



GENERAL BUSINESS REGULATIONS OF PROCREDIT BANK A.D. BELGRADE APPLICABLE IN BUSINESS OPERATIONS WITH RETAIL – PART THAT REGULATES GENERAL PROVISIONS AND PAYMENTS SERVICES

I INTRODUCTORY PROVISIONS

The General Business Regulations of ProCredit Bank a.d. Belgrade (hereinafter: the Bank) shall apply to business relations between the Bank and the clients, private individuals (hereinafter: the client).

The General Business Regulations refer to: establishing and changing the business relationship, rights, obligations and responsibilities of the Bank and the clients, communication between the Bank and the client, payment services, deposits, credit products, banking secret, termination of business relation, governing law and jurisdiction etc.

Provisions of the General Business Regulations regulating deposits and credit products, points VII and VII, are defined in special documents as:

- General Business Regulations of ProCredit Bank a.d. Belgrade applicable in business relations with retail – the part that regulates deposits; and
- General Business Regulations of ProCredit Bank a.d. Belgrade applicable in business relations with retail – the part that regulates credit products, which are an integral part of these General Business Regulations.

The integral part of these General Business Regulations is also the Price List for Private Individuals, which is enclosed with these Regulations – Annex 1.

The Bank shall display a copy of these General Business Regulations, in Serbian language, on a visible place inside the premises of its affiliates and on the web site of the Bank, www.procreditbank.rs so that the clients are in the position to become familiar with their contents.

In addition to the display of the General Business Regulations in a visible place in the business premises of the Bank, the Bank shall enable the clients to additionally familiarise themselves with the General Business Regulations as a whole, or any part thereof that is related to a particular banking product, by sending to the clients, upon their request, a copy of these General Business Regulations via email or on any other permanent data carrier, and provide the clients with additional explanations and instructions related to the implementation of these terms.

The General Business Regulations apply to relations between the Bank and the clients established on the basis of an agreement, in written form entered into between the Bank and the clients (duly signed or concluded via electronic means of communication – a qualified electronic signature, tan code or the like), application form, online form or another document duly or electronically (qualified electronic signature, tan code or the like) signed by the clients in accordance with the Bank's acts, as well as other forms of business cooperation between the Bank and the clients established in accordance with the current regulations and acts of the Bank, even without concluding a special agreement in written form.

II ESTABLISHING AND CHANGING BUSINESS RELATIONSHIP

The business relationship between the Bank and the clients is established by concluding an agreement in written form (in hardcopy or other durable medium used for communication at a distance), and/or at the client's request by filling in an online form from the Bank's website or through the use of eBanking.

Should, for the duration of the contractual relationship, a need arise to change one of the obligations of the agreement, defined via applicable regulations, the Bank shall collect the prior written consent of the client (in hardcopy or other durable medium used for communication at a distance), prior to applying said changes, unless otherwise envisaged by applicable legislation.

If the Bank wishes to change any other element of the agreement, which does not have the character of a mandatory element of the agreement defined by the applicable regulation, the Bank has the right to change those elements, provided it has previously timely informed the client about the respective amendment. It shall be considered that the Bank has timely informed the client about the respective amendment in case of delivery of a notification to which the client previously reported to the Bank, to the e-mail address, or in any other manner provided for in the General Business Regulations for communication between the Bank and the client.

III RIGHTS, OBLIGATIONS AND RESPONSIBILITIES OF THE BANK

The Bank shall have the right to, at its own discretion, on the basis of evaluation by the competent units of the Bank and decisions of its bodies, and in accordance with its procedures, make a selection of clients with whom it will establish business relationships. The Bank reserves the right not to establish business relations with certain clients, whereby there is no need for the Bank to give additional explanations about the reasons for such rejection, except for the cases when the Bank is obliged pursuant to the applicable regulation to give the necessary explanation.

The Bank recognises the list of the Office of Foreign Assets Control (OFAC), the consolidated list of persons, groups and bodies in accordance with the EU financial sanctions, the UN list of sanctions and embargoes, and it does not open or maintain accounts, or execute transactions at the request or in favour of the parties in the above-mentioned lists. In addition to the above mentioned, the Bank recognises other sanctions and watch lists in accordance with the standards of the Group.

Unless specified otherwise in writing, the Bank shall not assume obligations and responsibilities other than those that are regulated by these General Business Regulations.

When fulfilling its obligations, the Bank shall be responsible only for gross negligence of its employees. The Bank shall not be responsible for damage incurred as a result of the client's fault.

The Bank shall not be held responsible for any damage caused by force majeure. Within the meaning of these General Business Regulations, force majeure shall mean rebellions, state of war, catastrophes, strikes, traffic interruptions, administrative regulations issued by local or foreign authorities, as well as other events for which the Bank may not be held responsible, or events that the Bank could not prevent or avoid.

The Bank shall not be held responsible for any damage that is the result of actions of competent state authorities in the country or abroad, or as the result of disturbances in its business operations. Limitation of the liability of the Bank shall also apply in the case when the Bank, for material reasons, fully or partially stops or limits its business operations during certain days or during a certain period of time.

The Bank is not obliged to check truthfulness, completeness or validity of documents of either local or foreign origin, which are sent to it or which it owns, and which are related to the appointment of authorised representatives, guardians, fiduciaries and recipients in case of bankruptcy or other administrators, in accordance with the General Business Regulations and relevant legislation.

The Bank reserves the right to begin execution of its obligations related to the works contracted with the client, if they fall on a non-working day, on the first subsequent working day.

The Bank can, for the purpose of collecting its due receivables, automatically, without requesting a special approval by the client, debit all client's accounts with the Bank, transfer the outstanding amount to the Bank's account, and use all collateral items given.

The Bank is authorised to manage funds in the client's accounts, without the client's special written approval or request, also during the forced collection procedure, in order to make payment under final and executive decisions of a court or another state authority, as well as in other cases provided for in the applicable regulations.

The Bank has the right to, without the client's approval, suspend the possibility of using services and/or products, partially or in full, in order to prevent money laundering and financing of terrorism, in accordance with applicable regulations governing these matters, or for other justified reasons or in accordance with other applicable regulations and decisions of the competent authorities, including, without limitation to the cases of abuse of account and/or payment card, etc.

IV RIGHTS, OBLIGATIONS AND RESPONSIBILITIES OF THE CLIENT

The client has the right to request from the Bank all relevant information and obtain corresponding explanations and instructions relating to the application of the General Business Regulations.

The client has the right to request from the Bank, in the written form or on any other permanent data carrier, to receive information, data and instructions related to his/her contractual relationship with the Bank. The Bank has the right to charge a fee for delivery of information, data and information to the client related to his/her contractual relationship with the Bank, except for the cases when applicable regulations stipulate that such notifications are free-of-charge.

The client has the right to request from the Bank information and applicable notifications about the basic data and conditions that refer to the agreement on deposit, FlexFund, account opening and maintaining as well as to the agreement on issue and use of a payment card, digital wallet. The client who wishes to enter into an agreement with the Bank can, upon his/her personal request or via eBanking, receive from the Bank the text of the draft agreement, but certain draft agreements can be received only after control of the client's credit eligibility has been performed, in the cases when this is requested in accordance with the internal acts of the Bank. Irrespective of the aforementioned, in the pre-agreement phase, the Bank shall deliver all necessary documentation prescribed by applicable regulations (in hardcopy or electronically) to the client.

For the purpose of establishing business relationship or identification, the client is obliged to provide the Bank with all documentation prescribed under the applicable regulations and acts of the Bank. If the client is a private individual-resident, he/she must present a valid ID card or passport to the Bank official if visiting the branch/service point, and in the case of a private individual-non-resident, he/she must present a valid passport. The Bank reserves the discretionary right to request an additional document or accept another personal document, by means of which in accordance with the applicable legal regulations and acts of the Bank, it is possible to verify the client's identity. The client has to without delay, not later than 3 days from the day when a change was introduced, unless a different timeframe is prescribed by the applicable legal regulation governing the specific business operation, via email, via eBanking or in person at the branch/service point inform the Bank about all changes of personal and family name, residence status, resident/home address, electronic address (e-mail), telephone number, changes that may be relevant for mutual communication as well as change of other elements that are important for fulfilment of his/her obligations toward the Bank, such as change of employment, loss of employment, decrease or loss of income, etc. If the client fails to comply with the procedure specified in this paragraph, he/she shall be responsible for damage the Bank may suffer as the result of it.

The personal documentation and notices submitted by the client to the Bank shall depending on the nature of the work, the Bank's enactments and the concluded agreement, at the request of the Bank the client shall submit original documents (in hardcopy or in the form of an electronic document), copies or a scanned copy of the original via online with or without the verification of a competent body (municipality, court or notary public), stating that said document is a true likeness of the original. Documents and notifications submitted by the client to the Bank, depending on the nature of the work, Bank enactments and the concluded agreement and at the request of the Bank, the client shall submit verified translations of said into the Serbian language, and in certain cases, foreign documents must be verified by a notary public and legalised via an Apostille, depending on the country of origin of the submitted document. Any documentation the client submits to the Bank verified by a competent body or which a competent body issues at the client's request, cannot be older than is prescribed in the applicable regulations and the Bank's internal enactments.

The client bears responsibility for costs or loss that may occur as a result of forgery, fraud, incompleteness, legal invalidity, as well as incorrect interpretation or translation of documents submitted to the Bank.

The client is responsible for all losses that may be caused by the fact that the Bank has not been informed about a deficiency relative to a legal or business ability of the client, or authorised persons, and their authorisations.

When submitting orders to the Bank, the client's orders must be clear and unambiguous, submitted in writing (in hardcopy or in the form of an electronic document) or another form as may be specified in the agreement, and in accordance with the applicable legal regulations and acts of the Bank.

V COMMUNICATION BETWEEN THE BANK AND THE CLIENT

Communication between the Bank and the clients shall be made through information and marketing materials available in the business premises of the Bank, Internet presentation of the Bank, telephone contact and SMS message, through the info centre of the Bank, via the mobile applications (Viber, WhatsApp, Messenger, Telegram, etc.), video identification, electronic banking services, immediate verbal and written communication, as well as other means of communication. Through said means of communication, the clients can receive all information, while the Bank shall deliver to the clients the necessary notifications by registered mail, or in another permanent data carrier, via electronic banking, when this is explicitly defined by the applicable regulation.

The Bank shall submit to its clients via mobile applications (Viber, WhatsApp, Messenger, Telegram, etc.) advertising material and other information.

The Bank shall not assume and cannot be held responsible for the truthfulness, validity or completeness of the submitted documents, correct interpretation or translation.

Documents, letters, notices, warnings, etc., shall be submitted by the Bank to the client at the client's address specified in the agreement on specific business relationship between the Bank and the client, or, in case of change of address during the period of the business relationship, to the address subsequently submitted by the client to the Bank, in written form or to the client's e-mail address. Where the said documents are sent by post, they shall be considered delivered on the day of despatch to the client.

Information in the written form can be delivered by the Bank to the client directly, in the premises of the Bank. The Bank shall timely notify the client about the need that he/she visits the Bank's premises in order to take the said information.

Should correspondence be conducted via electronic mail, e-banking or SMS message, it shall be considered received by the client the moment said is sent by the Bank.

In case the client fails to notify the Bank in a timely manner on the change of the address of residence or abode, or on other data that had or could have impact on regular submission of letters sent to the address specified by the client, such correspondence shall be deemed duly submitted by sending a letter to this address, or a message through another channel of information using the submitted contact information. Changes to client data may be made via eBanking and video identification. The Bank has the right to use data about the client related to the address, telephone and fax numbers, e-mail address and other contact information, submitted by the client to the Bank when signing the agreement, or application form and/or other appropriate document, for the purpose of submitting to the client notices on its activities, products and services in the form of brochures, leaflets, electronic or SMS messages, as well as all other means of business communication and business presentation. The Bank shall not bear responsibility for an unauthorised insight into information and contents of messages by third parties, sent to the client on the telephone and/or fax number or to the address and/or e-mail address or in another corresponding manner using data that is designated as the client's contact information.

