

# GENERAL TERMS AND CONDITIONS OF PAYMENT SERVICES TO CORPORATE CLIENTS

## I. INTRODUCTORY PROVISIONS

### Article 1

By General Terms and Conditions of Payment Service Execution (hereinafter: General Terms and Conditions) for payment services to corporate users (hereinafter: User), Erste Bank a.d. Novi Sad (hereinafter Bank) shall, as the payment service provider, set out the mutual rights and obligations related to payment service execution in accordance with the Law on Payment Services (Official Gazette no. 139/2014 and 44/2018) and accompanying by-laws.

## Terms

### Article 2

- 1) 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
- 2) payment order means any instruction by a payer or payee to its payment service provider requesting the execution of a payment transaction Payment order means order in hard copy issued by user at the Bank business units, verbal order approved by the Bank for individual Users as the method of issuance, e-order electronically issued by user to the Bank in the manner approved by the Bank (e-mail, fax) and order issued using the Bank application for Internet payments the so-called e-banking
- 3) e-payment order means electronic message containing instruction which is electronically generated, sent, verified, received, processed, and stored
- 4) payment account means account used for executing payment transactions, maintained by payment service provider; Payment account can be current account or other payment account
- 5) current account is payment account maintained with the Bank, used for executing payment transactions and for other purposes relating to services provided by banks to payment service users
- 6) payment instrument means any personalised device and/or a set of procedures agreed between the payment service user and the payment service provider and used by the payment service user in order to issue a payment order
- 7) payment service user means a natural or legal person that uses or was using a payment service in the capacity of a payer and/or payee or has turned to the payment service provider in order to make use of such services
- 8) payer means a natural or legal person 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, a natural or legal person that issues a payment order
- 9) payee means a natural or legal person designated as the recipient of funds subject to a payment transaction
- 10) business day means a day, namely part of the day in which the relevant payment service provider of the payer or of the payee involved in the execution of a payment transaction is open for business as required for the execution of a payment transaction to its payment service user
- 11) credit transfer means a payment service where the payer instructs the payment service provider to initiate the execution of one or more payment transactions, including the issuing of a standing order and instant approval transfer
- 12) instant approval transfer is domestic payment transaction in RSD which the payer can initiate at any moment, every day in a year, and whose transfer is executed immediately or almost immediately through IPS payment system of the National Bank of Serbia. The service of instant transfer of approval the Bank shall provide as of 1 April 2019
- 13) direct debit means a payment service where a payee, based on the payer's consent, initiates a payment transaction to debit the payer's payment account. The payer may give such consent to the payee, its payment service provider or payee's payment service provider. The payer may give such consent to the payee, its payment service provider or payee's payment service provider
- 14) standing order is the instruction which the payer delivers to the provider of payment services at which has opened payment account, for the execution of approval transfer, in regular time intervals or in previously defined dates
- 15) value date means a reference date, that is, reference time used by a payment service provider for the calculation of interest on funds debited from or credited to a payment account
- 16) reference exchange rate means the exchange rate which is used as the basis to calculate any currency exchange and which is made available by the payment service provider or comes from a publicly available source
- 17) reference interest rate means the interest rate which is used as the basis for calculating interest and which is publicly available, and is determined independently of the unilateral will of the payment service provider and user which have entered into a payment service contract
- 18) unique identifier means a combination of letters, numbers and/or symbols specified to the payment service user by the payment service provider to be used in a payment transaction to identify unambiguously the respective payment service user and/or its payment account
- 19) national payment transaction means a payment transaction in which the payer's payment service provider and payee's payment service provider provide the service within the territory of the Republic of Serbia
- 20) payment system means a system for the transfer of funds between its participants with written and standardised

procedures and rules for the processing, netting and/or settlement of transfer orders, applied to all participants in the system

- 21) IPS NBS system is the system whose operator is the National Bank of Serbia and which ensures the providers of payment services the execution of individual instant approval transfers (instant payment), 24 hours a day, seven days a week, 365 days a year (24/7/365) almost immediately, i.e. within a few seconds
- 22) corporate entities - legal entities, authorities, and organisations of government, government administration authorities, local government units, associations, and societies (sport, culture, charity, etc.), and other legal entities
- 23) Bank acts - in sense of the provisions of the General Terms and Conditions mean any documents and decisions which shall be, according to prescribed procedure, passed by the Bank authorised bodies and which shall be available to the User through individual Distribution Channels, governing the rights, authorisations, and obligations of the User, User's Representative, and any other persons assuming the rights and obligations for the User to the Bank as well as of the Bank itself (for example: General Terms of Business of the Bank, Pricelists, decisions on fees, and the like)
- 24) Distribution Channels - mean any methods and means through which access, agreement, and use of the Bank product or service shall be possible. Within the wording of the General Terms, the term „distribution channel“ may mean one of the following: the Bank business unit (branch, sub-branch, teller desk), Internet presentation of the Bank <http://www.erstebank.rs> (hereinafter: web page), Internet banking, telebanking, ATMs, and other determined by the Bank to be a distribution channel for specific product or service
- 25) Account - means any current and other payment account opened at the Bank, used for the execution of payment transactions in local and foreign currency as well as for other purposes relating to payment transaction services
- 26) change of payment account is the service which the provider of payment accounts provides to the user in accordance with the Law on Payment Services

## II PAYMENT SERVICES

### *Article 3*

The Bank shall execute the following payment services:

- 1) services of account opening, maintaining and closing
- 2) services ensuring incoming payment of cash on payment account, services necessary for such account opening, maintaining and closing;
- 3) services ensuring outgoing payment of cash on payment account, as well as any services necessary for such account opening, maintaining and closing;
- 4) fund transfers from/to a payment account, in one of the following ways:
  - (1) credit transfers,
  - (2) direct debits, including one-off direct debits,
  - (3) using a payment card or similar means;
- 5) execution of payment transactions where funds are covered by a credit line for a payment service user, in one of the following ways:
  - (1) credit transfers,
  - (2) direct debits, including one-off direct debits,
  - (3) using a payment card or similar means;
- 6) issuing and/or acquiring of payment instruments where the payment service provider enables to the payee the execution of payment transactions initiated by the payer by using a specific payment instrument;

### **Account Opening and Maintaining**

#### *Article 4*

The Bank shall open payment account based on filled-in Account Opening Application, Statement on Ownership, and the documentation from the List of Necessary Documentation for Account Opening, as well as other documentation for which the conclusion is made by the Bank in the process of documentation collection that it is necessary for the identification of the User and User's beneficial owner.

In the event the User fails to provide the data which would enable the Bank to implement analysis of the User in accordance with the provisions of the Law on the Prevention of Money Laundering and Terrorism Finance, the Bank will not establish business relation, i.e. it will terminate already existing business relation.

Documentation provided by client to the Bank in a foreign language will, upon the request by the Bank, be provided in certified translation into the Serbian language. Documentation shall be provided in writing (original, copy, or certified copy) according to the specification from the List of Necessary Documentation received upon request together with Account Opening Application and it may be overtaken at all of the Bank sales units as well as in the Bank Internet presentation.

When opening current account, the Bank shall provide the User data on the number of account serving as unique identifier of the User in payment transactions, which is to be stated when executing payment services.

Opened account shall be reported to the National Bank of Serbia in account register.

The Bank shall reserve the right to reject Application without any obligation to explain its decision to Applicant.

The Bank shall be bound to enable the user of payment services who opens the payment account at the new payment service provider the change of the payment account in the same currency, exclusively based on the authorization of the User of payment services delivered in writing to the new service provider, providing that the User of payment services has no overdue claims under such account and that other conditions regulated by the Law on Payment Services are met.

#### *Article 5*

The first business relation of the Bank and the User shall exclusively be established in personal contact of the Bank personnel and representative or other persons of the User authorised for such operations.

The User shall undertake to state data on the person who will, on behalf of and for the account of the User, be authorised person to physically bring orders, in the event when orders are issued by the User in hard copy.

The Bank shall be entitled to, upon bringing order, identify person, and reject order execution in the event that order provider is the person not stated as such by the User. In this manner, the Bank shall prevent any fraud and order execution not approved by the User.

