

Pursuant to Article 73, Paragraph 1, Item 5 of the Law on Banks ("RS Official Gazette", No.107/2005, 91/2010 and 14/2015), in accordance with the provisions of the Law on Payment Services ("RS Official Gazette", No. 139/2014 and 44/2018) and Article 38 of the Articles of Association of Expobank JSC Belgrade (hereinafter: **the Bank**), the Bank's Board of Directors hereby adopts the following

GENERAL TERMS AND CONDITIONS OF PROVIDING PAYMENT SERVICES TO LEGAL ENTITIES

I. GENERAL PROVISIONS

Basic information about the Bank:

Business name: EXPOBANK JSC BELGRADE

Head Office: Municipality: Belgrade – Palilula, 22 Dalmatinska Street. 11000 Belgrade

Tax Identification Number (TIN): 100003148

Registration number (MB): 07534183

Account number with the National Bank of Serbia: 908-14501-28

Website: www.expobank.rs

E-mail address: client.service@expobank.rs, office@expobank.rs

Info phone number: +381.11.33.06.300

Work permit issued by the National Bank of Yugoslavia, Decision number 269 dated 12th November 1990.

Supervision of the Bank business operations, as well as the supervision of the Bank operations related to providing Payment Services in the Republic of Serbia is performed by the National Bank of Serbia (hereinafter: NBS), with the registered address in Belgrade, 12 Kralja Petra Street and 17 Nemanjina Street, in accordance with the legislation governing the business operations of banks.

The Bank, as a provider of payment services, by these General Terms and Conditions of providing payment services to legal entities (hereinafter: General, Terms and Conditions of Providing Payment Services) in accordance with the Law on Payment Services ("RS Official Gazette" no. 139/2014 and 44/2018) (hereinafter: the Law), provides information to clients regarding the use of payment services and manages mutual rights and liabilities between the Bank and legal entities (hereinafter: Client/Clients), related to performing payment services in accordance with the Law particularly related to :

- Type of payment services and conditions for their use
- Information on the mode and means of communication
- Opening, maintaining and closing of payment accounts,
- Rights and liabilities of the Bank and Clients as holders of account / users of the payment services,
- Execution of payment transactions, the time of receipt and deadlines for the execution of payment orders,
- Information and data on charges, interest rate and currencies' exchange rate
- Notification and other protective measures related to the execution of payment transactions,
- Conditions and mode of amending, supplementing, cancellation and termination of the framework contract,
- Information related to international transactions and transactions denominated in foreign currency
- Change of payment account

Payment account with basic services Protection of Client's rights and interests other issues of importance for the Bank in accordance with the Law

In accordance with the provisions of the Law, these General, Terms and Conditions of providing payment services together with the following documents:

- Tariff of the Bank for payment services (hereinafter: the Tariff),
- Timetable (hereinafter: Timetable),

- individual General Terms and Conditions for certain
- services/products of the Bank, whether they are an integral part of each agreement or available to clients on internet presentation and/or at the on the Bank premises accessible by payment services users

govern all business relations between the Bank and the Client/Clients related to the provision of payment services and they are considered as an integral part of an individual agreement on the opening and maintaining of the dinar accounts, the Agreement on opening and maintaining foreign currency accounts, the Agreement on issuing and using payment cards, other agreements on payment services with permanent execution, as well as other accounts regardless of their name, and which are in accordance with the provisions of the Law defined as payment accounts, all together represent a Framework contract on Payment Services, in terms of the Law (hereinafter: the Framework Contract), concluded for an indefinite period.

The Bank shall make available, in a visible place on all its premises where clients have access, as well as on its website www.expobank.rs, these General Terms and Conditions, List of representative services linked to the payment account List of services and related charges linked to the payment account as well the other documents in terms of the Law, in the Serbian language, in order to enable clients to learn about the terms of payment services of the Bank.

All issues not governed by these terms and conditions of providing payment services, are regulated by the current General, Terms and Conditions of activities of the Expobank JSC Belgrade Individual application of these General Terms and Conditions of providing payment services to Clients is provided with the conclusion of a written contract between the Bank and the Client, and the Bank is liable to apply these General, Terms and Conditions of providing payment services;; General, Terms and Conditions for certain services/products of the Bank, also on the existing business relationships in terms of the Law, based on other forms of business cooperation in relation to the provision of payment services between the Bank and the Client arising under the then applicable rules and regulations of the Bank and without specifically concluded agreement.

II. DEFINITIONS OF TERMS

Payment account is an account open by the Bank for a Client, under Contract and this General Terms and Conditions, to be used for payment transactions and services provided by the Bank to payment services' users. The Bank opens account denominated in local or certain foreign currencies, separate account for each currency

Payment account maintenance - the Bank maintains payment account of the Client in compliance with concluded contract in order to enable Client to use funds deposited to that payment account as well payment services linked to payment account.

Client is a legal entity (resident or non-resident) who holds a payment account with the Bank and concluded an contract on opening and maintaining the account with the Bank or has approached the Bank to use its payment services;

Payer means an individual or legal entity that issues a payment order from its payment account or gives consent to execute a payment transaction based on the payment order issued by a payee, or, if there is no payment account, an individual or legal entity that issues a payment order;

Payee means an individual or legal entity designated as the recipient of funds that are the subject of a payment transaction;

Payment transaction means an act, initiated by the payer or by the payee, of placing, transferring or withdrawing funds, irrespective of any underlying obligations between the payer and the payee;

Payment order means any instruction to the Bank given by a payer or payee requesting the execution of a payment transaction **Payment instrument** means any personalised device and/or a set of procedures agreed between a Client and the Bank, used by a Client in order to issue a payment order; Payment instruments may be payment cards, use of personalized identification number (PIN), user name and password (e-banking) etc.

Non cash transfer of funds denominated in dinar in Republic of Serbia – Payer with its provider of payment services initiates transfer of funds from its payment account to the account of payment receiver

Non cash transfer of funds denominated in euro from fx account denominated in euro Payer with its provider of payment services initiates transfer of funds denominated in euro from its fx account in euro to the account of payment receiver **Receipt of money from abroad to fx account in euro** - provider of payment services makes deposit of funds in euro to the Client fx account in euro, based on the payment transaction initiated from abroad

Direct debit - Payment receiver initiates the transfer of funds from the account of Client to its own account based on approval given by Client to that payment receiver, consumer's own provider of payment services or to payment receiver's provider of payment services. Based on transaction initiated in the above mentioned way, the provider of payment services of consumer, transfer funds to the receiver of payment on the date/ dates agreed upon, by consumer and payment receiver; the amounts of transferred funds vary.

Payment card or **Card** is a payment instrument which enables the Client to pay for goods or services either through Point of Sale or remotely and/or to deposit and /or to withdraw cash and/or use the other services at an ATMs or other devices in accordance with an contract on the issue and the use of the card which is owned by the Bank and is not transferable;

PIN (Personal Identification Number) means a secret identification number used to identify the authorized person of the card at an ATMs and/or any other device, known only to the Client, the Card holder and is strictly confidential;

IBAN (International Bank Account Number) is an international standard for numbering accounts at a Bank. IBAN is a unique identifier of the client account, which the Bank provides to its clients;

E-banking – The provider of payment services enables the Client to use services linked to payment account via software installed on computer and /or other similar gadget via Internet

Specific conditions for each service/product are the conditions related to the use of certain products/services that are related to the current account, which the Bank provides to its clients; These special conditions may be defined in a separate document or individual contract for these products/services or as part of General Terms and Conditions of payment services (e.g. e-banking services, standing order sms service, etc.);

Business Day is a day or part of a day during which the Bank operates in the manner to receive orders for the execution of payment transactions;

Timetable is a special Bank enactment which defines the time of order receipt as well the time of its execution, conditions and mode of execution of both domestic and international transaction, as well as the execution of other payment services. The Timetable is available in branches and on the Bank's website www.expobank.rs;

Tariff is a special enactment of the Bank which defines all types and amounts of fees that the Bank charges from the Client while executing payment transactions and payment services;

Reference rate is the rate on the basis of which the calculation is made in the currency exchange, which the Bank made available to Clients by publishing its Exchange Rates List, unless otherwise provided in the Contract on opening and maintaining of accounts;

Bank Statement / account turnover includes the review of information on individual executed payment transactions which is made for a certain period and submitted to the Client;

Direct debit - Payment receiver initiates the transfer of funds from the account of consumer to its own account based on approval given by consumer to that payment receiver, consumer's own provider of payment services or to payment receiver's provider of payment services. Based on transaction initiated in the above mentioned way, the provider of payment services of consumer, transfer funds to the receiver of payment on the date/ dates agreed upon, by consumer and payment receiver; the amounts of transferred funds vary usually.

