

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, Beograd, the Board of Directors of the Bank, at its session held on 29.07.2019 and on 20.09.2019 established the:

**PART II -
GENERAL TERMS AND CONDITIONS OF
OTP banka Srbija AD Beograd
APPLIED TO INDIVIDUALS, ENTREPRENEURS AND FARMERS
(consolidated version)**

I INTRODUCTORY PROVISIONS

OTP banka Srbija AD Beograd (hereinafter: the Bank), by these General Terms and Conditions - Part Two – General Terms and Conditions applied to individuals, entrepreneurs and farmers (hereinafter: General Terms and Conditions) regulate mutual rights and obligations of the Bank and a Client regarding use of financial services, and in addition to general and basic provisions related to business conditions, establishing contractual relations between Client and the Bank, i.e. channels of communication between them, include also general provisions which are common to groups of bank products and particularly to the products regulated by the legislation on the protection of consumers of financial services (hereinafter: the Law) as follows: loans, allowed overdrafts, credit cards and deposits, being understood however that credit cards are regulated by the General Terms for the Provision of Payment Services of OTP banka Srbija AD Beograd applicable to Legal entities and entrepreneurs i.e. and in case of natural persons – General Terms of Use of Credit Cards at OTP banka Srbija AD Beograd for individuals and General Terms for the Provision of Payment Services of OTP banka Srbija AD Beograd applicable in relations with individuals in the part that is not regulated under the foregoing document i.e. individual agreement, which documents are available to Clients on the Internet presentation of the Bank and at branches of the Bank.

In addition to the General Terms and Conditions, the Bank apply to relations with Clients, its by-laws, in accordance with current regulations whereby, the Bank operations are more specifically defined in terms of implementation of the General Terms and Conditions.

Individual application of the General Terms and Conditions to Clients is provided by conclusion of an agreement on financial services in required form by and between the Bank and the Client, provided that the Bank is also obliged to apply the General Terms and Conditions on relations established between the Bank and the Client on the basis of:

- Admission Forms or some other documents submitted by the Client in accordance with the Bank by-laws,
- Other forms of business cooperation between the Bank and Client established in accordance with the current regulations and the Bank by-laws for which no agreement in required form is required.

In case of collision of provisions of concluded individual agreement on specific financial service and these General Terms and Conditions, the provisions of individual agreement shall prevail, followed by these General Terms and Conditions, and finally other General Terms and Conditions of the Bank in the part that is not regulated by the foregoing documents, unless a different order of priority is set by individual agreements on specific financial service.

The General Terms and Conditions are made in Serbian and English languages. In case of discrepancies between the Serbian and English version, the version in Serbian shall prevail.

At least 15 (fifteen) days prior to beginning of their implementation, the Bank will display at a clearly visible place a copy of the General Terms and Conditions in Serbian, in order to allow the Clients to be aware of the terms and conditions of operations with the Bank.

The General Terms and Conditions are also announced on the Bank official internet presentation: www.otpsrbija.rs (hereinafter referred to as: the "Internet presentation of the Bank").

In addition to the General Terms and Conditions and in order to fulfil the operation transparency principle and provide complete information to its Clients, the Bank is also liable to place on its Internet presentation, i.e. clearly visible locations within its branches the following by-laws as amended and modified from time to time:

- Current FX rates;
- Review of interest rates for loans and deposits;
- Notice on the value of contracted variable elements, i.e. reference interest rates, consumer price index, etc.; and
- Price list of Fees and Cost Rates for all products.

Beside the standard display of its General Terms and Conditions, the Bank is also obliged to provide the Client with adequate explanations and instructions relevant for a certain Bank product as well as to deliver the Excerpt from the General Terms and Conditions relevant for the specific bank product to the Client, either in writing or on some other permanent data carrier, at his/her demand.

**II COMMUNICATIONS BETWEEN
THE BANK AND THE CLIENT**

Communications between the Client and the Bank will be made verbally and in writing (through information and promotion and advertising materials available at the Bank branches, Internet presentations, by telephone through the Customer Service Center, by direct written or verbal communication, e-banking, e-mail, as well as via other electronic communication modes (e.g. Viber, SMS message etc.), including advertising in public information media).

In case of delivery of documents to the Bank or delivery of documents by the Bank in accordance with the Client's order, the Bank will review the documents with due diligence in order to establish if they were issued in compliance with the instructions provided.

Delivery of documents to the Client or a third party will be made only subject to reasonable check of the authorization for receipt of the relevant documents.

In accordance with the regulations, nature and content of by-laws/documents delivered to the Client, the Bank, in each individual case, decides on the manner of delivery to the Client as follows: by registered mail, by e-mail, takeover on e-banking platform, SMS message, announcement on the Internet presentation of the Bank, or in any other adequate manner. The Bank may perform deliveries to the Client through a third party with whom it entered in the service agreement, with the confidentiality clause of the third person related to the Client's business and personal data. In order to consider a delivery as relevant in terms of its regularity, the Bank and a delivery person performing deliveries in the name and on behalf of the Bank shall obtain evidence that the correspondence is delivered to the Client, as well as keep the evidence for the required time period.

The Bank can issue certain documentation to the Client (including, but not limiting to various information that the Bank sends to Clients, Account, Reports, etc) without the seal and signature of the Bank, indicating on the document that it is valid without seal and signature.

The Client – Individual (natural person) selects a channel of communication with the Bank at the time of establishing initial contractual relation with the Bank, by selecting one of the offered channels of communication prescribed on Bank form:

- Download from electronic banking platform;
- Submission to e-mail address which the Client – individual submitted to the Bank;
- Submission by mail to Client –individual home address in the Republic of Serbia,

Which he/she confirms by entering data about the selected channel of communication in the form prescribed by the Bank and which he submits to the Bank. These contractual channels of communication of Client – between the individual and the Bank, shall apply in communication between the Bank and the Client – individual regarding all banking services which the Client – individual uses or will use, under the Bank offer, as long as the contractual relation with the Bank lasts, until the Client – individual approaches the Bank to require change the said (except choice of channel of communication on alternative sale channels under the Bank offer). In that case, the Client-individual submits a new filled form signed by the Bank, with a newly selected channel of communication. At the time of each change of channel of communication, the Bank shall use the channel which the Client opted for in the form which the Client – individual last submitted to the Bank.

It shall be considered that all information and documents, which the Bank addressed to the Client – individual, have been received by the Client – individual at the time of submission:

- a) If they have been posted on the e-banking platform on the date of posting;
- b) If they have been sent electronically – on the date of sending of the e-mail, which is proven by printout of certificate;
- c) If sent through courier service – following expiry of usual period necessary for courier delivery, as proven by certificate of courier service;
- d) If sent by mail – upon expiry of the period necessary for mail delivery, including sending mail to addresses of third persons authorized to receive correspondence in the name of the Client – individual, in accordance with the explicit statement which the Client – individual submitted to the Bank.

The Bank is entitled to submit certain information to the Client – individual by SMS to mobile phone number which the Client – individual submitted to the Bank, if it is technically feasible to send such information in this way. If this is not possible, the Bank advises the Client – individual by SMS to retrieve this information at the Bank branch. The Client – individual and the Bank agree that each information which the Bank addresses to the Client – individual by SMS is received by the Client – individual at the time of sending, which is proven by sent message.

The Bank shall not address the written correspondence to home addresses or by SMS messages to mobile phone numbers of Clients – individuals located abroad, but only within the Republic of Serbia.

Any written correspondence and notification of the Bank to the Client – farmer/entrepreneur will be sent only to the last known address of residence/domicile i.e. to address of head office entered in competent register. The Bank may communicate with the Client – farmer/entrepreneur in writing or send SMS messages, faxes, e-mail messages provided that the Bank has details on the contacts mentioned above and it will be considered that the notice was received by the Client – farmer/entrepreneur at the time of its sending as follows:

- a) If sent as SMS – on the date when the SMS was sent to the Client – farmer/entrepreneur as evidenced by confirmation of sending;
- b) If sent by fax – on the date when the fax was sent to the Client – farmer/entrepreneur as evidenced by confirmation of sending from the fax machine;
- c) If sent by e-mail – on the date when the electronic message was sent as confirmed by printed computer confirmation,
- d) If sent by a courier service – after expiry of the usual time required for courier delivery as evidenced by the certificate issued by the courier service;
- e) If sent by mail – after expiry of the usual time required for delivery of the correspondence including delivery to the address of a third party authorized for receipt of correspondence on behalf of the Client – farmer/entrepreneur and in accordance with the respective Client's – farmer/entrepreneur express written statement delivered to the Bank.

Any written correspondence that must be sent by registered mail, with or without confirmation of receipt, or delivery by hand, in accordance with the relevant regulations will be considered as duly delivered to the Client if the Bank possesses:

- A printed document of any kind (receipt confirmation, certificate on delivery, etc.), or
- A copy of the respective letter, or
- A receipt confirmation, or
- Delivery note signed or initiated by the Client or persons authorized under any other grounds for receipt, i.e. maintaining the records on delivery of the relevant correspondence,

as well as in other cases foreseen by the regulations whereby manner of delivery is regulated.

