

General Terms and Conditions for Maintaining Transaction Accounts and Performing Payment Services for Businesses Entitie

Supervision of the Bank's operations is performed by the Croatian National Bank in accordance with the regulations governing the operations of credit institutions.

1. Introductory Terms

Specific terms used in these General Terms shall have the following meaning:

1.1. Bank – The issuer of the General Terms is Erste&Steiermärkische Bank d.d. Rijeka, registered with the Commercial Court in Rijeka under the registration number of the subject (MBS) 040001037, registration number (MB) 3337367, with headquarters in Rijeka, Jadranski trg 3a, Tax number (OIB): HR23057039320, IBAN: HR9524020061031262160, SWIFT/BIC: ESBCHR22, REUTERS ESZH; website: www.erstebank.hr, andInfo telephone number: 0800 7890, e-mail: erstebank@erstebank.hr. The Bank is a payment service provider that opens and maintains payment accounts for the Client.

1.2. Bank's Acts – All documents and decisions issued by authorized bodies of the Bank in accordance with the prescribed procedure and which are available to the Client through certain Distribution Channels, and regulate the rights, powers and obligations of the Client and all other persons who assume rights and obligations towards the Bank, as well as the Bank itself (for example: Special General Conditions, Decisions on Fees, etc.). At his/her request, the Bank shall make available to the Client all Acts of the Bank applicable to his/hers specific contractual relationship with the Bank.

1.3. Distribution Channels – Within the meaning of these General Terms and Conditions, they shall represent all manners and means making the contracting and use of the Bank's products and services possible. Within the General Terms and Conditions, the term Distribution Channel may mean the Bank's branch office, the Bank's website www.erstebank.hr (hereinafter: The website), Erste NetBanking, Erste mBanking, Erste FonBanking, Erste FonStart, ATMs, Erste Kiosk, MultiCash, Erste Box etc. as well as FINA branch offices and FINA distribution channels.

1.4. FINA – Financial agency.

1.5. Card – A payment instrument which initiates and executes payment transactions within card payment schemes, and which enables the User to make payments for goods and services either at the receiving device, or remotely and / or which enables cash withdrawal and / or use of other ATM services or another self-service device and transfer funds. The bank is the issuer and owner of the cards.

1.6. Unique Identification Code – A combination of letters, numbers or symbols assigned by a payment service provider to one payment service user, which must be indicated by another payment service user in order to clearly identify the first payment service user and / or the payment account of the first payment service user used in the Payment Transaction. Within the meaning of these General Terms and Conditions, the Bank shall consider IBAN as the Unique Identification Code.

1.7. Client – For the purpose of these General Terms and Conditions, payment service user shall be a Business Entity which has concluded a Framework Agreement on Payment Services with the Bank.

1.8. Business Entity – Is a legal entity, public administration authority, public administration body, local self-government unit, association and society (sports, cultural, charitable, etc.) and a natural person operating in the field of its economic activity or free profession and other non-consumers who can have resident or non-resident status. The Business Entity is represented by its legal representative or a person authorized by the legal representative.

1.9. Payment Order – An instruction submitted by the payer or the payee to his payment service provider, requesting the execution of a Payment Transaction and containing all the necessary elements for the execution. According to the payment manner, Payment Orders can be: in-payment order, cash order, and transfer order. The Payment Order can be issued as an individual order or collectively as a series of individual orders given in the form of a file whose format is determined by the Bank's instructions or the agreement between the Client and the Bank.

1.10. Payment Instrument – A personalized means and / or a set of procedures contracted between payment service users and payment service providers used to issue a Payment Order.

1.11. Credit Transfer – A payment service by which the payment account of the payee is approved for a payment transaction or for a series of payment transactions after debiting the payment account of the payer, by the payment service provider with which the payment account of the payer is maintained, based on a payment order issued by the payer.

1.12. Payment Transaction – Is the deposit, withdrawal or transfer of funds initiated by the payer or initiated on his/her behalf and for his/her account or initiated by the payee, regardless of the obligations arising from the relationship between the payer and the payee.