Contract is an agreement on opening and maintaining individual payment account;

Supervisory authority means the National Bank of Serbia at 17 Nemanjina street, Belgrade, which supervises and controls the work and business operations of the Bank in terms of providing payment services;

Law means the Law on payment services, which includes amendments and supplements, as well as the by-laws made under the Law;

POS TERMINAL – an electronic device that is used for accepting payment card transactions.

ATM – an electronic device for cash withdrawals, balance inquiries and any other services.

Credit transfer – payment services where payer via its own provider of payment services initiates one or more payment transactions, either in paper or e-form, including standing order as well

RTGS NBS system (payment order execution in real time on gross principal) – the payment system regulated by Rules of RTGS payment system of the National Bank of Serbia

Clearing of the NBS – the payment system regulated by the clearing payment system of the National Bank of Serbia, Rulebook

IPS of NBS System system – payment system regulated by Rulebook of IPS of the payment system of the National Bank of Serbia

Instant payment transaction under NBS Decision on general rules on instant credit transfers is domestic payment transaction denominated in dinars, processed through the Payment System administered by the NBS (IPS) with instant interbank clearing and crediting of payee's account which payer may initiate at any moment throughout a year, in compliance with the previously mentioned NBS Decision

Passive interest rate - interest paid to the Client for funds deposited on the payment account

Standing order – instruction given by the Client to the Bank to make periodic regular transfers in the predefined or easily to be defined amount from the Client account to the other account

Unlawful account overdraft - meaning defined by Law on protection of users of financial services

Account overdraft – under contract on overdraft, the Bank makes available to the Client, on its payment account, stipulated amount which the Client may use when his/her account is empty. Contract on overdraft stipulates the maximum amount to be made available to the Client, interest rate and fees charged by the Bank, if any

Cash payment out account by submission of order for withdrawal – the Client withdraws cash from its payment account held with the Bank by submitting withdrawal order to the Bank

Cash payment to the account by submission of order for making deposit – the Client makes cash deposit to its payment account by submitting order for making deposit to the provider of payment services holding its payment account

Card acceptance at point of sales Payment service related to acceptance of payment transaction based on payment card and execution of that transaction in order to transfer funds to merchant (payment receiver); the Bank enables the card acceptance at physical point of sales of merchant and/or virtual point of sales via Internet (e-commerce) as well the transfer of funds corresponding to the value of goods and services paid by payment card, to the merchant account

Acceptance of instant credit transfer at point of sale – Payment service related to acceptance of payment transaction based on payment instrument effecting instant credit transfer on physical point of sales of merchant and/or via Internet point of sales (e-commerce) in order to transfer funds to merchant (payment receiver)

Legal stay in the Republic of Serbia – stay of an individual in the Republic of Serbia in compliance with regulation related to residence and stay of citizens or stay of foreign citizen in line with Law on foreigners, including foreigners staying in the Republic of Serbia in line with laws regulating asylum or refugee status or in compliance with international agreements

Payment account with basic services – Payment account for effecting payment transaction in dinars, open by the Bank in compliance with Law and these General Rules

Change of payment account – service provided by the Bank to the Client in line with provisions of these General Rules

Overview of services and charges related to the payment account (hereinafter: overview of services and charges) – document displaying services out of the list of representative services, offered by the Bank including as well information on charges on each individual offered service

List of representative services linked to the payment account – list of services defined by the National Bank of Serbia including minimum ten and maximum twenty representative services linked to the payment account, chargeable to the services' user, offered by one provider of payment services in the Republic of Serbia; this list contains glossary and definition related to each individual service linked to the payment account; the list is adjusted on regular basis and published on the National Bank of Serbia web site

III. TYPES OF PAYMENT SERVICES AND CONDITIONS OF USE

Payment services offered by the Bank to the Client

- Services enabling cash depositing on payment account as well as all the services needed for opening, maintaining and closing account.
- Services that allow withdrawing cash from a payment account as well as all the services needed for opening, maintaining and closing accounts.
- Services of transfer of funds from payment accounts or to payment accounts as follows:
 - Credit transfer,
 - Use of a payment card or a similar instrument, which is governed by the General, Terms and Conditions for individual services,
 - Execution of payment transactions where the funds are made available from the Client's loan,

- Issuing payment instruments and/or acceptance of these instruments on the basis of which the Bank enables the payee the execution of payment transactions initiated by the payer using a specific payment instrument,

The Bank also provides the following services:

- Services related to execution of payment transactions between residents and non-residents in dinars and foreign currency of third countries and payment transactions between residents in the currency of third countries as well as
- Opening and managing payment accounts of residents and non-residents in the Republic of Serbia in accordance with the limits specified by the regulations on Foreign Exchange Operations.

Payment services which the Bank provide to clients in accordance with these General Rules, Terms and conditions of providing payment services, refers to domestic payment transactions which are executed in dinars, to domestic payment transactions in the currency of third countries and international payment transactions regardless of the currency of payment under the regulations on Foreign Exchange Operations.

Until the accession of the Republic of Serbia to the EU, payment transactions in dinars between residents and non-residents or between non-residents shall be considered international payment transactions in accordance with the Law on Foreign Exchange Operations.

IV. SINGLE PAYMENT TRANSACTIONS

Execution of a single payment transaction not covered by the Framework Contract is considered as agreement on single payment transaction and shall be deemed concluded upon reception of orders and funds for its implementation.

The Bank shall make easily accessible, on its premises, preliminary information about a single payment transaction in accordance with the Law.

Information for the payer, after receipt of the payment order, as well as information for the payee after the execution of the transaction, the Bank makes easily accessible, in accordance with the Law, immediately upon receipt of the payment order for execution i.e. execution of single payment transaction.

Upon the request of a Client, the Bank shall submit this information to the Client in hard copy or other durable medium.

V. INFORMATION ON MANNER AND MEANS OF COMMUNICATION BETWEEN THE CLIENT AND THE BANK

The Bank shall communicate with clients orally and in writing (via informative and advertising materials available at the Bank's counters, website, by telephone, through the customer center, entering text notification to special place in the statement of account of the client, as well as through other electronic forms of communication including advertising through mass media).

In case a Client submits any information to the Bank, it will be deemed to have been served personally, received by the Bank, only after the Client copy of the document is stamped by the Bank when received, or after written confirmation of receipt.

When receiving or submitting documents in compliance with the Client instruction, the Bank will check documents with due care in order to make sure that they are in line with the Client instruction

The Bank decides, in accordance with legislation, the nature and content of the document being delivered to the Client as well as with Framework Contract concluded with the Client, in each particular case about the manner of its delivery / making available to the Client, : by registered post, with or without receipt confirmation, e-mail, SMS, publishing on the Bank web site , inserting notice in designated place on the account statement or by any other appropriate mode.

The Bank may deliver information to Clients through a third party, with whom the Bank has concluded an agreement on delivery services, with a contractual obligation of the third party on protection of **confidentiality** of business data as well as data related to the particular Client personal information. For the executed delivery to be

deemed duly served, the Bank and the person performing the delivery in the name and for the account of the Bank, are obliged to provide proof that the delivery was made to the Client, as well as to ensure the preservation of this proof during the necessary time period.

All written communication that the Bank sends to the last known address provided by the Client shall be deemed duly served. The Bank shall have no legal or financial responsibility for damage that may occur to the Client or third parties due to the fact that the Client has not received a notice or letter which was sent by the Bank to the last address provided by the Client.