The client may receive information via the Info Centre concerning the balances of accounts held at the Bank that he/she owns i.e., accounts he/she is authorised to access for an indefinite period. In order to secure the use of the service of receiving information via telephone, the Bank assigns a PIN (Personal Identification Number) to the client. In the event of the unauthorised use of the PIN by a third party, the client is obliged to immediately notify the Bank verbally, then in writing within 3 days of the day of verbal notification. The client shall not share the PIN with others to avoid its unauthorised use. Should the client suspect or establish that someone has come into possession of the PIN, he/she may submit a request to the Bank to change said PIN, otherwise the client shall bear all damages which may ensue. The Bank reserves the right to record incoming calls and record them in the form of computer records and on sound carriers as an audio recording. The Bank shall not be held liable for damage which may ensue from interference and interruptions in telecommunication and PTT lines, due to the malfunction of telephone lines or Info Centre telephone devices, malfunction of the PTT system which supports Info Centre services or any of the other support systems linked to these services, as well as other circumstances which are beyond the control of the Bank and without which it cannot offer these services to the client until they have been remedied by authorised persons.

The client has the right to cancel the further use of the services in question by submitting a corresponding written request to the Bank. The Bank reserves the right to subsequently change the scope and content of the services it provides through the use of the existing PIN. The Bank has the right to cancel the further provision of the services in question to the client along with the submittal of a written notice of cancellation of the provision of the service in question.

VI PAYMENT SERVICES

1. Introductory Regulations

ProCredit Bank a.d. Beograd, Milutina Milankovica 17, 11070 Novi Beograd, ID No. 17335677, TIN 100000215, is a joint stock company registered in the Registers of Companies with the Business Registers Agency, with a licence for operation G. No. 538, issued on 5 April 2001 by the National Bank of Yugoslavia. The website of the Bank is www.procreditbank.rs, among other things, contains a list of affiliates (branches) of the Bank. Other contact data of the Bank includes:

- email: srb.kontakt@procredit-group.com
- phone: 011/2077-906,
- fax: 011/2077-905.

The competent authority for the supervision of ProCredit Bank a.d. Beograd, as the provider of payment services, is the National bank of Serbia, Nemanjina 17, 11000 Belgrade.

This part of the General Business Regulations (Point VI) regulates the conditions and manner of establishing and development of business relations between the Bank as the payment service provider and the client as the payment service user.

This part of the General Business Regulations including the Schedule, along with the Price List, which is an integral part of said, and the special agreement on opening and keeping the account or provision of any other payment service, is the Framework Agreement on Payment Services (hereinafter referred to as the: Framework Agreement).

The Schedule for execution of the payment transactions (time of the receipt of the payment order) also includes the instant payment service, available as of 22.10.2018.

Instant payments are a cashless means of fund transfer in amounts under RSD 300,000.00, which are available 24/7/365 and with this service the recipient's account is credited in real time or almost real time, regardless of specific payment instrument which initiated particular payment transaction. The Bank shall execute instant payments with banks which participate in the system of these payments. Instant payments shall be possible via point of sale locations in line with National Bank of Serbia regulations.

The Schedule – <i>All payment orders received after below listed times shall be executed the following business day</i>			
PAYMENT SYSTEM	Time of receipt		Time of receipt
Domestic payments system		International payments system	
Transfer orders - internal	until 5 p.m.	Outgoing international payments	
Transfer orders – clearing	until 2:30 p.m.	FX transfer to another local bank	until 1 p.m.
Transfer orders - RTGS	until 3:30 p.m.	Internal payments	until 3:45 p.m.
E-banking		ProPay	until 2 p.m.
Transfer orders - internal	until 19:30 p.m. in 00:00 a.m.	FX collections-receipt of data for statistics and documentation needed for crediting FX account	Until 4:30 p.m.
Transfer orders – clearing* Transfer orders – RTGS *valid until 01.06.2017)	until 5 p.m.		
**The Bank retains the right to deviate from the Schedule in extraordinary situations in terms of receiving and executing payment transactions. An extraordinary situation shall be considered any force majeure reason due to which the Bank is technically unable to execute duly presented valid order.			
Time of execution: Current date			

Cash withdrawals	
Amount expressed in the EUR currency, applies to the RSD in the dinar equivalent	RSD/EUR cash withdrawals.
Up to EUR 5,000 or RSD in the dinar equivalent	ProCredit card at 24/7 Zone ATMs, every day
From EUR 5,001 to EUR 20,000	ProCredit card at 24/7 Zones ATMs, with a prior limit increase on the debit card. The withdrawal is performed by the end of the following business day.
From EUR 20,001 and higher	Directly in the branch* along with a prior announcement/scheduled appointment. The withdrawal is performed by the end of the following business day.
Cash deposits	
Amount expressed in the EUR currency, applies to the RSD in the dinar equivalent	RSD/EUR cash deposits
up to EUR 5,000	ProCredit card at 24/7 Zone ATMs, every day
From EUR 5,001 to EUR 30,000	ProCredit card at 24/7 Zones ATMs, with a prior limit increase on the debit card. The withdrawal is performed by the end of the following business day.
From EUR 30,001 and higher	Directly in the branch* along with a prior announcement/scheduled appointment. The withdrawal is performed by the end of the following business day.
Daily ATM limit	
Maximum daily limit for cash deposits/withdrawals at ATMs in both currencies (aggregate), expressed in EUR currency also applies to the RSD in the dinar equivalent	
Deposits	30,000
Withdrawals	20,000
Withdrawals from the ATMs of other banks	up to 1,000
*Cash deposits/withdrawals are possible in the following cities: Belgrade, Novi Sad, Kragujevac, Niš and Subotica	
For cash deposits in American dollars or Swiss francs it is necessary to contact the Info Centre a day in advance to schedule an appointment, regardless of the deposit amount	
For cash withdrawals in American dollars or Swiss francs it is necessary to contact the Info Centre a day in advance to schedule an appointment, for withdrawal amounts exceeding RSD 600,000 in the dinar equivalent	

The General Business Regulations, the Schedule, along with the Price List, are available in all Bank's affiliates in writing, as well as on the website of the Bank www.procreditbank.rs.

The Framework Agreement is concluded in Serbian, which will also be used for communication between the Bank and the client for the duration of the contractual relation, whereas in some cases the Bank may allow the client the use of the English language. During the contractual relationship, the Bank will deliver to the client a copy of the Framework Agreement at the client's request, as a paper copy or on another permanent data carrier, in accordance with the provisions of the General Business Regulations.

All matters that are not regulated by the provisions of the special agreement or the provisions of Point VI of the General Business Regulations, shall be governed by the general provisions of the General Business Regulations and applicable legislation of the Republic of Serbia.

2. Opening and maintenance of the payment account

The Bank opens and maintains the payment account of a client based on his/her request and the Framework Agreement, i.e. the agreement on opening and maintaining the account concluded with the client and the General Business Regulations, as well as on the basis of the required documentation stipulated by applicable regulations or procedures of the Bank.

The Bank opens and maintains the following payment accounts:

- Current accounts, and
- Special purpose accounts.

The Bank opens and maintains payment accounts within the frameworks of the Total or Basic Account. The Bank provides savings options primarily to clients who have an account opened with the Bank within the frameworks of either the Total or Basic Account. The client may also submit an application form to open a savings account via eBanking.

The Bank maintains the payment accounts in the official currency of the Republic of Serbia (RSD) and in the currencies EUR, USD, CHF depending on the type of the payment account, in line with the provisions of the agreement on the opening and maintaining a special type of account and this General Business Regulations.

The Bank shall provide services of placing or withdrawing cash to/from the account, transfer of funds, and other payment services within the balance or available funds on the payment account, in line with the provisions on the agreement on opening and maintaining a certain payment account, General Business Regulations and special regulations.

Payment transactions related to foreign currency accounts of clients are executed through a correspondent bank, if there is no possibility for the Bank to execute them completely within its organisation, and in such situations the Bank is authorised to execute the payment orders of clients through a network of its corresponding banks, at its own discretion.

The client may, in writing, authorise one or more than one person in a way prescribed with the General Business Regulations for execution of payment transactions under the Framework Agreement, or the agreement on the opening and maintaining a certain type of the payment account.

When opening a payment account or concluding agreement with the client or his/her legal representative (for person under custody and minors) the Bank shall verify the client's identity, i.e. their legal representative, by checking the valid and credible personal documents, ID card or passport or another document that the Bank may request, and/or appropriate documents as prescribed by the law, with mandatory presence of the person who is the subject of identification. The Bank shall retain a copy of personal document and documentation on the basis of which it has executed identification or the certified documents that the Bank has received in another manner for the purpose of account opening. In addition to the fulfilled application for the payment account opening, the client must, in the presence of an employee of the Bank, fill in the signature specimen card.

If the client fills in an online application form to open a payment account or does so via eBanking for an additional account, he/she is obliged to fill in a signature specimen card the next time he/she visits the Bank.

The Bank closes the account of a client in the following cases:

- at a written/online request of the client provided that the client does not have outstanding obligations to the Bank, with a notice period of 30 days,
- in case of death of the client after complete resolution of property relations regarding the rights and obligations in relation to the account,
- in case of mutually agreed termination of the agreements for opening and maintaining an account or unilateral termination of the agreement by the Bank,
- in other cases, prescribed by applicable regulations and the General Business Regulations.

The client agrees that the Bank may close the account of a private individual, or terminate the agreement on opening and maintaining the account, if the client's account is inactive, while the Bank, during the contractual relationship, checks the accounts and after the verification makes a decision on unilateral termination. An inactive account, with the exception of the Basic Account, shall be considered a client account which has not had any transactions for a period of three months and in which the balance is less than EUR 200 or the RSD equivalent according to the official median exchange rate of the National Bank of Serbia, or if the account maintenance fees have not been settled timely over the last three month period.

Transactions to/from the account do not include transactions such as entries of interest and commissions as well as other costs of the Bank that are automatically executed.

The Bank shall transfer the funds from the closed accounts of the client to a transient account of the Bank (bank account 00-703-000000.0) for depositing funds from closed accounts and put them at the client's disposal upon the client's written request. The Bank does not pay interest to those funds.

Provisions of the General Business Regulations that specify the termination of the business relation between the Bank and the client also apply to the termination of the agreement on opening and maintaining the account if they are in line with the regulations that govern the payment services.

3. Authorisation for managing the payment account

If the client wishes to authorise another person to open, manage and handle funds in his/her account and on his/her behalf, he/she must fill out the authorisation, authorising thereby another person to manage the respective account, that is to submit an authorisation verified by a holder of public authority that is date no later than 6 months prior to its submittal. Signature of the authorised person has to be deposited in the presence of an employee of the Bank, and the identity of that person has to be verified on the basis of personal and other documents. The client may authorise one or several persons to perform specifically determined actions on the payment account. The client who is the holder of an account shall be obliged to familiarise the authorised persons with the content of these General Business Regulations as well as with the conditions of any individual agreement on the opening and maintaining accounts for which that person is authorised. A person is considered authorised for payment account is deemed to have accepted the General Business Regulations, i.e. the Framework Agreement, at the point of assuming the first actions related to the payment account for which he is authorised. The authorised persons shall act in the name and for account of the client, as the assignor, and on the basis of the duly issued authorisation on the form provided by the Bank or authorisation certified by a competent authority, when so requested by the applicable regulation.

Authorisation certified by a competent authority may not be older than six months for residents and three months for non-residents.

The authorised person cannot issue new authorisations or revoke the existing authorisations, nor is the authorised person authorised to close the client's account, unless it is explicitly specified in the authorisation for that matter. In case there should be any change concerning authorisation or persons handling the payment account or the authorisation scope, the client must notify the Bank about such a change without delay, and must do so in person, in the Bank's premises, by submitting evidence of the respective change.