1.13. National Payment Transaction – Is a payment transaction involving the payer's payment service provider and/or the payee's payment service provider or only one payment service provider located in the Republic of Croatia.

1.14. Cross-border Payment Transaction – Is a Payment Transaction involving two payment service providers, one of which is a payment service provider (payee's or payer's) operating in the Republic of Croatia in accordance with the National Payment System Act, and the other payment service provider (payee's or payer's) operates in accordance with the regulations of another Member State.

1.15. International Payment Transaction – Is a Payment Transaction involving two payment service providers, one of which is a payment service provider (payee's or payer's) operating in the Republic of Croatia in accordance with the National Payment System Act, and the other payment service provider (payee's or payer's) operates in a Third Country.

1.16. Member State – Is a member state of the European Union and a signatory to the Treaty on the European Economic Area.

1.17. Third Country – Is any state that is not a Member State.

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1.18. Account – Is any transaction account of the Client opened with the Bank, which is used for the execution of Payment Transactions as well as for other purposes related to payment services.

1.19. Positive balance – Is a positive balance on the Account that does not include the account credit line.

1.20. Available Balance in the Account – Is a positive balance in the Account increased by the amount of the approved Account credit line. The Account credit line may not be used to settle obligations under orders to execute the basis for payments received from FINA in accordance with the Act on Execution of Enforcement over Monetary Assets, as well as other regulations under which the enforcement is carried out on the Accounts, unless the Bank and the Client agree differently.

1.21. Contract – Is a contract on opening and maintaining an individual transaction account. Exceptionally, in cases determined by the Bank, the Agreement may be concluded by signing the request for opening a transaction account which contains both the terms of usage of the account and by signing it, the Client accepts these General Terms and Conditions. In that case, the contract on opening and maintaining of an individual transaction account consists of the request on opening a transaction account and these General Terms and Conditions.

1.22. Notification on Opening and Account Number – A notification that the Bank submits to the Client and informs him/her about the opening i.e. the activation and number of the Account.

1.23. Payment Schedule – Is a special Act of the Bank which defines the terms, methods, and conditions for the execution of Payment Transactions.

1.24. Payment Reference – A number assigned by the Bank used for the identification of the Payment Transaction.

1.25. Branch Office – An organizational unit of the Bank, as well as an organizational unit of FINA.

1.26. Specific General Terms and Conditions – All terms and conditions set out for a specific product/service (e.g. General Terms on Using Erste NetBanking, Erste mBanking, Erste FonBanking and Erste FonStart Services for Corporate Entities, General Terms on Using MultiCash Service for Business Entities etc.).

1.27. Authorised Person – Is a natural person authorised to dispose of funds in an Account who has been authorized by the Client's Legal Representative to dispose of funds in the Client's Account in the name and on behalf of the Client, and who has deposited his/her signature on the Specimen of Authorised Signature.

1.28. Client's Legal Representative – A person given the authorisation to represent the Client by the law.

1.29. Specimen of Authorised Signature – The Bank's form that contains the Client's basic data, data on the Client's Authorised Persons who may dispose of Account funds and their deposited signatures.

1.30. Power of Attorney – Is the authorization for representation given by the Client to the proxy. The form and content of the power of attorney and the conditions to be met by the Client's proxy may be determined by the Bank according to its assessment, which depends on the specific case for which the power of attorney is given. The power of attorney can be one-time or until revoked.

1.31. Client's Contact Address – Is the address given by the Client when contracting any of the Bank's products or services, or the address of which he/she has subsequently notified the Bank in writing, as the address to which he/she wishes to receive written notifications from the Bank if that address is different from the Client's headquarters.

1.32. Unified Register of Accounts – Is an electronic database maintained by the Financial Agency, which contains accounts of business entities, citizens, the Republic of Croatia, local and regional self-government units and accounts of the Croatian National Bank, bank accounts and accounts in housing savings banks and credit unions.

1.33. SEPA – Single Euro Payments Area is an area where the payer can make and receive payments in Euros under the same basic conditions, rights and obligations, regardless of whether they are national or cross-border payments. The SEPA area covers all EU Member States as well as Iceland, Liechtenstein, Norway, Switzerland, Monaco and San Marino.