The Bank may communicate with a Client in writing, by sending notifications, provided that the Bank has contact details and the relevant notification submitted by the Bank shall be deemed delivered by the Bank at the time of sending, namely:

- If it is sent by SMS – on the day when the SMS is sent to the Client as evidenced by a certificate of sending messages,
- If sent by Fax – on the date the fax was sent to the Client as evidenced by a certificate of sending by fax machine,
- If it is sent by e-mail - on the day when the electronic message is sent as evidenced by an email message containing information on the date and time of sending as well as about the recipient,
- If it is sent by electronic banking – on the delivery notification to the registered account of the Client in the application for electronic banking,
- If it is sent by courier service – upon expiry of usual time necessary for courier delivery, as evidenced by a certificate of courier delivery or attempted delivery,
- If sent by Postal office – including sending mail to the address of a third person authorized to receive correspondence on behalf of the Client, in accordance with explicit written statement of the Client submitted to the Bank in this regard, as evidenced by appropriate post office documents (receiving list, advice of delivery, delivery note, claim form etc.).

Framework Contract shall be concluded in Serbian language and all communication regarding the exchange of information and notifications shall be in the Serbian language. Exceptionally, if it concerns non-residents, it may be agreed that the Framework Contract and Specific Contract on opening and managing the payment account and/or contract for other payment services may be concluded in English and Serbian language (bilingual) while the communication itself regarding the rights and liabilities under the contract and the exchange of information and/or communication will be conducted in Serbian. In case of non-compliance of the Serbian and English version, the Serbian version of the Framework Contract or individual contract shall prevail.

In case a Client submits documents to the Bank in a foreign language, he is obliged to provide and submit to the Bank a certified translation of the relevant documents made by a certified sworn-in court translator for that particular language. In case a Client fails to provide such a translation, the Bank may, at its sole discretion:

- not perform its obligation to the Client;
- call the Client within a specified reasonable period to submit a certified translation of the document into Serbian language by a certified translator;

The Client has the right, during the contractual period, to have the Bank deliver him, upon his request, copies of the Framework Contract, in hard copy or on other durable medium.

During contractual relationship, the Bank harmonizes data on statutory and other changes of legal persons in relation to the current accounts, within three (3) working days from the day of downloading data from the organization responsible for maintaining the Register of companies. The Bank receives statutory data electronically and internally blocks account where the mentioned data affects validity of payment orders and causes the other invalidities. The account remains blocked till discrepancy is eliminated by client Legal entities which are not registered in the relevant Register of companies, but with other bodies and organizations, are obliged to inform the Bank about the statutory or other changes that are registered with other bodies and organizations, and make legal transactions required for synchronizing data in relation to their current accounts with this change – within three (3) days of receipt of the decision on registration of the change, in writing, in the agreed manner. Otherwise, the Bank

reserves the right not to conclude the Framework Contract or to terminate the existing Contract on opening and maintaining the account.

The Bank informs Clients on executed payment transactions as well as about the balance and turnover in the accounts, by way of statements/reports of transactions per account in the agreed manner, in hard copy and/or other durable medium, on a daily basis if there are changes. A copy of account transactions shall be deemed properly submitted if sent:

- To the agreed address (whether the address registered with the competent registry or address specified in the contract for opening, and maintaining the account, or in any other subsequently submitted document) and/or
- By mail or by e-banking services
- At the Bank counters, strictly on the Client request

In case when the Client had no activity in the account, the Bank will not send a statement of the account balance.

If the Client communicates with the Bank electronically, it is obligated to provide e-mail address as well as to fulfill minimal technical requirements for using electronic mail which includes availability and reproduction of all notifications submitted by the Bank.

If the Client communicates with the Bank via electronic banking, it is obligated to fulfill minimal technical requirements for using specific application, such as: owning computer /mobile phone, adequate operational system, hardware which may support that application, internet browser. Specific terms are detail regulated by the specific General Rules, Terms and Conditions of electronic /mobile Banking.

VI. OPENING, MAINTAINING AND CLOSING PAYMENT ACCOUNTS

1. Opening an account

The Bank opens for the Client current account or any other payment account on the basis of submitted Request. The client may open one or more accounts. Each payment account has its unique identification number to be used when giving payment orders for the sake of accurate identification of the Client or account. Account number is defined in Contract on account opening and maintenance.

The Client shall be responsible for the veracity of information based on which the Bank has opened an account and shall be liable to compensate any damage, loss or expense to the Bank that occurred as a result of the delivery of inaccurate and/or incomplete data.

The Client shall inform the Bank immediately of any change of the data submitted by the Client to the Bank in accordance with the above, no later than three (3) business days from the date the change occurred, in writing, by submitting appropriate documents.

The Framework Contract shall be concluded and signed by the person authorized to represent the Client, (authorized person signs Contract on account opening and maintenance).

The Bank undertakes to perform payment services through the account on behalf of the Client within the available funds in the Account.

The Client may appoint one or more natural persons who have authority to dispose of the funds in the Account (hereinafter: **the Authorized person**). The Client will deliver to the Bank completed form of the Bank relating to the authorization to dispose of the funds in the account, or other authority in respect of payment services.

To use the powers to manage funds in the account through payment orders issued in hard copy, the Client will submit single application of signatures of the authorized persons which the authorized person will use to certify payment orders that are delivered in hard copy on payment order forms. The Client has option report stamp to the Bank, that is to decide to stamp hard copy payment order. The Client is required to ensure that the signatures and seal, if reported to the Bank are identical to the ones submitted to the Bank.

The Client shall advise the authorized persons about their rights and liabilities regarding such authority per account as well as control the authorization given to authorized persons. The Client shall be responsible for the damage which the authorized person made to the Bank.

In case the Client changes the authorizations, in the scope or the authorized persons, he shall immediately submit to the Bank new authorization, and recall the old ones in writing. The new authorization shall become effective for the Bank from the moment the Bank obtains the same in writing.

Authorization to dispose of the funds in the Account shall apply to management of all funds on the Account, regardless of the currency.

In accordance with the Law on Personal Data Protection, a Client shall submit necessary approvals and authorizations to the Bank in order to verify further processing of all data specified in the application for opening an account, which refers to legal representatives and/or other persons authorized to represent and/or attorneys.

In case of use of tax incentives in accordance with the agreement on avoidance of double taxation a non-resident Client shall submit to the Bank evidence that he is the beneficial owner of the income (the formal owner of revenues), realized in the Republic of Serbia and annually submit to the Bank a certificate of residency status with the state with which the Republic of Serbia has concluded an agreement on the avoidance of double taxation in accordance with tax regulations of the Republic of Serbia, only on the form provided by the Ministry of Finance of the Republic of Serbia.

For a resident – legal entity who has the authority of the Tax Administration to perform exchange operations, as well as residents who, on the basis of a special law governing their activities, perform exchanges operations (public postal operator), the Bank opens a special foreign exchange account for these purposes.

2. Account Maintaining

The Bank opens RSD and foreign currency accounts under the provisions of the Contract on account opening, and maintenance, and/or Framework contract.

Approval for the execution of payment orders which the Client delivers to the Bank in hard copy is given by signing and certifying them in line with the signatures for the persons for whom have been delivered to the Bank.

Persons authorized to dispose of the funds in the account are listed in the Specimen Signature Card (hereinafter **SSC**). In the event of any changes in SSC, the Client shall immediately notify the Bank in writing.

A client gives approval for the execution of payment transactions using the services with the account in the manner provided for in the conditions for the provision of specific services of the Bank.

Manner of giving approval for payment transactions initiated in a way that is not defined by these General Rules, Terms and Conditions is governed by the agreement and any special conditions for each service.

Payment transactions for the execution of which consent has been given in the manner described above shall be considered an authorized payment transaction and it shall be deemed that order for enforcement of such authorized payment transaction is given by the Client. A payment transaction shall be deemed authorized and that the Bank acted with due diligence until proven otherwise.

3. Closing of account

Bank closes accounts on the basis of a written Request of the Client or on the basis of the Framework Contract on payment services which governs the conditions for opening, maintaining and closing, and transfers the funds to the account specified in the Request, or in the Contract and closes the accounts of the Client.

In case the Client ceases to exist as a legal entity, the Bank shall close the account of the Client in the manner prescribed by the legislation.

Closure of Framework account regardless of the Client or the Bank will :

Framework Contract closure takes place in case of Court decision on forced execution, the Client dissolution or in any other circumstances stipulated by law; in case of closure, rights and obligation under the Framework Contract cease.