All contractual documents and communication for sharing of information and notices between the Bank and Client is made only in the Serbian language. Exceptionally, regarding non-residents – foreign citizens, the contractual documents i.e. individual may be concluded in the English and Serbian languages (bilingual), while communication related with rights and obligations under the and information and notices exchange shall be made in the Serbian language. In case of discrepancies between the Serbian and English versions, the Serbian version of contractual documents on the financial service shall prevail.

In case the Client submits documents in a foreign language, he shall be obliged to provide certified translation to the Bank for such documents made by authorized court interpreter – court translator for the respective language. Should the client not provide such translation, the Bank may, at its sole discretion:

- Decline to meet its obligation towards the Client;
- Urge the Client to provide document with certified translation in Serbian by authorized court interpreter – court translator, within an appropriate term;
- Send the respective document for translation at the expenses of the Client.

The Bank may accept the Client's order sent by telefax, fax, SMS message and/or e-mail, in accordance with the agreement concluded with the Client, i.e. current laws and regulations.

Depending on the nature of the case, the Bank may demand as a precautionary measure the Client's confirmation by fax, SMS message and/or e-mail, at the Client's expense, before acting in accordance with the delivered order.

The Bank will not be liable for any losses or damages suffered by the Client or any third party resulting from an order sent by fax, SMS message and/or e-mail.

Orders sent by fax, SMS message and/or e-mail as well as other forms of correspondence received by or sent by the Bank must be subsequently confirmed in writing as well if stipulated under the agreement, i.e. in relevant laws and other regulations.

Advertising

When advertising its deposit and loan services with included interest rates or any other numerical data related to the price or income, the Bank is obliged to state clearly and precisely in the representative example the following:

- Type of deposit / loan;
- Amount and variability of annual nominal interest rate;
- Annual effective interest rate;
- Currency of the contracted deposit / loan;
- Term of the contracted deposit / loan;
- Criteria for the deposit / loan indexation;
- Total deposit amount which the Client will withdraw upon expiry of the contractual period
- Total loan amount which the Client will repay, including expenses related with the loan that are payable by the Client;
- Any costs and expenses chargeable to the Client including expenses related with early withdrawal of deposits.

The amount of the annual effective interest rate should be posted i.e. written so that it is more visible than other elements.

When advertising, the Bank shall fully observe the Decision on Detailed Conditions of Advertising Financial Services which regulates the terms and conditions of advertising of financial services.

III RIGHTS, OBLIGATIONS AND RESPONSIBILITIES OF THE BANK

The Bank is entitled to:

- Select freely Clients that it will commence business relations with based on the evaluations made by the competent services of the Bank and decisions of its bodies, including refusal to conclude an agreement, i.e. provide financial services to a Client, at its sole discretion;
- Suspend providing of services and/or products to the Client, in full or partially, without the Client's consent (i) due to the reasons defined under the regulation on prohibition of money laundering and funding terrorism, i.e. in cases of international sanctions imposed on certain countries, (ii) in accordance with the current regulations, business decisions and standards of the banking group to which the Bank belongs to (iii) if the Bank is not able to implement actions and measures aimed at knowing and monitoring clients in line with the provisions of applicable legislation, i.e. (iv) for justified reasons, including, but not limited to, abuse of account, payment card, etc.;

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 to which the Bank belongs to, insurance companies in relation to occurrence of claim, persons entitled by law to require data disclosure, payment (credit) 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.

The Bank also has other rights with respect to its relations with the Client in accordance with the Law, General Terms and Conditions and individual financial services agreements concluded with the Client.

The Bank has following liabilities:

- To act with due diligence in its business relations with the Client, in accordance with the current regulations, by-laws of the Bank and usual terms and business practice, providing use of usual terms and good business practice and objective relations with the Client as well as their compliance with the regulations;
- To protect the confidentiality of contractual relations and services provided, as well as other Client's data in accordance with the practice and relevant local legal and other regulations;
- To notify the Client about the Bank products in a clear and understandable manner; provided, however, that the notices should be free of incorrect information, i.e. information that may lead to misinterpretation of terms and conditions under which the Bank is offering the products and services to the Client.

The Bank is obliged to follow the written instructions provided by the Client, provided that they are in compliance with the current regulations and by-laws of the Bank. Under no circumstance will the Bank be liable for damage incurred to the Client resulting from erroneous and/or unclear and/or imprecise instructions (e.g. incorrect account number, etc.).

Date on which the Bank receives clear and express written instructions and/or orders with all required information and/or documents enclosed, in accordance with the General Terms and Conditions and relevant laws and provisions applicable to the particular business transaction, will be considered as the date of instructions or orders, 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 and conditions for payment services.

The Bank reserves the right to commence the fulfilment of its liabilities if they fall on a non-working day (weekends, holidays) on the first following working day, whereon the Client will be notified in an appropriate manner.

The Bank will not assume any obligations and liabilities except those regulated by these General Terms and Conditions and under the agreement on financial services, except in cases defined under the current regulations or by-laws of the Bank.

Within the business relations of the Bank and the Client, the Bank is not liable for the damage suffered by the Client:

- Resulting from an event of Force Majeure, war, state of emergency, strike, etc. or due to circumstances which appeared without the Bank's influence and which could not be foreseen or prevented or avoided;
- Resulting from suspension of the Bank operations due to the procedures implemented against the Bank by competent government bodies, both local and foreign, or resulting from disturbance of its operations which the Bank could not prevent or avoid;
- Resulting from business activities of the Client performed on the basis of verbal or written correspondence with the Bank wherein the Bank has not assumed in clear terms the liability/risk together with the Client.

IV RIGHTS, LIABILITIES AND RESPONSIBILITIES OF CLIENTS

The Client is entitled to:

- Equal relation with the Bank;
- Protection against discrimination;
- Information;
- Certainty or possibility to determine the contractual liability;
- Protection of his/her rights and interests.

The Client is entitled to demand from the Bank (verbally or in writing – via mail, e-mail, e-banking or fax) and receive in writing or on any other permanent data carriers, understandable and clear information, data and instructions with respect to his/her business relations with the Bank in the manner and within the terms defined under the agreement, and particularly information on:

- Balance of debt under a loan, i.e. credit card;
- Interest rates and fee for a specific type of transaction;
- Terms and conditions for implementation of a specific bank product;
- Documentation required to be submitted to the Bank;
- Other information relevant for the General Terms and Conditions or a specific business transaction between the Bank and the Client.

The Bank will send the requested and other information by contractual channels of communication or in any other appropriate manner which fully complies with conditions necessary for providing complete and clear information as well as protection of data confidentiality. The Bank will use exclusively the data provided by the Client in his/her request, i.e. provided to the Bank at the time of establishing and duration of the contractual relationship, for delivery of correspondence and notices to the Client.

In order to be identified, the Client-resident is obliged to present his/her personal I.D. or any other prescribed personal document which is valid and which may serve to establish his/her identity in accordance with the current regulations and by-laws of the Bank; in case of a non-resident Client, the Client should present his/her passport or any other personal document whereby his/her identity may be established in accordance with the laws applicable in his/her country. The Bank reserves the right to demand additional evidence.

The Client is obliged to notify the Bank immediately on the following changes: change of the provided residence/domicile, head office address, e-mail address, first name and/or surname, employment status, i.e. change of the employer as well as on any other change of personal and registration data in accordance with the concluded agreement.

The Client is also obliged to notify the Bank on all other changes that may have impact or potentially may influence his/her business relations with the Bank and proper fulfillment of liabilities by the Bank to the Client, in accordance with the current regulations and the Bank by-laws.

If the Client changes his/her home/residence address and/or mail address, as preferred channel of communication with the Bank, about which he/she did not inform the Bank in a contractual way, if the Bank sends notice to this address, and if after two attempts, the Bank fails to deliver the notice to the Client to the last such address, it shall be considered that the date of receipt of Bank notice by the Client is the date when the PTT or another legal entity specialized in mail delivery, confirmed for the first time that it had attempted to deliver the notice to the last such address which the Client provided to the Bank.

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

Furthermore, the Bank's reporting obligation ceases if it has been determined beyond doubt that the registered telephone number and/or e-mail address do not belong to the Client or are incorrect.

The Client is obliged to deliver to the Bank all documentation prescribed under the current regulations and the Bank by-laws at the time of establishing a business relation with the Bank, at the address of the Bank and/or its organizational segments (branches) and in accordance with the instructions provided to the Client by the Bank.

Depending on the nature of a transaction and the Bank by-laws and the concluded agreement, documents and notices to be delivered by the Client to the Bank, at Bank's request, must be submitted:

- In the original or a photocopy, either verified or not by the competent body that they represent the true copy of the original;

- With verified translation in Serbian, translated by a authorized court interpreter – court translator (instruments and notices made in foreign language);
- In case of a foreign document, verified with the „APOSTILLE”, or other form of legalization, depending of the country of origin of the respective document.

The Bank is not obliged to check the credibility, completeness or validity of the documents, either of local or foreign origin, that are delivered to the Bank or in its possession and which relate to nomination of authorized representatives, guardians, agents and servants, in accordance with the General Terms and Conditions and the relevant legislation.