1.34. SEPA payments – Payments in EUR within the European Union and the EEA (European Economic Area) and 6 non-EEA countries (Andorra, Monaco, San Marino, Switzerland, Great Britain, Vatican).

1.35. Business SEPA direct debit (hereinafter SEPA direct debit) – Is a national payment service in HRK for debiting the Client's transaction account, when the payment transaction is initiated by the payee who is a Business subject on the basis of the Consent given by the Client to the Business subject payee and the Bank.

1.36. Consent – Is the Client's authorization to the payee who is a business entity to place an order for SEPA direct debit for the Client's transaction account.

1.37. Online – Is the ability to connect via a publicly available communication network, such as the Internet, to use a particular service.

1.38. Payment Initiation Service Provider – A payment service provider other than the Bank, which provides the Client with payment initiation service based on the approval of the competent authority in the home Member State.

1.39. Account Information Service Provider – A payment service provider other than the Bank, which provides the Account information service to the Client on the basis of an entry in the relevant register of the competent authority in the home Member State.

1.40. Other Payment Service Provider – Payment initiation service provider, Account information service provider and payment service provider issuing a card-based payment instrument.

1.41. Payment initiation service – The service of issuing payment orders at the request of the User from his Account, and through the Provider of the payment initiation service to which the User has given his/her explicit consent. The Client can use this service only if the Account is available online.

1.42. Account Information Service – An online electronic service that provides consolidated information on one or more User Accounts, and through the Account Information Service Provider to which the User has given his/her explicit consent. The Client can use this service only if the Account is available online.

1.43. Value Date – Is the reference time used by the payment service provider to calculate interest on funds debited to the payment account (debit value date) or for which the payment account is credited (credit value date).

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1.44. Permanent data carrier – is any means that allows the payment service user to store information sent to him/her personally in such a way that it is available for future use in a period appropriate to the purpose of the information and which allows to reproduce stored information in unaltered form.

1.45. Authentication – Is a procedure that allows the Bank to verify the identity of the User or the validity of the use of a particular Payment Instrument, including verification of the User's personalized security credentials (for example, using a card at an ATM and entering a PIN for the authentication of the Transaction).

1.46. Personalized security credentials – Are personalized features that a payment service provider provides to a payment service user for authentication purposes.

1.47. START system – Is an online system that, in accordance with regulations, enables electronic business start-ups in the Republic of Croatia and for that purpose collects authentic data and automatically exchanges them between systems that support certain activities of the business start-up process, registers and official records.

1.48. Person subject to sanctions shall mean a person:

- Who is listed on the sanctions list, or is owned, controlled by or acting on behalf of the person listed on the sanction list; has a domicile, residence, registered office or is established in accordance with the regulations of the state or area under the sanctions regime, or is owned or under (direct or indirect) control of a person who has a domicile, residence or registered office of a person established in accordance with a state regulations or territory subject to sanctions or an entity established under the law of that state;
- Is subject to sanctions on any other basis.

1.49. Sanctions – Include laws, regulations, embargoes or restrictive measures relating to the economic sanctions administered, enacted and enforced by the following Sanctioning Authorities: the Government of the United States of America, the United Nations, the European Union, the United Kingdom, Switzerland, any state where the Bank has its headquarters, the competent state institutions and agencies belonging to the mentioned bodies, including, without limitation, the Office of Foreign Assets Control of the US Department of the Treasury (hereinafter: OFAC), U.S. State Department and the United Kingdom State Treasury (hereinafter: HMT).

1.50. Sanctions lists – Include the "List of specially designated citizens and blocked persons" maintained by OFAC, consolidated list of entities subject to financial sanctions, and the Investment Ban List maintained by HMT, or any similar list maintained or made public by any Sanctioning Authority.

2. General provisions

2.1. These General Terms and Conditions provide the Clients with information on the use of payment services, interest rates and exchange rate fees, communication with the Bank, protective and corrective measures, changes and termination of the Framework Agreement on payment services and legal protection. With these General Terms and Conditions, the Bank also determines the conditions for opening, maintaining and closing the Account.

