

## **GENERAL BUSINESS REGULATIONS PROCREDIT BANK A.D. BELGRADE APPLICABLE TO BUSINESS WITH PRIVATE INDIVIDUALS - SECTION REGULATING GENERAL**

### **INTRODUCTORY PROVISIONS**

General business conditions of ProCredit Bank a.d. Belgrade (hereinafter: Bank) are applied to business between the Bank and 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 client, communication between the Bank and the client, banking secrecy, termination of the business relationship, applicable law and jurisdiction. etc.

The Bank shall display the link to the Bank's website [www.procreditbank.rs](http://www.procreditbank.rs), on the Bank's information terminals, so that the clients are able to familiarise themselves with their content.

In addition to highlighting the General Business Regulations on the Bank's information terminals, the Bank also enables the client to familiarise themselves with the General Business Regulations in their entirety or in part related to a specific banking product, by sending a copy of the General Business Regulations to the client via e-mail, or via another permanent data carrier and provide them with an explanation and instructions related to their application.

The General Business Regulations apply to relations between the Bank and the client, on the grounds of: a written agreement between the Bank and the client (signed by hand or concluded using electronic means of communication - a qualified electronic signature, tan code, etc.), application form, online form or other documents manually or electronically (qualified electronic signature, tan code, etc.) signed by the client in accordance with the Bank's acts, as well as other forms of business collaboration between the Bank and the client on the grounds of applicable regulations and acts of the Bank, without concluding a separate agreement in writing.

### **BASIC INFORMATION ABOUT THE BANK**

ProCredit Bank a.d. Belgrade, Milutina Milankovića 17, 11070 Novi Beograd, ID No. 17335677, TIN 10000215, is a joint stock company registered in the Company Registry with the Serbian Business Registers Agency, under operating licence G. No. 538, issued on 5 April 2001 by the National Bank of Yugoslavia. The website of the Bank is <http://www.procreditbank.rs> contains a list of affiliates (branches) of the Bank, among other things. Other contact information:

- eMail: <mailto:srb.kontakt@procredit-group.com>
- tel: 011/2077-906,
- fax: 011/2077-905.

The competent authority supervising over ProCredit Bank a.d. Belgrade, as a payment services provider, is the National bank of Serbia, located at Kralja Petra 12, 11000 Belgrade.

### **BASIC TERMS FOR ALL BANKING SERVICES**

**Banking services** are services provided by the Bank to the users of these services on the grounds of loan agreements, deposit agreements, credit card issue and use agreements, FlexFund (overdraft) agreements, as well as other services provided by the Bank in accordance with the law;

**Client** - a private individual as the bearer of rights and obligations, identified on the grounds of a valid personal identification document;

**Payer** - a private individual who has a current account with the Bank (account owner) and issues a payment order against their account or gives consent for the execution of a payment transaction on the grounds of a payment order issued by the recipient, and if they do not have a payment account - a private individual who issues a payment order;

**Issuer** - is the payment services provider that provides the payer with the means through which to issue a payment instrument (provides payment services);

**Acquiring Bank/Acquirer** - is a payment services provider that provides merchants with the service of accepting payment instruments for an instant credit transfer (hereinafter: the payment instrument) on the basis of which this payment services provider enables the merchant to execute an instant credit transfer initiated by the payer using a payment instrument at the merchant's point of sale;

**Merchant** - the recipient who is designated as the recipient of funds that are the subject of an instant credit transfer based on a request for payment at a merchant's point of sale; Furthermore, the Merchant is a legal entity or private individual who sells through a financial agreement and appears on the market, acting within the scope of the commercial activities they provide or for other commercial purposes;

**Recipient (of a payment)** - a person designated as the recipient of funds that are the subject of a payment transaction;

**Payment account** - an account used to execute payment transactions; it can be a current or other payment account;

**Current account** - a payment account used to carry out payment transactions to the credit of the account; it can be an RSD and a foreign currency (FX) account;

**Services related to a payment account** - these are all services related to the opening, maintenance and closure of a payment account. These include the payment of cash into the account (crediting the account), the payment of cash from the account (debiting the account), transferring funds from/into the payment account through a credit transfer, and both an approved FlexFund (overdraft) or no FlexFund (overdraft);

**Payment order** - instructions submitted by the client to the Bank, which requests the execution of a payment transaction, and according to the form of payment, these may be: a payment order (pay-in or pay-out) or a transfer order;