The Client will bear the costs and expenses and losses that may result from forgery, fraudulent acts, incompleteness, legal invalidity as well as erroneous interpretation and/or translation of these documents.

The Client will bear damages resulting from failure to fulfill his/her liabilities related to notification of the Bank in terms of provisions provided hereof.

Right to Withdrawal from the Concluded Agreement

The Client is entitled to withdraw from the entered loan agreement, agreement on overdraft and use of loan card within 14 (fourteen) days from the date the agreement was concluded without specifying the reasons of withdrawal.

In case of a loan agreement secured by a mortgage as well as contracts on purchase i.e. funding of a real estate acquisition, the Client may withdraw from the agreement provided that he/she did not commence with the loan utilization, i.e. financing.

When withdrawing from the agreement and prior to expiry of the 14 (fourteen) -day term, the Client is obliged to notify the Bank on its intention to withdraw in the manner which confirm the receipt of the respective notice, provided that the date of withdrawal from the agreement will be considered as the date of the notice receipt. The notice should be made in writing or some other permanent data carrier.

A Client withdrawing from the loan agreement, agreement on contracted overdraft and agreement on issue and use of loan card is obliged to repay the principal and the interest accrued on the base transaction during the loan utilization. i.e. use of overdraft or credit card, immediately or within 30 (thirty) days from the date of notice at the latest.

The Bank is not entitled to any other reimbursements except for fees and costs incurred with competent authorities; with respect to the agreement secured by mortgage and the agreement on purchase i.e. funding of real estate acquisition the Bank is entitled to reimbursement of actual costs incurred during the procedure of entering the loan agreement, of which the Client will be made aware prior to entering the contractual relationship.

In case the Bank is providing supporting financial services on the basis of concluded agreement, the Client is not bound by an agreement on supporting services when the Client is exercising his/her right on withdrawal from the agreement in accordance with the legal regulations and by-laws.

Right to objection and notice of objection

The Client as the user of a payment service has the right to object 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 Terms for the Provision of Payment Services, good business practice and obligations stemming from the concluded agreement.

The Client may submit an objection about the operations of the Bank, to the Bank, in writing, no later than 3 (three) years from the date when the violation of his rights or legal interests occurred:

- in business premises / in Bank branches, as well as in 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
- On Internet presentation of the Bank: www.otpsrbija.rs.

For financial services negotiated through remote means of communication, the Bank is obliged to enable the Client to file objection in that same way, i.e. by using the same means of remote communication that had been used for the conclusion of the agreement which the objection refers to.

The objection 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 is referred can be unambiguously determined, and the reasons for the filing of the objection. Enclosed with the complaint submitted through proxy, the Client also submits a special authorization for the proxy to submit an objection to the work of the Bank, in the name and on behalf of the Client and perform activities related with proceeding under the objection, and which authorizes to make available to the proxy all data related to the Client that represent a banking secret in the sense of the law regulating bank, i.e. business secret in the sense of the law regulating payment services.

If the Client files a complaint upon the expiry of the above mentioned period of 3 (three) years, the Bank shall immediately notify the Client that the complaint has been submitted 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 visible place within its premises where it provides services to Clients, a Notice on the way of submitting the objection, about the Bank response to such objection and possibility and manner of submitting a complaint to the work of the Bank to the National Bank of Serbia.

In case of written objection of the Client, the Bank is obliged to issue a confirmation of receipt of objection, with indication of the location and time of receipt and Bank employee who received the objection. If the Client submits the objection on the Internet presentation of the Bank, by e-mail or verbally on the phone, for financial services negotiated by use of remotened means of communication, the Bank is obliged to immediately confirm to the Client, by e-mail or another appropriate electronic means, the receipt of objection to Bank work submitted by the Client.

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

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) days, about which the Bank shall notify the Client in writing, within 15 (fifteen) days upon the receipt of the complaint. The said notice shall contain 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 objection as justified, it shall inform the Client on whether the reasons for submitting the objection have been removed, i.e. about the deadline for its removal and of measures that shall be taken for its removal.

The Bank shall not calculate and charge a fee to the Client nor any other expenses related to processing the objection to Bank work.

The right on complaint to 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 submitted complaint within the above mentioned deadlines and prior to the initiation of litigation, within a period of 6 (six) months from the date of the receipt of the response of the Bank or the end of the deadline for the delivery of a reply of the Bank to a submitted complaint, the Client can file a written complaint to the National Bank of Serbia, Department for Financial Consumer Protection, to the address PO Box 712 in writing or on 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 has not been submitted within the prescribed term, before filing a complaint or after the receiving notification which the National Bank of Serbia has delivered to the Client regarding the objection 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 nor more than fifteen days from the date of the submission of the proposal to the other side.

The mediation procedure in front of the National Bank of Serbia is opened by conclusion of mediation agreement, whereby 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 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 submitted, the National Bank of Serbia shall suspend the processing per the complaint until completion of mediation, or discontinue this processing if the mediation is terminated by an agreement.

Mediation process before the National Bank of Serbia is confidential, urgent and free of charge, therewith possible expenses of the Bank and Client that may arise from the proceeding shall be borne by the Bank and Client themselves, regardless of the outcome of the procedure. Each side may waive further participation in the mediation procedure at any stage of the procedure.

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 User does not exclude or affect the exercise of the right to judicial protection, in accordance with the law."

V CONTRACTUAL RELATIONSHIP BETWEEN THE BANK AND THE CLIENT

Bank's Offer on Agreement Conclusion

At the Client's request, the Bank is obliged to provide information and appropriate explanations of terms and conditions related to his/her agreement on deposit, loan, contracted overdraft, i.e. agreement on issue and use of a credit cards (hereinafter referred to as: the "Offer") in the manner which will allow the Client to compare offers obtained from various commercial banks and evaluate if these terms suit his/her needs and the financial situation, provided that it will not be misleading to him/her at any time.

The Bank is obliged to offer its Service to the Client in dinars (RSD), except if the Client requests to be offered the service in dinar counter-value of a foreign currency, or in a foreign currency, in accordance with provisions that regulate foreign currency operations.

If the service is provided in dinar equivalent of a foreign currency, i.e. in foreign currency, the Bank is obliged to advise the Client in writing of all risks he/she is assuming in that case, by submitting a prescribed form.

The Offer will be made in the prescribed form, in hard copy or some other permanent data carrier and will contain data prescribed by current regulation.

The Bank is obliged to inform the Client intending to conclude the agreement on financial services that he/she may be provided with the draft

of the agreement proposed to be entered free of charge, at his/her request.

The Client will accept the Bank's Offer by entering the relevant financial service agreement.

Prior to concluding a loan agreement, overdraft agreement, deposit agreement or agreement on the issue and use of credit card, the Bank shall be obliged to submit the offer, information or agreement draft to the person intending to provide means of security (warranty, bill of exchange, administrative ban etc.), except for loans where the borrower is also the owner of items subject to right of pledge, or mortgage, or shall become the owner of such item on the basis of a sale and purchase operation, for which this loan funds would be granted.

During the preliminary contractual phase, the Bank engages to submit the Client in writing and/or durable data carrier, data on documents which the Client is obliged to submit to the Bank, enclosed with written request for the use of loan under Bank offer (hereinafter: Loan Application).

The List of documents which the Client is required to submit enclosed with the Loan Application, is prescribed by the Bank which contains the list of all documents required for the Bank to make a related decision on the approval of a housing loan to the Client, in line with internal acts and credit criteria of the Bank (hereinafter: Documents List)

The Documents List is available to Clients on Internet presentation of the Bank www.otpsrbija.rs and/or in Bank branches. Enclosed with the loan application, the Client is obliged to submit the Bank due and complete documents from the Document List. Under due documents, the Bank implies that documents from the list have been submitted in proper form, namely: signed and/or stamped, if applicable, and submitted in original and certified copy of a public notary and issued by a competent body/organization/institution or legal entities etc. Complete documentation implies that all documents specifically listed in the Document List for a specific loan have been submitted.

Should the Client not submit due and complete documentation in accordance with the Documents List, the Bank shall call the Client to submit the lacking i.e. proper documents.

Following submission to the Bank of Loan Application by the Client, with due and complete documents, the Bank shall inform the Client in writing or by e-mail whether the submitted documentation is proper and complete.

The term for rendering the Bank decision on the approval of a particular loan for which the Client submitted a signed request, containing due and complete documentation (hereinafter: Term of Decision) shall start from the date of submission of complete and proper documents necessary for the Bank to make a related decision.

The term for rendering a decision is set forth and defined in the Documents List for a particular loan to which the Client applied.

Obligation to Assess Client creditworthiness

Prior to entering the loan agreement, credit card and/or allowed overdraft, the Bank will evaluate the Client's creditworthiness on the basis of data provided by the Client and on the basis of review of the Client's indebtedness database (Credit Bureau of the Association of Banks of Serbia (hereinafter: Credit Bureau)), subject to the Client's signed consent.

Should the Bank and the Client agree to increase the Client's loan indebtedness, the Bank will evaluate the Client's loan standing again.