2.2. When opening an Account and / or contracting any payment service of the Bank, in addition to the information from these General Terms and Conditions, the Bank delivers to the Client other Bank's Acts regulating certain payment services of the Bank required by the Client or contracted with the Bank (for example: Specific General Terms and Conditions, Decision on Fees, Payment Schedule).

2.3. When opening the Account, the Client and the Bank shall enter into a Framework Agreement on Payment Services (hereinafter: Framework Agreement) consisting of:

- these General Terms and Conditions,
- relevant Specific General Terms and Conditions for additional services contracted by the Bank and the Client
- Fees for performing payment services for business entities
- Payment Schedule
- Notification on opening and maintaining of an account and account number, and
- Agreement.

These General Terms and Conditions and all documents that make up the Framework Agreement are and are available on the Bank's website www.erstebank.hr and at the request of the Client in the Bank's branch offices.

2.4. In the event of a conflict between the Agreement and other Acts of the Bank, the provisions of the Agreement shall apply first, then the provisions of these General Terms and Conditions and finally other Acts of the Bank, unless expressly agreed otherwise.

2.5. By concluding the Framework Agreement, the Client confirms that, prior to concluding the subject agreement, he/she was previously acquainted with these General Terms and Conditions and other Acts of the Bank and other documentation which, in accordance with Article 2.3. of these General Terms and Conditions, constitutes the Framework Agreement and that he/she fully agrees with and accepts them.

2.6. The Bank may entrust the performance of some of the activities related to performing payment operations to a third party. Everything determined for the Bank in these General Terms and Conditions is also determined for the third party entrusted with the performance of such activities.

2.7. In accordance with the provisions of the National Payment System Act, the application of the following provisions is excluded:

- Chapter II OBLIGATIONS RELATED TO THE INFORMING OF PAYMENT SERVICE USERS – except Article 19 and Article 20, i.e. all provisions of that Title relating to the obligations of the Other Payment Service Provider
- Article 34 Consent and revocation of consent – paragraphs 7 and 8
- Article 48 Refunds for authorized payment transactions initiated by the payee or initiated through the payee – in full (non-application of this article excludes the right to a refund for authorized payment transactions initiated by the payee or initiated through the payee)
- Article 49 Refund request for authorized payment transactions initiated by the payee or initiated through the payee

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- Article 52 Irrevocability of payment orders – paragraph 6
- Article 58 The responsibility of the payment service provider for the execution of a payment transaction initiated by the payer
- Article 59 Liability of the payment service provider for the execution of a payment transaction initiated by the payee or initiated through the payee
- Article 60 – Liability for non-execution, irregular execution or delay in execution of payment transactions in case of payment initiation services

3. Account Opening

- 3.1.** The Bank opens an Account for the Client provided that the Client submits the following documentation / data to the Bank:
- correctly filled in forms of the Bank for opening a transaction account certified by the signature of the person authorized to represent
 - correct data via the START system for opening / activating a transaction account when the opening of the Account is initiated through the START system
 - documentation that enables the identification of the Business Entity and persons authorized to dispose of funds in the account in accordance with the Law on Prevention of Money Laundering and Financing of Terrorism and other applicable regulations
 - data required for keeping the register of accounts and
 - other documentation in accordance with applicable laws or specifically required by the Bank.
- 3.2.** The Bank shall open an Account for the Client or reject the Request for opening a transaction account no later than 7 working days from the receipt of the Request for opening a transaction account and the complete required documentation. The Bank reserves the right to refuse to open an Account for the Client without providing a special explanation. Exceptionally, the Bank activates an Account for the Client whose opening has been initiated via the START system no later than 18 working days from the receipt of data on the Client via the START system, provided that the Client submitted all the documentation in accordance with these General Terms and Conditions. At the same time, the Bank undertakes to refuse to open an Account on the basis of data received through the START system no later than 3 working days from the receipt of such data.
- 3.3.** The Bank and the Client enter into the Agreement on the basis of the Request for opening a transaction account or the Request for activation of a transaction account and proper documentation for opening an account. The request for activation of the transaction account, in addition to the data stated on the request itself, also includes the data entered by the Client into the START system before initiating the opening of the Account with the Bank.
- 3.4.** The Client may start operating through the Account after concluding the Agreement and the Notice on opening and number of the Account. Notice of opening and number of the account is delivered to the Client to his/her e-mail address recorded in the Bank's system either by sending to the Client's registered office address or by downloading the notice by the Client at the Bank's branch office or in another agreed manner between the Bank and the Client. The notice shall be deemed as delivered to the Client at the time of sending the e-mail by the Bank, i.e. at the time of sending it by registered mail or at the time of the collection at the Bank's branch office or in another agreed manner between the Bank and the Client. The Client may also request information on the opening and number of the Account at the Bank's branch office.
- 3.5.** The Bank opens Accounts in accordance with the law, and according to the construction determined by bylaws and rules of the Bank.
- 3.6.** Depending on the assessment of the client's level of risk, the Bank shall conduct the due diligence of the Client, in accordance with the Law on Prevention of Money Laundering and Financing of Terrorism. At the request of the Bank, the client is obliged to submit the data and documentation necessary for conducting the in-depth analysis.