**Instant transfer order** - is a payment system transfer order in electronic form, which has been prepared for the purpose of executing a payment order;

**Unique identifier** - is a combination of letters, numbers and/or symbols that the Bank assigns to the client used in a payment transaction to unambiguously identify the client and/or their current account. By virtue of these General Business Regulations, the current account number is considered a unique identifier;

**Payment instrument** - a personalised means or a set of procedures agreed between the client and the Bank, which the client uses to initiate a payment order and/or to view their account balance and transactions (payment cards, PIN, username, password, etc.);

**Payment instrument for instant credit transfer** - means any payment instrument used by the payer to issue a payment order (e.g. application software for mobile banking);

**Payment transaction** - pay-in, pay-out or transfer of funds initiated by the payer or recipient;

**Domestic payment transaction** - a payment transaction in which the payer's payment services provider and/or the recipient's payment services provider participating in the execution provide payment services within the territory of the Republic of Serbia.

**Instant credit transfer** - a domestic payment transaction in RSD executed by a credit transfer the payer may initiate at any time of the day or night, all year round and in which the transfer of funds to the recipient's payment account is carried out in the manner and within the terms established by these General Business Regulations;

**Distance Agreement** - an agreement through which the provision of information and the undertaking of other activities during the pre-contractual phase, i.e. the conclusion of this type of agreement are carried out exclusively using one or more means of distance communication in accordance with the Law on the Protection of Financial Service Consumers in terms of distance contracting;

**Means of distance communication** - is any means used for direct advertising, delivery of information in the pre-contractual phase, giving and/or accepting an offer, negotiating and concluding an agreement without the simultaneous physical presence of the Bank and the client (e.g. internet, e-mail, post, phone);

**Permanent data carrier** - is any means that allows the user to save the data intended for them, to access the data and to reproduce it in an unaltered state for a period of time corresponding to the purpose of its storage (e.g. paper, optical discs, USB flash drives, mobile phone and a card on which an SMS message can be saved, a computer hard disk on which an e-mail may be saved, e-mail);

**Request for payment at a point-of-sale (POS)** - a payment order issued by the payer against their payment account using a payment instrument for instant credit transfer at the merchant's POS;

**Cardholder** - a private individual who concludes an agreement for purposes that are not intended for their business or other commercial activity to whom the credit card was issued;

**Digital wallet** - a mobile application of the operating system with which the client can make payments at POS terminals that have a contactless reader, both domestically and internationally, through devices that have NFC (Near Field Communication) wireless communication. In addition to payments at POS terminals, the digital wallet enables the client to make online payments, as the application itself contains the payment card data needed to complete a transaction, as well as cash withdrawals at ATMs that support this service.

**Contactless transaction** - a financial transaction initiated through contactless card payment or contactless mobile payment using the RaiPay application or Apple Pay service (utilising a virtualised card) on POS terminals equipped with contactless Mastercard technology (terminals identified by the Mastercard PayPass logo or symbols associated with contactless cards).

**Cash machine/ATM** – electronic automated device used to withdraw, deposit cash funds and to perform other transactions using the appropriate payment card;

**Credit card** - is a payment card that allows its user to withdraw cash and pay for goods and services on credit;

**Credit limit** - the total amount up to which the card user can perform transactions;

**International payment transaction** - a payment transaction in which one payment services provider provides a payment service within the territory of Serbia, and another payment services provider does so within the territory of another country; transactions in RSD between residents and non-residents, as well as transactions in RSD between non-residents, are considered international payment transactions;

A positive balance on the RSD current account is considered a positive balance on an account that does not include a FlexFund (approved overdraft);

**Available balance on the RSD current account** - a positive balance on the account, which includes the amount of the approved FlexFund (overdraft);

**FlexFund (Overdraft)** - the amount of funds that the Bank makes available on the client's RSD current account under the FlexFund (Overdraft) Agreement, available to the client once all of the client's own funds on the account have been spent;

**List of representative services related to a payment account** - a document the content of which is determined by the National Bank of Serbia, which contains between ten and twenty representative services as the most frequently used services related to a payment account for which clients pay fees, and which are offered by at least one payment services provider in the Republic of Serbia;

**Business day** - is a day, or a part of the day, during which the Bank operates in such a way as to enable the execution of a payment transaction for its client; the time of receipt of orders and the time of order execution are defined in the Transactions Schedule;

**Legal residence** in the Republic of Serbia means the private individual resides in the Republic of Serbia in accordance with the regulations governing the residence and temporary residence of citizens, i.e. the temporary residence of foreigners in accordance with the Law on Foreigners, including foreigners who reside in the Republic

of Serbia in accordance to laws governing asylum and refugees or on the basis of an international agreement

**Loan Agreement** - on the basis of which the Bank undertakes to make available to the loan beneficiary a specified amount of funds, for a specified or indefinite period of time, for a specific purpose or for no specified purpose, and the beneficiary undertakes to pay the agreed interest rate to the Bank and return the received amount of money in time and in the manner determined in the agreement.