Authorisations and deposited signatures of persons authorised to manage a payment account, or handle funds in the account, shall be valid until they are revoked, and that revocation shall be submitted in writing on the form provided by the Bank, unless the client is a pensioner, in which case the authorisation given for managing and handling funds in the current account must be renewed every six months. Until the point of revocation, the Bank relies on the authorisation, i.e. powers of attorney, and shall not be accountable for damages that may arise as a result of management and disposal of funds in the client's payment account based on those authorisations, i.e. power of attorney.

At the moment of submission of the notice to the Bank with adequate evidence or at the moment of receipt of reliable and confidential information about the death of the client in whose name the account is maintained, authorisations and possibly the issued special powers of attorney for the managing of account shall become invalid, and funds in the respective account shall be blocked, along with all payment cards related to the respective account (primary and additional), for all further transactions, i.e. become invalid and the amount of the funds used be immediately proclaimed fully due. Until the respective moment, the Bank cannot be held responsible for its actions and use of funds in the account, based on the previously given authorisations, and shall not be liable for occurrence of any damage.

Upon receipt of the final decision on inheritance based on the final and executive decision of the competent court or another authority or final and binding decision on guardianship of property or other decisions of a competent authority, and in accordance with the relevant regulations, the Bank shall allow account management only to such a person or persons appointed in the said documents, i.e. transfer funds from the client's account to the account of legal successors of the testator.

In case the client has one or more payment accounts opened with the Bank, the Bank is authorised to, at any time and in accordance with relevant regulations, compensate for any receivables from the client with its liabilities towards that client.

The client is authorised to make compensation for all his/her debts to the Bank, including his/her receivables of the Bank when such receivables are explicitly and in writing acknowledged by the Bank, when such receivables are in the same currency as the client's liability toward the Bank that is being compensated therewith and when the total amount of the client's existing receivables from the Bank exceed the total amount of the client's existing and contingent liabilities towards the Bank.

By accepting these General Business Regulations, the client authorises the Bank to debit all client's account kept with the Bank, regardless of the currency the account is maintained in, in order to fully settle its receivables towards the client, incurred for any reason. In case settlement is executed through payment from the client's foreign currency accounts the Bank shall, when calculating the amount, apply the applicable buying exchange rate of the Bank for that currency on the date of account debiting.

4. Payment transactions

The Bank provides payment services in the domestic and foreign currencies, home and abroad, and it is irrevocably authorised to accept payments on behalf of the client, while the client may use the funds from the account in the amount of available funds, all in line with the General Business Regulations and applicable regulations.

In order to provide services that are the subject of the agreement on the opening and maintenance of the payment account, the Bank assigns to the client a unique identifier, which he/she is required to use at each payment transaction or other legally required information the client is obliged to provide for the purpose of properly executing a payment order.

The unique identifier also represents the number of the payment account of the client, which is used for the provision of payment services. Payment transactions that are the subject of the agreement on the opening and maintenance of a payment account can be made only with the correct reference to this unique identifier or other information the client is obliged to provide. The payment order is considered properly implemented if the Bank executes the order in accordance with the unique identifier specified in the order (the payer and / or payee). If the client gives to the Bank a wrong unique identifier, the Bank is not liable to the client for the non-executed or improperly executed order. If the payment order contains the unique identifier without any other prescribed information or if other data do not coincide with the given identifier, the Bank will execute the order according to the unique identifier, if it meets other agreed conditions for its execution, and in such case the Bank is liable only for the execution of the payment transaction in accordance with the unique identifier.

Legally prescribed information that the payment service user is obliged to provide for the purpose of properly executing RSD payment orders are as follows:

- 1) payment code;
- 2) amount;
- 3) current account number of the payer;

- 4) payer name;
- 5) current account number of the payee;
- 6) payee name;
- 7) payer address;
- 8) place and date of payment;
- 9) execution date;
- 10) signature, conformation of the payer/payee
- 11) Urgent execution fee;
- 12) reason for the payment;
- 13) debit reference model no.;
- 14) debit reference no.;
- 15) credit authorisation model no.;
- 16) credit authorisation no.;
- 17) currency code for the RSD

Depending on the type of order, the order may be executed without some of the listed data, however, under the obligation of the client to submit accurate information.

Clients have a possibility to activate a standing order on their current accounts. The client issues the standing order on the principle of a predetermined amount that the Bank will transfer from his account on a certain day of the month to a specific account of the recipient of payment.

Agreement on a single payment transaction shall be governed by the execution of a certain payment transactions not covered by the Framework Contract. Single payment transaction is determined by the payment order and it is considered to be authorised if the user has given consent for its execution, which have been contracted single payment transaction between the bank and the client.

The payment transaction is determined by a payment order. Payment orders are: order for placing, withdrawal and transfer of funds, while the payment orders for foreign currency payments are: payment order, billing and general foreign currency order. Payment orders for foreign currency payment transactions consist of one copy, while other payment orders consist of at least two copies, with the provision that at the client's request the transfer order can consist only of one copy, with the consent of the Bank. It is considered that by the submission of a transfer order by the client through the automated devices in the self-service 24/7 zone the client demands execution of this kind of transaction, and that there is consent by the Bank in this regard, in which case the Bank will issue a confirmation of receipt of the payment order. The order must be correct, legible and authorised by the client in the agreed manner. The client is responsible for the completeness and accuracy of the information specified in the payment order and shall, prior to giving consent (authorisation) of the order, check elements and content of the payment order which initiates a certain payment transaction and / or a series of payment transactions.

The Bank shall execute the payment order if the following conditions are met:

- if the payment order is correct;
- if the payment order is accompanied with proper documentation if it is required with regard to the foreign currency operation or prevention of money laundering and financing of terrorism;
- if the payment account has sufficient funds to pay the entire amount from the payment order and the fee or if the client who makes the payment of cash on his/her payment account gives the Bank cash in the amount necessary for the execution of the order and the fee, unless it is otherwise designated or agreed for a specific additional service;
- if the consent for the payment order is given in the agreed manner.

If the payment order is initiated through the service of direct debit, the Bank shall execute the order only if the recipient of the payment has signed a cooperation agreement regarding the direct debit payment service.

The Bank reserves the right to require from the client additional information related to the payment transaction, if such an obligation arises from the regulations governing the prevention of money laundering and financing of terrorism, regulations that govern the foreign currency transactions or the bank's internal regulations issued pursuant to these regulations.

If the aforementioned conditions are not fulfilled (lack of funds on the payment account, incorrect payment order, the requested documentation and/or relevant information on transactions contrary to applicable regulations and Bank's internal regulations governing the prevention of money laundering and financing of terrorism and / or foreign exchange operations), the Bank may refuse to execute the payment order, in which case it shall inform the client about it and if possible give the reasons for rejection, and of the possibilities and procedures for correction, at the latest within the time limit set for the execution of the payment transaction.

If the execution of the payment transaction is rejected, it shall be deemed that the payment order was not received, and if the client corrects the deficiencies in the payment order and it meets the legal requirements for execution, the corrected payment order shall be deemed as if being submitted as a new order, and the Bank will undertake to execute the order in accordance with these General Business Regulations.

In case that the payment account does not have enough funds for the execution of a transfer order, the Bank will not reject the order if the client provides the necessary funds on the account for the execution of the payment transaction within 3 days. In this situation the day of the execution of the order is the day when the client has provided the funds into the bank account and put them at the Bank's disposal. If the client fails to provide the necessary funds in the account in due time, the start of the execution of the order be considered to be on the first following business day after the expiration of the above mentioned deadline.

Payments to foreign countries and collections from foreign countries can be made by remittance, documentary letter of credit, documentary collection, other payment instruments that are used in international payment transactions, in accordance with the applicable regulations.

Outgoing payments to foreign countries charged to the payment account of the client are made by the Bank on the basis of a correct order and in accordance with the Schedule, provided that other requirements for the execution of the payment order are met, in accordance with the applicable rules and regulations of the General Business Regulations.

When executing payments locally and abroad the Bank shall apply prices as defined by the Price List for Private Individuals. Foreign bank related expenses for payments effected in EUR and other currencies are duly indicated in the Price List for Private Individuals and refer to cases when payer chooses the 'OUR' option for specific remittance.

Money and capital turnover are exempt from VAT, as per the provisions of Article 25 of the Law on Value Added Tax.

The Bank accepts payment orders through its distribution channels, in accordance with the provisions of the agreement on opening and maintaining certain types of payment accounts and other special contracts, the terms for additional services that the Bank provides to the client with respect to these accounts and the provisions of the General Business Regulations. The time of receipt of the payment order is the time when the Bank receives an order directly from the client - payer or indirectly by the recipient of the payment. The deadline for the receipt of orders is specified by the Schedule which is an integral part of the Framework Agreement. The payment order received by the Bank after the deadline prescribed in the Schedule shall be considered as received on the next business day. If the client specifically negotiated with the Bank the day of the execution of the order, the time of the receipt of the order shall be the day agreed for the start of the execution of the order. If the time of the receipt of the payment order is not a working day of the Bank, the order shall be deemed as received on the next business day.

For payment transactions initiated by a card, the time of the receipt of a payment order is the time in which the client has given consent to execute the payment transaction and the Bank conducted a procedure of authentication.

A payment transaction is considered authorised if the payer has given consent for the execution of the payment transaction or execution of a series of payment transactions which incorporates this particular payment transaction, and after the Bank carried out the authentication process of the payment transactions for which the client has given consent. The manner of giving consent for the execution of the payment transaction depends on the payment instrument and the distribution channels of the Bank. The client gives consent for the execution of a payment transaction initiated:

- in the Bank's branches – by signing and certifying the order or by using the card and PIN under the terms that the particular device requires for the authorisation of the payment transaction,
- with the recipient of the payment – by signing and certifying the order,
- via electronic banking – using smart cards (requires card reader)/TAN/MToken or any other token,
- by cards – correctly typed and checked PIN (ATM, POS terminal or other specialised device that allows the initiation and execution of payment transactions in this way), entering iPIN and/or other personalised security features required at the point of sale (paying via the Internet and the like), the signature of the client or the user, on the certificate on the executed transaction (POS terminals that do not have a PIN module, etc.)
- digital wallet.

Granting approval for the payment transaction initiated in a way that is not defined by these General Business Regulations can be provided by a special agreement. It shall be deemed that the client gave the consent subsequently when after the execution of a transaction he/she takes appropriate documents from the Bank that relate to a particular payment transaction (certificates, certified payment orders, etc.). For transactions executed at the POS terminals of other banks, the timely execution of transactions is the responsibility of the bank that accepts the payment card.

Given consent may be revoked until the payment transaction is not executed. The client may revoke a payment order in writing or in a manner determined for order authorisation by a special agreement for a particular service, whereby the Bank may request the client to provide the original of the transaction order/confirmation, the identification document etc. For a revocation of the payment order the Bank shall charge a fee in accordance with the Price List.

For international payment transactions, the client may request in writing to cancel the payment order at the time and in the manner that enable the cancellation to be initiated before the execution of a specific payment transaction contained in the order, and in the same way the client may revoke or cancel a payment order after execution of a payment transaction in which case the Bank cannot guarantee that this attempt will be successful and will not bear any consequences in this regard and the Bank shall charge fee in accordance with the Price List.

When the payment transaction is initiated by the recipient or the client through the payment recipient, the client may not revoke the payment order after the issue of the payment order or the consent of the payee. In the case of direct debit, the client may cancel the payment order of the payee until the end of the business day preceding the day that is set for the borrowing, or for the beginning of the execution of the payment order. The Bank will take reasonable measures to prevent the execution of the order, while respecting the code of the profession. Upon expiry of the mentioned deadlines, the client may revoke the payment order only with the consent of the Bank and the recipient of the payment.

If a payment transaction is initiated by filing a bill of exchange for payment, the client, by concluding a Framework Agreement or a contract for opening and maintaining the account and acceptance of the General Business Regulations, gives irrevocable consent to the Bank to execute the payment transaction initiated in this way by the promissory note creditor, by debiting the payment account of the client.