Closure of Contract on individual payment service does not result ,by default , in closure of Framework Contract on account opening and maintenance but termination of Framework Contract on account opening and maintenance is reason for termination of all contracts on payment services linked for that account.

The framework contract is terminated if the Bank closes account in case of the Client dissolution and its removal from the business register.

In case of the Client ex lege dissolution , the Bank transfers funds from the Client account to the account of the Client legal successor or individual designated by law and closes the account in the end. If there is no legal successor or individual designated by law, funds from the Client account are transferred to the Bank account for no used funds while the Client account is closed.

The Client is entitled for the account to be closed free of charge.

In case the Client has concluded several contracts on opening, maintaining and closing accounts, the termination of one contract shall not lead to the termination of other contracts, unless otherwise expressly agreed. Termination of individual payment service Contract shall not result in automatic termination of a contract on account opening, maintaining, but the termination of the Contract on account opening and maintaining is a prerequisite for the cancellation of all contracts on payment services that are related to that account.

These General Terms and Conditions of providing Payment Services shall apply to all types of accounts, unless otherwise provided by the contract concluded between the Client and the Bank. The Bank shall inform the Client about closing the account in writing within reasonable time.

VII. AMENDMENTS TO THE FRAMEWORK CONTRACT UPON PROPOSAL OF THE BANK

1. Amendments to the framework contract upon proposal of the Bank

In case the Bank proposes amendments to the provisions of the Framework Contract, it shall provide a draft of such amendments and supplements to the Client no later than two months prior to the proposed date of their application, by submitting a proposal to amend the framework contract in writing, so as to give the Client time for taking a decision on accepting the amendments of the framework contract.

After receiving a draft referred to in the previous paragraph, the Client may agree the proposed amendments to have legal effect before the proposed date of their application.

In accordance with these General, Terms and Conditions for the provision of payment services, it shall be deemed, (and the Bank shall advise the Client about such fact) that the Client agreed with the proposed amendments to the Framework Contract, if prior to the effective date of proposed amendments he has not advised the Bank that he has not agreed with the proposal.

In the case as referred to in the preceding paragraph, the Bank is obliged to inform the Client, simultaneously with submitting the proposal of amendments and supplements, about his right to terminate the Framework Contract before the day of implementation of proposed amendments and supplements, without payment of fees and other costs, in case he does not accept the proposal.

In case the amendments to the Framework Contract relate to the changes in interest rates or the exchange rate arising from the reference interest rate or reference exchange rate, the Client agrees that the Bank may implement these changes immediately, without prior notification referred to in the previous paragraph.

Changes to interest rates or the exchange rate more favorable to the Client may be applied immediately without prior notification of the Client, notice submitted afterward, in the manner and within the deadlines prescribed by the point XI of these General Terms and Conditions.

In case the Client rejects the proposed amendments, the Bank may cancel the Contract.

2. The right to termination of framework contract upon bank proposal

The Bank has the right to terminate the Framework Contract concluded to an indefinite period, with a notice period, which may not be less than two months. The Bank may also cancel the Framework Contract in other cases

prescribed by the Law on Contracts and Torts or other law, or based on reasons stipulated by these General Terms and Conditions or by the other terms stipulated for certain services/products.

The Bank is obliged to give a written notice of termination of the Framework Contract to the Client.

In case the Bank terminates the Framework Contract, the Client is obliged to pay only a fee for the payment services rendered to the date of termination and if such a fee has been paid in advance, the Bank shall provide the Client returned pro rata share of fees paid.

The bank may not charge the Client a fee for termination of the Framework Contract.

In to cases defined by regulation , the Bank may unilaterally cancel the Framework Contract on account opening and maintenance in the following cases:

- If the Client breached provisions of the Framework Contract , Contract on account opening and maintenance or any other individual contract regulating an individual payment service or provisions of these General terms
- If the Client behaviour on the Bank business premises upset the other clients, the Bank employees or disrupts the working process at the Bank
- In the other cases defined by individual framework contract

Exceptionally , the Bank unilaterally cancel contract without notice period with immediate effect if the Bank finds out that the data (personal or other) or documentation submitted by the Client at the moment of account opening or later on, is unaccurate, forged. The mentioned data or documentation is considered as important from the aspect of relevant regulation (payment service and AML & FT legal provisions) , sanctions imposed on certain countries , legally bounding the Bank, the Bank has right or obligation to cancel business relationship with the Client

- If it is determined that existing contract based relationship or further execution of transactions by the particular Client represents reputation risk for the Bank,
- The Client , on the Bank request, fails to submit data : personal or related to the origin of money/ income, real purpose of the businessship relation with Bank or to transactions executed via the Bank
- If it is determined that the client is on the official list of the embargo and sanctions in accordance with local and international regulations concerning the prevention of money laundering and terrorist financing and/or the Bank.

3. The right to terminate framework contract on proposal of the client

The Client has the right to terminate the Framework Contract with a notice period of 30 days, by submitting written notice to the Bank , provided that until the expiry of the notice period he settles all liabilities to the Bank under the Account.

The Client has the right to terminate the Framework Contract even in other cases prescribed by the Law on Contracts and Torts or other law.

In case the Client terminates the Framework Contract, he is liable to pay a fee for the payment services rendered up to the date of termination, and if such a fee has been paid in advance, the Bank shall provide the Client a refund of a pro rata share of the fee paid.

The Bank may not charge a fee for the termination of the Framework Contract.

VIII. SERVICES RELATED TO THE ACCOUNT

The Client may agree with the Bank the use of services linked to the current account or the other products of the Bank . The terms and conditions for the use of that products or services may be defined by separate documents , precisely by individual contracts for those products and services or individual General Terms and Conditions for services /products, while charges for those services/products are defined by Tariff.

IX. GENERAL CONDITIONS AND MANNER OF EXECUTION OF PAYMENT TRANSACTIONS (Provision of payment services linked to a payment account)

1. Types of payment orders

Payment transactions effected over current and other accounts of participants in the payment system shall be made using the appropriate payment orders which are considered as instruction for execution of payment transaction. The National Bank of Serbia shall prescribe the form, content and manner of use of payment order templates for execution of payment transactions in RSD. A payment order submitted to the Bank by the account holder must be completed in accordance with the regulations and standards which are applied in the payment system, such as order for payment, order for withdrawal of funds and a transfer order.

The Bank shall execute the payment order, which requires the execution of a payment transaction:

- if it is delivered in hard copy or in contracted electronic format,
- if properly completed, readable and if it contains all the necessary information on the prescribed form.

The Bank shall execute a payment transaction initiated by the order only if the Client provided enough funds in the account to make the payment, whereby the Client is liable to provide funds to cover the amount of fees in accordance with the Tariff for payment services of the Bank.

2. Approval of the payer to execute a payment transaction

The Bank shall execute the payment transaction only if the payer has given approval for its execution in the contracted manner. The payer shall be deemed to have given approval to execute the payment transaction by submitting the signed order to the Bank, and that signature confirms that the information is correct.

Manner of giving approval for the execution of payment transactions depends on the payment instrument and channel of receiving orders. The Client gives approval for the execution of payment transactions:

- at the Bank's premises available by users of payment services – by submitting properly completed orders for the execution of payment transactions,
- Electronically – as defined in the contract or in General Terms and Conditions for individual services ,
- By card – after reading the data from the card, approval may be given by entering a PIN or signing the slip from the terminal. When paying via the Internet within the existing Bank offer , catalogue or telephone sales; by entering the card details, as well as other ways of identification depending on the type of payment and the type of terminal.

All payment transactions made by the Bank on the basis of the given approval in the aforesaid manner shall be deemed realized on the basis of the Client's approval.

Manner of giving approval for payment transactions initiated in a way that is not defined by these General, Terms and Conditions for the provision of payment services shall be governed by an contract or General Terms and Conditions for individual services.

3. Receipt of payment orders

The Bank accepts payment orders from the Client in accordance with the provisions of these General, Terms and Conditions of payment services, Agreements on opening and maintaining an account and/or the provisions of the General Terms and Conditions of use of certain payment services provided by the Bank related to the accounts.