For persons having authorisation to use e-bank, the User shall provide the Bank data on persons with such authorisation in accordance with the rules of e-bank use.

### **Data of Users Significant for Safe Payment Service Execution**

#### *Article 6*

Data of users significant for safe payment service execution shall include:

- data on legal representative
- data on persons authorised for the disposal of monetary funds on the user's accounts
- data on persons authorised for issuing electronic payment orders
- address as well as other contact data of the User
- appointment of proxy holder, procurator, or other person for temporary or restricted representation
- other data registered with the Agency for Business Registers (ABR)
- any change of the above-mentioned data.

Any data relating to private individuals shall be reported by the User presenting valid identification document and copy of such personal document for the Bank records (for legal representative, procurator, authorised person, and other proxy holder). Reporting shall also imply providing signatures of private individuals authorised for the disposal of funds from the account as well as representative and procurator including the obligatory presence of the above-mentioned person in the Bank premises for the purpose of identification taking necessary data.

#### *Article 7*

The User shall report any persons and restrictions of such persons for the disposal of funds on accounts.

In the event the Bank enables the User to issue orders in writing or electronically, the persons of the User with such authorisations must also be reported.

In the event that during agreement relation authorisation or restriction for the disposal of monetary funds, agreement, or other restrictions in legal transactions change, the User shall undertake to report them to the Bank without any delay.

#### *Article 8*

The User shall undertake to report the address of its head office, and unless this address differs from the address for notification mail delivery, the User shall undertake to report the address of notification delivery which must be mailing address and, if available, electronic i.e. e-mail address, as well as contact telephones and contact persons.

The Bank will define herein the methods and deadlines of the delivery of regular notifications, like account balance statements, order execution notification, etc. and deem that it has fulfilled its obligation of notification when notifications are delivered to the User's contact address provided in Account Opening Application, mailing or electronic one.

In the events of reported electronic address, the Bank will solely electronically deliver notifications, unless otherwise defined.

General notifications relating to the agreement relation of the User and the Bank shall be also delivered by the Bank to the User to the reported contact addresses and they must also be delivered to the address of the office registered at the ABR.

#### *Article 9*

Reporting of any changes shall be made by the User to the Bank on form: Data Change Request. For the purpose of the efficiency of change reporting, the Bank shall also temporarily accept electronically delivered report of data change and

it shall only consider it as warning for the non-execution of orders or other requests of the User until reporting is personally made in the prescribed form and by filing documentation evidencing reported change. Data Change Request may be overtaken by the User on the Bank web pages and sales units.

The User shall ensure to fill in and provide the respective request to the Bank in the event of the change of: any data registered with the Agency for Business Registers, any data relating to ownership structure change, any data relating to the change of personal data of persons authorised for signing and disposal of funds on account, any changes of authorised persons, as well as any changes relating to authorisations provided to special persons by representative.

Timely reporting of change means reporting of change immediately upon change occurrence, without any delay and/or within 3 days from change occurrence and/or registration at the ABR or at other official register.

#### *Article 10*

The Bank shall not be liable and shall not bear damage of the User arising due to the User's failure to report, in an accurate and timely manner, any data relating to private individuals having any authorisations with the User, which may impact the execution of payment services and, in general, funds of the User held with the Bank.

It shall be deemed that the Bank has performed the obligation of the delivery of any notifications to the User in accordance with registered or reported mailing address or e-mail address and it will not be liable for the damage arisen with the User due to the failure of reporting address change.

The Bank shall be entitled to refuse services to the User and block the User's account in the event it is aware of the changes defined in Art. from 6 to 9 which have not been reported to the Bank by the User.

The User shall be liable for any failures or damage which may arise due to the non-compliance with the obligation of the submission of data on arisen changes, as well as due to the failure to be in compliance with the obligation of providing any other data required by the Bank.

The User shall immediately and obligatorily notify the Bank on any unauthorised use of payment services (unauthorised order issuance, internal forgeries, signature misuse, etc.) and on any other security breach form it becomes aware of.

The User shall be liable to the Bank for the damage which would arise due to unauthorised and incorrect use of service by the User.

The Bank shall be entitled to stop executing payment services to the User as well as to block the User's account in the event it is aware of unauthorised use of services or the breach of any other security form.

### **III PAYMENT SERVICE PROVISION**

#### **Payment Order Issuance Method**

#### *Article 11*

The Bank shall receive payment orders through its distribution channels, in accordance with the provisions of account opening and maintaining agreement, and the provisions of special service agreements (Netbanking/Office banking/NovoKlik/payment cards) provided by the Bank relating to such accounts.

Order may be received at the Bank:

- by personal submission at the Bank branch, in writing;
- electronically through Netbanking/NovoKlik/Officebanking application;
- by e-mail or fax to certain Users
- at the location of the seller - by presenting or reading QR code in case of instant payment

or

- indirectly through payee (direct debit, providing bill of exchange for collection, payment card use)

The Bank shall undertake to enable the User the submission and processing of payment order by direct provision thereof for execution at teller desk, whereas in the event of the submission of cashless payment orders, submission shall also be possible at specific marked location within sales units.

The Bank shall, based on operation experience, enable individual Users to electronically submit orders (by e-mail or fax) to specifically provided E-mail addresses of the Bank and/or fax numbers. With such method of order submission, the Bank shall be entitled not to execute them in the event of even the slightest suspicion of the accuracy and authenticity of order as well as to revoke such option at any time.

The User may agree e-bank service with the Bank, which is the Bank application enabling the User to examine its account balance and to initiate payment transactions.

Electronic payment order issued within Erste Netbanking/Officebanking and NovoKlik application shall have the force of signed order.

At the Bank sales units, as well as within these General Terms, Order Submission and Completion Rules shall be provided and the User shall be in compliance therewith.

### **Order Receipt Time**

#### *Article 12*

The time for payment order receipt shall be the moment when the Bank directly receives order from the User unless different agreement is made, or indirectly through payee.

Payment orders in writing, in the amount of up to RSD 300,000, which the User flagged as instant payment (urgent) while completing the order, the Bank will execute immediately or almost immediately, if such order is received within its business hours.

Date when the Bank indirectly receives payment order or when it is received from payee shall be deemed the date of the initiation of payment transaction execution and execution condition verification.

If the payment service User and the Bank determine that payment order execution is to begin on certain date or on the date at the end of certain period or on the date when the User makes monetary funds available to its payment service provider - it shall be deemed that payment order is received on such determined date. Unless such date is business day of payment service provider, it shall be deemed that order is received on the next business day of such provider. Payment orders in the amount of up to RSD 300,000, initiated in electronic form via NetBanking/OfficeBanking/NovoKlik, flagged by the User as instant payment (urgent) when completing the order, the Bank will execute immediately or almost immediately at any point of every day in a year.

For payment transactions initiated using card after the User has granted its consent for payment transaction execution and the Bank has implemented authentication procedure, time of receipt shall be the time when the Bank receives order for debiting the User's account from payee's payment service provider.

Unless payment order receipt time is business day of the Bank and/or if the Bank has received order after particular deadline for payment order receipt in accordance with Cut-off Times, it shall be deemed that order is received on the next business day, except in case of instant payment when the rules for the order execution according to the Cut-Off Times for such type of the payment apply.

#### *Article 13*

Orders processed in the manner provided for in Article 12 shall include:

- all of internal orders (when order issuer and recipient have got accounts at the Bank),
- external orders (when order recipient has got account at other bank) up to the amount of RSD 300,000.00
- external orders flagged as urgent (when the order recipient has account in other Bank) up to the amount of RSD 300,000.

Orders shall be provided in prescribed form, including obligatory documentation if such documentation is set out in regulations as obligatory in addition to order, compiled by the sequence of time of execution determined by the User.

The User may submit order at any business unit of the Bank where payment services are executed.

In the event of change of person in signature specimen, payment services may be executed only upon the submission of new signature specimen to the Bank.

#### *Article 14*

Orders must be filled in a legible, clear, and unambiguous manner. Any data required in order form must be filled in, stating execution date, and including obligatory signatures of persons authorised for signing order.