The Bank may debit the payment account of the client without his payment order in the following situations:

- in the process of execution or enforced collection, which is executed against the client in accordance with the Law,
- for the collection of due fees for services provided by the Bank in accordance with the provisions of the Framework Agreement, the overdue receivables for the loans granted by the Bank to the client or other due receivables of the Bank against the client, if such a method of collection is agreed upon,
- in other cases, stipulated by applicable regulations.

Payment transaction made in this way is not considered an unauthorized payment transaction.

By signing a contract on account opening and maintenance, i.e. a Framework Agreement, the client irrevocably authorises the Bank that, in the case when he/she does not have sufficient resources to fulfil any obligations under this contract on the payment account, it may make the collection by offsetting the balance of all payment accounts opened with the Bank by the client. If the client has more than two payment accounts (in dinars or foreign currency), the Bank is entitled at its own discretion to determine the order in which to execute the transfer of funds. If the transfer is made from a foreign currency account of the client, the Bank will apply for the calculation the applicable buying exchange rate of the Bank for the foreign currency on that day.

Refunds that are made in some cases of improper execution of the payment transaction (transferred more funds than the amount indicated in the payment order, repeatedly executed payment order or funds are transferred to another receiver of the payment) have priority over the execution of all other payment transactions from the payment account to which the funds were transferred.

With foreign currency inflows, the Bank charges a fee for the amount of the payment transaction being transferred and does so when the funds are approved on the payee's account, and through the account statement, shall separately list the total amount of the payment transaction and the charged fee.

5. Responsibilities of the Bank and the client in the execution of payment services

In domestic payment transaction which is executed in dinars, the transaction amount will be credited to the payee's payment service provider's account on the same business day when the Bank receives the payment order in accordance with the General Business Regulations. For other payment transactions, different deadlines for the execution of the payment transaction may be applied in accordance with applicable regulations.

After the receipt of the payment order from a foreign bank, the Bank will notify the client on whose behalf or on whose account the payment is made about the inflow from abroad. The client has the option of verifying the basis of the foreign currency inflow to the Bank by sending a Statement on the Inflow of Funds via e-mail, to the address stipulated in the Bank.

Payment account of the client will be credited in the currency in which the Bank's account is approved. The Bank will credit the funds on the payment account of the client and make the funds in the account available after receiving notification of the crediting of the Bank's account, but not before the due date for collection which is the date when the foreign bank or another local bank credited the Bank's account. If the funds in the Bank's account are credited on a day that is not a business day of the Bank, it is considered that the Bank received the funds for the client on the next business day. If the Bank's account is credited in the currency in which the recipient of the payment does not have an open account with the Bank, the Bank is not able to enter the inflow in the books unless the client as the recipient of the payment opens a corresponding bank account.

If a client makes payment of cash in the currency of the payment account with the Bank, the due date for the crediting of that payment account will match the date the money is received.

The client can use the funds after the crediting of the funds to the payment account of the client.

The due date of debiting the client's payment account may be on the same date or later than the date when the payment account is debited for the amount of the payment transaction.

The Bank will not make payment transactions for which the client has not given consent in the manner set by the General Business Regulations (unauthorised transaction). In case of the execution of an unauthorised payment transaction, the Bank will reimburse the payment account of the client as if there were no unauthorised transaction, that is, it will refund the amount of the unauthorised transaction and all fees that were charged on that occasion, and pay any accrued interest. The Bank is obliged to proceed in the aforementioned manner if the client notifies the Bank about the unauthorised payment transaction, immediately after the discovery, but not later than 13 months from the date of debit, under the threat of losing the right to the refund and other rights prescribed by law, and after the expiry of 13 months, only provided that during this period, the Bank did not provide information to the client about the unauthorised transaction in accordance with the appropriate regulation. The before mentioned refers to cases of non-executed or improperly executed payment transaction.

In a situation when the execution of payment transactions resulted from the use of a lost or stolen payment instrument or payment instrument that has been misused because the client failed to protect his personalised items, the client bears the losses arising from the execution of unauthorised payment transactions of up to the amount of RSD 3,000. The client does not bear the losses incurred after notifying the Bank in an appropriate manner, stipulated by the General Business Regulations, about the lost, stolen or misused payment instrument. If these losses are caused by the fraudulent conduct of the client, or due to his intent or gross negligence, the Bank shall not be responsible for these payment transactions, and will not refund the client's payment account and the client will bear all the losses in these situations.

The Bank will not be responsible if the payment instrument of small monetary value cannot be blocked, or if its further use cannot be prevented, as well as if it is used anonymously or if the Bank for any other reason arising from the nature of the payment instrument cannot prove that the payment transaction was authorised. Payment instrument for paying small monetary value is the payment instrument that refers exclusively to the execution of individual payment transactions whose amount does not exceed RSD 3,000, or whose total spending limit does not exceed RSD 3,000, or the total value of funds saved in this payment instrument does not exceed RSD 3,000 at any time. If by determining the spending limit of the payment card the aforementioned requirements are met, such a payment card will be considered a payment instrument for the payment of small monetary value.

If the Bank is responsible for the non-executed or incorrectly executed transaction it will refund the amount, the fees and any interest, except if the client requires proper execution of the payment transaction.

If the client claims that he did not authorise an executed payment transaction or that the payment transaction was not executed or was not correctly executed, and in this regard, he/she notifies the Bank, and the Bank after the notification establishes otherwise, the Bank will obtain the necessary evidence thereof.

If the Bank proves that the account of the payee's payment service provider is credited for the amount of the payment transaction, the responsibility for any failure to execute or for an improperly executed transaction passes to that payment service provider.

For payment transactions initiated through standing orders or direct debits, the Bank shall not be responsible if the funds in the client account are not sufficient, if the instructions are not clear, if the third party invoices or similar documents are not clear or are not delivered to the Bank in a timely manner, as well as in other cases that are out of control and influence of the Bank.

If the payment transaction was initiated by the payee or the client via the payee, the payee's payment service provider is responsible for the proper delivery of the payment order to the Bank, that is in due time, and if it is not delivered or is not properly submitted it shall deliver or deliver again that order to the Bank.

The Bank will refund authorised and properly executed payment transaction initiated by the payee or the payer via the payee, under certain conditions, namely: that the client has given consent for the execution of the payment transaction without identifying the exact amount, that the amount of the payment transaction is higher than the amount the client could reasonably have expected, taking into account his previous amount of payment transactions, the conditions of the Framework Agreement and concrete circumstances,

whereby the situation when a higher amount is the result of the exchange of currencies at the agreed reference rate is excluded. In order that the Bank makes refund, the client must provide suitable evidence of compliance with the foregoing conditions and submit an application within 56 days from the date of debit. The deadline for acting on this client's request is 10 business days within which the Bank will either refund or inform the client of the reasons for refusal of the request. The client is not entitled to the refund of authorised and properly executed payment transaction if he/she gave the consent for the execution of the payment transaction directly to the Bank and if the Bank or the payee provided information to the client on the future payment transaction, at least 28 days prior to maturity. The Bank will be responsible to the client for the failure to execute or for improperly executed transaction, under the circumstances when the intermediary involved between the payment service providers is responsible for it, in which case he/she achieves a right to recourse and the right for reimbursement from the intermediary, whereby the aforementioned is not applied for international payment transactions.

The Bank shall in no event be responsible for any failure or improperly executed payment transaction initiated by the client, the payee or the client via the payee, which occurred because of actions or omissions of these persons.

If the unique identifier given by the client to the Bank is incorrect, the Bank is not responsible for the failure to execute or for improperly executed payment transaction. If the payment transaction is improperly executed or not executed because of submitted incorrect unique identifier, the Bank shall, at the request of the client, take all reasonable measures to inform the client about the cash flow of the payment transaction.

If the Bank transfers a higher amount than the amount of the payment transaction specified in the payment order or repeatedly executes a payment order, the payment service provider of the payee is obliged to return these funds without delay, on the basis of adequate evidence. In a situation when smaller amount is transferred, the Bank shall, without the client's request, within the time limit stipulated for the execution of the payment transaction, transfer the difference to the provider of payment services of the payee. If the Bank transfers funds to any other payee, and not to the one indicated in the payment order, the Bank will within the time limit stipulated for the execution of payment transactions properly execute the payment transaction without a request from the client, and the payee's provider of payment services to whom the funds were transferred by mistake is obliged, on the basis of adequate evidence, to return received funds without delay. In this respect, the Bank may cancel, without special order and the consent of the client, entries made by mistake to the account of the client, while the executed correction of the entry shall be notified to the client if the client asks for an explanation of the correction. The client is obliged to return the funds that were paid without a legal basis to his/her payment account or paid directly. If the term for the execution of payment transaction expires, the provisions of the Framework Agreement, or the General Business Regulations that govern the responsibility and the refund for not executed or incorrectly executed transaction shall apply.

Irrespective of the responsibility for the non-executed or improperly executed payment transaction, the Bank will at the client's request take appropriate measures in order to determine the flow of funds of the payment transaction and provide information to the client.

There will be no responsibility of the Bank or the client regarding the execution of payment transactions, if the failure to meet the obligations is impossible due to the force majeure or if it is foreseen by the applicable regulations.

The Bank shall always request from the client to submit clear and explicit instructions (orders) for payment transactions, in the country and abroad, in writing and/or online with the verification of a TAN code, with the specified purpose of payment. Instructions must be submitted by the client and received by the Bank in a timely manner so that the Bank can affect payment transaction in an usual way without having to use any special means of emergency communication for that purpose. The Bank shall execute domestic payment transactions in RSD during the business day when it received them, or on the value date if such date is specified on the payment order, depending on which date comes later for orders prescribed by the relevant regulations in the area of payment services. Within the Schedule, the Bank determines the time until which the orders and instructions will be deemed received on that business day, which cannot be longer than the time determined by the National Bank of Serbia for orders in the domestic payment operations. If the client has specifically negotiated with the Bank the day of the start of performance of an order, the day agreed as the start of performance of the order shall be deemed the time of receipt of the order. Orders regulated by relevant regulations in the field of foreign currency operations shall be executed by the Bank within a period agreed upon with the payer for any individual payment transaction. If the client wants a certain payment to be urgently effected, he/she must notify the Bank thereof. If faster execution of the order is possible, the Bank shall charge an appropriate fee for execution of such a service, defined in the Price List. The Bank shall not be liable for duly execution of international payment transactions or payment transactions in a foreign currency, which take place through the correspondent bank, except in cases of its own gross negligence. The Bank shall not be liable for damages in a situation where after the receipt of a payment order of a foreign bank until the value date of the payment transaction, it does not receive coverage from abroad, i.e. the foreign bank withdraw, block and/or change the order, in which case the Bank is not in a possibility to process the inflow, so it is cancelled. The obligation of the bank to make payment by debiting the positive balance of the foreign currency account or to meet the obligations in foreign currencies shall be limited to the extent and period in which the Bank cannot or can but only to a limited extent dispose of the currency which the liability reads to, as a result of political measures or events in the country of the respective currency. To the extent and period in which such measures or events exist, the Bank is not obliged to make payment in a place other than the country of the currency and in another currency (including domestic currency) or to ensure cash for payment, which shall not influence the right of the client or the Bank to make mutual settlement of claims in the same currency. The bank shall not be liable to the client for any damages based on foreign exchange rate for the execution of an order in a currency other than the original currency in the order, if it has received such an order from the payment service provider of the payee or it was obliged to make itself conversion of inflows in line with the applicable regulations.

With respect to execution of the client's payment orders, the Bank shall not assume any responsibility in the following cases: suspension of payments as a result of application of international regulations, application of relevant regulations and rules applicable to the Bank or its affiliates, moratorium of a correspondent bank, in accordance with regulations of the respective foreign country. The Bank shall not be responsible in any way for loss/damage caused by changes in the exchange rate of currency or value of the means of payment, if the delay or incorrect forwarding of the respective order were the result of actions or omissions of the client, or any third party.