The Bank shall be deemed to have received payment orders via its receipt channels if they are submitted within the bank working day, which is defined as a Business Day in accordance with the Timetable, which governs the time of receipt and time of execution of payment orders. In accordance with the Timetable, the time of receipt of the payment order implies a deadline up to which orders should be submitted in order to be executed on the same business day of the Bank. All orders received during bank business day but after the time for receipt of payment orders defined in the Timetable, shall be considered to have been received on the next business day of the Bank.

The payment orders denominated in dinars, not exceeding the amount of 300.000,00 rsd indicated as urgent by the client are processed through instant payment system (thereafter: IPS of the NBS payment system) between its participants, in accordance with terms and conditions of IPS of NBS payment system, Term Plan and Tariff.

If the Client has specifically contracted with the Bank the day of the execution of the order (standing order) the day of signing the Standing Order Form shall be deemed the time of receipt of the order and the execution time is defined by the standing order. The Day of signing a standing order form and the execution date cannot be the same day.

For payment transactions initiated by a payment card, the time of receipt of the order is the moment in which the Client has given consent to execute the payment transaction to the recipient and for which the Bank has conducted a procedure of authorization/authentication. Payment transaction shall be deemed authenticated, if the provider of payment services, by using the appropriate procedures, verified and confirmed the use of a payment instrument, including its personalized security elements.

By submitting orders to the Bank, in the manner defined in the preceding paragraphs, the Client agrees that his account be debited for the amount specified in the order, which presents his liability to the payment recipient.

4. The execution of payment transactions

The Bank shall execute payment orders received if the following requirements are met:

- if the Client has given approval to its execution, in one of the contracted methods defined in these General Terms and Conditions of providing payment services,
- if the content of the payment order is duly completed, legible and signed by the Client, in accordance with the regulations, standards of payment, directions and ways of completing the payment order and these General Terms and Conditions, in the format and manner determined by the Bank,
- if the payment account has sufficient funds to pay the entire amount of the order, in the payment currency, whereby the Client is liable to provide funds to cover the amount of compensation in accordance with the Tariff of fees for payment services of the Bank. The order will be executed in accordance with the Timetable. For transactions resulting from a payment card, date of debit operations may be different from the date of the transaction. The Bank shall debit the Client's account to which the card is related when the recipient of the service provider receives the payment order for debit. Until the date of receipt of the debit, the Bank shall reserve funds in the account for the transaction approved by a card. Limits defined by the rules of card organizations shall apply for the execution of the card transaction.

The Bank reserves the right to request additional information regarding a specific payment transaction from the Client, if such liability resulted from the regulations governing the prevention of Money Laundering and Terrorism Financing, and/or internal enactments of the Bank adopted on the basis of these regulations and/or policies of the Bank. In the event the Client fails to provide the Bank with the additional information requested, the Bank reserves the right not to execute the transaction or to reject the same. If the Client provides the Bank with false unique identification number, or any other incorrect important element of the order, the Bank shall not be liable to the Client for the correctness and timeliness of order execution.

The Bank determines whether the conditions for the execution of orders have been met at the time of receipt of the order namely at its execution, if the order is to be executed on the same day. If the Client submits to the Bank an order with the value date of debiting/crediting in the future, the fact whether the requirements for the execution of the order will be checked on the day of execution.

The Bank shall debit the Client's account without the payment order in the following cases:

- in the process of collection against the Client, in accordance with legal regulations,
- for the collection of matured charges and claims arising from the business relations with the Bank,
- in other cases prescribed by the relevant regulations and/or individual agreement.

Executed payment transaction, referred to in the previous paragraph, shall not be considered as an unauthorized payment transaction and has priority over the payment orders submitted by the Client to the Bank.

The Bank shall execute payment orders according to the time of receipt of order in the Timetable, respecting deadlines and priorities defined by specific legislation.

If the Client request urgent execution of payment order, he must clearly inform the Bank at the moment of submission of such order.

The Bank will try to execute the payment transactions in the local currency RSD for which, on the date of the execution, have no sufficient funds on the account, during that business day. After the expiry of this period, the Bank shall automatically cancel or refuse such orders.

The Client may withdraw cash at ATMs up to a stipulated daily limit for cash withdrawals within the available resources, which is determined by the Tariff.

5. Deadline for execution of payment transactions

If domestic payment transaction denominated in dinars, do not process through IPS payment system , the Bank is liable to ensure that the amount of the transaction is credited to the account of the provider of payment services of the recipient on the same business day when the bank has received the payment order in accordance with the instructions of the Client. The Bank is required to credit the funds to the payment recipient and make them available on the same business day, provided that the payment recipient received all information necessary for crediting the payment account of the payee.

In case the funds in the account of the payment service provider of the payment recipient have been credited on a day which is not a business day of that service provider, the provider shall be deemed to have received the funds on the next business day.

In international payment transactions, the Bank shall not be held liable for the foreign banks' (payment service providers) activities and/or intermediaries who take part in the chain of execution of payment transactions.

If domestic payment transaction denominated in dinars, process through IPS payment system, the Bank shall credit/debit the Client's payment account in line with Timetable plan immediately

6. Refusal to execute payment orders and notification of the Client

The Bank may not refuse to execute a payment order in case all the requirements laid down in the Contract on payment services have been met, unless otherwise specified by the laws and regulations. The Bank is liable to inform the Client about the rejection of the payment order and if possible provide reasons for the refusal. The Bank shall deliver such notice to the Client without delay, within the timeframe laid down for the execution of orders at the latest, in one of the contracted methods.

In domestic payment operations the bank is liable to give notice on the same business day when it received the order and in the international payments system no later than the next business day in the manner prescribed by the Contract on payment services.

If the Client fails to deliver the correct order to the Bank within the prescribed period on the same day after receiving the notice of failure to execute the order, the Bank shall not be held liable for failure to perform the payment order.

In case the Bank refuses to execute a payment order in accordance with this Article, the payment order shall be deemed not to have been received. The Bank may not transfer and execute rejected payment orders on the next business day.

If in case of instant payment order received by the Bank from its client, beneficiary (payee) does not have current account open with a bank registered on the territory of Republic of Serbia, participant of IPS, the Bank will clearly and promptly, prior to transaction processing, regardless of the payment order form, notify the client that beneficiary

current account is not available in IPS and therefore payment order would not be process through IPS but under the terms and conditions of the other payment systems operating in the Republic of Serbia, the Term Plan and Tariff.

The Bank will refuse to execute payment orders in case all requirements for its execution have not been met, particularly in the following cases:

- If the order was corrected, crossed off, deleted or otherwise altered,
- If unique identifier code (UIC) or other information is incorrect which the Client is obliged to provide for the proper execution of the payment order,
- If the signature on the debt order is not the same with the signature the Client or authorized person deposited with the Bank,
- If there are no sufficient funds in the Client's account for the execution of orders,
- If in case of payment via IPS, beneficiary service provider provides negative reply or time for its reply expired,
- If the account is blocked for reasons determined by the regulations,
- If approval to execute the payment transaction was not given in the agreed manner, as defined in the General Terms and Conditions,
- If there are legal obstacles for the execution of the order,
- If its enforcement would be contrary to the regulations governing the prevention of Money Laundering, Terrorism Financing and foreign exchange operations.

7. Revocation of payment order

The payer may revoke the payment order at any time prior to it becoming irrevocable by withdrawing the approval to execute a payment transaction or a series of payment transactions initiated by direct debit so that any future payment transaction in a series is deemed to be unauthorized.

Irrevocability of the payment order occurs after the Bank has received the payment order and let the order in interbank payment flows, while for payment transactions initiated by standing order and no later than one (1) business day prior to the date contracted for making payments by debiting the payer's payment account.

Upon expiry of the deadlines referred to in the previous paragraph, a payment service Client may no longer revoke the payment order, except by agreement with the Bank.

Each payment transaction executed after duly received recall shall be considered an unauthorized payment transaction.

8. Limitation on use of the payment instrument (spending limits and blocking the payment instrument)

Spending limits, use of a payment instrument, for a single payment transaction or more payment transactions in a given period; blocking a payment instrument; notification of the intention of blocking the payment instrument and the reasons for the blocking, as well as the replacement of a payment instrument shall be determined by terms and conditions of business operations governing the issuance and use of a single payment instrument.