If the Client's application for loan, credit card and/or contracted account overdraft was rejected on the basis of review of the Credit Bureau database, the Bank is obliged to notify the Client on the data found in the database immediately in writing.

Conclusion of the Agreement

The Agreement between the Bank and the Client will be drawn up writing or on another durable data carrier and it will include the terms and conditions specified in the Offer that was accepted by the Client.

Provisions of the Agreement must be clear, precise, unambiguous and understandable to the Client, and the liabilities defined, i.e. determinable in such a manner that the Client may be notified at any time during the

term of the contractual relationship how and under which conditions its liabilities may be changed, i.e. other contracted conditions amended.

The Bank is obliged to keep in the client file the agreement and contractual documentation related to that Client (offer, agreement draft, review of mandatory elements, repayment / disbursement schedule, agreement annex with new repayment schedule, notices, warning etc.)

Content of the Agreement

Agreements on deposit, loan, account overdraft agreement, contain mandatory elements prescribed by regulations regulating protection of consumers of financial services, agreements on issue and use of credit payment card along with stated mandatory elements prescribed by said regulations should also include elements in accordance with legislation regulating on payment services, while other banking services including, but not limited to, agreement on issue of bank guarantees, bailment, guarantee of a bill, etc. and should include elements prescribed by other relevant regulations, which regulate these banking operations.

When entering the deposit agreement, i.e. loan agreement, the Bank will deliver to the Client a copy of the deposit payment schedule (except in case of concluding agreement on deposit at call) i.e. / loan repayments as well as review of mandatory deposit / loan elements containing basic data on deposit / loan.

When concluding the agreement on overdraft and agreement on issue and use of credit card, the Bank will deliver to the Client a review of mandatory elements

The Bank will keep in the Client file the second copy of schedules and reviews which the Client gave his/her consent to.

Following the conclusion of the loan agreement, the account overdraft agreement or agreement on the issue and use of credit card, the Bank shall be obliged to submit to the person who provided the means security, a copy of such agreement with repayment schedule and review of mandatory elements, except when the borrower is also the person providing the security or shall become owner of the item subject to mortgage or other right of lien, on the basis of a sale and purchase agreement for which implementation the loan funds have been granted.

Notice to the Client during Agreement validity

Amendment of Mandatory Elements of the Agreement

If the Bank intends to amend a mandatory element of the agreement prescribed by the Law, it is obliged to obtain a written consent from the Client prior to enforcement of the amendment under contractual terms. If the Client does not agree with the amendment, the Bank may not unilaterally amend the agreement terms and conditions, or terminate the agreement unilaterally, i.e. cancel it.

As an exception from previous paragraph, if the fixed interest rate or fixed elements of the variable interest rate, i.e. fee or other expenses are modified in favor of the Client, such modifications may be applied immediately without his/her prior consent.

In the case described in the previous paragraph, the Bank shall be obliged to immediately advise the Client of the paragraph modifications in writing, or on other durable support and to state in the notice the date as of which the modifications shall apply, and in case of change of interest rate, the modified loan repayment/deposit disbursement schedule shall be submitted to the Client enclosed with the Notice.

Notice on variable interest rate

If a variable nominal interest rate has been negotiated, the Bank shall be obliged to advise the Client accordingly in writing or on another durable data carrier, including but not limited to the submission of notice by fax, e-mail, posting on e-banking platform, publication on the Internet presentation of the Bank, posting at the Bank branch offices, collection from Bank outlets and/or by sending SMS message, prior to the beginning of implementation of modified interest rate, i.e. periodically in accordance with the Agreement, and to indicate in that Notice the date as of which the modified interest rate shall apply.

Regarding loan contracts, the Bank shall submit the Client the modified loan repayment schedule, enclosed with a notice under the previous paragraph, in writing or on a durable data carrier.

At Client's request, the Bank is obliged to make available loan payment schedules to the Client during the term of the contractual relationship free of charge.

Amendment of other Agreement Elements

The Bank is obliged to timely notify the Client in the agreed manner on change of data that are not prescribed by the Law as mandatory elements of the Agreement.

Statements on the Debt Balance and the Account Overdraft

The Bank is obliged to deliver to the Client on a six month-basis and free of charge a statement on his/her debt balance under the loan agreement, i.e. credit card, under contractual terms, in legally prescribed content.

In case of contractual overdraft, the Bank is obliged to deliver free of charge to the Client, in writing or on some other permanent data carrier, a notice – statement on all changes in his/her account under contractual terms at least on monthly basis, in content prescribed by law; at Client's request, the Bank is obliged to deliver the statement immediately, subject to charging the issue of additional statement in accordance with the then current Price List of the Bank.

In case of significant unconstructed account overdrafts lasting over one 1 month, the Bank is obliged to promptly notify the Client, in writing or some other permanent data carrier, under contractual terms about:

- The overdraft amount;
- Interest rate to be applied on the overdraft amount;
- Other potential costs and fines.

Right to refund of means of security

The Client, i.e. the provider of the security means is entitled, following full settlement of Client obligations towards the Bank under an agreement, to take over the outstanding security means given under the respective agreement, including security means inscribed in the appropriate register.

The Bank is obliged to advise in writing the Client, i.e., the provider of security means that the Client has settled all of his/her obligations towards the Bank under a certain agreement, within 30 (thirty) days from the date of settlement of these obligations.

The notice under the previous paragraph contains information on the agreement under which all obligations towards the Bank have been settled, the amount of settled obligations.

VI. SPECIAL TERMS AND CONDITIONS

In addition to these General Terms and Conditions, the Bank performs its activities in accordance with the relevant local and international legislation and generally accepted rules of banking practice.

Adequate terms and conditions and rules are also applied to transactions with securities with a foreign element and similar transactions.

Any exemption from the provisions stipulated hereunder may be applied subject to corresponding amendment reached by mutual agreement between the Bank and the respective Client made in writing. When the amendment was agreed verbally, the Bank and the Client will immediately prepare the same in writing.

If any term or condition or provision hereunder becomes invalid or unenforceable, the validity of other terms and conditions and provisions will not be affected, and rights and liabilities of the Client and the Bank will be interpreted as if the General Terms and Conditions did not include invalid and unenforceable terms and conditions and provisions.

VII INTEREST AND FEES

1. Interest – General Provisions

The Bank contracts, calculates, pays and collects interest on bank transactions in accordance with the Decision on Interests of the Bank and the present Conditions.

Interests are expressed on the annual, monthly and daily basis.

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

Variable interest rate is an interest rate whose amount depends on the contracted variable elements which are officially announced (reference interest rate - EURIBOR, LIBOR, BELIBOR, average rate on Treasury Bills BEONIA, EONIA and REPO NBS – reference interest rate of NBS, consumer price index, etc.) and the fixed element – Bank's margin.

Bank harmonizes the variable element of contracted variable interest rates in accordance with the relevant provisions of the agreement,; therewith change of that variable element of the contractual variable interest rate is affected by the following factors :

- Changes in reference interest rates on the local money market (base interest rate of NBS, average rate on Treasury Bills, BEONIA and BELIBOR)
- Changes in reference interest rates on international money markets (EURIBOR, LIBOR, EONIA).

The Bank is obliged to visibly display the notice on value movements of contracted variable elements mentioned above on a daily base in its premises and on its website.

The Bank regulates the type and amount of the nominal interest under the Agreement.

2. Annual Effective Interest Rate

Effective Interest Rate (EIR) is a discount rate on annual basis, whereby current value of all cash flows, i.e. current value of all cash inflows related to financial services is equalized with current values of all cash outflows related to financial services, which are known at the moment of determination of the rate.

The Bank is obliged to calculate the EIR in a uniformly prescribed manner to allow comparison of identical offers obtained from different providers of financial services.

3. Delay in Payments

The Bank will calculate a default interest on any and all due and outstanding payments from the date of their maturity in accordance with the current regulations; in case the contracted interest rate is higher than the default interest rate, the Bank is entitled to apply the contracted interest rate on due and outstanding payments as well.

If during the term of the contractual relationship appear, circumstances, i.e. other significant events beyond the Client's control, which result in difficult financial position of the Client, the Bank may, on Client's demand, suspend payments (moratorium) for a certain period in which no default interest will accrue on the due and outstanding payment.

The Bank prescribes the criteria for suspension of payments (moratorium) in its internal by-laws.

4. Fees - General Provisions

The Bank determines and collects fees for services provided to its Clients.

Fees, costs and commissions collected by the Bank may be fixed and variable.

The amount, manner and terms of payment of the accrued fees for the Service provided to the Bank's Clients are determined under the Agreement entered with Client and in accordance with the Interest Policy and Fees Policy as well as individual Price Lists of the Bank by client categories

VIII GENERAL TERMS AND CONDITIONS FOR PROVIDING BANKING SERVICES

1. DEPOSITS

1.1. Type of Deposit and its Term

The Bank opens and maintains savings deposit accounts

- a) unconditioned
- b) conditioned

which are classified in terms of their maturity to:

- a) savings accounts at sight (at sight)
- b) fixed term savings account (term deposit)

The Bank receives dinars and foreign currency deposits.