Signatures on Order must be identical to signatures in signature specimen. If the User uses the stamp within the business with the Bank, in Order, it must be separated from signature, i.e. stamp imprint must not be put over signature.

Payment code must be input in accordance with payment code list in such manner that code corresponds to payment nature.

Payment in accordance with model 97 shall be input only if such model has been predetermined by payee.

The User shall ensure to accurately sum up collective orders. Payee's account must be completed in a legible and accurate manner.

The User shall be responsible for the accuracy and completeness of data in Order even in cases if it requires the Bank to fill in order in accordance with the User's instructions.

## **Consent for Payment Transaction**

### *Article 15*

Payment transaction shall be deemed authorised if payer has granted its consent to the execution of payment transaction or if payer has granted its consent for the execution of a series of payment transactions such payment transaction is a part of.

Method of granting consent to payment transaction execution shall depend on payment instrument and order receipt channel.

The User shall grant its consent for the execution of payment transaction initiated:

- at the Bank branches - by signing payment order,
- through e-bank using password, user name, and TAN table, token, smart card, or other security designation, and final transaction verification in the manner defined in application for such service
- by payment card, providing card to merchant and inputting PIN in POS device or by signing slip generated from POS device, placing card near contactless device, inserting card in ATM and inputting PIN in ATM, inputting data on payment card, validity period, and security code when trading through the Internet, inserting or placing card near self-service device and/or using card in the manner in which self-service device requires authorisation.
- at the location of the seller - by presenting or reading QR code in case of instant payment
- if it has agreed and signed Application Form/Agreement for the execution of single and/or a series of payment transactions with the Bank or payee (standing order and direct debit).

## **Order Execution**

### *Article 16*

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

- if order is accurate and/or contains minimum data necessary for the execution thereof,
- if there is cover on account for the payment of total amount from order or if the User executing incoming payment to its current account provides the Bank the cash in the amount necessary for order execution,
- if consent is granted for payment order as agreed.

The Bank shall determine the fulfilment of conditions for order execution at the time of receiving order.

If execution date is determined in order in advance, the Bank shall verify conditions for payment order execution at particular date of execution.

If the Bank executes payment order in accordance with the above-mentioned unique identification, it shall be deemed that payment order has been duly executed relating to payee determination irrespective of other data provided to payment service provider.

If the User provides the Bank an incorrect unique identifier or otherwise inaccurate or incorrect important part of payment order, the Bank shall not be liable to the User for non-executed or incorrectly executed payment transaction.

If unique identifier is stated in payment order excluding any other prescribed data or unless other stated data match unique identifier, the Bank will execute order in accordance with unique identifier if other conditions for the execution thereof are met.

### *Article 17*

Payment order may be incoming, outgoing, and transfer payment order. The Bank shall execute orders if all of the conditions required in Article from 11 to 16, in accordance with receipt time, are met, if cover is provided for the execution thereof on the User's account, and unless there are any legal obstacles for order execution.

Order execution time shall be set in accordance with RTGS cut-off times and the National Bank of Serbia Clearing System. The Bank shall execute order on the same business day as follows:

- for all external orders provided until 4 p.m.
- for all internal orders provided until 6 p.m.

In case of domestic payment transaction up to RSD 300,000 initiated as instant approval transfer, the Bank is obliged to immediately i.e. almost immediately approve the amount of the transaction at the account of the payment service provider, after the receipt of such order.

The User shall be liable for the accuracy of all data in Order and it shall bear the risk of the input of incorrect data and for any frauds. Any damage arising from the non-compliance with this provision shall be borne by the User.

The Bank shall not be liable in the event when Order is rejected in payment system or when it is not possible to execute it in a correct and timely manner due to the User's error.

Orders referring the amount exceeding the amount set out in the Law on the Prevention of Money Laundering and Terrorism Finance must be provided together with the documentation confirming payment grounds. Original documentation shall be presented to the Bank and the Bank shall keep documentation copy.

Orders in which the User requires payments for which obligatory submission of documentation is prescribed as the evidence and/or grounds relating to transaction shall be solely executed by the Bank if prescribed documentation is presented and if such documentation corresponds to payment nature referred in order.

#### *Article 18*

If, at the time of order execution, there are no monetary funds on the User's account or there are insufficient monetary funds for order execution, the Bank shall try to execute such order within next 3 days, and unless execution is possible within such period due to lack of funds, order will be automatically deleted from execution records upon the expiry of the third business day. The User shall not be notified by the Bank on the deletion of order from records due to the reasons referred in this Article. In case of instant approval transfer, there are special rules in accordance with the by-law of the National Bank of Serbia.

In cases when the User issues several orders for which there are no sufficient aggregate funds on the User's account, unless it has been specifically emphasised by the User (urgent or priority orders), the Bank will execute such orders in accordance with the sequence determined by the User in accordance with paragraph 2 Article 13 up to the utilisation of funds on the User's account. Remaining non-executed orders shall be treated in accordance with the above paragraph.

### **Order Rejection**

#### *Article 19*

The Bank shall reject the execution of any order which is not provided and completed in accordance with the General Terms and Order Provision and Completion Rules.

If, in the procedure of order processing, it is determined by the Bank that order has been incorrectly completed, or that execution is not possible due to blocking, the Bank shall immediately notify the User thereof.

In case of request for instant transfer, the Bank has the right to reject such request if it receives the notification on the rejection of such order from the operator of IPS system, due to the lack of conditions defined by the rules of such system being met. The Bank will not execute instant payment order in case the payment service provider of the recipient is not the participant of IPS system, about which it will inform the User.

The User shall also be notified by the Bank on rejection and, if possible, on the reasons of rejections and procedures for correcting the errors resulting in rejection unless such notification is prohibited in regulation.

If the User fails to contact the Bank when it is notified by the Bank on incorrect order or fails to provide new corrected order within 3 days, order will be automatically deleted from execution records.

If payment order is rejected by the Bank, it shall be deemed that payment order has not been received.

### **Payment Order Recall**

#### *Article 20*

Payer may recall payment order - by providing the Bank request for recall in writing or electronically depending on the method of the issuance of payment orders, at the time and in the manner ensuring the initiation of such recall prior to the execution of the instructions contained in such order provided that the Bank has not executed such payment order.

When Payer has specifically agreed the beginning of order execution with the Bank, order may be recalled not later than the closing time for order execution on the business day preceding the day agreed as the beginning of order execution and/or until the time of forwarding order to clearing.

If transaction is initiated by payee through direct debit, payer may recall such order not later than the end of the business day preceding the date set out for debiting payer's account.

For card initiated payment transactions, payer may not recall payment order upon transaction authorisation and/or upon inputting PIN, thus, approving transaction.

If user recalls order upon the expiry of the deadlines referred in paragraph 1-3 of this Article, the Bank may take reasonable actions to prevent order execution while being in compliance with the applicable regulations and professional rules.

Recall of order upon the expiry of the deadlines referred in paragraph 1-3 of this Article may be charged by the Bank, in accordance with the Price List.

Upon the expiry of recall deadline, payment service user may recall payment order only based on agreement with the Bank. If payment transaction is initiated by payee or payer through payee, payment order recall upon the expiry of the deadlines referred in paragraphs 1-3 of this Article may not be executed without payee's consent.

### **Notification of User on Payment Transactions**

#### *Article 21*

The Bank shall be bound to, upon the User's request, issue confirmation on order receipt as well as order execution confirmation.

This request must be sent by the User to the Bank upon order presentation. For the issuance of this confirmation, fee provided for in the Bank acts shall be charged by the Bank, confirmation shall be issued immediately upon order execution, but not later than next day.

The User shall be provided statement by the Bank on any changes on account, in the manner in which the User has notified the Bank in Account Opening Application or in the manner in which it has subsequently notified the Bank, upon any change on account, but not later than two days upon executed change.

Statement on changes on account shall visibly present all of executed and non-executed orders.

### **Liability for Non-approved Payment Transaction**

#### *Article 22*

The Bank shall be liable for the execution of payment transaction for which there is no consent by payer given in accordance with the General Terms.