**Related loan agreements** - an agreement that serves exclusively for financing the procurement of a specific good or service and that, together with the sales contract for that good or service, forms an economic entity; an economic entity exists if the loan provider uses the seller's services for the purpose of concluding a loan agreement or the goods or services that are the subject of procurement are expressly specified in the agreement;

**Deposit Agreement** - is a monetary deposit agreement concluded when the Bank undertakes to receive, and the depositor to deposit with the Bank, a specific amount of money. With this agreement, the Bank acquires the right to dispose of the deposited funds and shall return said funds according to the conditions stipulated in the agreement.

**Nominal interest rate** is the interest rate expressed as a fixed or variable (floating) percentage that is applied on an annual basis to the amount of withdrawn loan facility, or the net amount of leasing financing or the received deposit;

**The annual effective interest rate** and the **effective leasing rate** (hereinafter: the effective interest rate) show the total costs of loans and other financial services paid or received by the user of these services, where these costs are expressed as a percentage of the total amount of these services on an annual basis;

**Repayment/Disbursal Schedule**, is a tabular overview of all cash flows presented chronologically, intended to inform the beneficiary, and for the purpose of more up-to-date monitoring of their obligations under the Loan Agreement, i.e. Leasing Agreement, or their receivables arising from the Deposit Agreement;

**Due diligence** is an increased level of attention and skill reasonably expected from a financial services provider in transactions with clients, in accordance with professional standards, good business practices, and the principles of conscientiousness and fairness.

**An example** is an example in which all the elements necessary to show the conditions under which a specific financial service is used are indicated.

**Bank guarantee** - A security instrument issued by the Bank and primarily used in trade financing, and is the Bank's obligation to pay a Guarantee Beneficiary a certain amount of money on request, in writing, within the period specified in the guarantee if the Bank's client fails to fulfil its obligation to the Beneficiary.

**Documentary letter of credit** – a payment instrument issued by a bank and primarily used in international trade transactions. The Bank pays the Beneficiary of the letter of credit (supplier of exported goods) upon presentation of the documents stipulated by the letter of credit within the prescribed period and upon fulfilment of other applicable conditions.

**Documentary collection** - an international payment instrument tied to the contractual relationship between the importer and the exporter for the shipped goods.

**Collection transactions** are transactions concluded by international parties in trade in which the exporter submits commercial documents (invoice, transport document, etc.) or/and financial documents (bills of exchange, promissory notes) to the importer for collection through their bank.

**Principal** - the party indicated in the guarantee as having obligations arising from the underlying transaction supported by a guarantee / the party at whose request the letter of credit was issued

**Beneficiary** – the party in whose favour the guarantee / letter of credit has been issued.

**Guarantor** – The Bank that issues the guarantee

**Letter of credit issuing bank** – A bank that issues a letter of credit at the request of the principal

**Advising bank** – A bank that advises the guarantee at the Guarantor's request / A bank that advises the letter of credit at the request of the Letter of Credit Issuing Bank.

**Underlying transaction** – the Agreement, tender conditions, or the relationship between the principal and the beneficiary, upon which the guarantee is based.

## **ESTABLISHMENT AND CHANGES TO THE BUSINESS RELATIONSHIP**

The business relationship between the Bank and the client is established by concluding an agreement in written form (on paper or another permanent data carrier using means of remote/distance communication), and/or at the client's request by filling out an online form from the Bank's website or using electronic banking services.

If, during the term of the contractual relationship, there is a need to amend one of the mandatory elements of the agreement, defined by the corresponding regulation, the Bank shall obtain the prior written consent of the client (on paper or another permanent data carrier using means of remote/distance communication), before applying said amendment, unless otherwise envisaged by applicable regulations.