6. Payment account statements

The Bank shall issue prescribed payment account statements no less than once a month to its clients in such a manner that shall enable the client to save said information and to reproduce it in the exact same form. The Bank provides clients to take their statements directly at front office desks, no less than once per month, as well as their submitting via post, to the last known address to the Bank. The Bank shall, at the request of the client, one per month, free-of-charge, submit to a hardcopy of the statement.

In case of FlexFund, the Bank shall also once a month deliver free-of-charge to the client, in the written form or in any other manner contractually defined, notification – statement on all changes in the client's account, and upon the client's request it shall deliver the respective notification without delay with the right to charge a fee for that, in accordance with the Price List.

The client must verify without delay the accuracy and completeness of the statement and other reports and notifications it receives from the Bank. In case the client has objections to that, he must file a complaint within not later than 10 days after the receipt of the provided document, and the complaint should be precisely defined and delivered to the Bank in writing, and not later than 13 months after debiting, under threat of the loss of right to refund and other rights prescribed by law; after the expiry of 13 months, only under the condition that the Bank did not provide information to the client on non-allowed, non-executed or improperly executed payment transaction in line with the applicable regulations. If the client does not submit a complaint to the Bank in line with the above said, the client shall be deemed to have accepted the statement as correct.

7. Electronic banking

The client shall contract with the Bank the use of e-banking services by signing an e-banking application form or a request sent online, in that the rights and obligations between the client and the Bank are defined in the provisions of this item i.e., the General Business Regulations. E-banking services users may be private individuals who have opened payment accounts held with the Bank. In this way, resident clients are able to view their accounts and execute domestic payment transactions in the RSD or convert RSD and FX funds on their RSD, and/or FX accounts and to submit an application for one of the services on offer. Non-resident clients are not able to execute payment transactions via e-banking, but are granted access to view their accounts held with the Bank, submit applications for the services on offer. To ensure the unhindered use of e-banking services, while applying for this type of service, the client shall be notified of the technical conditions that he/she shall be required to provide.

E-banking services include internet banking, mobile banking and terminals. Internet banking services are available through WEB channels (internet), and mobile banking through specific applications on mobile phones and SMS channels.

The service shall be activated in the case of mobile banking by sending an SMS message that will include a link for application takeover and installation, and then by delivering the activation code by email. e-banking is activated by sending instructions to the client via email.

Private individuals who are users of Internet banking shall register through the application by means of their user name and secret password. It is necessary that the user takes good care of own data for applying, as well as never reveal that information to anyone, nor keep it in his/her mobile telephone. The password has to be strictly confidential, and the Bank has no right to demand that the client reveal that password to it. The password shall be immediately changed in case of doubt about it being disclosed. It is recommended to regularly change the password. In the case of abuse of the relevant data by any one third party, provisions of these General Business Regulations, which regulate liability for unauthorised payment transactions performed using a payment instrument shall apply.

For the purpose of ensuring safe electronic payment via Internet banking, the users private individuals authorise payments via a TAN code which is sent to them by SMS message to the number stated in the application form for electronic banking for private individuals. With the aim to prevent abuse by third parties, the user is obliged to:

- use anti-virus software and maintain it on a regular basis,
- use the latest security updates (or patches) for web browser and operational system,

- when applying for Internet banking, check time and date of the last application.
- change password without delay in case of suspicion of password disclosure,
- regularly change password.

The client can change the password at any time by means of the option Change of password.

The Bank may reject the client's application for the activation of electronic banking services after the signing of an application as well, however, it must notify the client about this in one of the ways provided for in the communication of the Bank and the client.

If the client has not used the electronic banking service in the period longer than 3 months, the Bank shall cancel the use of electronic banking service.

The client's payment orders shall be executed in accordance with the agreement on opening and maintaining an account, the General Business Regulations and the applicable regulations. For transactions executed via e-banking, the Bank reserves the right to request from the client to submit documents based on which the transaction has been executed.

The client, by means of electronic banking, can handle funds in the payment account opened with the Bank and FlexFund, approved under this account. The account balance check service can be used for all types of accounts (RSD and foreign currency) of the client opened with the Bank.

The Bank shall not be liable to return the funds if the client has written incorrect data in the payment order when initiating payment transactions through the e-banking, and the Bank has executed such an order. Upon a request of the client, the Bank shall take any reasonable measures so that the client receive information on the cash flow of the payment transaction, with the Bank paying special attention to a fee in line with the Price List.

For its provision of e-banking services, the Bank charges a fee to the client specified in the applicable Price List. The fee for the use of electronic banking services shall be automatically collected by debiting the client's account at the beginning of each month for the previous month.

The Client shall be obliged to adhere to the rules defined under these General Business Regulations and the provisions of individual agreements, to act in a conscientious manner and with due diligence of a good prudent owner, to keep secrecy of all data for log in he uses and the security equipment, and in case an unauthorised person abuses the password or security equipment in any way, provisions of these General Business Regulations that regulate liability for unauthorised payment transaction executed through the payment instrument shall apply. The client undertakes to report any loss, theft or misuse of the mobile phone to the Bank, and is obliged to confirm the report in writing within two days.

The Bank shall not be responsible in case the client cannot use electronic banking services because of interferences in telecommunication channels, or due to other circumstances that are beyond control of the Bank.

The Bank shall unconditionally block the electronic banking services:

- when it establishes that the client, using the electronic services, does not act in line with the applicable regulations, the General Business Regulations, or special agreement on the opening and maintaining of bills concluded between the client and the Bank,
- in case the client reports loss or theft or misuse of the mobile telephone and/or PIN),
- in case the client revokes authorisation,
- if the Bank learns in any way that an unauthorised third party has used data from the password,
- in all other cases when there is suspicion that unauthorised access to the client's security package or security elements of the Bank has occurred or, if there are justified reasons that relate the safety or there is suspicion about unauthorised use or fraudulent use.

The blocking of electronic service prevents its further use. The Bank shall inform the client before the blockage, by phone, SMS message or in another adequate manner, about the intent and reasons for blocking, and if the Bank is able to do it before the blockade, it shall inform the client immediately afterwards by phone, SMS message, electronically or in another corresponding manner. The Bank will not notify the client in relation to blockage if such notification is prohibited under the applicable regulations or if there are justified security reasons for that. The Bank will enable the client to use the electronic banking again when the reasons for lockage cease to exist.

Unblocking of electronic service shall be realised by the Bank by providing access to the client and depending on the reason for blockade. The client can request temporary suspension of performing certain individual electronic banking services by submitting a written request to the Bank.

The client can, at any time, cancel the use of electronic banking services by sending a message via the same communication channel. The client must, before closing electronic banking services, settle all outstanding liabilities towards the Bank that have been incurred during the use of these services. The Bank reserves the right to terminate electronic banking services for the client, if the client does not comply with these General Business Regulations, and in particular if the client fails to pay the fee for e-banking service for the period of 3 months, or does not take over the e-banking package within 3 months from the date of receipt of the notice sent by the Bank on availability of the respective package.

In case of cancellation or termination of the electronic banking package in another way, the Client is obliged to pay to the Bank all due monthly fees for the use of the electronic banking services, electronic banking package maintenance and all other fees defined in this General Business Regulations or the applicable Price List, which are related to the electronic banking and in this sense he/she authorises the Bank to automatically, without further consent debit his/her accounts for the amount of the above fees.

8. Payment card

The client that has open payment account with the Bank, may use the debit payment card (hereinafter referred to as the card).The Bank issues the payment card which may be used to initiate payment transactions from the current account as well as Dina card free of

charge.

The Bank issues a card to the client based on his/her application form, the Issuing and Maintaining a Card Agreement concluded with the client and the General Business Regulations. The client submits to the Bank a filled in card application form on which basis the Bank shall grant consent that the given information is correct and complete and is responsible for its accuracy and completeness. The Bank has the right to check the filled in data, and to collect additional information on the applicant.

Any adult person who has funds at their disposal and who has a current account held with the Bank has the right to use a card.

The Bank does not require collateral to issue a card nor does it charge of fee for the use of the card. Every card issued shall remain the exclusive property of the Bank. The Bank may request the return of a card from a client. The client may not give the card as a pledge or in the form of collateral.

Once the Bank has a new card made, it hands the card and the PIN (personal identification number) over to the client. The Bank shall ensure that only the client has access to the PIN until said card has been handed over. The Bank may issue cards to authorised persons, at the client's request. The Bank shall bear risks in terms of delivery of the payment card and the PIN to the client.

For safe internet transactions, depending on the type of card, transaction authorisation may be performed via:

Unique iPIN number (internet PIN) chosen at ProCredit Bank ATMs by entering any 6 (six) digit number, or

Dynamic Authorisation Code (six-digit number) entered when making internet purchases for each transaction, which is received via and SMS message sent to the mobile phone number that the Bank has on file.

The use of PIN and/or iPIN/Dynamic Code, when performing each individual transaction, is considered to be the signature of the client or his consent for the execution of the transaction concerned. If the client fails to act in this manner, he/she bears the responsibility for those actions and is responsible for the incurred damage in full. The Bank enables the client to change and define the desired PIN number and iPIN number, with a purpose of their easier remembering, with the Bank specially emphasising that when changing the PIN and/or iPIN numbers simple combinations of numbers or combinations of numbers that can be linked with the client's personal and related data should not be chosen, as well as the numbers that may be known in any way and/or recognisable by any third party.

The client is required, immediately upon the receipt of the card, to take all necessary measures to protect the personalised security elements, that is not to disclose the PIN and/or iPIN number to any third party and to protect all data about the card, as well as the card itself, and when taking over the Dina card immediately upon the receipt of the PIN number. If the client fails to act in this manner, he/she bears the responsibility for the aforementioned actions and the provisions of the General Business Regulations which govern the responsibility for unauthorised payment transactions executed using the payment instrument shall apply.

When receiving the card the client undertakes to sign it personally immediately upon receiving it, otherwise the card will be considered invalid.

The card is approved for a period of 5 (five) years and may be used within the timeframe stated on the card itself. In the event that the carrier does not cancel the card/s within a deadline of 60 days prior to the expiry of the period of validity stated on the card, the national Dina card is automatically renewed. All valid international cards may be renewed, with a new period of validity at the Client's request. The card may not be renewed if within a period of 45 days prior to its expiry, said is blocked (frozen) and in the case the card has been inactive for a period longer than 6 months, unless the client performs a transaction in order to renew the card, as per prior notice received from the Bank. The Bank has the discretionary right to choose to/choose not to renew a client card.

The card is made out in the client's name and cannot be transferred to another party. If the client has given authorisation and/or enabled in any other way the use of card for any other party, he/she shall be responsible for the damage or loss that may arise therefrom.

The Bank shall issue a card to the client, considered the primary card, whereas the client can be granted, at personal request, additional card/s for the person/s that the client shall authorise under his/her account maintained with the Bank. The client undertakes to introduce those persons with all the rights and obligations under the card use, and shall be held fully responsible for the actions and conduct of person/s enabled to use the card.

The client can use cards to pay for goods and services at POS terminals, for Internet payments (VISA card), as well as for cash withdrawals from automatic teller machines (ATM) and POS terminals, with the obligation to use PIN or iPIN/Dynamic Code in the case of Internet transaction. The card can also be used for depositing money in the Bank's ATMs that support this type of service. Dina card is associated with the RSD current account of the client and can be used only and exclusively in the Republic of Serbia, while VISA payment card can be used for payments in the country and abroad.

The card refers to the funds in the client's account held with the Bank, based on which the credit card is issued.

The card can be used only if the client's account has sufficient funds for the execution of the transaction. If the client has an approved FlexFund, the amount of available funds includes the amount of the approved unused FlexFund on the account.

The cards are acceptable for payments in the country and/or abroad, in RSD and/or local currency, and can be used in locations with the card label.