If payment service user denies that it has given consent to executed payment transaction or claims that payment transaction has not been duly or timely executed, and the Bank fails to prove that payment transaction authentication has been implemented and that payment transaction has been incorrectly recorded and posted, the Bank will return the amount of such transaction to payer i.e. it will return payer's payment account to the balance in which it would have been unless non-approved payment transaction has been executed, and return the amount of all fees charged to payer, i.e. pay the amount of any fees payer would be entitled to unless non-approved payment transaction has been executed.

### **Liability for Non-executed or Incorrectly Executed Payment Transaction Initiated by Payer**

#### *Article 23*

If payment transaction is initiated by payer, the Bank shall, as payer's payment service provider, be liable to payer for the correct execution thereof up to payee's payment service provider.

If the Bank is, as payer's payment service provider, liable for non-executed or incorrectly executed payment transaction, it shall, immediately upon being aware thereof, return the amount of non-executed or incorrectly executed payment transaction to payer, i.e. return payer's payment account to the balance it would have had unless incorrect payment transaction has been executed, except if payment service user has requested correct payment transaction execution.

If the Bank provides evidence to payer, and, as necessary, also to payee's payment service provider, that the account of payee's payment service provider has been credited in the amount of payment transaction, payee's payment service provider shall be liable to payee for non-executed or incorrectly executed payment transaction.

Payment service provider liable for non-executed or incorrectly executed payment transaction shall ensure to return its payment service user the amount of any fees charged to payment service user, as well as to return or pay the amount of any fees such user is entitled to relating to non-executed or incorrectly executed payment transaction.

### **Liability for Non-executed or Incorrectly Executed Payment Transaction Initiated by Payee or Payer through Payee**

#### *Article 24*

If payment transaction has been initiated by payee or payer through payee, the Bank shall, as payee's payment service provider, be liable to payee for the correct submission of payment order to payer's payment service provider.

Unless payment order has been submitted or payment order has been correctly submitted in the case referred in paragraph 1 of this Article, payee's payment service provider shall, immediately upon becoming aware thereof, submit and/or re-submit such order to payer's payment service provider.

If the amount of payment transaction initiated by payee or payer through payee is credited on the account of payee's payment service provider, this provider shall be liable to payee for the correct payment transaction execution.

If payee's payment service provider provides evidence to payee, and, as necessary, to payer's payment service provider, that it is not liable to payee in accordance with paragraphs from 1 to 3 of this Article - payer's payment service provider shall be liable to payer for non-executed or incorrectly executed payment transaction.



Payment service provider shall, in accordance with this Article, ensure to return its payment service user the amount any fees charged to payment service user, as well as to return or pay the amount of any fees entitled to such user relating to non-executed or incorrectly executed payment transaction.

### **Liability for Using Unique Identifier**

#### *Article 25*

If payment order is executed in accordance with payee's unique identifier referred in such order, it shall be deemed that this order has been correctly executed relating to payee determination irrespective of other data provided to payment service provider.

If unique identifier filled in by the User in order is incorrect, the Bank shall not be liable for non-executed or incorrectly executed payment transaction. In such case, the User shall be entitled to require the Bank to take any reasonable measures i.e. to provide it information on payment transaction monetary funds flow (e.g. on payee's payment service provider and/or payee), and the Bank shall specifically charge such service.

In the event of non-executed payment transaction due to incorrect unique identifier referred in paragraph 2 of this Article, the Bank shall ensure to, immediately upon becoming aware thereof, return the amount of non-executed payment transaction to payment service user.

### **Liability Exclusion due to Force Majeure or Law**

#### *Article 26*

The Bank shall not be liable for incorrectly, non-timely executed and/or for non-executed payment transaction in the event of force majeure which has prevented the fulfilment of obligations or if payment transaction execution is prohibited under other regulation.

### **Users' Complaints**

#### *Article 27*

The User shall ensure to take care of the statements received from the Bank, to review them, and file complaint relating to any mismatch or contest of debts and/or claims in the statement provided to it.

The deadline for filing complaint relating to transactions by the User shall expire on the fifth day from the day referred by the User in order as the date of transaction execution.

The User may file complaint if it relates to an error of the Bank made when executing completely filled in order and provided by the User to the Bank for execution in accordance with regulations and these General Terms. Complaints shall be filed by the User to the Bank in writing, electronically, or by mail, stamped and signed by the User's authorised person stating order number, date of order execution, and accurate and clear description of the data complaint is filed for.

The Bank will fully include complaints in the procedure of complaint solving immediately upon the receipt thereof and, in the event there have been no grounds for user to file complain, it shall notify the User on complaint outcome not later than the next business day.

If it is determined that the Bank is liable for non-executed or incorrectly executed payment transaction, it shall, immediately upon being aware thereof, return the amount of non-executed or incorrectly executed payment transaction to payer, i.e. return payer's payment account to the balance it would have had unless incorrect payment transaction has been executed, except if the payment service User has requested correct payment transaction execution.

Groundless complaint costs shall be fully borne by the User.

### **Fees and Commissions for Payment Transaction Services**

#### *Article 28*

Within its payment services, the Bank shall charge:

- current account maintenance fee
- fee for issuance of confirmation on order receipt and execution
- fee for the submission of statement on changes under account
- fee for certifying statement on changes under account
- payment transaction commission
- other fees and commissions defined in the Bank Price Lists.

Any fees and commissions shall be defined in Placement Price List, Payment Service Price List, and Price List of Products and Services for Corporate Clients of Small Enterprises and Entrepreneurs Department.

Fees shall be defined in absolute amount and shall be variable i.e. they may be changed by the Bank in accordance with the movement of costs and other parameters impacting the level of fees in accordance with the bank acts.

Commissions shall be defined in percentage amount where base for percentage application shall be value of transaction defined by the User in order provided to the Bank. Commissions shall, in addition to percentage amount, always include defined minimum value in absolute amount designating value of minimum calculated commission charged i.e. which must apply if lower value is obtained by applying percentage to value in order.

Also, commissions shall include defined maximum value in absolute amount designating value of maximum calculated commission charged i.e. which must apply if higher value is obtained by applying percentage to value in order.

#### *Article 29*

Fees shall be charged through business account of the User by debiting the User's account on a monthly basis and they shall be clearly visible in Statement on Changes under Account.

Commissions shall be paid upon the execution of any order, on the date indicated by the User as the date of the execution of payment from order, by debiting the User's account and they shall clearly be visible in Statement on Changes under Account.

The Bank shall provide the User of the payment services the Report on all charged fees for the services related to payment account at least once a year, free of charge (hereinafter: Report on Charged Fees). The Bank will deliver the User the Report on Charged Fees in accordance with the deadlines regulated by the adequate by-law of the National Bank of Serbia.

Sequence of the collection of fees and commissions, in the event the User lacks funds on account upon order execution, shall be made upon the first funds inflow to the User's account or at the end of month when fee calculation and collection shall be made.

The Bank shall reserve the right to change level and method of fee and commission calculation. All of the Bank acts defining the level and method of fee and commission calculation shall be available in all of business units and in the Bank Internet presentation. Any change of these Bank acts shall be announced 15 days prior to the application thereof.

#### **Article 30**

User may agree the use of other payment services relating to account with the Bank, such as:

- e-banking services: Netbanking/mBanking/Officebanking/NovoKlik
- debit/credit card
- other services prescribed in the Bank acts.

Main characteristics and terms and conditions of using the above-mentioned payment services shall be defined herein, in special agreement, or application forms, and in general terms for using such service.

### **Payment Card**

#### *Article 31*

Upon opening account to the User, the Bank shall, upon its request, issue it payment card which shall be the payment instrument based on which the User shall dispose of funds on account and/or initiate payment transactions.

In accordance with Article 9 paragraph 1 of the Law on Multilateral Interchange Fees and Special Operating Rules for Card-Based Payment Transactions ("Official Gazette of RS", no. 44/2018), the Bank shall be entitled to issue the User who wants a business debit payment card DinaCard business card first.

Upon the issuance of DinaCard business card, based on the request of the User, the Bank will issue the User business debit payment card of other payment brand (Visa, Mastercard, etc.)

The Bank shall be obliged to re-issue the User a business debit payment card of other payment brand after the expiry of the previously issued debit payment card of other brand, and such User will also be issued DinaCard business card (unless DinaCard business card has already been issued to him/her).

