank has the listed contact information and it shall be considered that the said notification was received by the Client with the moment of sending, as follows:

- a) if it was sent by fax – on the day it was sent to the Client, which shall be proved by confirmation of receipt from fax machine,
- b) if it was sent by electronic mail – on the day the electronic message was sent, which shall be proved by printing the computer slip,
- c) if it was sent by a courier service – upon the expiry of the usual time required for a courier delivery, which shall be proved by the courier service receipt,
- d) if it was sent by post – upon the expiry of the usual time required for the reception of a package, including packages sent to the address of a third party authorized to receive the correspondence on behalf of the Client in line with the explicit written statement of the Client submitted to the Bank for this matter
- e) When downloading via the electronic banking on the day the notice or a memo has been placed on the server of the electronic platform in a manner that is visible to the Client.

Every written communication which, in compliance with the relevant regulations, must be sent by registered mail with a receipt or by personal delivery shall be considered to be validly delivered to the Client if the Bank is in the possession of the following:

- Printed document of any kind (receipt, confirmation of shipment, etc.) or
- A copy of the relevant letter or
- Confirmation of reception or
- Delivery note with the Client's signature or initials and/or of a person employed by the Client (or a person authorized on any other basis to receive and/or keep record of delivery of the relevant mail),
- And in other cases envisaged by the relevant regulations regulating the manner of delivery.

The Bank may accept an order by the Client by way of fax, telex, SMS message or electronic mail, in compliance with the agreement concluded with the Client and/or in compliance with applicable laws and regulations.

Depending on the case, the Bank may, before acting according to an order, as a precaution measure, require on the Client's expense a confirmation by fax, telex or electronic mail.

The Bank shall not bear responsibility for losses or damage incurred to the Client or to any third party caused by the order received by fax, telex or electronic mail.

Orders issued by fax, telex or electronic mail as well as other forms of communication received or sent from the Bank must be additionally confirmed in writing if this is envisaged by the agreement and/or relevant laws and other regulations.

The Bank may, at its sole discretion and in accordance with the bank practice, send securities, to the Client's risk, by a secured or unsecured registered mail or a small declared value, and in the absence of Client's instructions in the opposite sense.

The Bank shall have the right to use Client's data related to the address, telephone numbers, fax and fax, e-mail address and other data which the Client submitted to the Bank on signing the agreement and/or admission form and/or other suitable document, for contacting and submitting to the Client information on the Bank's activities, products and services in the form of

brochures, prospects, electronic messages and all other means of business communication and business presentation.

### III CLIENT'S RIGHTS, OBLIGATIONS AND RESPONSIBILITIES

If the Client is a legal entity, the Client shall be obliged to present to the Bank a legal document which according to the applicable regulations and Bank's acts proves its legal identity and operation. The Client shall also present to the Bank any legal document referring to its representatives and/or authorized agents as a proof that they have valid authorization to act on the Client's behalf as well as any other document required by the Bank according to the applicable regulations and Bank's acts.

If the Client is a non-resident registered by the laws of a foreign country, the Bank shall reserve the right to ask, apart from the documents necessary for proving Client's legal identity according to the regulations of the country, for a legal advisory opinion for all legal issues resulting from the implementation of a foreign law, having in mind that the Client shall bear all relevant expenditures resulting from this.

The Bank clients – legal entities, entrepreneurs and farmers are obliged to advise the Bank about statutory (if applicable) and other changes registered with other bodies and organizations, and undertake legal action required for the adjustment of data in relation to their accounts by due date and under terms set forth in the Framework Agreement on Payment Services .

Clients shall be obliged to inform the Bank about all other changes that affect or may have an impact on undisturbed execution of Client's business through the Bank as well as on valid fulfillment of Bank's responsibilities towards the Clients, in accordance with applicable regulations and Bank's acts.

The Client shall be obliged to submit to the Bank all documentation prescribed by applicable regulations and Bank's acts when establishing business relation with the Bank.

The Client, or an authorized person, may address to the Bank in writing (by mail, electronic mail message or fax) and request from the Bank information about the following:

- Client's loan status;
- Amount of interest rates and commissions for a specific type of operation;
- Conditions for the use of a specific bank product;
- Documents necessary to be submitted to the Bank;
- Other information related to the General Terms and Conditions or a specific business relation between the Bank and Client.

The Bank shall submit required and other information to the address of the registered seat or the address of post box by mail, e-mail address or in another adequate manner that fully meets all the necessary conditions related to the provision of complete and clear information and related to the protection of data confidentiality and secrecy. To inform the Client, the Bank exclusively uses the data the Client states in the request and/or the data the Client renders to the Bank on the conclusion of the agreement and/or in the course of business cooperation.

In case the Client does not timely inform the Bank about the change of the address of the registered seat or the delivery address and about other data which are, or may have an impact on a regular delivery of documents directed to the address provided by the Client, the mail shall be deemed to be delivered and any obligation of the Bank towards the Client resulting from or in relation to such a delivery shall be deemed executed in one of the following manners:

- On the day of submission of documents to a post office to be sent by registered mail;
- On the day of submission of a package to a company registered for the execution of deliveries;
- On the day of submission of documents in another manner selected by the Bank.

If Client has changed registered seat address or delivery mail address, but about such change failed promptly to inform Bank, respectively if the Bank even after 2 (two) attempts fails to make delivery of written documents (reports, notices and any other information sent to Client regarding agreement with the Bank) mailed to above addresses, Bank shall be relieved of further sending written notification in this way.

Bank shall not be held responsible for any damage that may occur to the Client or third parties, due to the Client has not received a notice or letter addressed to the agreed way.

Depending on the type of operation, Bank's acts and concluded agreement, the Client shall submit to the Bank documents and notifications on the Bank's request;

- In the original form, or a copy, attested or not by the authorized body, proving that the copy is true to the original;
- With attested translation to the Serbian language provided by an authorized court interpreter - court translator (for documents and notifications in a foreign language);
- In case of a foreign document, with verification „APOSTILLE”, or other proof of its legitimacy, depending on the country of origin of the document.

The Bank shall not be obliged to examine validity, completeness or significance of a document, domestic or foreign, that are sent to the Bank or are in the Bank's possession, which relate to the appointment of authorized agents, custodians, trustees and recipients in case of a bankruptcy, or other administrators, in compliance with the General Terms and Conditions and relevant legislation.

The Client shall bear responsibility for costs or losses that may arise as a consequence of forgery, fraud, incompleteness, legal invalidity, misinterpretation and/or translation of such documents.

The Client shall bear the damage resulting from the non-fulfillment of its responsibility to notify the Bank about matters relating to the provisions stated herein.