The client agrees and authorises the Bank to debit his/her account for the amount of transaction originating from the use of card, namely for payment of goods and services, cash withdrawals, fees and other expenses for cash disbursement and international purchases through POS terminals or Internet. When effecting payment for goods and services in an acceptance location, the client shall after showing the card and an identification document also sign the respective slip, as well as keep one copy of the slip for himself/ herself. The acceptor shall issue to the client a copy of the slip. The client shall keep each slip and, at the Bank's request, document/present that slip. The client is obliged, at a request of the vendor of goods and services, the acceptor, to hand in the card that is deprived of the right to further use.

The Bank shall debit the client's account for all transactions in the country and abroad, in RSD. All possible damage that the client may cause to the Bank abroad shall be reimbursed in the applicable currency, whereas such payment shall be effected in dinar counter value at the middle exchange rate. In case transaction with the card has been made abroad, depending on the original currency of the transaction, the Bank will debit the account at the selling exchange rate of the Bank on the day of entry of the transaction for transactions in EUR, and for transactions in other currencies that are defined in the exchange rate list, the holder of the Visa license shall make conversion of transactions in the currency EUR or USD, according to the Visa exchange rate on the day of transaction, and the entry of the transaction shall be made at the selling exchange rate of the Bank. Visa exchange rate lists is available on the web page www.visaeurope.com.

The Bank underlines that the payment transactions initiated using the card in a manner that excludes personal presence of the client (through the Internet, catalogue sales, ordering by mail/phone, subscription etc.) are risky payment transaction and that the client shall

perform them solely at their own risk and responsibility, and shall be obliged to consequently bear any losses or reimburse damage that may arise therefrom in line with the provisions of the General Business Regulations that regulate responsibility for non-allowed payment transaction performed using a payment instrument.

The Bank reserves the right to contact the client in order to inspect payment transaction legitimacy, for the purpose of client protection against possible abuse.

The Bank shall, based on the issuing and use of cards and of other services it offers, calculate and charge an applicable fee to the client. The types and amounts of all fees and other costs charged to the client, i.e. borne by the client, are prescribed and individually defined in the Price List. The types and amounts of all fees and other costs given in Price List are variable, and shall be changed at the beginning of each quarter in the current year. By accepting these General Business Regulations, the client authorises the Bank, for the purpose of settlement of the liabilities under the card issue and use and other services the Bank offers, to use the client's funds in all of his payment accounts maintained with the Bank, apart from the funds that are excluded from such use on the basis of a court resolution or decision of the competent authority. If fee collection has to be performed from the client's foreign currency accounts with the Bank, the Bank shall execute conversion of the respective amount at the buying rate of the Bank on the date of conversion.

The client shall deliver to the Bank all possible complaints under the executed transactions either in written form or in person in the premises of the Bank, together with the relevant documentation. The deadline for verifying the validity of a complaint in line with the rules of VISA International, Master Card and the National Payment Cards Centre is 45 days from the day said is sent to the Bank, i.e. the payment card acquirer.

In case of an unjustified complaint, the Bank shall debit the client's account for all operational costs. The Bank shall not be held responsible for complaints referring to the quality of goods and services paid by card.

The client is obliged to comply with the rules defined by these General Business Regulations, as well as the provisions of individual contracts. The client is obliged to act in good faith and with the care of a prudent owner and to keep data relating to the use of present card and not to give it to third parties, to daily check to see whether the card in question is in his possession, as well as the balance on his account to which the card relates, all in order to avoid misuse and unauthorised use of the card. The Client is aware and agrees that he/she can handle data on the account balance and changes every day, without limitation, by using services such as Internet banking, mobile banking, telephone banking services and the like, and the client is obliged to use the aforementioned services. If the client fails to act in this manner, he/she bears all the responsibility for the damage incurred on this or similar ground on his/her account, in line with the provisions of the General Business Regulations that govern the responsibility for unauthorised payment transaction executed using the payment instrument.

In case of card loss, theft, unauthorised use or abuse, the client is obliged to inform the Bank about the event without delay reporting it to the Info Centre of the Bank on the following telephone numbers:

- 0 700 700 000 - for calls from landline telephones in the Republic of Serbia, or
- +381 (0)11 20 57 000 - for calls from abroad and mobile telephones,
- or by filing a written request, in any one branch of the Bank, and the Bank shall block the respective card. The client shall confirm the verbal notification in written form within the period of 3 days from the date of loss or theft or misuse of the card.

Should the card be found after its disappearance was reported, it must not be used and the client has to destroy/cut the card.

In case of card disappearance, loss, theft, unauthorised use, misuse or damage, as well as in case of change of the client's personal data, the client can file a request for issue of a new card within the existing contractual relationship.

The client may cancel the use of the card in writing. The termination notice after the receipt of a written request is 60 days. In case of cancellation of the use of the card whether by the client or by the Bank, the client shall destroy the primary and the additional cards. On the date of the receipt of a written request, the concerned cards, the primary and additional ones, will be blocked, including the primary and additional card(s) and the client is obliged to provide coverage for all obligations resulting from the use of the issued card on his/her current account to which the card is linked. The client is under obligation to settle, by the defined deadline, all liabilities towards the Bank that originate from the use of the primary card and the additional cards. The client is responsible for all transactions concluded until the day of the return of the card and shall bear any additional costs, provided that the client is entitled to a free closing of the payment card.

- The Bank may deny the right of the card use or block this payment instrument if: if there are reasonable grounds relating to the security of the payment instrument, if there is a suspicion of an unauthorised use of the payment instrument, or its use for fraudulent purposes, or if there is increased risk that the client will not be able to fulfil its obligation to pay, when the use of the card is associated with the loan approval or overdraft under the current account.

Before blocking the card, the Bank will notify the client by telephone or in any other appropriate manner about the intention and the reasons for the blocking, and if the Bank is unable to do so before the blocking, it will notify him/her immediately afterwards in its offices, by telephone, electronically or in any other appropriate way. The Bank will not inform the client regarding the blockade if giving of such notice is prohibited by applicable regulations or if there are justified security reasons. The client may file an application to be re-enabled to use the card in writing. The Bank will re-enable the use of the card or replace it with a new one when the reasons for the cessation of blockade.

International POS purchases (All cards) -the fee amount is collected only if the original transaction currency is not expressed in EUR (overview of Price List of the Bank)

Digital wallet

Digital wallet is the application used by client to perform payments on POS terminals with contactless reader, within the country and abroad, via device with NFC (Near Field Communication) contactless communication. Other than payments on POS terminals, Digital wallet enables the client to perform payments additionally through the internet, since the application contains payment card data required for completing the transaction.

The Bank provides the Client a possibility to connect payment card (MasterCard) with mobile payment application (Apple Pay) for smartphones with the possibility of installing additional applications whose operating system (software) supports the same.

Terms and conditions of use of the mobile payment application

The Client may use Mobile Payment Application (Digital wallet) for transactions on his current account, by registering a MasterCard payment card within the application and based on additional entering one-time activation code received by SMS message on the valid, registered phone number or registered e-mail in the Bank's core banking system. After the review of data on the payment card Bank issuer and registration confirmation through the Digital Wallet, the client can perform electronic payments.

The application contains a virtual card that allows the user to make contactless payments for goods and services. In addition to the contactless payment feature, the app also provides transaction overview, transaction notification and services performed. Operations are performed in accordance with the client's mobile device setup, fingerprint verification, password entry (graphic or numeric) and other means provided by the mobile device.

Client confirms and agrees that transactions performed via mobile payment application are permitted by the Bank only if licensed software and the mobile payment application are used. The Bank is not responsible for the proper functioning of the client's mobile device, mobile payment application and any service provided by third parties (mobile operators, software, etc.) while using the mobile payment application and/or mobile client device.

The use of digital wallet implies the electronic transfer of personal data via third party wireless technology that cannot be controlled by the Bank, and the Bank can't guarantee the confidentiality and security of such transfer. Privacy and data security are ensured in accordance with the terms of Digital Wallet use. When submitting payment card registration data in the application, the Bank will check the status of the payment card and other security elements, after which using of the application will be enabled to the client. The Bank makes available to the Client a Guide for using the digital wallet with more detail.

In case of mobile device loss or theft, the client is obliged to immediately report it to Bank Info Center on the following phone numbers: 0 700 700 000 – for landline phone numbers from Republic of Serbia Or at +381 (0)11 20 57 000 – for international and mobile phone calls Or by submitting written request in Banks premises, after which the Bank will block access to the Digital Wallet application

All other rights, obligations, conditions and responsibilities as defined in these General Terms and Conditions, Section VI Payment Services, also apply to the digital wallet.

9. Self-service banking

Self-service zones 24/7

The Bank offers an opportunity to clients to use automated machines for independent performance of various payment transactions, assuming different information related to payment accounts of clients, within the business units 24 hours a day, 7 days in a week.

Within the self-service zones, the following types of services are available to clients:

- ATMs – for deposit and withdrawal in RSD and in EUR currency, from the current account and savings,
- Info terminals – provide information on performed transactions, and printout and sending of email repayment schedule for loans and deposits, invoices for credit cards, printouts of instructions for payment of instalment, printout of account statements, overview of Price List of the Bank, and the General Business Regulations, a view of the exchange rate list, view of the current offers to the Bank, sending messages to the Bank, access to electronic banking, access to the Bank's website with the aim of submitting an application for online services.
- Videophones – for the provision of all the information the client needs or to report a malfunctioning device. The client is linked directly to a colleague in the Info Centre who will provide the required information.
-

A list of locations of self-service zones of the Bank is available on the web page of the Bank www.procreditbank.rs.

ATM machines

In addition to self-service zones, the Bank offers to the client possibilities of use of special network of ATMs, i.e. automated teller machines (hereinafter: the ATM), which belong to the Bank, including other banks, and are used for providing adequate services to the client.

Use of ATMs of the Bank, and thus ATM transactions, are recorded among other through video surveillance.

The client can perform transactions on ATM machines of the Bank and other banks in the country and abroad by using an appropriate payment card. All transactions that require client identification shall be executed with the use of PIN (personal identification number). Combined use of card and PIN is evidence that the client is initiating a payment transaction and authorising a payment order. ATM transactions are executed by payment cards, and from appropriate account defined in advance by the issuing Bank for payment card transactions. In addition to the balance in the debit card account or remaining unused credit card limit, ATM transactions may also be limited by the technical capacities of the ATMs and by cash withdrawal limits defined by the card issuing Bank or the bank that owns the respective ATM machine. Cash withdrawal by payment card in the country is possible in dinars and in a foreign currency EUR within the self-service zone 24/7 with limitations prescribed by applicable regulations. Cash withdrawal by payment card abroad shall be in the currency provided by the Bank that owns the ATM in accordance with domicile regulations, and the card user's account shall be debited in dinars. The client can perform a payment transaction on the ATM machine of another commercial bank, in which case the client bears the cost of fees for the respective interbank transaction. The ATMs of the 27/7 Zones allow client's to deposit cash into their accounts, in RSD and EUR currency.

The Bank can, at any time in line with the applicable regulations, discontinue or cancel the possibility of initiation and performance of an ATM transaction, above all because of security of transactions or for other legal reasons provided for in the applicable regulations. The Bank can also temporarily or permanently discontinue the operation of one or more ATM machines for maintenance, malfunction, an error in operation, or for security reasons, as well as its removal from a certain location and in these situations the Bank shall not assume any responsibility towards the client for damage or loss that may occur as a result of the termination of ATM operation in such a way.

10. Total Account

The Bank opens and maintains payment accounts within the framework of the Total Account, in a maximum of two currencies: the RSD and one foreign currency.

The Bank offers savings accounts primarily to those clients who have current accounts held at the Bank.

The services provided within the abovementioned account are defined in the Price List for private individuals, while the opening of an account not within this framework is possible solely with the special consent of the Bank or in line with applicable regulations. In addition to the mentioned account, the client may use more than two currencies for a fee as stated in the applicable Price List for private individuals. For purchase/sale transactions in amounts up to EUR 1,000 (monthly), the Bank shall apply the median rate, for Total Account users only.