Upon the opening of a current account, the Bank will issue the User debit payment cards in the manner described herein, and the User may, upon its request, also be issued credit card if meeting conditions for the issuance thereof.

Credit card shall be payment instrument through which approved loan shall be used up to the level of available balance under loan.

The Bank shall issue credit Card upon the User's request to the persons listed in Credit Card Issuance Application.

Card shall be made out to the User and it shall not be transferable. Card shall be the Ownership of the Bank upon whose request it must be returned.

Holder of account Card is tied to (hereinafter Account Holder) shall solely be liable for proper Card use.

### **Card Issuance and Card Data Protection**

The User shall be provided Card and PIN (personal identification number). The Bank shall guarantee Card User PIN issuance secrecy until the provision of Card. Obligation of the User shall be to sign Card immediately upon the receipt thereof, as well as to protect any data therein, and to keep PIN in secrecy separately from Card. Non-signed card shall be invalid, and any financial consequences in the event of the misuse of the non-signed Card shall be borne by the User.

The User must not disclose PIN to other persons (including, without any limitation, members of family, merchant, bank officer). Otherwise, he shall bear complete material liability for any transactions executed due to the non-compliance with this obligation.

The User must not leave Card as pledge or collateral, or provide card to be used or be in possession of other persons, otherwise, he shall bear complete material liability for any transactions executed due to the non-compliance with this obligation.

In the event the User suspects that anyone is aware of his PIN, he shall undertake to change PIN at the Bank ATM or request making of new card or new PIN in writing. Otherwise, the complete risk of PIN fraud shall exclusively be at the charge of Account Holder Card is tied to.

The User acknowledges that he is aware that the Bank will not, for security reasons, request the User to confirm data on Card, electronically or by telephone, otherwise the User shall fully bear risks and consequences of identity theft and unauthorised use of data from card due to the provision of data on Card as mentioned above.

### **Card Use**

The Card User shall give his consent to execution of specific payment transaction, i.e. when using Card on ATM, he shall type his PIN, and if Card is used on EFTPOS terminal, he shall sign slip or input PIN. If it is Card ensuring payment through the Internet, the User shall, when making payment on the Internet, input full number of card (PAN) and CVV2 value (number embossed on the back of card).

Card may be used at all points of sale and ATMs in Serbia/abroad where logo of card company is displayed for withdrawing cash on ATMs and at teller desks of banks and post office (if appropriate terminal is installed) and for the payment of goods and services at EFT POS terminals and by the Internet.

The Bank shall not be liable if merchant does not want to accept Card though VISA/MAESTRO/MASTER CARD/DINA CARD logo is displayed or if, due to incorrect terminal use and/or technical problems, it is not possible to execute transaction upon the User's request.

The User shall, upon the request of goods and service seller (hereinafter: Acquirer) provide the Card whose right of use has expired.

The User shall, when paying for goods and services, also sign appropriate slip at acquiring point. Acquirer shall issue slip/account copy to the User.

The User shall undertake not to use Card for illegal purposes, including purchase of goods and service the sales of which is legally prohibited in the territory of the country Account Holder is in at the time of transaction. The User shall assume full liability in the event of an illegal purchase using Card subject hereof.

The User must not conclude fictive cashless transactions with Acquirer with the aim of obtaining cash.

Card with expired validity period must not be used, otherwise the User shall be fully liable for any transactions executed due to the non-conformance with this obligation.

The Bank shall, for security reasons, set out cash amount limit and the amount of goods and service payment which may be used on ATMs and EFTPOS terminals on a daily basis. Limits for persons authorised by the User for card use shall be set out by the User by inputting them in Card Issuance Application. The User shall be entitled to request changing daily limit level, by providing application for limit change, without any obligation of entering into Annex to Framework Agreement.

If, when using card, currency exchange is made, currency exchange rate shall be set out in accordance with these General Terms for Payment Service Provision.

Card validity period shall be embossed on card. Card shall be valid until the last day in stated month. If the User is in compliance with the provisions of Framework Agreement, upon validity period expiry, he shall be automatically re-issued Card (in accordance with these General Terms and the law), at the fee provided for in the Price List. The Card User shall be entitled to, within 30 days prior to Card validity, state unless he wants to be re-issued card.

## **Currency Exchange Rate**

When exchanging local currency into foreign currency, foreign currency into local currency and a foreign currency into other foreign currency, the Bank shall apply exchange rate from the Bank Exchange Rate List, applicable at the time of exchange unless otherwise is agreed by parties on a case-by-case basis.

In the event payment card is tied to RSD Account, for the costs incurred with card abroad, the Bank will translate the amount of transaction in FX into RSD as follows: Mastercard International or Visa International will translate original amount into EUR at Referential Exchange Rate, and from such amount, RSD value will be calculated at selling exchange rate for FX of the Bank for EUR, applicable on date of debiting.

In the event card is tied to FX account, for transactions executed in RSD, the Bank will convert RSD in the currency available on Account at the Bank buying exchange rate applicable on date of debiting. Sequence of charging currencies shall be as follows: EUR, USD, CHF, BGP, and further in accordance with the sequence of the Bank exchange rate list.

In the event card is tied to FX account, for transactions executed in RSD, if original transaction currency is one of the currencies from the Bank exchange rate list and if funds in original currency are available on Account - account shall be charged in the amount of original currency.

Unless funds in original currency are available on account, account shall be charged in currencies according to the following sequence: EUR, USD, CHF, GBP, and further in accordance with the sequence of the Bank exchange rate list at the Bank selling exchange rate for original currency and at the Bank buying exchange rate for currency on account.

In the event original transaction currency is not included in the Bank exchange rate list, Mastercard International and Visa International shall translate original amount into EUR in accordance with Referential exchange rate, and the Bank shall, from such amount, calculate RSD counter value at the Bank selling exchange rate applicable on date of debiting, and from such amount at selling exchange rate, the Bank shall calculate counter value in currencies in accordance with the following sequence: EUR, USD, CHF, BGP, and further in accordance with the sequence of the Bank exchange rate list. Mastercard and Visa exchange rates shall be publicly available on Internet pages [www.visaeurope.com](http://www.visaeurope.com) and [www.mastercard.com](http://www.mastercard.com) and they shall be variable during day, and the Bank exchange rate lists shall be available on the Bank Internet page and at all branches.

## **Complaints**

User shall ensure to keep copy of slip/account for the purposes of any complaint. User shall ensure to file complaints under concluded transactions in writing in the prescribed form to the closest point of sale of the Bank, immediately upon being aware thereof, but not later than 5 days upon the receipt of statement and/or date of debiting. Complaints not filed within the prescribed deadline and in the prescribed form shall not be accepted by the Bank, and financial loss shall be borne by Account Holder.

In the event of groundless complaint, actual costs shall be borne by user. The Bank shall charge user's account or collect costs in cash. Otherwise, the User shall be released from such costs, and account Card is tied to shall be credited for complained transaction amount upon procedure completion.

For the complaints relating to the quality of goods and services paid with Card, the User shall exclusively address Acquirer.

## **Lost/Stolen/Misused Card**

The User/Authorised User shall ensure to, without any delay, report Card loss i.e. theft to the Bank and to request the Bank to block the further use thereof, and the Bank shall ensure to provide it to him at any time. Card theft/loss shall be reported by the User at the closest Bank sub-branch or calling number 021/67 72 116 available for 24 h. The User/Authorised User shall, when reporting card theft/loss, state Card number of Personal Number of the Authorised User in order for the Bank to prevent the further use thereof. The Authorised User shall ensure to, within next 2 business days, confirm Card loss/theft in writing.

Card found after reporting loss must not be used and it must be returned to the Bank in order to be destroyed.

In the event of unauthorised use of Card and/or data from Card, the User/Authorised User shall, immediately, report the Bank any transaction executed based on unauthorised use of Card and/or data from such Card. Date of Statement receipt shall be deemed date of awareness of the occurrence of circumstances referred in the above paragraph.

If payment is made by Card through the Internet, and the Internet site through which payment is made does not support 3-D Secure protection mechanism, any risk relating to such payment will be assumed by the User.