The types of deposits, currency, tenor, and minimum and maximum asset amount which may be paid for at sight deposits and/or term deposits are defined the Review of Deposits Interest Rates.

The term of conditioned / guarantee deposit will be in accordance with the maturity term of the base transaction which is secured by this conditioned / guarantee deposit.

At Client's demand, a different deposit term may be contracted than those specified under the General Terms and Conditions.

1.2. Type of Nominal Interest Rate Applied to Deposits by the Bank

Interest rate for dinar and foreign currency at sight savings account and term deposits is defined under the Agreement concluded between the Bank and the Client.

Interest is accrued to the account in the same currency in which the respective deposit was made.

1.3. Nominal Interest Rate

Nominal interest rate is expressed in its gross amount on annual basis and depends on the type of deposit, currency and term.

The Bank will calculate and pay, in the name of the Client– individual and for his/her account and in accordance with the Law which regulates Personal Income Tax, the income tax free from interest (except for interest accrued on dinar proceeds based on savings and other deposits – fixed term or at call) and deduct a gross amount of the interest prescribed.

At the request of Clients- individual –residents, the Bank will issue the Certificate on Paid-up Gross Income, Costs and Expenses, Taxable Income and Paid Public Revenues after Deduction which is required for preparation of annual tax returns on the personal income.

1.4. Interest Calculation Method – Proportionate / Linear Method

When calculating interest on funds available on the savings accounts at call, the Bank applies the linear (proportionate) method of calculation, using actual number of days in a month against a 365/366 days year.

When calculating interest on the fixed term deposit, the Bank applies the linear (proportionate) method of calculation for the 365/366 days year and actual days of the fixed term, except in case of conditioned fixed term / guarantee deposit (as a security of the loan granted) when the Bank applies linear (proportionate) method of calculation for a 360 days year in calculation of the respective interest.

The interest is calculated for all accounts on a daily basis and it is payable / credited to the account, i.e. contribution in accordance with the terms and conditions set forth under the Contract:

- For dinar and foreign currency savings accounts at call the interest is credited to the account on annual basis on the last day of the year, unless agreed otherwise by the agreement;
- Interest on the fixed term savings contribution is payable in accordance with the concluded agreement – on a monthly, quarterly, semi-annual, annual basis and/or after expiry of the fixed term;
- Should the Bank allow prepayment of the interest or during the contracted fixed term to the Client, at his/her demand, terms and conditions, crediting schedule and manner of having the interest at his/her disposal will be defined under the concluded contract.

1.5. Terms and Conditions under Which the Client May Dispose with Deposit

When concluding the Agreement on Fixed Term Deposit, the Client undertakes to deposit to the account maintained with the Bank the contracted amount for the defined fixed term.

The contracted fixed term commences from the date of entering the Agreement on Fixed Term Deposit and simultaneous transfer of the funds to the fixed term deposit savings account.

Should the expiry date of the contracted term fall on a non-working day (weekends, holidays) it will be automatically extended to the first following working day and the accrued interest will be calculated for the same term.

Fixed term of the funds deposited, i.e. dates of commencement and expiry of the fixed term will be defined under the individually concluded agreement.

After expiry of the contracted fixed term, the Bank will credit to the Client's account the amount of the deposited principal and accrued interest after deduction of the taxes prescribed by the law.

During the validity of the Agreement on Fixed Term Deposit, the Client is not entitled to use the fixed term deposited funds, unless defined under the separate agreement or terms and conditions determined for the specific product of the Bank. At the separate and written and reasoned demand of the Client, the Bank may allow the Client to give the funds at his/her disposal before expiry of the contracted fixed term, subject to terms and conditions of the separate agreement.

When entering the Agreement on Fixed Term Deposit, the Client – natural person may select the option of automatic extension of the contracted fixed term deposit, unless the stated option does not comply with other terms and conditions provided in the offer for a specific Bank product. Contracts on approved fixed term savings deposit with prepaid interest and/or crediting of interest during the term may not be entered with the option of an automatic extension of the term; after expiry of the contracted fixed term, the principal and the accrued interest with withholding of statutory taxes will be automatically be transferred to the Client's account in the same currency from which the term deposit was established.

Automatic extension of the contracted fixed term deposit – renewed term deposit – if negotiated, means that the Bank will automatically tie the deposit on the date of its expiry to an equal period of time.

Deposited amount which will be automatically extended is equal to the sum of principal and accrued interest thereon (reduced for withholding tax in accordance with the Law on Individual Income Tax in case the client is a natural person) for the term, in accordance with the Client's choice made at the time of the agreement conclusion.

In case of automatic extension of a term deposit, the Bank is obliged to notify the Client on the extended term of the Agreement and a new interest rate at least 15 (fifteen) days prior to the date of expiry, and the Client is entitled to terminate the deposit agreement free of charge and with the contracted accrued interest for the expired term maximum within 30 (thirty) days from the date of receipt of the notice.

Automatic extension of the contracted term will cease on the basis of a written request of the Client delivered to the Bank at least 5 (five) working days prior to expiry of the contracted term; to the contrary, the term deposit will be extended in accordance with the provisions of the General Terms and Conditions.

Should the Client submit an request early cancellation of the term deposit, the Bank will credit to the Client's account, on the same working day when the request was received by the Bank, the principal amount and the corresponding interest accrued, in accordance with the provisions of the contract, reduced for the costs of early cancellation as set forth under the concluded agreement.

1.6. Insured Deposit Amount

The Law that regulates Deposit Insurance guarantees the depositor's right to have the deposited fund at his/her disposal should the National Bank of Serbia revoke the operating license of the Bank and pass the decision on institution of bankruptcy procedure.

The Republic of Serbia guarantees payment of the insured deposit amount.

At the time of adoption of the General Terms and Conditions the insured deposit amount has been EUR 50,000.00 per Client.

2. LOANS

2.1. Loan Types

The Bank grants to its Clients:

- Conditional loans (consumer loan, loan for car purchase, etc.),
- Appropriated housing loan; loans for purchase of residential space, refinancing loan, i.e. settlement of previous undertakings with another bank on the basis of the granted housing loan, as well as loans for renovations, adaptations and reconstruction.
- Inappropriate (cash) loan,
- Working capital loans,
- 100% deposit covered loans,
- Investment loans,
- Revolving lines,
- Account Overdrafts (permitted overdraft, i.e. permitted borrowing from a current account).

Provisions stated below relate to all loan types referred to herein, except for overdrafts which is described in more details under Chapter 3 below.

2.1.1. Currency in which the Loan is carried / granted or indexed, exchange rate applied and period of the exchange rate harmonization

Loans are granted in dinars as well as in dinars indexed in foreign currency.

The Bank is obliged to apply the official mean exchange rate of the National Bank of Serbia when granting a loan indexed in a foreign currency which will also be applied for loan payments.

2.1.2. Indexation Criteria / Loan Revaluation and Periods of Adjustment

During the validity of the Loan Contract, the Bank reserves the right to reconcile the unpaid loan balance with changes of the mean exchange rates of NBS in its business books.

The adjustment will be made monthly, on the last day of the month by applying the rate prevailing on that date against the rate prevailing on the last day of the previous month, except for the first month after the loan disbursement when the adjustment is made at the rate prevailing on the date of disbursement.

The Client will be regularly notified in writing by the Bank on his/her monthly liability (after performed adjustment against the mean exchange rate of NBS of the indexed loan currency) in the manner defined hereunder for notices on changes of the nominal interest rate.

If the Client did not receive the notice he/she is obliged to obtain timely the information on his/her monthly liability at any of the Bank branches or by calling the Bank Customer Service. If the Client fails to pay-in or pay-in sufficient proceeds for settlement of his/her due and payable loan installment the Bank will calculate the default interest.

2.1.3. Nominal Interest Rate Types

Variable or fixed interest rate is applied to loans granted by the Bank, depending on the loan type, and will be determined under the contract.

2.1.4. Interest Rate Calculation Method

When calculating interest the Bank will apply a linear (proportionate) method of calculation and a 360 days year will be considered as the accounting year.

2.1.5. Types of Security and Collection Instruments and Possibilities of Their Replacement within the Loan Repayment Period and the Related Costs Incurred by the Client on These Grounds

Security and collection instruments acceptable to the Bank are:

- Standing order for collection of liabilities for the funds granted by charging the Client's current or some other account;
- Salary stoppage order – "Administrative Ban";
- Blank promissory note signed by the Client as the note issuer, with bills of authorization made in writing;
- Joint and Several Surety ship of a legal entity and a natural person;
- Backers;

- Guarantee deposit, tied with the Bank by the Client and/or a third party which may be either a legal entity or a natural person;
- Pledge of movables and rights in accordance with the current regulations whereby the lien rights on movables and rights recorded in the register are regulated;
- Mortgage on the real property in accordance with the current regulations whereby establishment and registration of a mortgage are regulated;
- Pledging of securities, shares (bonds), account funds, receivables and other rights;
- Assignment of receivables / ceding regulated by appropriate agreement;
- Guarantees issued by foreign or domestic banks and bills backed by banks acceptable to the Bank;
- insurance with insurance companies acceptable to the Bank;
- Guarantees, pledges and insurances by funds and companies incorporated by the Republic of Serbia, Autonomous Provinces and local self/governments which are incorporated in accordance with the law;
- Other security and collection instruments depending on the nature of transactions and the current regulative.