By signing an account application form or an online application, the client consents to the activation of said account. All credit products depend on the client's creditworthiness.

Should the client fail to fulfil the terms of the FlexFund which is provided with the Total Account, he/she shall maintain the right to use the Total Account from which this product shall be excluded.

The Bank has the right to close the account unilaterally if said is deemed inactive (the terms of inactivity are met). The Bank shall close the account at the client's request. Closing the chosen account shall mean the cancellation of other services within the framework of the chosen account indicated in the request to close the account.

11. Payment Account with basic services (Basic Account)

The Bank shall open an account providing basic services (hereinafter: Basic Account) to a client who has filled in an application form and who is a legal resident of the Republic of Serbia, and does not have an open payment account held with another commercial bank. Contracting additional services is not a condition for opening and using the Basic Account. The Bank charges appropriate fees for transactions of the Basic Account according to the valid Price List.

The Bank has the right to open a Basic Account for clients who do not fulfil the terms stipulated in the previous paragraph, and based on the Bank's approval.

Basic services relating to the Basic Account include:

- 1) services required to open, maintain and close said account;
- 2) services which allow for the depositing of cash funds onto the payment account;
- 3) services which allow for the withdrawal of cash funds from the payment account at front desks or ATMs and other similar devices;
- 4) services which allow for payment transactions to be executed, i.e. the transfer of cash funds onto/from the payment account, via:
 - (1) direct debit
 - (2) the use of a payment card, including internet banking
 - (3) credit transfers, including standing orders, via appropriate devices, front desks and via the internet.

The Bank may unilaterally terminate the Basic Account Framework Agreement if no less than one of the following conditions are met:

- 1) the client intentionally used the card illegally;
- 2) no payment transactions were executed via the payment account for a period exceeding 24 consecutive months;
- 3) the client was granted the right to a payment account on the basis of inaccurate information;
- 4) the client subsequently opened another payment account allowing him/her to use Basic services relating to a Basic Account;

5) the client is no longer a legal resident of the Republic of Serbia.

Should the Basic Account Framework Agreement be terminated due to the fulfilment of one or more of the conditions stipulated in the previous paragraph, items 2, 4 and 5, the Bank shall notify the client, free of charge, in hardcopy or other durable medium, of the reasons for termination, no later than within two months before said termination should come into force, unless notification of this kind is prohibited by regulations.

Should the Bank terminate the Basic Account Framework Agreement due to the fulfilment of one or more of the conditions stipulated in the previous paragraph, items 1 and 3, of this Article, the termination of said agreement shall take legal effect from the moment one of said conditions has been deemed fulfilled.

In the notice of termination of the Basic Account Framework Agreement, the Bank shall provide information on the client's right to file a complaint and the possibility of extra-judicial resolution of the disputed relationship in line with the law governing the protection of financial consumer rights. Regulated in detail in section XI CLIENT COMPLAINTS.

12. Payment account switching

In terms of payment account switching, the Bank may be both the previous payment services provider or the new payment services provider. The legislation also refers to the switching of the payment account an existing client maintains with the same bank, i.e. payment account switching when the same services provider is at the same time previous services provider.

The Bank provides payment account switching services in the same currency of the payment account he/she shall open or has opened with a new payment services provider.

Upon the client's authorisation, the Bank shall switch the payment account, with or without closing the account maintained by the Bank. This authorisation shall be provided in written form, in Serbian or another language, as previously agreed between the parties, whereas the Bank shall promptly provide the client with a copy or verified copy as proof of receipt of authorisation. With this authorisation, the client provides consent both to the previous and new payment services providers to undertake all or individual account switching related activities, which shall be implemented per the law. With his/her authorisation, the client may define standing orders, consent to direct debit and incoming credit transfers as well as other payment services, the execution of which is transferred to the new payment account, provided that the new payment services provider offers such services. Upon the client's request, the Bank shall deliver or make easily available, free of charge, all information on existing standing orders and direct debits which the payment services user has with the Bank, as the previous payment services provider.

When switching the payment account, the Bank, as a previous payment services provider, is obliged to deliver free of charge to the Bank, as a new payment services provider, the following

1) information on all or individual standing orders, multiple direct debits and multiple direct credit transfers in which the user of payment services is the payee

2) cash funds on the payment account (if so specifically requested by the client at his/her authorisation).

The Bank, as the new payment services provider, is obliged to submit to the previous payment services provider within two business day upon receipt of the authorisation to change payment accounts, free of charge and based on such authorisation, a request to carry out the following steps, specifically:

1) deliver a list of existing standing orders and available information on direct debit consents, whose execution the payment services user requested to be transferred to a new payment account – within five business days upon the receipt of this request

2) deliver available information on multiple incoming direct credits and direct debits for which consent was given to the payee or the payee's payment services provider, those debits/credit having been executed with the prior thirteen months – within five business days upon the receipt of this request

3) reject payment transactions based on incoming credit transfers and direct debits starting from the date stipulated in the authorisation and also to notify the payer and the payee of the reasons for rejection

4) suspend the execution of standing orders starting from the date stipulated in the authorisation

5) transfer all funds from the previous payment accounts (available balances) to the new payment account on the date stipulated in the authorisation

6) close the payment account on the date stipulated in the authorisation.

The Bank, as a previous payment services provider, shall close the account provided that there are no outstanding obligations on the part of the client and all activities stipulated per the law have been carried out.

In accordance with the authorisation and all received information, the Bank, as a new payment services provider, shall carry out the following activities:

1) activate standing orders defined by the client in his/her authorisation and carry them out starting from the date stipulated in the authorisation;

2) ensure conditions for the execution of direct debit defined by the client in his/her authorisation, starting from the date duly stipulated therein;

3) notify the client of other rights with relation to the execution of previously contracted direct debits;

4) notify payers who initiate the execution of multiple incoming credit transfers, as stipulated in the authorisation, on the client's new payment account and deliver a copy or certified copy of the authorisation;

5) notify payees who initiate a specific direct debit transaction from the client's account, as per the authorisation, on the new payment account and date when such direct debits shall be executed from this payment account, whereas the new payment services provider shall deliver a copy or verified copy of the authorisation along with this notification.

If the new payment services provider is not in possession of all the information required for the notification mentioned in above items 4) and 5) of the above paragraph, the new payment services provider can require from the previous provider that such information be provided.

In the event that the client decides to personally provide payers/payees with the information mentioned in the above paragraph, the new payment services provider is obliged to deliver to the client in written form, in the form defined per relative internal regulations and within the timeframe mentioned in this paragraph, information on the new payment account and the commencement date for the provision of payment services under the new payment account, as per the authorisation.

The previous payment services provider cannot block the payment instrument prior to the date stipulated in the authorisation so as to maintain continuity of the provision of payment services during the process of payment account switching, while any limitation in terms of utilising the payment instrument must not be an issue.

13. Amounts or range of all fees and other costs payable by the client

The Bank calculates and charges to the client fees and other expenses on the basis of specific contracts and the General Business Regulations, which the client is aware of and accepts them completely and agrees with their application.

For the provision of payment services to the client, the Bank shall calculate and charge fees in accordance with the Price List which is an integral part of the General Business Regulations by debiting all of his/her payment accounts.

Within the appropriate period of time prior to the conclusion of the Framework Agreement, the Bank shall deliver to the client an overview of services and payment account related fees, through pre-agreed means of communication.

The Bank shall calculate and charge fees for the following payment services:

- for the execution of payment orders or conducting payment transactions in the country and abroad, which is calculated at the time of authorisation, and charged at the time of entry of the completed transaction or at the time of aggregated collection of fees for a certain period,
- fee for the intermediary bank and the payee's bank in international payment transactions or payment transactions in the currency of third countries, if the client has selected the option OUR for the execution of payment transactions,
- fee for inflow handling with international payment transactions or payment transactions in the currency of third countries,
- for the revocation of the payment order,
- fee for maintenance of the account,
- other fees and actual expenses in line with the General Business Regulations and the Price List.

Before the effective date of the proposed amendments, if the client does not accept the submitted proposal, he/she may terminate the Framework Agreement without the payment of additional fees and other costs. In case of increase of fees and other costs, the client can free-of-charge, at own request and without delay, i.e. having settled all the liabilities under the account, transfer the funds to another bank, or withdraw cash and close the account, in accordance with the valid regulations. When establishing a contractual relationship or during a contractual relationship with the Bank, the client shall take Price List from the Bank for the purpose of awareness of the type and amount of fees.

Any change in the Price List shall also apply to already concluded Framework Agreements and shall apply from the date of entry into force of the amended General Business Regulations and the Price List, which is its integral part, without entering into a separate annex to the contract.

Regarding the provision of services for opening and maintaining the account, as well as other services of the Bank, the client can be informed on the Bank's website www.procreditbank.rs or during business hours in all affiliations of the Bank.

Regarding any change of the fees and other charges for the provision of payment services, the Bank will inform the client at least 2 months prior to the date of their entry into force, by displaying the Price List in the premises of the Bank's branches and on the Bank's website www.procreditbank.rs, giving notice to the client via e-mail, in writing or on another permanent data carrier. Irrespective of the above, the client is obliged to show interest and inform himself/herself regularly about the level of fees, as well as about the changes of other elements of the business relationship with the Bank, regardless of the product for which he/she entered into a business relationship with the Bank.

All of the client's current accounts in dinars or in FX, shall be subject to monthly fees for account maintenance in accordance with Price List, regardless of whether any payment transactions have been made in these accounts. If after three months there have been no transactions in the Client's current dinar accounts, the Bank has the right to stop calculation of the fee for account maintenance. If the current account is reactivated, the Bank shall charge the fee for the maintenance of the account in accordance with the Price List. If the client is using a Total Account in the Bank, he/she shall be liable to pay a unique monthly fee that is related to such a Total Account. Regular and the increased rate of the contracted interest for the use of credit products, as well as fees for execution of payment orders within electronic banking services, shall be charged regularly and not be included in the fee for the account.

Monthly fees for maintenance of all accounts that are subject to a fee shall be automatically charged on the last day in a month for the current month by debiting all current accounts of the client in all currencies. The fees can also be charged from FlexFund under the current account, and if the client does not have funds in the account and does not have approved overdraft, the fees can be posted as an unauthorised FlexFund for private individuals. Fees for e-banking services that cannot be collected due to a lack of funds in the client's account shall not be carried as unauthorised current account overdraft, but shall be presented in the statement as unrealised payment orders.

In case of unauthorised overdraft not granted to the client by the Bank, for the reason that there are insufficient funds in the client's account, the Bank shall have the right to charge default interest to the client in the amount of the unauthorised overdraft proportionate to the period of delay.

The client shall bear all costs the Bank may have when executing orders given by the client, as well as for other activities included in the realisation of business relationship between the Bank and the client, and in accordance with the Price List applicable on the day of execution of the order, i.e. assumption of other actions (e.g. DHL expenses, fees of correspondent banks, etc.). The fees for international payment transactions are specified in the Price List and expressed without fees of other banks that participate in transfers of funds.

The amount of fees of other commercial banks that participate in the transfer of funds depends on their business policy.

The expected amount of fees of other commercial banks participating in the transfer of funds with international payment transactions, can be within the range of 0 to 150 EUR or in the RSD counter value, depending on the business policies of those banks and the applicable regulations in countries in which such banks operate.

Services rendered by the Bank free of charge are as follows: closing of RSD current accounts, FX current accounts and securities trading accounts; electronic payments – stamping of payment order receipt, funds received based on incoming remittances placed as a 12-month term deposit; ProPay payment system within ProCredit Group remittances – incoming payments, foreign bank fees for ProPay payments, cash transactions; incoming payment, cash deposit and cash withdrawal; withdrawals made at ProCredit Bank ATMs (debit card); card cancellation (basic, add-on card); card abuse prevention until expiry (per card, monthly), for all cards: purchases – goods and services, defining iPIN (Internet PIN), PIN deblocking; PIN and iPIN at ATM, enforced card blocking due to card use in breach of the General Terms and conditions for Card usage, card complaint expenses in case of unjustified complaints or fees charged by payment card institutions (Visa, Master, National Bank of Serbia).