If data from card are used by the User/Authorised User with the aim of executing telephone, e-mail, or postal purchase, the User shall assume the complete risk relating to such payment.

The User/Authorised User shall ensure to, without any delay, report the Bank any damage and technical deficiency of Card in the manner provided for in para 1 of this Article.

When signing this agreement, the User acknowledges that he is aware that the Bank will not, for security reasons, request the User to confirm data on Card, electronically or by telephone, otherwise the User shall fully bear risks and consequences of identity theft and unauthorised use of data from card due to the provision of data on Card as mentioned above.

### **Protective and other Measures**

The User shall use payment card in accordance with these General Terms.

The User shall, immediately upon card receipt, take any reasonable and appropriate measures to protect personalised security elements of such an instrument (PIN, card number, etc.).

The User shall, immediately upon becoming aware of loss, theft, or fraud of payment instrument, report the Bank thereof.

### **Payment Instrument Blocking**

The Bank shall block the further use of payment instrument - payment card if there are reasonable grounds relating to payment instrument security, if there is suspicion of unauthorised use of payment instrument or the use thereof for the purpose of fraud, or if there is an increased risk that the User will not be able to meet his payment obligation when the use of such instrument is related to the approval of loan and/or overdraft of account to the User (blocked account card is tied to, etc.).

The Bank shall undertake to notify the User on its intention of payment instrument blocking and on the reasons of such blocking. Unless it is able to notify him thereof prior to payment instrument blocking, the Bank shall undertake to do so immediately upon blocking. Notification on the intention of blocking i.e. payment instrument blocking shall be provided by the Bank to the User in the manner set out in the Framework Agreement unless the provision of such notification is prohibited under regulations or if there are reasonable securities reasons not to do so.

The Bank will ensure re-use of payment instrument or such instrument will be replaced with a new one - when reasons for blocking thereof cease.

### **E-banking**

#### *Article 32*

The User may agree e-banking service with the Bank, which is the Bank application enabling the User to examine its account balance and turnover under account, make agreement on banking services, and to initiate payment transactions.

NovoKlik, Office Banking, and NetBanking (hereinafter: E-Bank Services) shall be the e-banking services provided by Erste Bank a.d. Novi Sad (hereinafter: Bank). These general terms shall define in detail the options of each of the E-bank Services and the right and obligations of using thereof shall be stipulated.

- Smart card is a security device with installed chip, on which e-certificate and cryptographic keys necessary for e-banking service are stored. Smart card shall be used for electronic identification within card validity.
- Smart card reader is a device ensuring reading data from smart card.
- Personal number (PIN) is the combination of characters assigned to the User by the Bank which, together with smart card, ensures the use of e-banking.
- TAN table is card with 32 eight-digit numbers. It shall be used for the identification of the User when logging on NetBanking together with user name and password.
- User identification is a set of elements necessary for E-bank service identification and use

### **E-bank Service Use Agreement**

E-bank service user may become any legal entity having opened current account at the Bank (hereinafter: User), which provides the Bank correctly filled-in and signed Application Form and accompanying documentation for the approval of E-bank Service use, which shall be an integral part of Agreement on Current Account Opening and Maintaining, providing for the possibility of using such services.

Applicant shall, by filling in certain fields of Application Form, determine the level of authorisation of persons having access to E-Bank services. Any persons listed in Application Form shall confirm the accuracy of stated data with their signature. Authorised person shall, with his signature and stamp, guarantee for the provision of authorisation to authorised users and, at the same time, he shall grant authorisation to users with the right of verification to agree additional functionalities through E-Bank Services. Any authorised person shall have certain authorisation type for E-Bank use assigned by the User's Legal Representative in Application Form.

Legal Representative may revoke granted authorisations by providing relevant notification to the bank.

## E-Bank Services

The User may, at own discretion, select using some of the E-Bank Services:

- NovoKlik
- NetBanking
- Office Banking

### E-Bank Service Scope

- NetBanking service is Web user application ensuring the following to User: examination of account balance; review of account turnover; statement review; agreement of SMS services; execution of payment orders for RSD (including instant - urgent orders) and FX payment transactions on same day and on next day. The Bank shall enable the User to use all of the functionalities offered in the NetBanking, and the User shall individually, at own discretion, determine which of the functionalities it wants to use.
- NovoKlik is Desktop user application enabling the User to review account balance; review account turnover; statement under accounts; payment by RSD (including instant - urgent orders) and FX payment orders on the same day and on next day; receipt and sending of personal and general messages.

NovoKlik service shall, within its functionalities, enable the User to receive and send E-invoices. Use of E-invoice functionality is solely possible by using qualified smart card.

- Office Banking is Desktop user application enabling the User to review account balance; review account turnover; statement under accounts; payment by RSD payment orders on the same day and liabilities payment on next day (including instant - urgent orders).

The Bank shall reserve the right to change the volume and content of the E-Bank services on which the User shall be notified through the content of its Internet pages.

## E-Bank Service Use

**NetBanking** - Upon the approval of Application Form by the Bank, the Bank shall provide user name and password to the User to its e-mail and TAN table or another security device necessary for NetBanking service identification and use (hereinafter: user identification) shall be provided in person. The User shall use the NetBanking service upon the receipt of user identification and it shall undertake to, when accessing the NetBanking service for the first time, change its password. Instruction on the NetBanking functionality use shall be available on the Internet page for the service activation.

**NovoKlik** - Upon the approval of application form by the Bank, the Bank shall provide the User smart card reader, smart card, and personal identification number (PIN), and it shall receive instructions for downloading installation package and User Manual through link.

For the approval of using NovoKlik service, the User shall, in addition to Application Form, also sign the following documents:

In the event the User does not have an issued e-certificate for individual user, the User shall also provide the Bank the following documents:

- General order for the issuance of qualified personal digital certificates for legal entity
- Application for receiving digital certificate of legal entity (for each individual user for which smart card issuance is requested).

In the event the User has already been issued Halcom e-certificate, the following is to be provided:  
Certificate in writing on the sameness of digital certificate for authorised individual user.

If the User has already got the above-mentioned, the Bank will enable it to use the existing smart card upon approving submitted documentation by the Bank.

The User may begin using the service upon the installation of the programme in accordance with received instructions. Necessary user support may be provided to it by authorised person of the Bank.

Smart card shall be issued for the validity period of e-certificate determined by issuer, and upon the expiry of such period, e-certificate validity must be renewed. Card renewal shall imply the issuance of new smart card.

Receipt and sending of E-invoices to NovoKlik service Users will be ensured upon the approval of application form by the Bank.

**Office Banking** - Upon the approval of application form by the Bank, the Bank shall provide the User smart card reader, smart card, and personal identification number (PIN), and it shall receive instructions for downloading installation package and User Manual through link.

If the User has already got the above-mentioned, the Bank will enable it to use the existing smart card upon approving submitted documentation by the Bank.

The User may begin using the service upon the installation of the programme in accordance with received instructions. Necessary user support may be provided to it by authorised person of the Bank.

Smart card shall be issued for the validity period of e-certificate determined by issuer, and upon the expiry of such period, e-certificate validity must be renewed. Card renewal shall not require the issuance of new smart card.

All of the forms of using E-Bank services which are electronically executed applying prescribed user identification shall be equal to signing.

The User shall undertake to fill in all of orders and any necessary specifications in an orderly and accurate manner, and to authenticate them in the manner provided for in user identification and specific application, taking available amount of funds on accounts at the Bank into account, otherwise it shall bear the risk of non-execution, incorrect execution, and/or rejection of payment order execution.

The User is aware that only current international transactions may be paid (for E-Bank Services supporting international payments) including the obligatory input of number and date of document based on which international payment is executed (agreement, invoice, proforma invoice, and the like). The User shall not be bound to provide the Bank original order or document based on which international payment grounds and obligation are the evidence, but it shall keep these documents, for the purpose of smooth control by the Bank and bodies competent for FX control, and it shall, upon the Bank's request, provide them for examination.

The Bank shall guarantee the E-Bank Service User free disposal of funds on all demand accounts, opened based on the agreement entered into with the Bank, up to the amount of funds on account, also including overdraft on such accounts. Payment order execution deadline shall be defined in the Bank Cut-off Times.