#### Right to complain and notice of complaint

The Client as the user of a payment service has the right to complain in writing over any document which determines his rights and obligations, if he considers that the Bank does not comply with the provisions of the Law, the General Term for the Provision of Payment Services, good business practice and obligations stemming from the concluded contract.

The Client may submit to the Bank a complaint about the operations of the Bank, , in writing within 60 (sixty) days from the date of becoming aware of the violation to its right or legal interest, no later than 3 (three) years from the date when the violation occurred:

- on business premises / in Bank branches, as well as on every other business premises in which the Bank offers services to Clients, by filling in a complaint form or in free form
- mailed to the address:  
OTP banka Srbija AD Beograd  
Služba za upravljanje kvalitetom i reklamacijama  
Bulevar Zorana Đinđića 50 a/b, 11 070 Beograd  
PAK 190677
- E-mailed to the address [reklamacije@otpsrbija.rs](mailto:reklamacije@otpsrbija.rs)
- Through internet presentation of the Bank: [www.otpsrbija.rs](http://www.otpsrbija.rs)

For financial services negotiated by use of remote means of communication, the Bank is obliged to enable the Client to submit the complaint through the same channel, i.e. by the same remote means of communication used for negotiating the contract which the complaint refers to.

The complaint must contain the information about the Client (name and surname and identification number), as well as information from which the relationship with the Bank to which the complaint refers, and the reasons for the filing the complaint can be determined beyond doubt. A special power of attorney has to be submitted enclosed with the complaint submitted through proxy, whereby the legal representative of the Client authorizes the proxy to submit a complaint to the Bank, in the name and on behalf of the Client, to take actions related to complaint procedure as well as to give consent to make data related to the Client available to the proxy, which represent a banking secret under the law regulating banks, i.e. a business secret under the law regulating payment services.

If the Client files a complaint upon the expiry of the above-mentioned period of 60 (sixty) days from the date of becoming aware of the violation of its right or legal interest, i.e. of 3 (three) years from committing the violation, the Bank shall immediately notify the Client that the complaint has been filed after the expiry of the prescribed deadline and that the Bank has no obligation to take it into consideration.

The Bank shall have no obligation to take into consideration a verbal complaint of the Client. Bank employees shall instruct any Client who intends to file a complaint verbally, on the way in which the complaint can be submitted in writing. The Bank is obliged to post at a visible location in the business premises where services are offered to the client, the Notice of the manner of submitting the complaint, about the Bank action regarding the complaint, as well as possibility and manner of filing complaint to the Bank work to the National Bank of Serbia.

The Bank is obliged, in the event of a submission of a written complaint of a Client, to issue a means of identification and authentication of receipt of the complaint, specifying the place and the time of receipt, as well as the Bank employee that received the complaint.

If the Client submitted the complaint via the internet presentation of the Bank website, by e-mail or verbally by telephone regarding financial services negotiated by use of remote means of communication, the Bank shall be obliged to confirm to the Client by e-mail or another appropriate electronic form the receipt of the complaint to the Bank work submitted by the Client.

The Bank is obliged to take the complaint to the Bank work into consideration and to submit a written response to the Client to the mailing address or via E-mail of the Client or in another appropriate way, as well as in case the Client explicitly agrees with such form of submission, no later than 15 (fifteen) days after the receipt of the complaint.

If the Bank is unable to provide a response within 15 (fifteen) days, for reasons that do not fall under its will, the deadline can be extended for a maximum of 15 (fifteen) more days, about which the Bank shall notify the Client in writing, within 15 (fifteen) days upon the receipt of the complaint. The said notice includes the reasons for which it is not possible to provide a response within the deadline period as well as the deadline within which the response shall be delivered.

If the Bank estimates the complaint as justified, it shall inform the Client on whether the reasons for submitting the complaint have been removed, i.e. of the deadline for its removal and about measures that shall be taken for removing them.

The Bank does not calculate and charge any fee to the Client, nor any other expenses related to responding to complaints to the Bank work.

#### **The right to file a complaint with the National Bank of Serbia**

In case the Client is not satisfied with the response provided by the Bank, i.e. if the Bank does not respond to the filed complaint within the above-mentioned deadlines, and prior to the initiation of litigation, within a period of 3 (three) months from the date of the receipt of the response of the Bank or the expiry of the deadline for the delivery of a reply, the Client can file a written complaint to the National Bank of Serbia or via the internet presentation of the National Bank of Serbia.

The Bank is obliged to, at the request of the National Bank of Serbia, make a statement about the Client's allegations within the deadline period determined by the National Bank of Serbia, which cannot be longer than 8 (eight) days from the date of the receipt of the request, as well as to provide evidence confirming said allegations.

The National Bank of Serbia shall inform the Client of the finding per the complaint within 3 (three) months from the date of the receipt of the complaint, and in more complex cases, such period may be extended for a maximum of 3 (three) months, about which the National Bank of Serbia is obliged to inform the Client in writing before the expiration of the initial deadline, and in this notification the National Bank of Serbia shall point the Client to the possibility of an extra-judicial resolution of the disputed relationship in the process of mediation.

#### **Extra-judicial resolution of the disputed relationship**

In case the Client is not satisfied with the response provided by the Bank or the reply hasn't been provided to him within required term, before filing a complaint or after receiving the notification which the National Bank of Serbia has delivered to the Client in relation to his complaint, the disputed relationship can be resolved in an extra-judicial proceeding - the process of mediation. The Client may submit a proposal for mediation of the National Bank of Serbia for the purpose of an extra-judicial resolution of the disputed relationship (this proposal may be submitted by the Bank as well). This proposal must include a deadline for its acceptance, which may not be less than five days nor more than 15 (fifteen) days from the date of the submission of the proposal to the other side in the litigation.

The mediation process at the National Bank of Serbia is initiated by conclusion of mediation agreement, whereby the parties in litigation and the National Bank of Serbia confirm the choice of mediator, regulate mutual rights and obligations in accordance with mediation principles and regulate other issues of importance for the mediation.

Once the mediation process is started, the Client can no longer file a complaint, unless this mediation had ended with a suspension or withdrawal, and if the complaint has already been filed, the National Bank of Serbia shall suspend the processing per the complaint until the termination of the mediation process, or discontinue this processing if the mediation is terminated by agreement.

Mediation process before the National Bank of Serbia shall be confidential, urgent and free of charge, being understood however that possible expenses of the Bank and Client which may arise from this procedure shall be borne by the Bank and Client respectively, regardless of the outcome of the process. Each party may waive further participation in the mediation process at any stage of the process.

The mediation process may be terminated with an agreement between the parties, by suspension or withdrawal. The starting and conducting of the mediation process between the Bank and the Client does not exclude or affect the exercise of the right to judicial protection, in accordance with the law."