If the Bank wishes to amend any other element of the agreement, which does not have the property of a mandatory element of the agreement, which are defined by the relevant regulation, the Bank has the right to amend such elements, provided that it has previously informed the client of this change in a timely manner. It will be considered that the Bank has notified the client of the amendment in question in a timely manner, by delivering the notification to the address the client previously reported to the Bank, to the e-mail address, or in any other way provided for in the General Business Regulations for communication between the Bank and the client.

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

The Bank has the right, based on the evaluation of the competent departments/units of the Bank and the decisions of its bodies, and in accordance with its procedures, to freely select clients with whom it shall enter into business relationships. The Bank reserves the right not to enter into a business relationship with certain clients, whereby it is not obliged to provide additional explanations concerning the reasons for refusal, except in cases where it is obliged to provide a necessary explanation under corresponding regulation.

The Bank follows the sanctions and embargo lists published by the United Nations (UN), the European Union (EU), the Federal Bank of Germany, the Ministry of Economy and Finance of France, the Office for the Implementation of Financial Sanctions of the United Kingdom (UK) and the Office of Foreign Assets Control of the United States of America (OFAC), as well as all relevant lists in accordance with the regulations of the Republic of Serbia, and reserves the right not to open and maintain accounts, as well as not to execute transactions, if it determines that a legal entity or private individual is on one of the mentioned lists, if the execution of the transaction would be covered by sanctions because of the participants or the subject of such a transaction, as well as if it is determined that sanctions may be applied in any part, based on a performed assessment. Additionally, the Bank does not provide financial services to clients whose behaviour is in conflict with the Bank's ethical business principles expressed through the document List of Excluded Activities, which is published and publicly available on the Bank's website at [www.procreditbank.rs](http://www.procreditbank.rs).

In terms of their activities and business, the client shall take into account possible actions contrary to sanctions at the domestic and/or international level, and the Bank shall not be held responsible for suspending a transaction, freezing or blocking funds, as well as for any measure taken in relation to the client or the transaction that was carried out by the correspondent bank or any other body, due to the application of appropriate sanctions or embargo regimes.

Unless otherwise expressly agreed in writing, the Bank does not assume obligations and responsibilities other than those regulated by these General Business Regulations.

In executing its obligations, the Bank shall be held responsible only for the gross negligence on the part of its employees. The Bank shall not be accountable for damage caused by the fault of the client.

The Bank shall not be responsible for any damage caused by force majeure. Force majeure, by virtue of these General Business Regulations, means riots, states of war, natural disasters, strikes, traffic jams, administrative regulations of domestic or foreign competent authorities, as well as other events for which the Bank cannot bear responsibility, nor could it have prevented or avoided such events.

The Bank cannot be held responsible for any damage caused as a result of the actions of competent state authorities in the country or abroad or as a result of the disruption of its operations. The exclusion of the Bank's liability also applies in the event that the Bank completely or partially suspends or limits its operations on certain days or for a certain period of time, for serious reasons.

The Bank shall not verify the authenticity, completeness or validity of documents, whether of domestic or foreign origin, which are sent to it or in its possession, and which concern the appointment of authorised representatives, guardians, trustees and recipients in case of bankruptcy or other administrators, in accordance with General Business Regulations and relevant legislation.

The Bank reserves the right to begin executing its obligations resulting from transactions concluded with a client on the following business day, if they fall on a non-business day.

The Bank may, for the purpose of collecting its outstanding receivables, automatically, without the need to request special approval from the client, collect from all the client's accounts maintained with the Bank and transfer the unsettled amount to an account held by the Bank, and to activate all provided collateral.

The Bank is also authorised to dispose of the funds on the client's accounts, without the need for the client to provide special written consent or an order, in the process of enforced collection, for the purpose of payment according to final and enforceable decisions of a court or other state authorities, as well as in other cases provided for under applicable regulations.

The Bank has the right to suspend the use of services and/or products, without requiring the consent of the client, and may do so either partially or in full, in order to prevent money laundering and terrorism financing, in line with applicable regulations which govern these matters, and/or for other justified reasons such as the failure to submit documentation required for updating client data and documentation (valid personal documents, excerpts, statements, confirmation/certificates, etc.) or in line with other applicable regulations and decisions of the competent authorities, including but not limited to, cases of misuse of account and/or payment cards, etc.