The Bank shall not assume liability for the non-availability of E-Bank Service resulting from technical problems on computer equipment, breakdown, or disorders within telecommunication channels, power system outage, or as a consequence of force majeure, and it shall not assume liability for any damage resulting from any loss or destruction of any data and equipment of the User due to the installation and use of the E-Bank service.

#### **Payment Instrument Data Protection and Liability for Damage**

The User shall ensure to keep the secrecy of user identification and smart card and it shall accept full liability for any obligations resulting from the attributes of its user identification and/or smart card. The User shall, immediately upon the receipt of user identification, take any reasonable and appropriate measures for the purpose of protecting personalised security elements of user identification.

The User shall immediately and inevitably ensure to notify the Bank on non-authorized use of its user identification, loss of TAN table, SMART card, or other security device and on any other form of breaching security it becomes aware of and initiate blocking of the E-Bank Service use if there are suspicions of unauthorized use/fraud of user identification, in one of the following manners: initiating the e-bank service use blocking in the manner provided for in the application, in person at the Bank branch, or calling contact center on 021/423-364 or 0800-201-201 on business days 8 a.m.-5 p.m. and on Saturday 8 a.m.-1 p.m. or by sending e-mail requesting blocking the service of the e-bank to the e-mail address: [blokadaplantnoginstrumenta@erstebank.rs](mailto:blokadaplantnoginstrumenta@erstebank.rs)

The Bank shall be entitled to block the use of ErsteNetBanking service and disable its further use if there are grounds relating to payment instrument security in the event of unauthorized payment instrument use or the use thereof for the purpose of fraud, as well as in other cases required by security reasons.

The Bank will notify the User on the intention and reasons of blocking, or unless it is able to notify it thereof prior to blocking, it shall notify it thereof immediately upon blocking unless the provision of such notification is prohibited under regulations or there are reasonable security reasons thereof.

The Bank will automatically block the service use to user if incorrect user data are input three times during logging. In such case, the User may unblock service access in person in the Bank premises or by calling User Support. The total amount of damage resulting from loss/theft/fraud of user identification shall be borne by the User until the time of reporting.

The User shall bear any losses resulting from the execution of non-authorized payment transactions if such transactions have been executed due to fraud by the User or due to its failure to meet the obligation of taking any reasonable and appropriate measures for the purpose of protecting personalised security elements of user identification due to his wilful intention or gross negligence.

The User shall bear any losses relating to any transaction executed due to fraud committed by itself, and it shall also bear losses resulting from the failure to settle its liabilities resulting from these General Terms, to notify the Bank without any delay on loss, theft, and misuse of payment instrument and/or user identification.

The User shall not bear any losses resulting from transactions executed upon reporting loss, theft, or unauthorised use of user identification to the Bank unless it has committed fraud or participated in fraud or acted with the intention of making fraud.

The User shall be liable for the accuracy of all data of payment orders and it shall bear the risk of inputting incorrect data of the misuse of E-Bank services in its own environment.

### **Notification**

The User shall be reported on payment transactions executed through E-Bank services by Statement provided in the manner agreed under each individual account. The User agrees to receive additional notifications, of informative or other nature, through various Bank distribution channels. Deadline within which the User may file complaint relating to transaction sent by E-Bank services shall expire on the eighth day upon transaction execution. Complaint request may be provided by sending message within the E-Bank, by electronic mail, mail, and, exceptionally, by telephone in which case it shall be necessary to, as soon as possible, forward complaint request in writing to the Bank.

### **Fees**

Fees for E-Bank Services use shall be collected through the User's account or by other collection form in accordance with the Price List.

E-Bank services will be immediately charged or invoice will be issued by the Bank. The User agrees that the Bank may, for the purpose of fee charging, debit its accounts without obtaining specific signature and excluding obligation of prior notification of the User thereof.

### **Service Cancellation**

The User shall be entitled to cancel E-Bank Service use, by filing request in writing within 30-day notice period which shall start to run from the date of request receipt. Prior to the expiry of such notice period, the User shall undertake to return any allocated user identifications and settle any outstanding liabilities to the Bank.

The Bank shall reserve the right to reject User's Request for the E-Bank Service use and it may, at any time, withdraw any rights for using the E-Bank services if the User has failed to operate through the Bank for longer than 6 months, to settle liabilities on a regular basis and when due, to be in compliance with the General Terms, applicable regulations and instructions of the Bank, and if there are reasons of security protection due to the suspicion of user identification fraud.

### **Payment Transaction Collateral**

#### *Article 33*

The Bank may bind the User to, when opening account at the Bank, provide certain number of bills of exchange in accordance with its internal acts and individual request by the Bank for the purpose of the collection of fees and commissions relating to payment transaction services if enforcement becomes necessary.

In the event the Bank has used bills of exchange referred in the above paragraph, the User shall be required to provide new agreement mandates and bills of exchange. Orders of the User failing to meet the Bank request will not be executed by the Bank.

In the event of Users having overdues based on fees and commissions from payment transactions, orders will not be executed by the Bank and the User's account will be blocked until the Bank requests are met.

### **Service Cancellation, Unilateral Agreement Termination, Account Closing, and Denial of Payment Service**

#### *Article 34*

If the User wants to stop using payment services with the Bank and/or if it wants to unilaterally terminate account agreement, it shall ensure to file Request for Account Closing to the Bank in the form prescribed by the Bank. In the request, it is necessary to fill in datum on account with other bank to which any funds on the User's account will be transferred by the Bank, as well as date of the termination of account agreement which may not be shorter than 15 days from the date of Request filing.

Prior to filing request for account closing, the User shall undertake to settle any liabilities based on account maintenance, as well as any overdue fees and commissions and/or the User shall undertake to, prior closing, ensure sufficient funds from which collection of overdue fees and commissions will be made by the Bank.

If the User has met the obligations referred to in the above paragraph, the Bank shall act upon the User's request and close account in the Bank system as well in the National Bank of Serbia account register. Otherwise, the Bank shall not act upon the User's request.

#### *Article 35*

The Bank shall be entitled to unilateral termination of current account agreement and/or to cease providing payment services to the User in the following cases:



- if the User frequently (more than 3 times per month or three times in continuity) submits orders not completed in accordance with these General Terms
- if the Bank concludes that the User applies unauthorised actions affecting the operation of both the User and the Bank (e.g. misuse of signature, stamp, unauthorised order completion and submission, etc.)
- if the User fails to report accurate data and data changes in accordance with regulations and in accordance with Art. 3 and Art. from 6 to 9 hereof, even after the request in writing by the Bank within 15 days from request submission
- if user fails to provide documentation evidencing reported data and data change in accordance with regulations or upon the request by the Bank, and even upon the request in writing by the Bank within 15 days from request submission
- if it is concluded by the Bank that the User uses the Bank services for the actions considered to be money laundering and terrorism finance in accordance with the Law on the Prevention of Money Laundering and Terrorism Finance
- in other cases prescribed in the Law on Payment Services and Law on Foreign Currency Transactions (provisions of account closing referred in decisions on account opening, maintaining, and closing)
- in other cases of the User's behaviour and actions which are a significant reputation risk to the Bank.

In the cases referred in the above paragraph, indents from 1 to 5, the Bank will provide notification to the User on account closing or denying payment transaction services stating the reason of closing and/or denying payment transaction services.

The User shall undertake to, upon the receipt of this notification, provide the Bank the account held at other bank to which any funds on the User's account with the Bank will be transferred by the Bank.

In the event the User fails to provide account held at other bank, any funds of the User's account with the Bank will be forwarded to special Bank account until the time of the User's request for transfer or outgoing payment, and the User's account will be closed.

The User's accounts will be closed by the Bank on 15th day upon the submission of notification to the User referred to in paragraph 2 of this Article. Account closing shall also be immediately recorded in the National Bank of Serbia account register.