## **IV GENERAL TERMS OF THE EXECUTION OF BANKING OPERATIONS**

### **1. DEPOSITS**

Deposit is the Bank's monetary liability, in dinars or foreign currency, resulting from a monetary deposit, current account or other money account, which results in a legal or contractual liability of the Bank to return funds under terms and conditions defined in this Agreement.

Deposit may be deposit on demand or term deposit whereas term deposits may be short-term and long-term, with or without a purpose and with or without the period of notice.

Terms and conditions of deposit reception, the rights and liabilities of the Bank and Client shall be governed by the Deposit Agreement.

The Bank shall pay to the Client depositing to the Bank an interest rate in the amount determined by the General Terms and Conditions of the Bank and other acts and deposit agreement according to which the Client deposits funds to the Bank.

The Bank is entitled to prescribe in accordance with applicable regulations and Bank's acts, minimum amounts of term deposit, nominal interest rates, periods of term deposits and other conditions.

#### **1.1. Duration and termination of term deposits**

Duration of term deposit i.e. the date of commencement and termination shall be determined by the agreement.

During the term period, the Client shall have no right to dispose with the term funds unless this is envisaged by a special agreement or terms and conditions of a specific Bank's product.

Term deposit shall cease to exist upon the expiry of the term period or by written termination of the term deposit by either of the party, in accordance with the agreement.

The Bank reserves the right to prescribe minimum terms and conditions of term deposits and term period in line with its business policy.

### **2. PLACEMENT OF FUNDS**

Depending on the repayment period, placements which the Bank approves to the Clients fulfilling determined terms and conditions of credit capacity may be short-term (up to 12 months) and long-term (over 12 months). Depending on the loan purpose, placements may be with or without purpose (investment, housing, consumer, etc.).

The Bank places funds in the form of loans, securities placements, guarantee issuance, avals and other forms of warranties, opening of letters of credits and other operations, acting in accordance with applicable regulations and Bank's acts.

At the Client's request and in accordance with the terms prescribed by the Bank's acts, the Bank may approve or extend allowed overdraft on account.

From the time of entry in default under any product including but not limited granted loan and/or overdraft on account with the Bank, the Bank shall be entitled to unable disposal with funds on all accounts of the Client opened at the Bank, as well as to block any use of bank cards, until full collection of due obligations towards the Bank in case of default. The Bank shall advise the Client of his inability to dispose with funds on the current account of the Client and the blockade of payment card – by SMS to the Client mobile phone number or under contractual terms, or in a customary manner, all in line with applicable regulations and the provisions of the General Terms and Conditions. The contractual provisions do not affect the blockade of Client account for other reasons stipulated by law or agreement (e.g. blockade due to enforcement or blockade based on court order or order of state bodies and

possibly other forms of blockade that may be envisaged under the Agreement or General Terms and Conditions of the Bank).

In cases under the previous paragraph, the Bank is also entitled to enable the Client further disposal with funds on the account, i.e. use of bank cards in case the client partly settles its liabilities towards the Bank, about which the Bank shall notify the Client as negotiated under the Agreement.

Terms and conditions for the evaluation of the Client's credit capacity shall be determined in line with applicable regulations and/or Bank's acts. The Bank shall approve placements in accordance with applicable procedures and Bank's acts.

### 2.1. Collaterals and Instruments of Collection

Depending on the type of placement, the Bank may accept the following instruments of collection and collaterals for the purpose of repayment of due and outstanding liabilities towards the Bank:

- Standing order for the settlement of liabilities per placements by debiting current or some other Client's account;
- Blank single bill signed by the Client as bill issuer, with written bill authorization;
- Joint and several guarantee of a legal entity or natural person;
- Direct debit authorization
- Guarantee term deposit at the Bank executed by the Client and/or third person that may be a legal entity and/or natural person;
- Pledge over movable property and rights, in line with applicable regulations regulating the right to pledge over movable property and rights entered into the registry;
- Real estate mortgage, in line with applicable regulations regulating opening and registration of real estate mortgage;
- Pledge over securities, (stocks, bonds), money market instruments (treasury bonds, commercial bonds), company stakes, funds on accounts, receivables and other rights;
- Assignment of receivables / cession regulated by a specific agreement;
- Guarantees of domestic and foreign banks and guaranteed bills of exchange of banks acceptable to the Bank;
- Loan insurance at insurance companies acceptable to the Bank;
- Warranties, guarantees and insurance of funds and companies incorporated by the Republic of Serbia, Autonomous province and local self-governments incorporated in accordance with the law;
- Firm letters of comfort by foreign founders and corporate guarantees;
- Other collaterals and collection instruments, depending on the nature of the work and applicable regulations.

Depending on loan policy and applicable regulations, the Bank shall decide on required collateral.

In compliance with the risk assessment, the Bank may request from the Client to submit other collaterals not regulated by the document.

Movable and fixed assets creating the subject of the pledge defined on behalf of the Bank must be insured at an insurance company acceptable to the Bank and insurance policy must be tied to the Bank.

In case specific liabilities are settled from more than one source of security by either the Client or third parties, the Bank shall be authorized to make a selection in the order of execution except when the order is determined by any of applicable laws.

For purpose of efficient settlement of liabilities, the Bank may, regardless of the fact that it may hold certain security instruments, try previously to settle its liabilities by making an agreement with the Client or by offsetting.

The Client shall not be authorized to require for a change to the usual manner of execution of a specific security instrument.

If during a loan repayment and/or another placement, submitted collaterals or other collection instrument become inadequate i.e. insufficient to settle the Bank's liabilities, the Bank may require from the Client to submit other or additional collateral/collection instrument. In case the Client does not act in accordance with the Bank's request and within a defined deadline fails to submit the required new or additional collaterals or collection instruments, the Bank shall have the right to declare the relevant liabilities due and execute enforced collection, and activate on this ground any and all collateral / collection instruments submitted to the Bank in compliance with a specific agreement.

Every security the Client submitted to the Bank, related to any transaction, shall not cease to be effective, be limited or in any other manner be limited due to the Client's complaint but, on the contrary, it shall continue to produce

legal effect and remain at Bank's disposal fully until business relations between the Bank and Client finish in a manner satisfying to the Bank.

### 2.2. Other general provisions

The Bank may, without special Client's approval, assign Client's liabilities to third parties, on which the Bank shall inform the Client in compliance with the law.

The Bank may collect due receivables from the Client by using all Client's dinar funds that are used as at sight deposit at dinar accounts at the Bank, as well as equivalent value of foreign currency at the Bank, securities and other funds held at the Bank, unless a court order or a decision of the competent court excludes execution of such instruments.

The Bank shall have the right to control the purpose use of loans and regularity in the Client's fulfillment of its other liabilities under the agreement in a manner and according to a procedure determined by applicable regulations and Bank's acts.