4. Management of Transaction Accounts

- 4.1.** The Bank shall execute Payment Transactions and perform deposit and withdrawal services or transfer of funds through the Account for the Client, within the available balance on the Account.
- 4.2.** By appointing a certain person as an Authorized Person, the Client guarantees that he/she meets the conditions prescribed by law, which are necessary for the appointment as an Authorized Person, and that this person is a person of his/her trust.
- 4.3.** Only Authorized Persons can dispose of the available balance on the Account. Authorized Persons can also inspect the status of the Account and request additional information related to the Account (e.g. turnover receipts, statements, etc.). Authorized Persons for disposing of funds on the account are listed in the Specimen of Authorised Signature deposited with the Bank. Disposal of funds is unlimited within the Available Balance on the Account, except in cases of force majeure or when regulations require otherwise. The Client is obliged to submit a written request to the Bank for each change of the Authorized Person on the Specimen of Authorised Signature.
- 4.4.** The Bank is not responsible for the actions of the Authorized Person, both towards the Bank and towards the Client himself/herself. The Client is responsible for all omissions and actions of the Authorized Person towards the Bank.
- 4.5.** If the Client who revokes the right of the Authorized Person to dispose of funds in the Account via the Payment Order on paper and requests its deletion from the Specimen of Authorised Signature wants to revoke all rights of that Authorized Person on other Distribution Channels, he/she is obliged to do so by submitting a special request to the Bank. The change of the Client's Legal Representative as well as the change of the Authorized Person on the Specimen of Authorised Signature does not mean a change of authorizations related to additional payment services (e.g. Erste NetBanking service, MultiCash service) that the Client has contracted with the Bank, and the client is obliged to take care of closing or changing the authorizations related to additional contracted payment services. The Client is obliged to acquaint each proxy with the content of these General Terms and Conditions and the entire documentation that makes up the Framework Agreement and which is listed in Article 2.3. of these General Terms and Conditions.

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- 4.6.** Power of attorney, i.e. revocation of the power of attorney made outside the Bank must be certified by a domestic or foreign competent authority, in accordance with positive regulations. The Bank reserves the right not to act on a one-time power of attorney older than one year.
- 4.7.** The Power of Attorney for the Account ceases to be valid no later than one working day from the day of receipt of the statement / confirmation of written revocation of the Power of Attorney from the Client or authorized person or by closing the Account, by submitting the statement on the deprivation of legal capacity or death certificate of the Client's proxy.
- 4.8.** The Bank shall not bear the consequences that may occur if the proxy does not act in accordance with the provisions of this Article. The Bank is not obliged to inform the Client about the actions and omissions of the proxy.
- 4.9.** The Client may request the Bank to put the Account on a standby status. To put the Invoice on a standby status, the Client is obliged to submit the Request for placing the Invoice on standby and enclose a decision on temporary suspension of work issued by the competent authority. The Bank does not charge passive interest on borrowed funds on Accounts in a standby status, nor does it charge fees for maintaining the Account. While the account is in the standby status, the Client cannot deliver orders debited to the Account. The Client is obliged to notify the Bank of the termination of the standby status.
- 4.10.** The Client is obliged to notify the Bank in writing and submit the appropriate documentation of any change in the data specified in the documents attached while opening the Account, no later than 8 (eight) days from the date of the change. In the event that the Client fails to notify the Bank of the change, the Bank may make changes to its database only if it learns about them from official registers or other documents in case there is no doubt about the authenticity of the mentioned documents.