The bank will not deliver the Client a notice concerning intention to block, if the delivery of the notification is prohibited by regulations or if there are justified security concerns.

X. NOTIFICATION BEFORE AND AFTER THE EXECUTION OF AN PAYMENT TRANSACTION

1. Information for the payer before the execution of an individual payment transaction

The Bank will, prior to the execution of an individual payment transaction provide the payer, on its request, with precise information on the time limit for execution of such payment transaction, and the amount of any charges

levied on the payer for the payment transaction and, if the Bank collects these charges in aggregate amount –the breakdown of the types and amounts of each individual charge making up the aggregate charge.

2. Information for the payee after the execution of an individual payment transaction

The Bank will submit to the Client, through Bank statement account or made available in an easily accessible manner, the following information:

- a reference or other data enabling the payee to identify an individual payment transaction and information on the payer and other data transmitted along with that transaction in accordance with law;
- the amount of the payment transaction in the currency in which funds were made available to the payee;
- the amount of any charges levied on the payee for execution of an individual payment transaction and, if the payment service provider collects these charges in aggregate amount –the breakdown of the types and amounts of each individual charge making up the aggregate charge;
- if currency conversion is applied –the exchange rate used by the payee’s payment service provider in executing the payment transaction, and the amount of the payment transaction before currency conversion;
- the date when funds were made available to the payee.

The Bank will provide the Client with the mentioned information, on its request, on paper or other durable medium.

XI. INFORMATION AND DATA ON FEES, INTEREST RATES AND EXCHANGE RATES

1. Type and amount of fees

The Fees charged by the Bank are all fees and other costs the Client pays to the Bank for the services linked to the payment account or in relation with that services.

The type and amount of all fees and actual costs the Bank charges the Client have been provided for in the Tariff of the Bank, which is an integral part of the Framework Contract.

For the funds on the current account the Bank shall not accrue and pay interest, unless otherwise agreed. If, for the execution of payment transactions, the Client uses the funds from ~~odobrenej~~ authorised overdraft of funds on the payment account, the amount of interest, the method of calculation and payment of interest shall be defined by the contract on current account overdraft.

In payment transactions incurred by a card, General Terms and Conditions for this type of service shall apply.

When signing the request, the Client is advised about the Bank Tariff, namely notified about the types and amounts of fees charged by the Bank.

The Client is liable to pay to the Bank the fees stipulated by the Framework Contract. The fees are charged by debit account. The Bank has the right to amend the amount of fees and other charges or to introduce new fees charged by direct debit account, and shall inform the Client in the manner provided by these General , Terms and Conditions or Framework Contract.

The amount of costs of third parties shall be established and amended by relevant decisions on fees of competent authorities and organizations whose services are used by the Bank Clients in relation to financial services.

The fees are determined as fixed in a certain amount or percentage.

The Bank will provide the Client, on it’s request in line with the Law, with a statement of fees charged for services linked to the payment account ((hereinafter: statement of fees) in electronic form on e-mail address of Client registered in the Bank and/or by mail – delivering the registered mail, if the Client did not register e-mail address in the Bank, in accordance with provision of Chapter V this General conditions.

In the statement of fees charged for the services specified in the list of representative services the Bank will use the terms and definitions set out in that list..

The Bank may charge the fees for the information it is obliged to provide to the Client and/or for the fulfilment of its obligations to payment service users in accordance to the Law.

2. Interest Rates

The type and level of nominal interest rates are determined by the contract concluded with the Client and may be fixed or variable.

Variable nominal interest rate consists of a variable element – officially released reference interest rate, which is defined as one of the following rates: NBS reference interest rate/ 6M EURIBOR/ 6M LIBOR/ BELIBOR on the date of conclusion of the agreement, as well as the fixed element – the Bank's margin.

For special purpose accounts the Bank does not calculate or pay interest, unless otherwise agreed in the contract concluded with the client or by applicable regulations.

During the term of the agreement the Bank shall determine the level of nominal interest rate by adjusting the variable element with the values of official nominal interest at the agreed time periods (e.g. every six months).

The Bank shall inform the Client about the amended interest rate in the manner provided by these General Terms and Conditions, as well as Framework Contract.

The Bank shall accrue no interest on the funds in the current account.

3. Currency exchange rate

When executing payment transactions required currency conversion, it is used the rates in the range of buying and selling rates for foreign currency from the Bank's exchange rate list, valid on the day of the execution of payment transaction, unless otherwise agreed in relation to the special type of the transaction. The valid exchange rate list is available on the Bank's website and premises accessible to the payment service users. In case of currency exchange, the Bank applies a buying rate when buy foreign exchange or foreign cash from the Client and/or a selling rate when sell foreign exchange or foreign cash.

4. Changes in interest rates or the currency exchange rate

Changes in interest rates or the rate of exchange can be applied immediately and without prior notice to the Client:

- If the changes are based on the agreed reference interest rate or reference exchange rate
- if the interest rate or exchange rate changes in favor of the Client.

The Bank is required to notify the Client about the changes in interest rates referred to on the previous paragraph in writing without delay, in line with existing technical possibilities

- by e-mail if the Client has registered e-mail address to the Bank
 - through e-banking services in accordance with the Contract concluded between the Bank and the Client
 - by mail to the address specified in the contract and/or the last known address,
- unless otherwise deadline and manner of this notification specified by the Contract.

Sending a notification in one of the above manner, considered as the submission has been done.

XII. INFORMATION PROVIDED TO THE CLIENT IN CASE OF INTERNATIONAL PAYMENT TRANSACTIONS AND PAYMENT TRANSACTIONS IN CURRENCY OF THIRD COUNTRY

The Bank is not obliged to provide or make easily accessible information to the Client, about the deadline for the execution of a payment transaction of the payment service provider of the payment recipient in a third country to the Client before concluding an contract on providing payment services, in case the Bank does not have such information at the time of concluding this contract.

The Bank shall not be responsible for the procedure and execution of payment service provider based in third countries or the procedure of foreign banks as providers of payment services which participate in the international payment transaction.

The Bank shall charge the client a fee for execution of international payment transactions, or the payment transactions in the currency of third countries shall be charged by another payment service provider or intermediaries involved in the execution of the payment transaction, as well as commission as set forth in the Tariff.

XIII. PROVIDING INFORMATION IN PRE-CONTRACT PHASE

A Bank will provide to the Client, in a good time prior to conclusion of the Framework contract, with the information determined as mandatory elements of the mentioned contract as well as Services and Fees information document, in such a manner so as to enable the Client to get acquainted with the terms and conditions pertaining to the provision of payment services, as well as to compare offers of different payment service providers and assess if these conditions and services suit its needs.

Services and Fees information document will be delivered free of charge - on paper or another durable medium, in a manner that provides a proof of submission and at the same time with other information stipulated by the Law. The Bank will provide the Client with information mentioned in previous paragraph in a way that will not mislead him, at any moment, about the terms of payment service provision, and that may be submitting to the draft of Framework contract with this information on paper or another durable medium.

If the Bank offer the opening and maintains a payment account in bundle with another product or service that is not related to such a payment account, the Bank will notify the Client of the possibility of opening a payment account separately from these products or services, with separate information regarding costs and charges related with each of the other products and services offered in this package.

When the service of opening and maintaining a payment account is offered as part of a package together with another product or service which is not linked to that account, the Bank will inform the Client whether it is possible to open the payment account separately and, if so, provide separate information regarding the costs and fees associated with each of the other products and services offered in that package.

INFORMATION ON SAFEGUARD AND OTHER MEASURES IN RELATION TO THE EXECUTION OF PAYMENT TRANSACTION

XIV. LIABILITIES OF THE CLIENT AND THE BANK RELATED TO PAYMENT INSTRUMENTS

1. Liabilities of the Bank related to payment instruments

The Bank, while issuing a payment instrument is obliged to ensure the following:

- that the personalised security features of the payment instrument are accessible exclusively to the Client to whom the instrument was issued
- that the Client may at all times at appropriate manner notify without undue delay on becoming aware of loss, theft or misappropriation of the payment instrument or demand to be permitted to further use the payment instrument when the reasons for blocking this payment instrument cease to exist.
- to prevent any further use of the payment instrument after the Client notified the Bank about loss, theft or misappropriation of the payment instrument..