The Bank shall have a right to cancel, unconditionally and without notice, further utilization of unused framework loans in accordance with the Bank's business policy, applicable regulations and business terms and conditions at the financial market, in accordance with the Agreement.

Unless otherwise agreed, the Client – legal entity shall have the right to settle its liabilities towards the Bank that incurred as a result of basic loans and/or other Bank's placement fully and prior to the maturity deadline on condition that the Client notifies the Bank about its intent in the agreed period of notice prior to the premature repayment by paying commission in the amount determined by the agreement, in accordance with the Bank's act that defines this area.

In case that the Client holds one or more accounts at the Bank (current, other transactions or deposit accounts), the Client explicitly and irrevocably authorizes the Bank to debit all the said accounts of the Client for the purpose of collection of any receivable which the Bank claims from the Client, as well as other due obligations under any contractual relation with the Client. In case of debit of foreign currency accounts of the Client, the Bank shall convert foreign currencies at the buying exchange rate of the Bank, on conversation date. In case of insufficient or lack of funds on those accounts, the Bank shall be entitled to enforce the respective measures on the day following the deposit of assets..

### 3. CREDIT CARDS

The Bank shall issue business credit cards to legal entities that will represent an instrument of cashless payment only in if the Client meets the requirements for the issuance of credit cards set forth by the Acts of the Bank and positive regulations. All relevant provisions related to the functionality of the card, the right and obligations of the Client and the Bank, are defined in the Agreement on granting the use of Business cards.

These General Terms and Conditions are applicable to the credit cards for issues that are not regulated by Agreement on issue and use of business credit card, i.e. Framework contract on payment services.

#### 3.1. ATM

**ATM** means network of cash dispenser machines / automated-teller machines for payment services and/or provision of specific information (e.g. account balance) that belong to the Bank and other banks which are being used for the provision of specific services to the Client.

The Client may execute transactions on ATMs of the Bank and other banks in Serbia and abroad by using a specific credit card.

All transactions requiring Client's identification are executed by using PIN (Personal Identification Number). Combined use of the Card and PIN proves that the transaction is ordered exclusively by the Client.

ATM transactions are executed by payment cards from a specific account defined by the Bank – issuer used for the execution of transactions by the Card. Apart from the balance on a specific account (debit cards) or the remaining unused limit (credit cards), ATM transactions may also be limited by parameters for cash drawing (limits) defined by the Bank – issuer of the Card, by technical possibilities of the ATM device and limits defined by the Bank – owner of the ATM.

Drawing cash in the country by the Card can only be done in RSD. Drawing cash abroad by the Card can be done in the currency provided by the bank owner of the ATM in accordance with domestic regulations.

The Client, and in case of a legal entity, the Client, may execute a transaction on the ATM of another bank and the Client/User will be guided by the ATM of the relevant bank. The Client shall bear all expenses for international transaction in the amount specified in the Tariff list.

The Bank may, at any moment and without previous notification to the Client, stop or cancel the option of the ATM transaction either due to the safety of the transaction or due to some other legal reason. The Bank may also cancel, temporarily or permanently, the operation of one or more ATMs without previous cancellation notification due to maintenance, damage, failure in operation or for safety reasons. In these cases, the Bank shall not take over any responsibility towards the Client for any damage or loss that may have occurred as a consequence of these actions.

Each transaction through the ATM of the Bank shall be visually monitored.

#### **4. PAYMENT OF CHEQUES AND BILLS OF EXCHANGE**

The Bank shall pay for the funds on the basis of cheques/bills of exchange only after it collects payments related to the same matter. However, if the Bank credits the Client account, prior to the effected payment, for the funds related to bills of exchange and cheques presented to the Bank for collection, such a crediting of the Client's account shall be conditioned by full collection by the Bank.

Regarding cheques domiciled abroad, the Bank shall also not assume responsibility in terms of taking all other actions that may be prescribed by the relevant legislation. The Bank sends for collection abroad international cheques and / bills of exchange of legal entities and entrepreneurs by a courier service (DHL, etc.) or by a registered mail, depending on the Client's instructions. Checks or bills of exchange are sent for collection at the risk and expenses of the Client-legal entity and/or entrepreneur.

According to the relevant laws and other regulations, the Client shall be responsible towards the Bank in terms of collection of a cheque, according to which the Bank credited the Client's account under the clause "conditioned by collection", until total collection by the Bank, particularly in the circumstances when the debtor per such a cheque is in the procedure of forced offsetting, liquidation, bankruptcy or a similar procedure i.e. if the Bank discovered debtor's business issues that may cause, in the Bank's opinion, problems in collection.

In case cheques are not collected upon their presentation or free disposal with collected funds is limited by the law or official acts or in case such instruments can not at all or in a timely manner be presented due to the unbridgeable gaps, or moratorium has been proclaimed, or similar circumstances exist in the country where the cheques and bills of exchange are collectable, the Bank shall be authorized and have the right to reciprocally debit the Client's account for the amounts credited per such cheques even in cases when the Bank cannot dispose with the relevant cheques.

In all cases of debiting the Client's account credited on the grounds of such cheques, the Bank shall reserve its request in terms of such cheques and the Client or any other appropriate person, and shall be authorized to collect the total amount of such cheques with additional requests to fully cover possible overdrafts on the account.

In case of the discount of securities denominated in foreign currency, exchange rate risk shall be borne by a person that presented the security for the discount.

##### **4.1. Bank responsibility/disclaimer**

In case the Bank receives back cheques, payable aboard, which could not have been collected due to the relevant provisions of the applicable foreign law, theft or forgery, in case the cheque issuer lacks funds on its account, or an agreement made with foreign banks, but for which the Bank already credited funds, the Bank shall be authorized to adequately debit all Client's accounts and must notify the Client accordingly. In case the above-mentioned cheques, returned by a foreign bank, are lost on the way to the Bank, the Bank shall bear neither risk nor responsibility, and possible costs shall be borne by the Client.

The Bank shall bear no responsibility for timely presentation, protest or provision of a confirmation of the presentation of a security in cases when the same is performed outside the banks or abroad nor when the subject matter are bills of exchange, cheques or similar orders, when the same should be performed inland, unless the stated instruments have been submitted to the Bank at least eight working days prior to their maturity.

#### **5. OPERATIONS WITH SECURITIES AND OTHER FINANCIAL INSTRUMENTS**

As authorized financial institution (investment company), the Bank provides the following:

- Receipt and execution of sale/purchase orders of financial instruments for the account of the Client;
- Investment counseling
- Portfolio management
- Patronage services relative to offer and sale of financial instruments with redemption obligation
- Patronage services relative to offer and sale of financial instruments with no redemption obligation
- Custody and administration of financial instruments for the account of the Client
- Corporate agency services
- Research and financial analysis in the area of investment and other forms of recommendations relative to financial instruments transactions
- Providing investment counseling regarding financial instruments transactions
- Market maker services
- Other services in accordance with the regulation.