FATCA (Foreign Account Tax Compliance Act) is a regulation adopted in the United States of America (USA) which includes a number of regulations adopted with the aim of preventing tax evasion. These regulations envisage the participation of foreign financial institutions in the prevention of tax evasion by US citizens or residents who hold their financial assets in non-US accounts, through the provision of information.

On 10 April 2019, the Government of the Republic of Serbia signed the following arrangement - Agreement between

the Government of the United States of America and the Government of the Republic of Serbia to Improve International Tax Compliance and to Implement FATCA, with Annex I and Annex II (the Agreement), with the Government of the United States of America. The National Assembly of the Republic of Serbia passed the Law on Confirmation of the Agreement (RS Official Gazette - International Agreement, number 16 of 27 December 2019), which enabled the full implementation of the Agreement (Arrangement) in the Republic of Serbia.

The Bank applies the Agreement in its entirety, in relation to all existing and new clients, in the manner and to the extent defined in said Agreement, including, among other things, the obligation to check and determine the status of a US taxpayer, as well as the obligation to submit appropriate data to the competent authorities. Clients are obliged to provide the Bank without delay with all data, information and documentation relevant to the fulfilment of obligations stipulated in the Agreement, and as to notify the Bank without delay of any change thereof, while otherwise the Bank reserves the right to unilaterally terminate the business relationship with the client and submit a request for compensation for damage that may arise for the Bank on such occasion.

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

The client has the right to request all relevant information from the Bank and receive appropriate explanations and instructions related to the immediate application of the General Business Regulations.

The client has the right to receive information, data and instructions related to their contractual relationship with the Bank from the Bank, in written form or on another permanent data carrier. The Bank has the right to charge a fee for providing information, data and instructions to the client in connection with their contractual relationship with the Bank, except in cases where applicable regulations define that such notifications are provided free of charge.

The client has the right to request information and appropriate notices from the Bank concerning the general information and conditions related to the Deposit Agreement, FlexFund (Overdraft) Agreement, the Account Opening and Maintenance Agreement, and the Credit Card/Digital Wallet Issue and Use Agreement. In the pre-contractual phase, the Bank sends the client a Draft Agreement online, along with an offer, the Price List and the General Business Regulations, in that the aforementioned documents may be obtained in the branch if it is not possible to send them via the internet. Regardless of the aforementioned, in the pre-contractual phase, the Bank provides the client with all the necessary documentation prescribed by applicable regulations (in printed form or electronically).

For the purposes of establishing a business relationship or identification, the client shall provide the Bank with all the documentation required under current regulations and acts of the Bank. If the client is a private individual - resident, they are obliged to show a valid identity card or passport to the Bank employee when visiting the branch office, and if the client is a private individual - non-resident, a valid passport. The Bank reserves the discretion to request an additional document or to accept another personal document, which can prove the client's identity according to the current regulations and acts of the Bank.

The client, a private individual, shall promptly notify the Bank of all changes in personal and family name, residency status, address of residence/temporary residence, e-mail address, telephone number, changes that are important for mutual communication, as well as changes in other elements that are important for the orderly fulfilment of its obligations to the Bank, such as a change of employment, loss of employment, reduction or loss of income, etc., at the latest within 3 days from the date of the change, if no other deadline is provided under the regulations which apply to a specific transaction, by e-mail, through eBanking or in person at the branch office. If the client does not act in the manner specified in this paragraph, they are responsible for the damage that the Bank may suffer as a result.

The client is obliged to submit a new personal document to the Bank, as well as any changes to the existing document, immediately after the issuance of the new document or the resulting changes, as well as to comply with the Bank's request to submit a valid personal document within the stipulated deadline.

Documents and notices that the client submits to the Bank, depending on the nature of the transaction, the Bank's acts and the concluded agreement, at the request of the Bank, are submitted in their original forms, or in photocopy, with or without the verification of a competent authority (municipality, court or notary public) confirming that the photocopy is true to the original. Documents and notices the client submits to the Bank in a foreign language are submitted in a certified translation into Serbian at the request of the Bank, and in certain cases foreign documents must also be certified by a notary public and entrusted with an apostille, depending on the country of origin of the submitted document.

Documentation submitted by the Client to the Bank, which is verified by the competent authority or issued by the competent authority at the request of the client, cannot be older than three months. The client bears responsibility for costs or loss that may arise as a result of forgery, fraud, incompleteness, legal invalidity, as well as misinterpretation or translation of documents submitted to the Bank.