The Bank may not issue to the Client an unsolicited payment instrument, except where an already issued payment instrument is to be replaced.

The Bank shall bear the risk of delivering a payment instrument or any of its personalised security features to the Client.

The Bank provide the Client with evidence of having been notified by the Client about loss, theft or misappropriation of the payment instrument provided the Client filed a request for the submission of such evidence within 18 months after the notification.

2. Liabilities of the Client related to the payment instruments

The Client is obliged to use the payment instrument in accordance with General Terms and Conditions for individual services or contractual terms governing the issue and use of the instrument.

The Client is obliged to take all reasonable and appropriate measures to protect the personalized security elements of the instrument (e.g. Personal Identification Number) immediately upon receipt of the payment instrument.

The Client is obliged to notify the Bank immediately upon the loss, theft or misuse of a payment instrument on a contact telephone number: +381.11.33.06.300 or Authorization's center number: +381.11.207.11.25 or on any other number of the Bank available on the Bank's website.

3. Limitation of the use (blocking) of a payment instrument

The Bank may block a payment instrument for objective reasons relating to the security of the payment instrument, the suspicion of unauthorised or fraudulent use of the payment instrument, or an increased risk that the Client may be unable to fulfil its liability to pay in case of a payment instrument which is linked to the approval of credit and/or overdraft to the Client.

The Bank shall inform the Client of the intention to block the payment instrument and the reasons therefor via e-mail or phone calls, and if the Bank is unable to inform the Client before the payment instrument is blocked, it has to do it immediately after the payment instrument has been blocked.

The Bank shall not notify the Client about the intention to block or block the payment instrument if giving such information is forbidden by regulations or contrary to objectively justified security reasons.

The Bank shall unblock the payment instrument or replace it with a new one once the reasons for blocking this payment instrument cease to exist.

XV. UNAUTHORISED / NON-EXECUTED / INCORRECTLY EXECUTED PAYMENT TRANSACTION

1. The Bank liability for unauthorised payment transaction

The Bank shall be responsible for the execution of payment transactions for which there is no approval of the payer (unauthorized payment transaction) and shall promptly, upon learning about it, refund the amount of the transaction to the payer, namely return the balance in the payer's account to the previous state, same as had the unauthorized payment transaction not been executed, together with all the fees charged by the Bank as well as effect or pay any interest on the amount that the payer was entitled to.

2. The Bank liability for non-executed or incorrectly executed payment transaction

If the payment transaction was initiated by the payer, the Bank shall be responsible to the payer, as payer's provider of payment services for its execution in accordance with the Law and in accordance with the deadline for the execution of payment transactions as defined by law and these General Terms and Conditions.

If the Bank is responsible for the non-executed or improperly executed payment transaction, it shall immediately upon learning about it, refund the amount of the non-executed or incorrectly executed transaction to the payer, namely return the balance in the payer's account to the previous state, same as had the improperly payment transaction not been executed, unless the payment services Client demanded proper execution of the payment transaction.

In case the Bank is responsible for the non-executed or improperly executed payment transaction it shall refund the amount of all fees charged to the payer, as well as reimburse or pay any interest on the amount that the payer was entitled had the unauthorized payment transaction not been executed.

The Bank shall be liable to the Client for a non-executed or incorrectly executed payment transaction even if the liability is attributable to an intermediary participating in the execution of that payment transaction among payment service providers.

In case of a non-executed or incorrectly executed payment transaction, the Bank shall, regardless of the liability for correct execution of a payment transaction, on request of its Client, take immediate and adequate steps to trace the funds and notify the Client about the outcome of measures taken without undue delay.

There is no liability of the Bank and the Client regarding the execution of a payment transaction in case of force majeure that prevented them from fulfilling obligations.

If a payment transaction is initiated by the payee or by the payer through the payee, the payee's payment service provider shall be liable to the payee for correct transmission of the payment order to the payer's payment service provider, if the Bank provide that services.

If the Bank as payer's payment service provider proves to the payer, and if needed, to the payee's payment service provider, that the payee's payment service provider's account has been credited with the amount of a national payment transaction executed in dinars, at the same business day when the Bank as payer's payment service provider receive the payment order, the payee's payment service provider shall be liable to the payee for the non-executed and/or incorrectly executed payment transaction.

The Bank shall not be liable for non-execution of the payment transaction in case of extraordinary and unforeseeable interruptions in the performance of payment services.

Obstacles are deemed to be events that hinder or unable the performance of these services and are caused by the use of force, war, restlessness, terrorist acts, strikes, interruption of telecommunication connections or other channels of communication, actions and regulations, whether by a state or other authorities, termination or irregularity the functioning of the payment system, to which the Bank was unable to impact and which pose an objective obstacle to the provision of those services.

3. Liability for the use of a unique identifier (UI)

If a payment order is executed in accordance with the payee's UI, the payment order shall be deemed to have been executed correctly with regard to the payee specified by the unique identifier, regardless of other data provided to the Bank.

If the UI provided by the Client to the Bank is incorrect, the Bank shall not be liable for the non-execution or incorrect execution of a payment transaction. . In case of non-executed payment transaction due to the incorrect UI, the Bank shall without undue delay refund the amount of the non-executed payment transaction to the Client.

In this case, the Client has the right to request from its Bank to take all reasonable measures, i.e. to inform the Client of the flow of funds involved in that payment transaction (e.g. information on the payee's payment service provider and/or on the payee).

The Bank will additionally charge the Client for taking these measures in accordance with Tariff.

4. Specific case of incorrectly executed payment transactions

The Bank has the following rights and obligations:

- if the Bank as payer's payment service provider transfers to the payee's payment service provider the amount of the payment transaction that is higher than the amount indicated in the payment order or if it by mistake executes the same payment order several times - the payee's payment service provider shall, based on evidence submitted by the Bank that made the error, return such funds without undue delay;
- if the amount of the payment transaction transferred to the payee's payment service provider is lower than the amount indicated in the payment order, the Bank as payer's payment service provider may, in case of domestic payment transaction executed in dinars and the mistake find out at the same day , transfer to the payee's payment service provider the difference, even without request of the Client for correct execution of the payment transaction;
- if funds are transferred to a payee other than the one indicated in the payment order, the Bank as the payer's payment service provider may, in case of domestic payment transaction executed in dinars on the same business day, correctly execute the payment transaction even without the request of the Client (if the mistake find out the same day) for correct execution of the payment transaction, and the payee's payment service provider to whom the funds are wrongly transferred shall in any case, based on evidence submitted

by the Bank that made the error, return such funds (as recovery) to the payer's payment service provider without undue delay.

The return of funds under, items 1) and 3) shall take precedence over any other payment transaction from the payment account from which the recovery is to be made.

5. Liability of Client (payer) for an unauthorised payment transaction

The Client shall bear losses arising from any unauthorised payment transactions up to RSD 3,000, if that transactions executed due to the use of:

- 1) a lost or stolen payment instrument, or
- 2) the misappropriation of a payment instrument, if the Client has failed to protect its personalised security features.

The Client shall bear all losses arising from the execution of any unauthorised payment transactions if it incurred them by acting fraudulently or by failing to fulfil its obligation under the prescribed and/or contracted conditions that regulates the issuing and using the payment instruments - with intent or gross negligence.

Except the losses occurred due to the Client acting fraudulently, the Client shall not bear any losses resulting from unauthorised payment transactions executed:

- If the Bank does not provide appropriate means of notification of a lost, stolen or misappropriated payment instrument, as required under the Law
- If that transactions executed after it notified the Bank of the lost, stolen or misappropriated payment instrument,

The Client shall bear losses arising from any unauthorised payment transactions lower than RSD 3,000, in line with Regulations of the NBS

6. Notification and/or request as a condition for refund or correct execution of a payment transaction

The Bank shall ensure to the Client: the refund of the amount of unauthorized payment transaction and non-executed or incorrectly executed the payment transaction or the correct execution of non-executed or incorrectly executed the payment transaction if the Client notifies it of any unauthorised, non-executed or incorrectly executed payment transaction and/or requests correct execution of the payment transaction, immediately after becoming aware of such payment transaction, provided that such notification and/or request are submitted by no later than 13 months after the debit date.