As custody bank, the Bank provides the following custody services –to voluntary pension and investment funds. The Bank performs custody bank activities in accordance with the law, rules of operations and contract with clients. The Bank shall perform these activities in accordance with client instructions, for the purpose of protecting the interests of Clients and maintaining confidentiality.

The Bank provides additional services relative to keeping and administrating financial instruments for the account of the client, including keeping instruments and related services, such as the administration of pecuniary funds and collaterals.

These operations are performed in accordance with Client instructions, for the purpose of protection of Client interests and preserving data confidentiality. The Bank provides the following services: Opening and maintaining proprietary and custody securities accounts with the competent register; executing orders for the transfer of rights under securities at the competent register; executing orders for the transfer of rights under securities and order for the registration of rights of third parties onto securities; collection of receivables from due securities, interests, dividends; notification and representation of shareholders at annual assemblies of shareholders and performing other operations.

The Bank charges a commission in accordance with the Tariff List for these services.

The Bank concludes separate service provision agreements relative to securities and other financial instruments which regulate special conditions and procedures regarding the receipt and execution of Client orders. The Client is obliged, in the investment services organizational part, i.e. custody, to present additional documents upon request.

The Bank and Client shall be prohibited from conducting actions that involve the use of privileged information and market manipulation.

The Client shall compensate to the Bank the damage in accordance with the law, which may be a consequence of misinformation, false documentation, non-fulfillment of assumed responsibilities, and in other cases envisaged by the law.

The Bank's Client shall be obliged to comply with the deadlines defined by the relevant laws and secondary legal acts as well as the Bank's deadlines. Otherwise, the Bank shall not be in a position to provide the service and the Client shall be responsible for bearing possible costs.

#### **6. OPERATIONS OF PURCHASE AND SALE OF FOREIGN CURRENCY**

The Bank shall execute orders for the purchase and sale of foreign currency in accordance with relevant laws in the field of foreign exchange operations and other regulations of the National Bank of Serbia and other competent institutions.

In compliance with the relevant legal regulations of the Republic of Serbia in the field of foreign currency operations, the purchase and sale transactions in foreign currencies used for the trade in the foreign currency market shall be executed with the application of appropriate Bank's exchange rates where the purchase and sale of foreign currencies shall be executed according to exchange rates ranging within the Bank's purchase and sale exchange rate for foreign currencies i.e. purchase and sale of effective money according to exchange rates from the Bank's exchange list for effective money. The Bank's exchange list is formed in accordance with actual movements on the foreign

currency market inland and abroad on the basis of the ratio between the offer and demand for foreign currencies.

Pursuant to relevant legal regulations of the Republic of Serbia in the area of foreign currency operations, the Bank shall use its own exchange rates, applicable on the date of the transaction execution and/or on the date of the booking of the crediting/debiting of the Client's account.

Applicable exchange rates shall be clearly visible in the Bank's premises and the internet presentation.

Pursuant to the relevant legal regulation of the Republic of Serbia in the area of foreign currency operations, term foreign currency transactions shall be executed by using exchange rates agreed between the Client and Bank in each individual case.

In case the Bank executes term purchase of foreign currencies from the Client, the Bank shall have the right to require from the Client to provide the confirmation of the reception of foreign currencies two working days before the maturity of the agreement at the latest.

In case the Bank executes term sale of foreign currencies to the Client, the Bank shall have the right to require from the Client to provide the confirmation of the reception of the coverage within two working days before the maturity of the agreement.

In case the Client is not in a position to provide to the Bank the required confirmation, or for any reason the Client is not in a position to meet its obligations from the term agreement, the Bank shall not execute towards the Client its part of responsibilities under the agreement i.e. the Bank will annul the agreement. However, the costs of non-fulfillment of contractual obligations by the Client and costs of forced balancing of the term transaction by the Bank per exchange rate achieved for the transaction on the market by the Bank, shall be debited or credited to the Client's account according to the calculation submitted to the Client by the Bank.

## **7. LETTER OF CREDITS AND GUARANTEES**

### **7.1. General provisions**

The Bank shall open a letter of credit / issue guarantees on the basis of the Client's order for the opening of a letter of credit / guarantee issue that contains a stamp and signature of the authorized person, according to applicable legal regulations and adopted banking procedure for the opening of nostro letter of credit / issuance of the nostro guarantee, and by submitting necessary documentation as per the Bank's request.

### **7.2. Special provisions**

The Bank shall bear no responsibility for losses and/or damage that may occur as a result of faulty instructions by the Client.

The Bank shall assume no obligation or responsibility for mistakes in translation or interpretation of technical expressions and may convey provisions from the letter of credit without translation.

The Bank shall assume no obligation or responsibility for the form, completeness, accuracy, authenticity, forgery or legal effect of any document, nor for general or special terms stated in the document or added to the document, nor shall it assume any obligation or responsibility for description, quantity, weight, quality, condition, package, delivery, value or existence of goods, services or other performance described in any document or for good faith or activity or omission, solvency, execution or reputation of sender, shipper, receiver or insurer of goods or any other person.

The Bank shall assume no obligation or responsibility for the consequences arising from a delay and/or losses in transit of any message, letter, call for payment or document, or for a delay and other omissions that occur during transmission and use of any form of telecommunications.

The Bank shall assume no obligation or responsibility for the consequences arising from a disruption in its operation due to force majeure, riots, civil unrests, wars, terrorism actions or any forms of strikes or work stoppage or other causes out of the Bank's control.

After resuming - its business, the Bank shall not pay fees or negotiate per letter of credit which expiry date has expired during the disruption of the Bank's business operations.

If the Bank uses services of another bank to execute the Client's (Orderer's) instructions, this will be done at the Client's account and risk.

The Bank shall assume no obligation or responsibility in case instructions transferred by the Bank to another bank are not executed, even if the Bank took an initiative on its own to select the other bank.

The Client (Orderer) shall be obliged and liable for all commissions, fees and actual expenses of other banks which implement Instructions upon order of the Bank (Orderer).

In case the letter of credit/guarantee states that the fees are payable by the Client and these fees may not be charged or deducted from the receivable, the Client (Orderer) shall remain in the obligation to pay these fees.

The Client (Orderer) shall be obliged and responsible to notify the Bank about all obligations and responsibilities imposed by foreign laws and customs.

The Bank shall have no obligation to accept the presentation of a document for a letter of credit / guarantee outside its working hours.

The Bank shall do business with documents and not goods, services or actions to which the documents refer.