The Bank will decide on the necessary security depending on its loan policies and current regulative.

In accordance with the made risk assessment, the Bank may demand from the Client delivery of other means of security not regulated hereunder.

In case of settlement of the particular claim secured with several security instruments provided by the Client or third parties, the Bank is authorized to select the order of their implementation, except when the order is specified under any of the current laws.

For the purpose of more efficient collection of its claim, and regardless of the fact that it possesses certain collaterals, the Bank may first try to settle its claims by an agreement with the Client or entering an appropriate settlement.

Backers are liable jointly with the Client with respect to all liabilities deriving from the Loan Agreement.

Movable and immovable property being pledged in favor of the Bank must be insured with insurance companies acceptable to the Bank and the insurance policy must include the restriction right clause in favor of the Bank.

If during the term of the Loan Agreement some of the means of security would become inadequate or insufficient or unenforceable, the Bank may demand other additional means of security as well.

During the term of the Loan Agreement, the Client may apply for replacement of the provided means of security and the Bank will review the new means of security offered in accordance with its loan criteria and decide on acceptance, i.e. rejection of the offered means of security.

If the Bank demands or accepts the application for replacement or supplement of means of security, the Bank and the Client will sign Annex to the Loan Agreement as well as the appropriate agreement whereby relations with respect to the new security instrument will be regulated.

If the Bank accepts the request for replacement of means of security, the Client shall be obliged to take all necessary measures and incur any possible expenses, in order to establish the new security in favor of the Bank.

2.1.6. Terms and Conditions for Early Loan Payment and Related Costs Range

The Client is entitled to fulfill his/her liabilities, in full or partially, under the Loan Agreement at any time; in that case the Client is entitled to reduce the total loan cost equal to the interest and costs related to the remaining term of the Agreement ("Early Payment").

The Bank may negotiate a fee for early payment if the fixed nominal interest rate was agreed for the early payment period; in case of a loan agreement for acquisition of a real estate when fixed or variable nominal interest rate has been agreed.

A fee referred to under paragraph above may be contracted up to the amount of damage suffered due to early payment, and maximum up to 1% of the early payment made, provided that the period between the early payment and term for fulfillment of liabilities under the agreement exceeds one year, i.e. if it is shorter than one year the fee may not exceed 0.5% of the early payment made.

The Bank may demand payment of the fee for early payment only if the amount of early payment in a twelve-month period is over RSD 1,000,000.00.

Fee for early payment may not be demanded:

- If the payment is made on the basis of insurance agreement entered as security of the payments;
- In case of contracted overdraft or credit card;
- If the payment is made within a period in which a variable interest rate was agreed, except in case of loan granted for acquisition of real estate.

Fee for early payment referred to herein may not exceed in any case the interest which would be paid by the Client in the period from the date of early payment and deadline for fulfillment of his/her liabilities under the Loan Agreement.

The damage referred to herein means the difference between the interest agreed with the Client and market interest under which the Bank may place the amount received from early payment at the time of payment, administrative costs inclusive.

2.1.7. Terms and Conditions of Security Enforcement and Consequences of Unsettled Liabilities

If the Client is in delay of payment of any of his/her liabilities, the Bank may activate any or all means of security in the manner set forth under the agreement. Furthermore, means of security may be activated at Client's demand as well.

2.1.8. Terms and Procedure for the Loan Agreement Termination / Cancellation procedure and Reasons for the Bank's Demand for Fulfillment of Client's Liabilities in Full Prior to Expiry of the Agreed Term

The Bank may declare maturity of the loan in case of breach of the Loan Agreement provisions.

The following events are considered to represent a breach of the Agreement:

- a) Any breach of payment obligation by the Client regarding due principal amount, interest, fees, expenses or other payable amounts as set forth in the agreement
- b) If it is determined that the loan has been granted based on incorrect, false or falsified data of importance for making the Bank decision regarding the loan, established after the conclusion of the loan agreement and/or if the Client provided to the Bank incorrect data, or false statements and documents;
- c) If the Client uses the loan for purposes other than the purpose described in the Agreement and/or in case of misappropriation of assets which the Bank granted to the Client;
- d) When required by legislation and procedures regulating prevention of money laundering and terrorism funding in accordance with international sanctions towards certain countries;
- e) If it has been established that continuing business cooperation would pose a reputation risk for the Bank;
- f) If the Bank ceases to fulfill creditworthiness conditions;
- g) In case of refusal of competent body to register lien, mortgage or other means of security requiring registration;
- h) If for any reason any of the means of security or payment instruments under the agreement loses its legal soundness and changes value so that, in the Bank opinion, it no longer provides sufficient security for collection of Bank receivables under the Agreement, and the Client at Bank call and within prescribed term set by the Bank fails to replace the security with another one to the satisfaction of the Bank, or to establish additional means of security and/or instrument of collection at Bank request, all in accordance with Agreement;
- i) If the Client fails to fulfil obligation towards the Bank under the request for submission or establishing additional means of security within a term set by the bank, or fails to conduct new estimate of real means of security of Bank receivables on which

the Bank established lien within contractual term and in accordance with the law / if the Client fails to provide additional means of security, at the request of the Bank for their submission;

- j) If an enforcement procedure has been initiated on the assets or personal income of the Client;
- k) If the Client fails to inform the Bank in writing of the change of home/residence address, change of employer or any other change of personal and civil data;
- l) If some of the client binding statement/confirmation under the Agreement is not or is no longer accurate and correct and/or if it omits any fact which omission would make materially erroneous the statement contained within;
- m) An breach by the Client or third person of its individual obligations and responsibilities under the Agreement and/or contracts regulating security instruments;
- n) If a state or other body proceeds to expropriation or nationalization of shows intention to proceed to expropriation or nationalization of whole or major part of Client assets;
- o) In case of breach of provisions of relevant laws and other legislation by the Client;
- p) In other cases prescribed by agreement and/or contractual laws.

In case of breach of Agreement, the Bank shall be entitled to declare breach of Agreement by the Client and enforce means of security and collection instrument, as well as to unilaterally terminate the business relation /agreement about which the Bank shall inform the Client in a way set forth in Chapter X - Termination of Business Relation under these General Terms and Conditions.

2.1.9. Special rights related with the revolving loan agreement

The Client may cancel the revolving loan agreement in the usual manner, free of charge and at any time, except a contractual cancellation period has been negotiated that may not exceed one month.

In case that this has been negotiated, the Bank may cancel the revolving loan agreement by advising the Client of the cancellation in writing or on a durable data carrier, two months prior to cancellation at the latest.

In case that this has been negotiated, the Bank may for justified reasons (unauthorized use of the loan, substantial degradation of client loan worthiness etc.) decline the Client the right to withdraw funds, being understood that it shall be obliged to advise him/her of the reasons of the refusal, in writing or on a durable data carrier, if possible immediately or within the subsequent three days, except when such a notice is forbidden by another regulation.

3. ACCOUNT OVERDRAFTS (CONTRACTED OVERDRAFT, I.E. BORROWING ON A CURRENT ACCOUNT)

3.1. Nominal Interest Rate Types

Interest rate is agreed to the amount of contracted overdraft and will be calculated and collected on a monthly basis, as determined under the individual agreement entered with the Client.

3.2. Significant Uncontracted Overdraft

Significant uncontracted account overdraft is any uncontracted account overdraft which exceeds RSD 5000.00.

In case of a Significant Uncontracted Overdraft lasting more than a month, the Bank is obliged to notify the Client without any delay in writing or some other permanent data carrier on:

- The overdraft amount;
- Interest rate that will be applied to the overdraft amount, as well as
- Other potential costs and expenses and fines.

3.3. Terms and Conditions for Blocking of Funds by the Bank

In case the Client holds one or several accounts at the Bank (current, other payment or deposit accounts), the Client expressly and irrevocably authorizes the Bank to proceed with the debit of all the said accounts of the Client for the purpose of collection of any claim of the Bank from the Client, as well as all other due liabilities under any contractual relation with the Client. In case of foreign currency account debits, the Bank shall

proceed to conversion of foreign currencies at the buying exchange rate of the Bank on conversion date.

The Bank shall be entitled, from entry in delay under any product, including but not limited to granted loan and/or overdraft opened at the Bank, to unable disposal with funds on these accounts of the Client opened at the Bank, and to block the use of all bank cards until full collection of unsettled dues towards the Bank in case of delay. The Bank shall advise the Client on his/her inability to dispose with funds on the current account and of the blockade of bank card – by SMS to the mobile phone number of the Client or under contractual terms or in a habitual way, all in accordance with applicable legislation, the provisions of the General Terms and the Agreement. The contractual provisions shall not affect the regulation of Client account blockade for other reasons envisaged by law or agreement (e.g. blockade due to enforcement or blockade following court order or order of government body or in case of other special blockade that may be envisaged by agreement or General Terms of the Bank. In cases as per previous paragraph, the Bank shall be entitled to allow the Client disposal with funds on the account, ie. the use of bank card in case the Client has partially settled due obligations towards the Bank, about which the Bank shall inform the Client in contractual manner).