If the Bank fails to inform the Client about the payment transaction in line with the Law, it is to refund the amount under previous paragraph even after the expiry of the time limit of 13 months, if the Client notifies the Bank without undue delay on becoming aware of any unauthorised, non-executed or incorrectly executed payment transaction.

7. Refunds for authorised and correctly executed payment transactions

The Bank is not obliged to refund the amount of an authorized and properly executed payment transaction.

XVI. PAYMENT ACCOUNT SWITCHING - SWITCHING SERVICE

A Bank shall provide the service of payment account switching, in the same currency, to the Client who opens or holds a payment account with a receiving payment service provider or the Bank (hereinafter: new payment account).

Payment account switching shall be executed exclusively upon the receipt of the authorisation given by the Client, with or without the closing of the payment account opened with the Bank. . When providing the switching service, the Bank shall transfer to the receiving payment service provider (the rules are applied as well on switching the payment account within the Bank):

- 1) information on all or some standing orders, recurring direct debit mandates and recurring credit transfers where the Client is the payee (hereinafter: incoming credit transfer) if the Bank offer that services;
- 2) funds on payment account (any remaining positive account balance), if the Client requested the transfer of the funds by authorization mentioned in previous paragraph.

A Bank shall start the actions of payment account switching upon the receipt of the authorisation for switching a payment account from the Client, that should be in written form, in Serbian or in another language agreed between the parties, while the Bank immediately upon the receipt of the authorisation, in line with Part V Information on manner and means of communication between the client and the bank, deliver to the Client his original or a copy as a proof of receipt of the authorisation.

By the authorisation, the Client gives consent for all or some actions within the switching service, if the Bank provides those services, may identify standing orders, direct debit mandates, incoming credit transfers and other payment services that are to be switched to the new payment account, as well the date from which standing orders and direct debits are to be executed from the new payment account while the date shall be at least six business days from the date on which the Bank received the documentation from the transferring payment service provider. The Bank as the receiving payment service provider shall request, within two business days from the receipt of the authorisation for payment account switching, the transferring payment service provider to carry out the tasks, in accordance with the authorization of the Client.

The Bank as transferring payment service provider shall act upon the request of the receiving payment service provider in accordance with the authorisation and in line with Law. The Bank, as the transferring payment service provider shall close the account if the conditions stipulated by the Law are met otherwise inform the Client immediately.

If the Bank provides the requested services, the Bank as the receiving payment service provider, shall do the necessary actions within five business days from the receipt of the requested information from the transferring payment service provider in accordance with the authorisation.

If it does not possess all the information necessary for the informing referred to in paragraph 5 items 4) and 5) art 73k of Law , the Bank as the receiving payment service provider may request from the transferring payment service provider or the Client to submit that information.

Where the Client chooses to directly provide the information referred to in paragraph 5 , items 4) and 5) , art 73k of Law to the payers and/or payees, the Bank as the receiving payment service provider shall provide to the Client within 5 five business day from the day of information receipt, in writing, on a Bank form details of the new payment account and the starting date specified in the authorisation as of which the receiving payment service provider will start to provide services linked to the new payment account.

A Bank shall submit or make easily available to Client, free of charge and upon its request, information regarding existing standing orders and direct debits held with the Bank.

The Bank as the transferring payment service provider shall provide to the Client or the receiving payment service provider the information from Article 73k, paragraph 1, items 1) and 2) of the Law, free of charge within 5 business days.

For services related to the payment account switching, apart from the services specified in previous paragraphs and the closing of an account – the Bank may charge to the entrepreneur the fees in accordance with Tariff and not higher than the average fees charged for those services to other payment service users.

The information referred to the payment account switching, the Bank makes it available, free of charge, on paper or another durable medium, on all Bank premises accesable to Client and on theBank website and deliver it free of charge upon the Client request.

The Bank shall refund to the Client, without delay, any damage suffered by the Client in the process of the payment account switching in accordance with the Law.

XVII. PROTECTING THE CLIENT RIGHTS AND INTERESTS

1. Right to complaint and notice of objection, the out-of-court dispute settlement options

The Client has the right to send a written objection in case he considers that the Bank has failed to comply with the provisions of relevant payment financial services, General Rules, and Conditions of Operations, good business practices or contractual obligation.

The Bank, on its business premises accessible by the Clients, visibly display the information on complaint filing and handling, possibility to submit complaint to the National Bank of Serbia; Also on its corporate site on homepage the Bank displays e-mail address for objection submission by Clients.

The objection should contain the information on Client relationship with the Bank and reason for objection.

If the Client files complaint by a proxy, in attachment to the complaint should be the special power of attorney authorizing the proxy to complaint on the Bank work to the National Bank of Serbia on behalf of and for the account of the Client, to take actions in the complaint procedure, to have access to data related to the Client falling under banking secret under the bank regulation as well business secret in the sense of law regulating payment services.

If the Client's remark which does not contain the elements of the objection, the Bank will with due care review it and further proceed in compliance with the relevant internal acts (related to the specific process in the Bank (e.g. Payment operations, payment cards, loans).

The Client may submit objection within 3 years from the day his rights or interest was violated.

The objection has to be in written form, it may be submitted on the Bank premises, by mail, the bank corporate web site or via e-mail at prigovori@expobank.rs. Following the objection submission, the Bank issues receipt of confirmation.

The bank does not charge any fees for undertaking activities related to objection.

The Bank shall give due consideration to the allegations in the received complaint and deliver a response to the Client no later than 15 days from receipt of the complaint. The Bank may extend the deadline for delivering the reply by 15 days, due to the reasons that do not depend on the Bank, about which it shall notify the Client in writing. Written objection received by e-mail after working hours is considered to be received by the Bank on the next working day.

In case the Client is dissatisfied with the response of the Bank, he is entitled address the complaint in written form at the address:

NATIONAL BANK OF SERBIA
Department for Financial Consumer Protection
Nemanjina 17, 11000 Beograd
or Post office 712, 11000 Beograd
or by e-mail: zastita.korisnika@nbs.rs,

or may request mediation before the National Bank of Serbia or any other body authorized for mediation

The provider of collateral has all of the aforementioned rights as the Client

or request the resolution of the disputed relationship by mediation before the National Bank of Serbia or any other authority or person authorized for mediation.

The provider of collateral has all of the aforementioned rights as the Client.

XVIII. TRANSITIONAL AND FINAL PROVISIONS

These General Rules, Terms and Conditions of providing payment services have been made in accordance with the Law on Payment Services and legislation of the Republic of Serbia and are available on the website of the Bank www.expobank.rs as well as in all branches of the Bank.

The law of the Republic of Serbia shall apply to all mutual relations between the Bank and the Client. The relevant court of the territorial jurisdiction according to the seat of the Bank shall be competent for resolving disputes that

would result from the contractual relationship between the Client and the Bank and these General Terms and Conditions.

The Bank shall notify the Client about the amendments to these General, Terms and Conditions on providing payment services and their availability by way of statements, at all Bank premises accessible to payment service users, through the website of the Bank www.expobank.rs, or other communication channels, two months before their application, unless otherwise stipulated by the Law or by Decision of responsible regulatory authorities. The Client shall be deemed to have accepted the amendments to these General Rules, Terms and Conditions if, by the day of them becoming effective, he fails to notify the Bank that he does not accept them. Upon receipt of the notification of rejection of amendments and supplements to these General Rules, Terms and Conditions, it shall be deemed that the subject contract has been cancelled by the Client.

If the provisions of individual contract which governs the services linked to payment account are contrary to the provisions of harmonized General term and conditions and/or provisions of the Law – on contractual relationship between the Bank and Client will be applied the provisions of those terms and/or Law as of the date of Law implementation.

The provisions of the General Rules, Terms Conditions shall become effective upon their adoption by the Board of Directors, and shall apply from March 17th , 2019.

Board of Directors

Version	Published	Effective from
1	28/08/2015	01/10/2015
2	01/12/2015	01/02/2016
3	15/06/2017	15/08/2017
4	05/10/2018	22/10/2018
5	06/02/2019	17/03/2019