The Bank shall not have an obligation to transfer the letter of credit except to the extent and in the manner exclusively approved by the Bank.

The Bank shall be responsible for examining with due attention and in reasonable time all documents envisaged by the guarantee / letter of credit and submitted under guarantee / letter of credit, including the call for payment under the guarantee, to determine whether their form complies with the terms from the guarantee / letter of credit.

Uniform rules and customs applicable to documentary letter of credits shall apply to every documentary letter of credit opened by the Bank, applicable Publication.

## **8. OTHER BANKING SERVICES AND TRANSACTIONS**

Beside the above mentioned-operation, the Bank shall execute operations related to the acceptance of cards at POS terminals, opening of escrow and other accounts with a special purpose, exchange and factoring operations, insurance representation and other operations that the Bank may execute in line with the Statute and Law on Banks and based on the obtained licenses.

Conditions and manner of execution of the stated operations shall be defined in more detail in the Bank's acts issued for purpose of executing the General Terms and Conditions.

## **V INTEREST RATES AND COMMISSIONS**

### **1. Interest rates – general provisions**

The Bank shall negotiate, calculate, pay and collect an interest rate in accordance with the Decision on interest rates and the Bank's Interest Rate Policy.

Interest rates for loans and deposits shall be expressed at the annual, monthly and daily level.

Nominal interest rate applied by the Bank may be fixed or variable.

The Bank contractually regulates the type of nominal interest rate.

In case it has been agreed to use a variable interest rate, it shall consist of the following: the reference interest rate, as the variable element and the Bank's margin, which forms the fixed element. The reference interest rate includes the following officially published reference interest rates: EURIBOR, LIBOR, BEONIA, EONIA, BELIBOR and REPO NBS – the reference interest rate of the NBS.

Should the value of reference interest rate be negative, the Bank shall consider that the value of reference interest rate is zero (0) for the purpose of calculation of interest in the respective interest period, therewith it shall be obliged to regulate this provision with a contract with the client in the part regulating the type and amount of nominal interest rate.

The Bank shall charge a default interest to all due and outstanding receivables, as of maturity date, for all due outstanding receivables, pursuant to applicable provisions, and if the contractual interest rate exceeds the default interest rate, the Bank shall be entitled to also apply the contractual interest rate to the default period.

### **2. Commissions – general provisions**

The Bank shall calculate and charge commissions for services provided to the Bank's Clients. Fees, expenses and commissions charged by the Bank may be fixed or variable.

The commission amount, manner and terms of charging the calculated commission which Bank provides to clients are determined by Contract with the Client, in accordance with Bank acts regulating the Tariff of commissions which the Bank charges to clients.

## VI BANK SECRET

The Bank secret represents a business secret. The Bank secret shall be considered to be the following:

- Data known to the Bank including personal data, financial status, transactions, Client's related operations, personal data, financial status, transactions and business relations of clients of other bank;
- Data on the status and transactions on the Clients' individual deposit accounts;
- Other data obtained by the Bank by doing business with Clients.

The Bank and members of its bodies, shareholders and Bank's employees, as well as Bank's external auditors and other persons that due to the nature of the business they perform have access to the data mentioned in the above paragraph, shall be obliged to safeguard these data and they cannot disclose them nor in any other manner enable third party access to them, nor use them against the Bank's interests and Bank's Clients, nor use them in a manner which may provide them or their parties material benefit, nor can they allow third party access to the data.

The obligation to keep the business secret for the persons from the previous paragraph shall not cease to exist even after the expiry of the status on which basis they gained access to the data from the paragraph.

The Bank secret shall not be considered the following:

- Public data and data accessible to the interested parties with a justified reason from other sources;
- Consolidated data which do not disclose individual identity of the Client;
- Data about the Bank's shareholders and amount of their share in the Bank's share capital, as well as data about other parties that have a share in the Bank and data about shares regardless of whether or not they are the Bank's Clients;
- Data referring to the regularity of fulfillment of Client's liabilities towards the Bank.

The obligation to keep a bank secret does not exist if the data are being disclosed to: courts, executive bodies, tax administration, ministry competent for internal affairs, bodies assigned to preventing organized crime and money laundering, other bodies and organizations, in accordance with authorizations prescribed by the law and other regulations, and to associations which the Bank incorporated for purpose of collecting data about the amount, type and regularity of fulfillment of liabilities of the Bank's Clients and other regulatory bodies and other cases envisaged by the Law on Banks.

The Client agrees that the Bank, as per provision in article 47, paragraph 3 of the Law on Banks, may submit information and data related with the Client and his business relation with the Bank, which form the Client file, to the National Bank of Serbia, external auditors of the Bank, members of the banking group which the Bank belongs to, insurance companies in relation to occurrence of claim, persons entitled by law to require data disclosure, payment cards processors and insurance companies with whom the Bank concluded related insurance contracts of their clients, competent tax bodies, for the purpose of data sharing with tax administration of other countries on the basis of concluded bilateral and multilateral agreements, letters of intent for conclusion of such letters or recommended guidance for action of financial institutions on the territory of the Republic of Serbia, other persons which due to the nature of their work, must have access to such data, as well as to third persons with whom the Bank concluded business cooperation contracts necessary for the implementation of a business relation or in relation with the business relation between the Bank and Client. The Bank is entitled to process data considered business or banking secret of the Client, representing personal data, in accordance with legislation regulating personal data protection.

## VII OTHER GENERAL TERMS

In case of claim against the Bank based on the guarantee issued by the Bank by order of or on behalf of the Client, the Bank shall be authorized to execute

payment of the liability against the guarantee at the request of the guarantee user without initiating any legal proceedings or requiring previous Client's approval, in accordance with the relevant laws, regulations and practice.

The Client herewith confirms that it is familiar with the fact that the Bank provides professional information and advices to third parties, within frameworks of relevant laws and other regulations, and to its best knowledge and conviction and strictly acting in line with the international practice and its obligations within the relevant legislation.

The Client shall be responsible for all losses that may be caused by the fact that the Bank is not notified about the insufficiency in a legal and/or business ability or legal authorization of the Client and/or other authorized parties.

The Client shall be responsible for the compensation of all costs and losses in operations conducted with the Bank that may be caused by forgery, incompleteness, legal deficiency or misinterpretation and/or translation of a document submitted to the Bank.

The Bank shall not be held responsible for any damage resulting from actions taken by competent state authorities inland and abroad or as a consequence of the disruption of its business. The Bank shall also not be held responsible in cases when the Bank, for crucial reasons, totally or partially, stops or limits its business operations on specific days or for a specific period of time.

## VIII APPLICABLE LAW / JURISDICTION

Unless otherwise explicitly prescribed by the Bank in writing, the laws of the Republic of Serbia shall be relevant for the regulation of legal relations between the Client and Bank.