The Bank may, at its sole discretion, make available the proceeds on the account to the Client, i.e. use of his/her payment cards even if the Client has settled his/her liabilities to the Bank partially, whereas the Bank will notify the Client under contractual terms.

4. „RELATED LOAN CONTRACTS“– CONSUMER LOANS GRANTED TO INDIVIDUALS AT THE SALE POINTS

Related Loan Agreement is an agreement made solely for financing the procurement of a specific article or service and make with the agreement on sale of that article or service a commercial transaction.

Economic transaction exists if the Bank uses the Seller's services (business partner) in order to conclude the loan agreement or the article is expressly specified under the agreement.

This type of loan is granted to individual at the Seller's sale points (business partner) in dinars (without indexation and revaluation) and in dinar indexed foreign currency (EUR).

If the Client exercises his/her right to withdrawal from the agreement on procurement of goods, i.e. service providing, in accordance with the consumer protection legislation, he/she is not bound by the related loan agreement.

In the case referred to in the preceding paragraph, the Bank is obliged to refund immediately the loan amount and the corresponding accrued interest paid by the Client up to the moment of his/her withdrawal from the agreement and maximum within 30 days from the date on which the Bank received a notice from the seller on withdrawal from the agreement on procurement.

5. CREDIT CARDS

5.1.1 Types of Credit Cards

The Bank is issuing to its Client credit cards from the system of Visa, MasterCard, Dina, in accordance with the rules of cards organizations and contracts on the issue and use of credit cards, as well as:

General Terms of Use of Credit Cards at OTP banka Srbija AD Beograd for natural persons (hereinafter: General Terms of Use of Credit Cards), General Terms for the Provision of Payment Services of OTP banka Srbija AD Beograd applicable in relation to individuals in the part that is not regulated by the foregoing document, i.e. individual contracts, these documents being available to the Clients on the Internet presentation of the Bank and branches. The use of credit cards by entrepreneurs is regulated by the General Terms for the Provision of Payment Services applicable to legal entities and entrepreneurs

In addition to elements of the framework agreement established by law regulating payment services, the Agreement on issue and use of credit cards also contains obligatory elements established by regulations regulating protection of consumers of financial services.

5.1.2. Credit Limit and Period of Issue of Credit Card

The agreement on issue and use of credit cards defines the granted amount which the user may use over a certain period of time (credit limit).

The agreement on issue and use of credit card is concluded for an undetermined period of time with period of notice.

Credit card is issued with a validity as printed onto the card itself.

5.1.3. Currency of Card Issue and Exchange Rate Applied for Calculation and Currency Harmonization Periods

Credit limits for credit cards are granted in dinars. The Bank will be charged in Euros for transactions made abroad, and conversion / translation of each individual transaction in dinar equivalent by the Bank will be adjusted at the exchange rate defined under individual agreement with the Client, depending on whether the Client –Cardholder is an individual or entrepreneur, as well as in accordance with General Terms of Use of Credit Cards, or in case of entrepreneurs, with the General Terms for the Provision of Payment Services at OTP banka Srbija AD Beograd applicable to legal entities and entrepreneurs.

During the validity of the contractual relation, the Bank pursuant to its internal procedures, may advise the Client by contractual channels of communication on the possibility, terms and conditions for changing approved credit limit. The Client consents with the proposed change of approved credit limit under the respective notification, under terms set forth in the Bank notification, without obligation to conclude separate annex to the agreement on the issue and use of credit card.

5.1.4. Nominal Interest Rates

The Bank negotiates fixed nominal interest rate to the used amount of approved credit limit which will be calculated and charged on a monthly basis as determined under the individual agreement on the issue and use of credit card concluded with the Client and General Terms of Use of Credit Cards, i.e. in case of entrepreneurs – in accordance with the General Terms for the Provision of Payment Services at OTP banka Srbija AD Beograd applicable to legal entities and entrepreneurs.

5.1.5. Interest Rate Calculation Method

The Bank applies the linear (proportionate) method when calculating interest rate for all credit cards.

5.1.6. Interest Rates applied by the Bank in Case of Delayed Payment

On liability maturity date under issued credit card, the Bank shall debit the dinar current account of the Client. In case of lack of funds for the settlement of these obligations on the dinar current account of the Client, the Bank shall proceed to blockade of the credit card and inform the Client accordingly under contractual terms. The Bank charges a default interest to due and unsettled obligation of the Bank, in accordance with the law, i.e. to contractual interest under contract on issue and use of credit cards, if the contractual interest rate exceeds the default interest.

5.1.7. Fees and Other Costs Charged to the Card User

Types and amount of commission and fees charged to the credit card user are determined by the Bank in the agreement on the issue and use of credit card.

5.1.8. Early Repayment

Client is entitled to make early payment of partial or full amount of proceeds spent during validity of the issued credit card at any time. In that case, the Client is entitled to continue regular use of the credit card in accordance with the provisions of the concluded agreement on the issue and use of credit card.

5.1.9. Early Payment in Case of Request for the Credit Card Cancellation

In case of request for the credit card cancellation by the Client, in accordance with the concluded agreement on the issue and use of credit card, the full amount of proceeds spent by the credit card use, with all related fees and expenses, will be considered as due and payable. The Client is liable to settle the amount until 10th day in the following month the latest on the basis of calculation delivered by the Bank.

The Client is entitled to credit cards cancellation free of charge.

5.1.10. Terms and Conditions for Credit Cards Blocking by the Bank

The Bank may disable the use of the payment instrument (blocking of the payment instrument) in line with the law on payment services, General Terms for the Provision of Payment Services and General Terms of Use of Credit Cards, if there are reasonable grounds related to the security of the payment instrument, if there is suspicion of an unauthorized use of the payment instrument, or its use for fraudulent purposes, or if there is an increased risk that the Client shall not be able to fulfill his payment obligation when the use of the payment instrument is related to the approval of loans, i.e. authorized account overdraft to the Client, as well as in other cases under point 3.3. Conditions of Blockade of Use of Assets by the Bank under the General Terms.

The Bank is obliged to notify the Client on the intent to block the credit card and on the reasons for its blocking. Exclusively, if the Bank is unable to notify the Client before the blocking of a credit card, the Bank is obliged to do so immediately after the blocking.

The Bank is obliged to deliver the notice on the intent to block, i.e. on the blocking of the credit card to the Client in the manner agreed upon between the Bank and the User, which includes sending a notification by E-mail, SMS or in some other appropriate manner. Exclusively, the Bank shall not notify the Client on the intent to block, i.e. on the blocking, if giving of such notice is prohibited by regulations or if justified by security reasons.

The Bank shall re-enable the use of the credit card or replace it with a new one, when the reasons for blocking cease, about which the Client shall be notified in an agreed manner.

5.1.11. Types of security and possibility of their replacement during the credit card validity and costs incurred to the Client on these grounds

Acceptable security is:

- Administrative orders;
- Bills and authorization bills;
- Cash guarantee deposit;
- Old foreign currency savings bonds;
- Pledge;
- Joint and several pledge of an individual.

The Bank will decide, at its own business decision, on the type of security in each individual case.

In case of deterioration of Client creditworthiness during the term of the contractual relation, established on the basis of review of database of client indebtedness, the Bank shall be entitled to require the Client to provide additional security.

If during the use of a credit card some of the security become inadequate or insufficient or unenforceable, the Bank may demand other means of security as well.

Card User may demand replacement of security in the period of its use. The Bank will review the offered security in accordance with its credit criteria and decide on acceptance, i.e. rejection of the offered means of security.

Any and all related costs are defined under the Bank Price List of Fees.

5.1.12. Conditions for enforcing means of security and consequences in case of non-settlement of credit card liabilities

In case of default, the Bank may enforce any or all means of security under the agreement on the issue and use of credit card.

5.1.13. Conditions and termination procedure of the agreement on use of a credit card and ground for bank demand settlement of Client's liabilities before expiry of the contractual term

The Bank may declare maturity of the used credit limit under the credit card in case of breach of provisions of the Agreement on the Issue and Use of Credit Card, General Terms of Payment Services Provisions of the Bank and General Terms of Use of Credit Cards.

The Bank is entitled to terminate unilaterally Agreement the contractual relation based on credit card use, in any of the following cases:

- If the Client fails to pay any due and payable liability to the Bank under Agreement on the issue and use of credit card,
- In case of breach of relevant law and other legislation by the Client;
- In cases defined by regulations and procedures regulating prevention of money laundering and terrorism funding, or client action that are not in line with international legislation and standards of the group which the Bank belongs to, which may expose the Bank and entire banking group to regulatory risk.
- If after entering the Agreement on credit Card Use, it is established that the credit card was approved on the basis of incorrect, fraudulent and falsified data essential for the Bank's decision on approval of the credit card, and if this has been determined after the conclusion on issue and use of credit card,
- If the Client or user of additional credit card misuses the credit card or enables its misuse and unauthorized use.
- In case of closure of accounts necessary for implementing the transaction with credit card for reasons foreseen by agreement;
- If the Client ceases to fulfill the conditions specified for his./her credit standing,
- If the Client fails to meet its obligation towards the Bank as per its request for submission or establishing additional means of security within a term set by the Bank, and
- In other cases set forth under the business policies of the Bank and current regulations (hereinafter: Cases of Breach of Agreement).