The client is responsible for all losses that may be caused due to the fact that the Bank was not informed of any shortcomings in relation to the legal or business capacity of the client, legal representative, or other authorised or empowered individuals of the client, as well as their authorities.

When giving orders to the Bank, said orders issued by the client must be clear and unambiguous, given in writing or in another agreed manner, and in accordance with the applicable regulations and acts of the Bank.

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

Communication between the Bank and clients is carried out through informative and advertising materials available in the Bank's business premises, through the Bank's internet presentation, telephone contact, SMS messages, through the Bank's Contact Centre, via mobile applications (Viber, WhatsApp, Messenger, Telegram, etc.), video identification, electronic banking services, direct verbal and written communication, as well as other means of communication. All information can be delivered to the client through the mentioned methods of communication, with the Bank delivering the necessary notifications to the client via registered mail or on another permanent data carrier, electronic banking, when this is expressly defined by the relevant regulation.

The Bank shall not assume, nor can it bear responsibility for the originality, validity or completeness of the received documents, correct interpretation or translation.

The Bank shall send documentation, letters, notices, warnings and the like to the client at the address specified in the agreement on a specific business relationship between the Bank and the client or, in the event of a change of address during the term of the business relationship, to the address that the client subsequently provides to the Bank, in writing or to client's e-mail. In the event said documents are sent by post, they will be considered delivered on the day they are sent to the client.

The Bank may provide information in written form to the client directly at the Bank's premises. The Bank shall inform the client in a timely manner of the need to visit the Bank's premises in order to collect the aforementioned information.

If correspondence is carried out via e-mail, eBanking or SMS message, it shall be considered received by the client at the moment it is sent by the Bank.

In the event that the client fails to promptly inform the Bank of a change of residential address, place of temporary residence, as well as other information that is, or may affect the orderly delivery of correspondence addressed to the client at the address specified by the client, such correspondence shall be considered duly delivered even when sent to the address that is no longer valid or in the case of messaging, it shall be considered delivered even when sent via another information channel using the provided contact information. Changes to the client's data may also be made through eBanking and video identification. The Bank, with the consent of the client, has the right to use the client's information relating to the address, telephone and fax numbers, e-mail address and other information for establishing contact, which the client submitted to the Bank when signing the agreement or application form and/or other appropriate document, to provide the client with information concerning its activities, products and services, in the form of brochures, prospectuses, electronic or SMS messages, as well as all other means of business communication and business presentation. The Bank shall not be held responsible for unauthorised access to information and the content of messages sent by third parties to the client's phone number and/or fax, or to the address and/or e-mail address or in another appropriate way using the information indicated as the client's contact information.

The client can obtain information concerning the balances of all their accounts held at the Bank via the Contact Centre, that is, information concerning accounts they are authorised to use over an indefinite period of time. To ensure the security of the service by which clients access information via telephone, the Bank assigns a PIN (Personal Identification Number). In the event of the unauthorised use of the PIN by a third party, the client shall notify the Bank immediately by calling the Bank, and in writing within 3 days from the day of verbal notification. The client shall maintain the confidentiality of the PIN to ensure that it does not fall into the possession of unauthorised persons. If the client suspects or discovers that someone has found out their PIN, they can submit a request to the Bank to have it changed, otherwise the client bears all possible damage. The Bank reserves the right to record incoming calls, to record them in the form of computer records and on sound carriers as audio files. The Bank shall not be held responsible for damage caused by disruptions and interruptions in telecommunications, postal, telegraph, and telecommunication (PTT) connections, due to failure of telephone lines or the telephone system located in the Contact Centre, failure of the PTT system that supports the Contact Centre's services or any auxiliary system related to these services, as well as other circumstances that are beyond the control of the Bank, due to which it is unable to provide these services to the client until the malfunction is remedied, as well as for damage due to the misuse of information obtained through wiretapping telephone lines committed by unauthorised persons.

The client has the right to cancel the further use of the service in question by submitting an appropriate written request to the Bank.

The Bank reserves the right to subsequently change the scope and content of the services it provides using the existing PIN. The Bank has the right to cancel the further provision of the service in question to the client upon delivery of a written Cancellation Notice.

## **BANKING SECRECY AND PERSONAL DATA PROTECTION**

Bank secrecy is a trade secret. The Bank has an obligation to keep banking secrecy. The following are considered banking secrecy:

- data that is known to the Bank and refers to personal data, financial status and transactions, and to the

- ownership or business relationships of clients with the Bank or (an)other bank(s);
- account balances and transaction information concerning individual deposit accounts;
- other information obtained by the Bank in dealings with its clients.