The Bank's premises, where Client's accounts are maintained, shall represent for both contractual parties the place where their contractual obligations shall be executed.

International rules and customs shall also apply to the regulation of any relations between the Client and Bank to the extent to which the rules and customs are binding for the Bank and/or Client or generally accepted by the international business community.

Unless otherwise explicitly prescribed by the Bank in writing, any dispute arising from or with reference to the relation between the Bank and Client (the Client being either a legal entity or natural person) shall be resolved by the competent court in the Republic of Serbia.

The Bank, however, shall reserve the discretionary right to initiate appropriate legal proceedings against the Client in front of any other competent court.

## IX ADDITIONAL AMENDMENTS TO THE GENERAL TERMS AND CONDITIONS

The Bank shall notify the Client in writing or post adequate notification in the Bank's premises or on the Bank's webpage about any additional amendments to the General Terms and Conditions regarding a specific bank product.

## X TERMINATION OF BUSINESS RELATIONS

Unless otherwise agreed and/or envisaged by the relevant laws and other regulations, both the Client and Bank may, at their sole discretion, at any moment terminate mutual business relation – unilaterally, upon written statement of one of the contractual parties.

In addition to unilateral cancellation of contractual relations, the Bank and Client may cancel the respective relation by agreement between contractual parties in writing, either by way of annex or by special agreements whereby they shall irrevocably agree about the cancellation and regulate mutual relations with respect to the agreement subject to cancellation, in a way that excludes any litigation between the contractual parties.

Unless otherwise agreed between the Bank and Client, the Bank, at any moment, for significant reasons, has the right to unilaterally terminate the agreement, if any of the cancellation conditions has been met:

- In case the Client provided to the Bank inaccurate data, or fake statements or documents;
- In case the Client's financial situation considerably deteriorated or is seriously jeopardized to the extent that it is obvious that the Client can no longer regularly settle its liabilities towards the Bank, including but not limited to the fact that the Client account has been blocked by other creditors, or in case they are late with settling any obligation towards the Bank;
- In case of opening of bankruptcy or liquidation procedures;



- In case the Client fails to fulfill its obligations towards the Bank related to its request for providing or constituting an additional security instrument within a period defined by the Bank, or fails to conduct the re-estimation of real security for the Bank receivables onto which the Bank has constituted a lien, within a period in accordance with the Agreement and the Law;
- In case the value of existing collateral under the Agreement with the client loses its legal validity or changes its worth so as to drop below the contractual value, upon Bank estimate, and in case the Client, at Bank request, fails to replace it with an alternative collateral;
- Refusal of competent body to register the lien, mortgage or any other means of security which requires registration;
- In case of a breach of any contractual obligation of the Client or third party to the Bank's detriment; especially in case of liability default towards the Bank regarding any business ground.
- In case of misuse of funds which the Bank granted to the Client
- In case of a breach of provisions of the relevant laws and other regulations by the Client.
- Whenever regulated by legal provisions and procedures relative to the prevention of money laundering and terrorism funding and acting in accordance with international sanctions against certain countries.
- In case it has been established that continued business cooperation would represent a reputation risk for the Bank, and
- In case it has been established that the Client as owner of legal entity, representative office or foreign subsidiary are included on official terrorist lists, in accordance with local and international regulations relative to the prevention of money laundering and terrorism funding.
- In other cases stipulated by specific contracts with clients.

The Client shall have the right to unilaterally terminate the business relation due to gross negligence of the Bank and/or major violation of the contractual provisions by the Bank, unless the contract may not be terminated due to the nature of transactions (e.g. issued guarantees, opened letters of credit, etc.).

The agreement shall be deemed terminated on the date of the reception of a written notification about the termination of the agreement by the other party.

The agreement shall be deemed terminated even in the case the Client did not receive the notification about the termination due to the change of the address of the registered seat and / or delivery address and did not inform the Bank about the change in a timely manner, or in case the Client avoids to receive the notification about the termination and/or in case the Bank after 2 tries does not succeed in delivering the notification by registered mail to the latest address the provided by the Client, bearing in mind that, in this case, the termination date shall be the date when the Post Office or other legal entity specialized for the delivery of registered mail confirms for the first time that they tried to deliver the notification about the termination of the Agreement.

Legal consequences of the termination shall be regulated by the agreement, provided that all claims as per agreements at the moment of termination will fully fall due. In case of cancellation of contractual relations, the Bank shall be obliged to advise the Client in writing:

- About type and amount of Client liability under the Agreement subject to cancellation on the date of calculation draft, with indication that the amount of liability shall increase for the calculation on disbursement date, as well as that the Client may receive information regarding the final calculation at the Bank, upon stating required data for contact with competent Bank organizational parts;
- About the period within which the Client shall be obliged to settle its liabilities relative to the cancelled agreement
- About the Bank right, in case the client fails to settle its obligation under the precedent subparagraph, to activate collaterals provided to the Bank or constituted in favor of the Bank, in accordance with the Agreement.

Upon the termination of the business relation between the Bank and Client, provided that the Client has fully settled all liabilities towards the Bank, the remaining funds on any of the Client's accounts shall be put at the Client's disposal.

The Bank shall reserve the right to settle all receivables from the Client and other responsible persons by virtue of bills of exchange and/or cheques in terms of the right to full compensation of the relevant amounts, as well as attendant receivables, until the full coverage of possible bank account overdraw.

Provision stipulated herein applicable to the termination of business relations between the Bank and Client shall also be accordingly enforced to the partial termination of business transactions between the Bank and Client.

Provisions of the General Terms and Conditions shall be accordingly enforced also after the termination of business relations between the Bank and Client until the final fulfillment of mutual responsibilities.

## XI SPECIAL TERMS

In addition to the provisions of the General Terms and Conditions, the Bank shall perform its activities in accordance with the relevant domestic and international legislation, as well as with generally accepted rules of the banking practice.

Additionally, special terms and conditions and rules shall be applied to specific types of banking operations e.g. regulation of activities related to the opening of a documentary letter of credit – uniform rules and customs for documentary letters of credits by the International Chamber of Commerce in Paris (ICC) (current version), guarantee operations – uniform rules for the guarantees payable at the call of the International Chamber of Commerce in Paris (ICC) (current version), collections – adequate provisions, applicable ICC publications (uniform rules for collection operations).

The Bank applies the operating rules of authorized bank – investment company, Operating rules of custody bank and Operating rules for additional services on transactions with securities and other financial instruments.

Adequate terms and conditions shall also apply to services relative to foreign securities and other financial instruments.

Similarly, special conditions shall apply to custody accounts, saving accounts, rented vaults, accepting items and rights to custody and management (Safe Custody), as well as other similar types of business activities.