The terms and procedure of termination of agreement on use of credit card, and reasons for the Bank to require that the Client fully settles its obligations prior to expiry of contractual term are regulated by General Terms of Use of Credit Cards, i.e. adequate General Terms for the Provision of Payment Services

5.1.14. Manner of use and procedure in case of credit card damage, loss or theft

If the credit card is destroyed, i.e. damaged, the Client- is obliged to notify the Bank accordingly in writing by filling in the respective form.

The Client –is obliged to report immediately the loss/theft of the credit card to the Bank by calling its Customer Service and request suspension of its further use by the Bank, and the Bank is obliged to support him/her.

If the Bank fails to allow reporting of a loss, theft or payment transaction made through unauthorized use of the credit card, i.e. data on the credit card at any time, the Client –will not be liable for consequences of unauthorized use, unless in case of abuse on his/her part.

In case of unauthorized use of the credit card, i.e. data on the credit card, the Client –is obliged to report to the Bank the transaction made through unauthorized use of the credit card, i.e. data on the credit card immediately after he/she becomes aware of it, i.e. maximum within 45 days from the date of debiting. In that case the Client may incur losses resulting from unauthorized use of a payment card maximum up to the amount RSD 3,000.00.

The Client –will bear any and all losses related to each payment transaction made by abuse on his/her part. Furthermore, the Client will also bear losses resulting from failure to fulfill his/her obligations deriving from the prescribed terms and conditions for issue and use of a credit card; and is obliged to report immediately to the Bank the loss, theft and abuse of his/her credit card and obligation to protect adequately his/her personal identification number (PIN).

The Client will not bear losses incurred on the basis of payment transaction made after the date of reporting to the Bank on loss, theft or unauthorized use of the credit card, i.e. data on the credit card, unless he/she himself/herself has abused or participated in abuse or acted with the intention of fraud.

The credit card found after reporting of its loss must not be used, but should be returned to the Bank without delay.

5.1.15. Delivery of statements related to the credit card

The Bank shall inform the Client of amount spent by means of credit card on a monthly basis, jointly with the statement of turnover of accounts, if negotiated accordingly, and about the balance of debt, at least on a six-month basis, all under terms prescribed and negotiated by agreement on

the issue and use of credit card. The Bank shall inform the client by SMS to the Client mobile phone number or in another contractual manner of the date of debit under a credit card transaction, as well as on the date of maturity of a credit card installment. Extraordinary statement will be issued at Client's demand and charged to him/her in accordance with the Bank Pricelist.

IX ASSIGNMENT OF CLAIMS

If the Bank will assign its claims under the Loan Agreement, Overdraft Agreement and/or Agreement on Issue and Use of Payment Credit Card, the Client will retain all his/her contracted rights, as well as the right to object the other bank equal to the one he/she had had with the former bank, and the latter bank may not put the Client in a less favorable position than the one he/she would have had if the claim would not be assigned. Furthermore, the Client may not be exposed to additional charges.

Bank's claims related to one agreement may be assigned only to one bank and the Bank is obliged to notify the Client on the assignment of claims.

X TERMINATION OF BUSINESS RELATIONS

Unless agreed otherwise, namely, foreseen by the relevant laws and/or other regulations, the Bank and the client may terminate their business relations by agreement of the parties in writing.

The business relation may also be terminated unilaterally, by addressing a written notice to the other side, under terms prescribed by individual agreement and General Terms and Conditions.

The Client is entitled to unilateral termination of business relation due to gross negligence of the Bank and/or major violation of agreement provisions by the Bank, unless such termination may not be made due to the nature of the transaction (e.g. regarding issued guarantees, opened letters of credit etc.), which arise on the date of receipt by the Bank of written notice which the Client addressed to the Bank.

The Bank is entitled to terminate business relation and agreement with the Client if any of the following Cases of breach of agreement occurs:

- a) Any breach of payment obligation by the Client regarding due principal amount, interest, fees, expenses or other payable amounts as set forth in the agreement
- b) If it is determined that the loan has been granted based on incorrect, false or falsified data of importance for making the Bank decision regarding the loan, established after the conclusion of the loan agreement and/or if the Client provided to the Bank incorrect data, or false statements and documents;
- c) If the Client uses the loan for purposes other than the purpose described in the Agreement and/or in case of misappropriation of assets which the Bank granted to the Client;
- d) When required by legislation and procedures regulating prevention of money laundering and terrorism funding in accordance with international sanctions towards certain countries;
- e) If it has been established that continuing business cooperation would pose a reputation risk for the Bank;
- f) If the Bank ceases to fulfill creditworthiness conditions;
- g) In case of refusal of competent body to register lien, mortgage or other means of security requiring registration;
- h) If for any reason any of the means of security or payment instruments under the agreement loses its legal soundness and changes value so that, in the Bank opinion, it no longer provides sufficient security for collection of Bank receivables under the Agreement, and the Client at Bank call and within prescribed term set by the Bank fails to replace the security with another one to the satisfaction of the Bank, or to establish additional means of security and/or instrument of collection at Bank request, all in accordance with Agreement;
- i) If the Client fails to fulfil obligation towards the Bank under the request for submission or establishing additional means of security within a term set by the bank, or fails to conduct new estimate of real means of security of Bank receivables on which the Bank established lien within contractual term and in accordance with the law / if the Client fails to provide additional means of security, at the request of the Bank for their submission;
- j) If an enforcement procedure has been initiated on the assets or personal income of the Client;

- k) If the Client fails to inform the Bank in writing of the change of home/residence address, change of employer or any other change of personal and civil data;
- l) If some of the client binding statement/confirmation under the Agreement is not or is no longer accurate and correct and/or if it omits any fact which omission would make materially erroneous the statement contained within;
- m) An breach by the Client or third person of its individual obligations and responsibilities under the Agreement and/or contracts regulating security instruments;
- n) If a state or other body proceeds to expropriation or nationalization of shows intention to proceed to expropriation or nationalization of whole or major part of Client assets;
- o) In case of breach of provisions of relevant laws and other legislation by the Client;
- p) In other cases prescribed by agreement and/or contractual laws.

The Bank is entitled to automatic termination of the agreement, without period of notice also in cases of breach of agreement set forth in paragraph 4 of this Chapter X, indicated under lined a) – e), in which case the business relation shall be considered terminated and the agreement cancelled as of the date of receipt of written notice of the Client about the termination which the Bank addresses to the Client.

The Bank is entitled, in case of breach of agreement set forth in paragraph 4 of this Chapter X, under line f) – p) to unilaterally terminate the agreement with period of notice, established by agreement with the Client, i.e. set forth in written notice of termination of agreement, in which case the business relation shall be considered terminated and the agreement cancelled as of the date of expiry of period of notice.

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 permanent or temporary residence and/or 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 Client [provided, 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 first time confirms that they tried to deliver the notification about the termination of the contract.

Legal consequences of termination will be regulated by the agreement, provided that all claims under the contract will become due and payable in full at the time of termination. In case of termination of the contractual relationship, i.e. termination of agreement with the Client, the Bank is obliged to notify the Client in writing:

- On the type and amount of Client's liability under the agreement which will be terminated on the date of calculation, with a note that the amount of liability will be increased for the calculation until the payment date and that the Client can obtain information in the Bank by stating data necessary to make contact with the Bank's competent organizational unit;
- On the term within which the Client is liable to settle all his/her liabilities under the terminated contract;
- On the Bank's right to enforce the provided security and collection instruments submitted to the Bank or established in favor of the Bank, at its sole discretion, if the Client fails to settle his/her liability referred to under the preceding indent, in accordance with the contract.

After termination of business relationship between the Bank and the Client, i.e. termination of agreement, and subject to settlement of all Clients' liabilities in full, the remaining proceeds on any of Client's accounts will be made available to the Client.

These provisions will be applied to termination of business relationship between the Bank and the Client and, accordingly, they will apply to a partial termination of business transactions between the Bank and the Client as well.

Provisions of General Terms and Conditions will apply accordingly after termination of the business relationship and of agreement between the Bank and the Client until final settlement of mutual rights and liabilities.

XI 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 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 by 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 agreement concluded with the data subject or for the purpose of engaging in action, at the request of the data subject, prior to concluding the agreement;
- 3) Processing is necessary in order to honor 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 date 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 agreement, 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 agreement 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.

XII FINAL PROVISIONS

The General Terms and Conditions will become effective on the date of their adoption and their application will commence on 21.08.2019 and the Bank shall display them on a visible place within business premises of the Bank. This consolidated version is drafted on the basis of integral wording adopted at the session of the Board of Directors held on 27.02.2017, adopted amendments to these General Terms and Conditions at the session of the Board of Directors held on 24.05.2017 and adopted by amendments to these General Terms and Conditions at the session of the Board of Directors held on 09.05.2018. and adopted amendments and supplements to these General Terms and Conditions 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