At least once a year, the Bank shall deliver, free of charge, a fee information document on all collected payment account related fees, the so-called fee information document, along with an overview of information required under the law.

14. Exchange rate

For conversion of the domestic currency into a foreign currency, foreign currency into the domestic currency and from one to another foreign currency, the Bank applies the exchange rate from the exchange rate list of the Bank applicable at the point of conversion, except the contracting parties agree otherwise concerning an individual case in line with an offer of the competent department of the Bank.

The exchange rate of the Bank is available on the Bank's website www.procreditbank.rs and in the Bank's branch.

The following shall apply for conversion of currencies, and for performance of payment transactions that require conversion of currencies:

- buying exchange rate, if a foreign currency converts to the domestic currency.
- selling exchange rate, if the domestic currency converts into a foreign currency,
- if one foreign currency buys another foreign currency, the buying exchange rate for the foreign currency that is bought and converted into the domestic currency shall apply, and then the selling exchange rate of the foreign currency which the Bank sells, and converts the obtained amount of the domestic currency in another foreign currency

15. Interest on funds in the payment accounts of clients

The Bank does not calculate and pay interest on funds held on current accounts of private individuals.

The Bank calculates and pays interest at the nominal interest rate that is determined with an individual agreement on funds that are on demand savings accounts.

16. Amendment, validity and termination of the Framework Agreement

Amendments of the Framework Agreement are made through amendments of the General Business Regulations, including the Price List, which is their integral part. The Bank shall present to the client draft changes and amendments of the Framework Agreement at least two months before the effective date. It is considered that the client is notified on the date when the written notice with the amendments is delivered to the post or the courier service, sent via e-mail. The notice is addressed to the client based on the contact information that the client submitted to the Bank. By accepting these General Business Regulations, the client agrees amendments of the Framework Agreement to be made in this way, and that the amendments of the Framework Agreement enter into force on the day designated as the day of application, if before the effective date of proposed amendments, he/she had not informed the Bank that he/she did not agree with this proposal, or if up to that moment he/she has not terminated the Framework Agreement. In this case, the client has the right to terminate the Framework Agreement without payment of additional fees and other costs.

If the amendments of the Framework Agreement relate to changes in interest rates or the rate of exchange of currencies, the client agrees that the Bank may implement these changes immediately, without prior notice, if they are based on changes of the contractual reference interest rate or the reference exchange rate, or if they are in the client's favour. In these situations, the Bank will notify the client about the changes of interest rates and exchange rates, within 15 days from the date of change, by notification by SMS, by e-mail or in any other suitable manner provided for communication between the Bank and the client.

Amendments of individual contracts are carried out by an annex.

The Framework Agreement is concluded for an indefinite period of time, and terminates by consent or by unilateral termination.

The client agrees that the Bank may terminate the Framework Agreement in all cases stipulated by the agreement on opening and maintenance of the payment account, agreement on individual additional service and the General Business Regulations, by giving notice of termination in writing or on another permanent data carrier in accordance with the provisions of the General Business Regulations governing the communication between the Bank and the client not later than 2 months before the date of termination, whereas in situations stipulated by applicable regulations, the notice period may be shorter, or the Bank may terminate the Framework Agreement without notice.

The client is entitled to terminate the Framework Agreement without compensation, with a notice period of 30 days.

In the event of termination of the Framework Agreement, the client is obligated to pay to the Bank fees for payment services provided until the date of termination, and if such a fee has been paid in advance, the Bank will repay a proportional part of the fee paid.

The client may require that the provisions of the Framework Agreement that are in contradiction with the information about the required elements provided by the Bank in the pre-contractual stage, by delivering the draft contract, are declared null and void.

The provisions of the General Business Regulations that specify the termination of the business relation between the Bank and the client also apply to the termination of the Framework Agreement, if they are not in contradiction.

Termination of the Framework Agreement terminates all individual contracts that are its integral part.

If the client has entered into several contracts with the Bank on opening and maintaining the payment account, the termination of one of these agreements does not lead to the termination of other contracts. Termination of a contract on a single additional service does not result in termination of the contract on opening and maintaining the payment account, while the termination of the contract on opening and maintaining of the payment account is a prerequisite for the cancellation of all contracts for additional services that are related to the payment account.

17. Final provisions

IX BANKING SECRET AND PERSONAL DATA PROTECTION

Banking secret is a trade secret. The Bank is obliged to keep the Banking secret.

Banking secret shall be deemed:

- data familiar to the Bank that refer to Client's personal data, financial status and transactions, and ownership or Client's business connections with the Bank or any other bank;
- data on the balance and turnover in individual deposit accounts;
- other data disclosed to the Bank in its business relations with clients.

Banking secret shall not be deemed:

- public data and data from other sources available to interested parties with justifiable interest;
- consolidated data on the basis of which an individual Client's identity cannot be disclosed;
- data on shareholders of the Bank and their share in the Bank equity, as well as data on other persons with a share in the Bank and data on the respective share, irrespective of whether they are Bank clients;
- data referring to duly fulfilment of Client's obligations towards the Bank.

The Bank is obliged to keep the Banking secret when it is stipulated in the manner and under the conditions defined by applicable regulations.

The Bank collects, processes, stores and protects personal data in accordance with established principles and requirements of the applicable Personal Data Protection Law. The Bank provides detailed information on personal data processing operations through the document "Information about Personal Data Processing ProCredit Bank ", which is available at the Bank's official website, at <https://www.procreditbank.rs/>, as well as in the business premises of the Bank. By accepting these general business conditions, the client confirms that he is fully aware of the information contained in the document.

X TERMINATION OF BUSINESS RELATIONSHIP

The Bank and the client can, at their own discretion and at any moment, terminate by mutual consent their business relationship, with or without a notice period. The client has the aforesaid right only if he/she has previously fulfilled all obligations towards the Bank.

In addition to the reasons set forth in the relevant legal and other regulations, or provisions of any part of these General Business Regulations and agreement concluded between the Bank and the client, the business relationship can be terminated, with or without a notice period, if there is a justified reason for which it is unacceptable for the Bank to continue such a business relationship. The following cases shall constitute a justified reason:

- when the client has given incorrect data, as well as statements on his/her financial status, which has been of significance for the Bank in reaching a decision on approving and disbursement of a loan, or another service or undertaking of an action that exposed the Bank to risk,
- when the client fails to submit to the Bank the documentation required by regulations governing prevention of money laundering and financing of terrorism, or other applicable regulations,
- if the client's financial position is significantly deteriorating or if there is a realistic possibility that this can happen, which affects the client's ability to fulfil its obligations towards the Bank in a timely manner,
- in case of any violation of contractual obligations by the client or a third party to the detriment of the Bank,
- if the client fails to fulfil the Bank's request to provide additional collateral,
- if it is determined that enforcement measures have been taken against the client for the purpose of establishing international peace and security, in accordance with the resolutions of the United Nations Security Council,
- if there is suspicion that the client is involved in criminal acts, including money laundering and financing of terrorism, or if it is determined that the client is in the lists recognised by the Bank, in accordance with local and international regulations, which is related to anti-money laundering and financing of terrorism,
- if, for any reason, the Bank may be exposed to reputation risk if it continues its business cooperation with the client,
- if the account of a client is inactive, i.e. conditionally inactive,
- in other cases as prescribed by the law.

The Bank has the right to terminate the agreement within a legal notice period if the client fails to fulfil his/her contractual obligations in accordance with the Bank's notice on the change of those elements of the agreement and these General Business Regulations that are provided for as subject to changes.

Business relationship shall be terminated after the issuance of a decision on termination of the competent body of the Bank. The Bank shall submit to the client notice on termination of the business relationship, and the submission of such notice shall be governed by the provisions of these General Business Regulations that are related to the communication between the Bank and the client.

On the day of unilateral termination of the agreement by either party, the outstanding amount of the loan or receivables of the Bank under other products approved to the client shall fall due for payment, together with all accrued interests and other costs to which the Bank has been exposed or may be exposed in the process of court and/or out-of-court collection of outstanding receivables. If the client fails to fulfil his/her obligations, the Bank may institute court and/or out-of-court proceedings for the collection of the total amount of outstanding receivables.

Upon termination of the business relationship between the Bank and the client, and provided all of the client's obligations towards the Bank have been fulfilled, the remaining amount in the client's account shall be made available to the client.

Provisions specified herein that are applicable to the termination of the business relationship between the Bank and the client shall be applied mutatis mutandis on partial termination of business transactions between the Bank and the client, and the provisions of these General Business Regulations shall remain applicable after termination of the business relationship between the Bank and the client, until the final fulfilment of all mutual rights and obligations.

XI RIGHT OF THE CLIENT TO A COMPLAINT

The client has the right to complain to the Bank free of charge, should the client believe that the Bank is in breach of the provisions of the law and other regulations governing financial services, the General Business Regulations or good professional practices relative to these services or obligations set out in the agreement entered into with the client.

The client must submit his/her complaint to the Bank in writing, as follows:

- in person, at any of the bank's commercial premises within the Republic of Serbia, directly to a Bank's employee;
- by sending the written complaint to the Bank's address: ProCredit Bank a.d. Belgrade, Compliance and AML Unit, Milutina Milankovića 17, 11070 Novi Beograd (label the envelope: Complaint);
- Via email to the following email address: srb.prigovor@procredit-group.com;
- Via the link provided on the homepage of the Bank's website at www.procreditbank.rs, clicking on the option: 'Complaint';
- In electronic form, via the e-banking application.

Complaints delivered in a different manner shall not be taken into consideration and the Bank has no obligation to reply to such complaints. In case that the client is dissatisfied with the Bank's reply or if the Bank fails to provide a clear and comprehensible answer to his/her complaint within 15 days from the date of such complaint being delivered to the Bank, in exceptional cases during the extended period of an additional 15 days, within 6 months upon receiving such reply, i.e. until the expiry of said deadline, the client may submit a written complaint to the National Bank of Serbia, Nemanjina 17, 11000 Belgrade, Department for Financial Consumer Protection and Education or Poštanski fax (Post Box) 712, 11000 Belgrade, or via the National Bank of Serbia's by selecting Consumer Complaint dedicated email address indicated on its website www.nbs.rs, or he/she may initiate mediation proceedings before the National Bank of Serbia, for extrajudicial settlement purposes.

XII GOVERNING LAW AND JURISDICTION

Unless otherwise explicitly specified in writing by the Bank, the regulations of the Republic of Serbia shall govern mutual legal relations between the client and the Bank. International rules and customs are also applicable to any relationship between the client and the Bank to the extent to which such rules and customs are binding for the Bank and/or client, or generally accepted by the international business community.

Unless otherwise explicitly specified in writing by the Bank, all disputes that may arise from or in relation to the relationship between the Bank and the client shall be settled by the competent court in the Republic of Serbia. The Bank reserves its discretionary right to institute appropriate proceedings against the client before any other competent authority in the Republic of Serbia and abroad.

XIII FINAL PROVISIONS

These General Business Regulations shall come into force on the day when they are adopted, and shall become applicable 15 days after the Bank has posted them on a visible place in its affiliates and the Bank's official website www.procreditbank.rs. Once these General Business Regulations have been posted in the aforesaid manner, it shall be regarded that they have been made fully available to the client and that the client is knowledgeable thereof.

The Bank has the right, pursuant to its business goals, to change these General Business Regulations, whereof it shall inform the client by displaying the amended General Business Regulations on a visible place in its affiliates and the Bank's official website www.procreditbank.rs.

Amendment to point VI of the General Business Regulations shall be made in line with special regulations provided for in these General Business Regulations.

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