Any exception to the implementation of the provisions of the General Terms and Conditions may be accepted only in case the adequate amendment has been previously mutually agreed in writing between the Bank and the relevant Client. In case such amendment has been agreed verbally, the Client and Bank shall, without delay, create the same agreement in writing.

In case any of the terms or provisions of the General Terms and Conditions become ineffective or inapplicable, effectiveness of other terms and provisions shall not be put into question, whereas the rights and responsibilities of the Client and Bank shall be interpreted as if the General Terms and Conditions did not contain the ineffective and inapplicable terms and provisions.

## XII PERSONAL DATA PROTECTION

For the purpose of performing its activity, the Bank processes certain personal data of the User, prospect User and other natural persons. Personal data is any data related to the natural person whose identity is determined, determinable, directly or indirectly, i.e. any data:

- a) Which the person discloses to the Bank, verbally or in writing at the time of communication with the Bank, irrespective of the purpose of the communication, including telephone communication, electronic communication, personal communication in Bank premises or via the internet presentation of the Bank;
- b) Gathered at the time of establishing contractual relation with the Bank in relation to new products and services;
- c) Contained in requests and forms prior to establishing contractual relation with the Bank;
- d) Collected at the time of participation of the natural person in Client satisfaction surveys;
- e) Which the Bank becomes aware of by providing the User banking, financial and related services, as well as services involving negotiation of products and services of Bank partner;
- f) Forwarded to the Bank the banking group the Bank belongs to;
- g) Arising from processing of any of the foregoing personal data.

The Bank is obliged to process personal data in a legal, honest and transparent way. Personal data processing must be aligned with the Law on Protection of Personal data and laws regulating data processing.

Personal data may be gathered for a purpose that is specifically defined, explicit, justified and legal and may not be further processed in a way that is contrary to such purpose.

Personal data must be appropriate, important and limited to "must know" basis in relation to the purpose of its processing; it has to be exact and, where necessary, updated. The Bank shall take all reasonable measures to ensure that inexact personal data are immediately either corrected or deleted.

Personal data shall be stored in a form that allows identification of persons only within the term necessary for achieving the objective of the storage.

Personal data processing shall be made in a way that ensures appropriate data protection, including protection from unauthorized or illegal processing, as well as in case of accidental loss, destruction or damage, by applying appropriate technical, organizational and human resources measures.

The Bank shall process personal data for purpose and in a way that is necessary and suitable for performing the bank activity and such processing will be legal only if any of the following conditions has been met:

- 1) The data subject accepts to process his/her personal data for one or more specially defined purposes (personal data processing based on consent);
- 2) Processing is required to implement the contract concluded with the data subject or for the purpose of engaging in action, at the request of the data subject, prior to concluding the contract;
- 3) Processing is necessary in order to honour legal obligations of the Bank;
- 4) Processing is necessary in order to protect vitally important interests of the data subject or another natural person;
- 5) Processing is necessary in order to exercise the Bank authorizations prescribed by Law;
- 6) Processing is necessary in order to exercise legitimate interests of the Bank or third parties, unless interests and basic rights and freedoms of data subjects that require personal data protection prevail over such rights and interests, especially if the data subject is a minor.

No consent of the User is required for the processing of User personal data for purposes of direct marketing and market research, as these data are processed on the basis of legitimate interest of the Bank, in accordance with the Law on the Protection of Personal Data. The User is however entitled to explicitly state that he/she does not wish his/her data to be subject to processing for purposes related to direct marketing or market research, and the Bank shall have the obligation to enable him/her to make a related decision.

In such cases, personal data related to the User shall not be processed for these purposes. In case that personal data are processed for the purpose of direct marketing based on User consent, such consent may be revoked and personal data shall no longer be the subject of processing for such purposes, which shall not however affect the legality of data processing up to that time.

As personal data handler, the Bank is obliged at the time of data gathering about a specific person, to provide such person the following information:

- 1) Contact details of the Bank and of its representative, if he has been appointed;
- 2) Contact details of person assigned to personal data protection;
- 3) Purpose and legal ground of the processing;
- 4) Existence of legitimate interest if the processing is done on the basis of such legal ground;
- 5) Data about the receiver or group of receivers of personal data, if any;
- 6) About the fact that it plans to transfer personal data to another country or international organization (nature of transaction), and reference to appropriate protection measures;
- 7) About the right to lodge a complaint to the Commissioner for the Protection of Personal Data;
- 8) About the fact that providing personal data is a legal and contractual obligation and necessary condition for concluding a contract, and that the data subject is obliged to disclose his/her personal data, as well as about possible consequences for failing to disclose data
- 9) About existence of automated decision-making process.

Personal data will be kept during the contractual relation, i.e. as long as the data subject agrees to the processing of his/her data, and within a term which binds the Bank to preserve certain personal data, in which case active processing of this data for other purposes shall not be possible, but only the keeping of such data for purposes prescribed by law.

Personal data processed by the Bank may be ceded to third persons based on:

- 1) Consent of data subject
- 2) Implementation of contract in which one side is the data subject
- 3) Provisions of the law.

Personal data may be submitted to state or other bodies to which the Bank is authorized or obliged to submit personal data on the basis of the law that regulates data disclosure. Personal data may also be provided to persons with whom the Bank concluded a contractual relation, to service providers and persons engaged by the Bank who due to the nature of their work have access to personal data. All persons who, due to the nature of the work they

perform for the Bank or with the Bank, have access to personal data are required to keep such data confidential as banking secret, in accordance with the Law on Banks and other legislation regulating data secrecy. Contracts with these persons are aligned with the requirements of the Law on the Protection of Personal Data.

Subjects whose personal data are processed by the Bank are entitled to access all their personal data, to correct, complement and delete them, in case that there is no ground for processing, limitation, transferability or objection. A data subject may withdraw his/her consent at any time. The withdrawal of consent does not affect the legality of the processing based on consent prior to withdrawal. Prior to giving consent, the data subject shall be advised accordingly. The Bank is obliged to enable that withdrawal of consent is equally simple and giving granting consent.

### XIII FINAL PROVISIONS

The General Terms and Conditions take effect on the date of their adoption and are applicable as of 21.08.2019 and the Bank shall post them in its business premises at a visible location 15 days prior to the planned implementation. The consolidated version has been drafted based on integral wording of the General Terms and Conditions adopted at the session of the Board of Directors on 12.03.2015, with amendments and supplements adopted on 31.07.2015 and on 27.02.2017 and amendments and supplements to General Terms and Conditions adopted at the session of the Board of Directors held on 29.07.2019., and the business name of the Bank, was updated in this document in accordance with the Decision of the Board of Directors dated 20.09.2019.

### BOARD OF DIRECTORS OF THE BANK