#### *Article 36*

The Bank will temporarily deny payment service provision to the User:

- if the Bank suspects that the User applies unauthorised actions affecting the operation of both the User and the Bank (e.g. misuse of signature, stamp, unauthorised order completion and submission, etc.)
- if the User fails to report accurate data and data changes in accordance with regulations and in accordance with Art. 4 and Art. from 6 to 9 hereof until the time of the User's reporting respective change
- if user fails to provide documentation evidencing reported data and data change in accordance with regulations or upon the request in writing until the time the User provides documentation
- if it is suspected by the Bank that the User uses the Bank services for the actions considered to be money laundering and terrorism finance in accordance with the Law on the Prevention of Money Laundering and Terrorism Finance
- if the Bank receives order by a regulatory authority (Ministry of Finance, Ministry of Internal Affairs, and other regulatory bodies and authorities) for the temporary denial of payment transaction services to the User.

The User shall be notified by the Bank on temporary denial of payment services in writing except in the event of the service denial referred in indent 5 of the above paragraph, and evidence and/or documentation will be required in order for the User to confirm meeting of conditions for the termination of payment service denial.

The Bank will suspend payment service denial only upon the provision of requested evidence referred in the above paragraph by the User.

### **Protective and other Measures**

#### *Article 37*

The User shall ensure to use payment instrument in accordance with agreed conditions governing the issuance and use of such an instrument.

The User shall, immediately upon payment instrument receipt, take any reasonable and appropriate measures to protect personalised security elements of such an instrument (e.g. PIN, password and user name, TAN table, token, smart card, etc.).

The User shall, immediately upon becoming aware of loss, theft, or fraud of payment instrument, report the Bank thereof.

### **Payment Instrument Blocking**

#### *Article 38*

The Bank shall block the further use of payment instrument if there are reasonable grounds relating to payment instrument security, if there is suspicion of unauthorised use of payment instrument or the use thereof for the purpose of

fraud, or if there is an increased risk that the User will not be able to meet its payment obligation when the use of such instrument is related to the approval of loan and/or overdraft of account to the User.

The Bank shall undertake to notify the User on its intention of payment instrument blocking and on the reasons of such blocking. Unless it is able to notify it thereof prior to payment instrument blocking, the Bank shall undertake to do so immediately upon blocking. Notification on the intention of blocking i.e. payment instrument blocking shall be provided by the Bank to the User in the manner set out in the Framework Agreement unless the provision of such notification is prohibited under regulations or if there are reasonable securities reasons not to do so.

The Bank will ensure re-use of payment instrument or it will be replaced with a new one - when reasons for blocking thereof cease.

If it is determined by the Bank, using special application, that the operating system used by the User for initiating payment transactions through NetBanking/Officebanking and NovoKlik is virus infected enabling unauthorised person to access security elements of payment instrument and unauthorised use thereof, due to which payment instrument security is affected, the Bank will prevent the further use of Netbanking/Officebanking and Novoklik, and request the User to take actions to remove such virus.

The Bank will re-ensure the use of NetBanking/Officebanking and Novoklik service after the User takes actions upon its request, and after it is determined that there is no further threat to the security of payment instrument use.

### **Payment Account Debiting without Payment Order**

#### *Article 39*

The Bank will debit the User's account - without payment order, in the following cases:

- 1) in the process of enforcement and/or forced collection taken against such user, in accordance with the law;
- 2) for the purpose of collecting due fees for the Bank services, due claims based on loan approved by the Bank to the User, or other due claims of the Bank to the User if such collection method is agreed;
- 3) in the event of filing bill of exchange for collection issued by the User if there are sufficient funds for bill of exchange collection;
- 4) in other cases prescribed in the law.

### **Payment Service User Protection**

If the Bank fails to comply with the provisions of the law on payment services, other regulations, or general terms of business governing payment services or electronic money, good business practice relating to such services or obligations referred in payment service agreements, and/or agreement relating to electronic money - payment service user and/or electronic money holder shall be entitled to the protection of their rights and interests by filing complaint or claim to the NBS.

Complaint relating to the bank operation may be filed by client in writing - at the bank business premises, by mail, through the bank Internet presentation, and/or by electronic mail (e-mail).

The Bank shall ensure to consider complaint and provide response in writing to client not later than 15th day from the date of complaint receipt.

If it is not satisfied with response, or response has not been provided within the prescribed term, client may, prior to initiating legal proceedings, file proposal to the National Bank of Serbia for mediation or claim in writing.

The method of filing complaint to the Bank and claim to the NBS shall be published on the Bank site.

### **Closing Provisions**

#### *Article 40*

The Bank shall be obliged to deliver the User the free of charge Overview of Services and Fees within the defined tenor before entering into the framework agreement on payment account, simultaneously with other information defined by the Law on Payment Services - on paper or other permanent data holder, in the manner which enables the evidence on the executed delivery. The Bank shall make the Overview of Services and Fees available at its sales points and publish it on the website of the Bank.

Entering into Agreement on Opening and Maintaining Account/Payment Card Issuance/E-Bank Use, the User shall accept the provisions of the Bank General Terms and the Price List under which payment services shall be charged. The General Terms shall deem to be an integral part of agreed payment services.

The User shall undertake to be informed on the content of the General Terms prior to signing agreement, as well as to be informed on any amendment of the General Terms.

The Bank shall undertake to present any changes relating to payment services, irrespective if they are contained in the

Bank General Terms or other acts, in the Bank sales units and on the Bank Internet presentation 15 days prior to the beginning of the application thereof.

Unless the User, within 5 days prior to published amendments coming into force, cancels payment services, it shall be deemed that the User shall accept such amendments.

The User shall be entitled to be informed on any conditions of payment service execution at any time through personal enquiry in the Bank sales units, by telephone call to the Bank Call Centre on number 0800201 201 or 060 7979 000, as well as by providing question in writing to the Bank to the address [ebank.kontakt@erstebank.rs](mailto:ebank.kontakt@erstebank.rs)

#### *Article 41*

The User agrees to receive additional notifications, of informative or other nature, through various Bank Distribution Channels.

Client agrees and herewith authorises the Bank to use, process, and retain any data presented to the Bank when entering into agreement, as well as the data obtained by the Bank during the implementation of this Agreement, which are, in sense of the Data Protection Law, deemed personal data, and in sense of the Bank Law deemed as secrecy, for the purpose implementing this Agreement, improving business cooperation with clients, developing its services and products, as well as for the purpose of implementing researches and analyses required by the Bank.

Client agrees and herewith authorises the Bank to forward the data referred to in the above paragraph and outsource processing thereof to Erste Group members, Forum for Preventing Fraud in Credit Transactions, or a third legal entity, with the aim of achieving high quality and efficient data processing, reporting at Erste Group level, as well as for other business requirements of the Bank provided that the Bank has, in the contractual relation with the above-mentioned legal entities which are transferred data and outsourced processing, ensured the same or higher level of the protection of confidentiality, secrecy, and integrity applied to its clients, as well as that it has ensured that such data are adequately protected against any frauds, destructions, losses, unauthorised changes, or accesses and that persons engaged in processing are bound to keep data secrecy.

#### *Article 42*

The General Terms, including agreement or application form for individual payment services, Cut-off Times, Price List, and general terms of use for individual payment services shall be an integral part of framework agreement on payment service provision.

Signing Agreement/Application Form, the User shall acknowledge that it is aware of the provisions of the General Terms and accept the application thereof.

The Bank General Terms of Business, legislation, and other acts of the Bank governing operation with Users shall apply to anything not set out herein.

The provisions of Chapter II of the Law on Payment Services, excluding Articles 14 and 15, Article 16. paragraphs 3 and 4, and Article 32 of this law, as well as the provisions of Art. 51, 58, 60, and 63 of this Law, shall not apply to these General Terms.

#### *Article 43*

These general terms shall apply to users who established business relation with the Bank, the subject whereof shall include payment services before these General Terms have come into force, as well as to users establishing business relation with the Bank after these General Terms have come into force.

If the provisions of agreements governing payment services under agreement relations of the Bank and the User until coming into force of these General Terms are contrary to the provisions of the Law on Payment Services and/or the provisions of these General terms, such provisions of previously entered into agreements will not apply, but they will be replaced with the provisions hereof and other documents which, in accordance with paragraph 1 of Article 42, shall comprise Framework Agreement.

The General Terms shall come into force on 17 March 2019.