The following shall not be considered bank secrecy:

- public data and data that are available to interested parties with a justified interest available through other sources;
- consolidated data the basis on which the identity of an individual client is not revealed;
- information on the Bank's shareholders and the amount of their participation in the Bank's share capital, as well as information on other persons with participation in the Bank and information concerning such participation, regardless of whether they are clients of the Bank;
- information relating to the orderly fulfilment of the client's obligations toward the Bank.

The bank has an obligation to keep banking secrecy, when it is foreseen, in the manner and under the conditions defined by applicable regulations.

The Bank collects, processes, stores and protects personal data in accordance with the established principles and requirements of the current Lw on Personal Data Protection. The Bank provides detailed information on the processing of personal data through the document ProCredit Bank Personal Data Processing Notice which is available on the Bank's official website at <https://www.procreditbank.rs/>, as well as in the Bank's commercial premises. By accepting these General Business Regulations, the client confirms that they are fully aware of the information contained within this document.

## **CESSATION OF THE BUSINESS RELATIONSHIP**

The Bank and the client may, at their own discretion, mutually terminate the business relationship, with or without a notice period, and at any time. This right is available to the client if they have settled all obligations toward the Bank.

Apart from the reasons provided by relevant legal and other regulations, i.e. the provisions of any section of these General Business Regulations and the agreement concluded between the Bank and the client, the business relationship may be terminated without or with a notice period if there is a justified reason for which the continuation of the business relationship is unacceptable for the Bank. For justified reasons, the following cases are considered in particular:

- if a client provides inaccurate data or statements concerning their financial status, which were important to the Bank in deciding on whether to approve and disburse a loan or other services or to undertake certain activities which exposed the Bank to risk, should the client fail to provide the Bank with the documentation specified under regulations governing the prevention of money laundering and terrorist financing or other applicable regulations, updating of information at the Bank, as well as for other reasons related to the prevention of money laundering and terrorist financing,
- if the client's financial situation significantly worsens or there is the real possibility that this may ensue, and the client endangers the proper fulfilment of their obligations toward the Bank,
- in case of any violation of the contractual obligations of the client or a third party to the detriment of the Bank,
- if the client fails to comply with the Bank's request for 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 the commission of criminal offenses, including money laundering and terrorist financing, or if it is established that the client or a person with whom the client conducts transactions is named on the lists recognised by the Bank, in accordance with local and international regulations, which refer to the prevention of money laundering and terrorist financing,
- if for any reason there is a reputational risk for the Bank if it continues to collaborate with the client,
- when the client's account is inactive, that is, conditionally inactive,
- in other cases, envisaged under the law.

The Bank has the right to terminate the agreement with compliance to the legal deadline if the client fails to fulfil their contractual obligations in accordance with the Bank's notification of changes to those elements of the agreement and General Business Regulations that are specified as variable.

The business relationship is terminated once the competent Board of the Bank render a decision on termination. The Bank shall send the client a Termination Notice relevant to the specific business relationship, and the provisions of the General Business Regulations relating to communication between the Bank and the client shall be applied accordingly to the delivery of said Notice.

On the day of unilateral termination of the Agreement, by either contracting party, the remaining portion of the loan, i.e. the Bank's receivables arising from other products approved to the client, with all accrued interest and other costs that the Bank has and may incur in the process of judicial and/or extrajudicial collection of outstanding receivables, becomes due for payment. If the client fails to settle their obligations, the Bank may initiate judicial and/or extrajudicial proceedings for the collection of the entire amount of the remaining receivables.

Once the business relationship between the Bank and the client is terminated and under the condition of full settlement of all the client's obligations toward the Bank, the remaining funds in the client's accounts shall be made available to them.

The provisions contained herein that apply to the termination of the business relationship between the Bank and the client shall apply accordingly to the partial termination of the business transactions between the Bank and the client, and the provisions of these General Business Regulations shall apply accordingly even after the termination of the business relationship between the Bank and the client, and all until the final settlement of mutual rights and obligations.

## **CLIENT'S RIGHT TO OBJECT**

The client, including the provider of collateral to the Bank's receivables toward the financial service user, has the right to file a complaint with the Bank, within a period of 3 (three) years, starting from the day the client's rights or legal interests were violated, and free of charge, if the client believes that the Bank has failed to comply with the laws and other regulations which govern financial services, the General Business Regulations or good business practices which relate to the services or obligations stipulated in the concluded Agreement with the client. The client must submit a complaint to the Bank in one of the following manners:

- In person, at one of the Bank's locations (Bank premises), by submitting a Letter of Complaint to one of the Bank's officers;

- By sending a Letter of Complaint to the following address:

**ProCredit Bank a.d. Belgrade,**  
*Compliance and Anti-Money Laundering Unit*  
*Milutina Milankovića 17*  
*11070 New Belgrade*  
*(indicated as: Letter of Complaint)*

- Via email to the following address: [srb.prigovor@procredit-group.com](mailto:srb.prigovor@procredit-group.com);

- Via the link provided on the Bank's homepage at [www.procreditbank.rs](http://www.procreditbank.rs) by choosing the Complaint option;

- In electronic form, when contracting services by concluding a distance agreement, using the means of distance communication by which the agreement to which the complaint relates has been concluded (choose the option - Your Applications - Send a Complaint).

Complaints submitted in a manner other than specified shall not be taken into consideration and the Bank shall not be obliged to respond to said complaints. If the client is dissatisfied with the Bank's response or if the Bank fails to respond to the client's complaint within 15 days from the day the complaint was submitted to the Bank, in exceptional cases, upon an extended period of an additional 15 days, in a clear and comprehensive manner, the client may:

- file a written complaint within 6 months from receiving the response, that is, upon the expiry of the aforementioned deadline, with the National Bank of Serbia - Department for Financial Consumer Protection via post, to the following address: National Bank of Serbia, Post Office Box 712, 11000 Belgrade or electronically, via the website of the National Bank of Serbia at [www.nbs.rs](http://www.nbs.rs), by filling in the complaint form available by clicking on the text *File a Grievance / Complaint Against a Financial Service Provider/mediation proposal* located on the homepage of the NBS website

- file a written complaint within 6 months from receiving the response, that is, upon the expiry of the response deadline, with the National Bank of Serbia - Department for Financial Consumer Protection via post, to the following address: National Bank of Serbia, Post Office Box 712, 11000 Belgrade or electronically, via the website of the National Bank of Serbia at [www.nbs.rs](http://www.nbs.rs), by filling in the complaint form available by clicking on the text *File a Grievance / Complaint Against a Financial Service Provider/mediation proposal* located on the homepage of the NBS website

- initiate a mediation process before the National Bank of Serbia, for the extrajudicial settlement of the disputed relationship, by sending a mediation proposal in writing to the address of the National Bank of Serbia, at Post Office Box 712, 11000 Belgrade or via email via the website of the NBS at [www.nbs.rs](http://www.nbs.rs), by clicking on *File a Grievance / Complaint Against a Financial Service Provider/mediation proposal*.

## **GOVERNING LAW AND JURISDICTION**

Unless otherwise expressly provided by the Bank in writing, the regulations of the Republic of Serbia apply to the governing of legal relations between the client and the Bank. International rules and customs are also applicable for regulating any relationship between the client and the Bank, to the extent that such rules and customs are binding for the Bank and/or the client or are generally accepted by the international business community.

Unless otherwise expressly provided for by the Bank in writing, any dispute arising out of or in connection to the relationship between the Bank and the client shall be resolved by the competent court in the Republic of Serbia. The Bank reserves the discretionary right to initiate appropriate proceedings against the client and before any other competent authority in the Republic of Serbia and abroad.



## **FINAL PROVISIONS**

The General Business Regulations enter into force on the day of their adoption, and shall apply 15 days after the Bank displays them in a visible place, i.e. on its information terminals and on the Bank's website [www.procreditbank.rs](http://www.procreditbank.rs). By placing these General Business Regulations in a visible and accessible location, it is considered that they are fully available to the client and that they are familiar with said Regulations.

The Bank has the right to change the General Business Regulations in accordance with its business goals, of which it shall inform the client by placing the amended General Business Regulations in a prominent and visible place on the Bank's information terminals and on the Bank's website [www.procreditbank.rs](http://www.procreditbank.rs).

## **JURISDICTION TO ENACT**

The General Business Regulations of the Bank and their amendments is vested in the Board of Directors, as well as another body in accordance with the authorisation of the Board of Directors.

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