5. Payment Transaction Authorisation and Execution

- 5.1.** It is considered that the authorization (consent) for the execution of the Payment Transaction is given if one of the following conditions is met before the execution of the Payment Transaction:
- Payment order has been duly filled out and signed by the authorized representative, the Authorized Person in accordance with the Specimen of Authorised Signature or a person who is not an authorized representative or the Authorized Person (hereinafter: Submitter of the Order) and submitted to the Bank / FINA in paper form
 - Payment order and the transfer order have been duly filled out and submitted to the Bank / FINA in paper form signed by the Authorized Person in accordance with the Specimen of Authorised Signature
 - Payment Order is issued and authorized through electronic banking services by the person authorised for electronic banking services in accordance with the agreement on the use of one or more electronic banking services concluded by the Client with the Bank.
 - Payment Order is issued and authorized via the MultiCash service by the authorized person in accordance with the contract on the use of the MultiCash service
 - Payment Order is issued and authorized via the FINA electronic banking service by the authorized person for FINA electronic banking service
 - Payment Order is issued and authorized through a registered Other Payment Initiation Service Provider
 - ATM withdrawals and cash payments with banknotes by inserting and using the ATM Card with PIN entry
 - Payment of coins at an ATM by inserting and using the Card at an ATM without entering a PIN
 - Payment of banknotes and coins by inserting the Card and entering the PIN in the ATM with the deposit function (BD device)
 - Payment of banknotes and coins by inserting the Card into the day-night vault
 - Payment of banknotes and coins by inserting the Card and entering the user ID in the Erste Smart Cash device
 - Payment of banknotes and coins by inserting the Card and / or entering the user ID / PIN in the smart safe at Client's premises
 - Giving or inserting a card at the EFT-POS terminal or self-service device at the point of sale or withdrawal counter, and depending on the system (EFT-POS terminal / self-service device – card) confirmation of the transaction with entry of PIN or signature
 - Entering and providing Personalized Security Credentials of the card, except for PIN, at the request of the merchant when paying at Internet points of sale, or catalogue and telephone sale.
 - For the execution of individual standing orders or direct debits, the Client or the Authorized Person shall be deemed to have given consent and authorization by signing a special contract as described in Article 10 of these General Terms and Conditions.
 - The Client has given the Consent in accordance with these General Terms and Conditions for SEPA direct debit.

Payment transactions for payments described in rows 7-12 of this article are initiated by depositing cash in the devices specified in these provisions.

5.2. If the Client certifies the Payment Orders submitted in paper form with a stamp, such stamp certification does not form part of the authorization of the Payment Transaction and is not controlled by the Bank.

5.3. Information prior to the execution of the Payment Transaction is contained in these General Terms and Conditions, Special General Terms and Conditions for the service / product contracted by the Bank and the Client or the Authorized Person, Payment Schedule, Fees for service transactions with business entities.

5.4. The Client or the Authorized Person may submit duly filled out Payment Orders to the Bank (on paper at cash registers or in the Erste Box, via electronic banking services, via the Payment Initiation Service Provider or in FINA (on paper, files in xml format, or via electronic channels managed by FINA).

- 5.5.** A duly filled out Payment Order means a Payment Order which is:
- filled out in accordance with the positive regulations of the Republic of Croatia
 - filled out legibly and completely (without corrections)
 - authorized.

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5.6. Notwithstanding the possible previous involvement of the Bank in the process of filling out the Payment Order, the Bank shall be deemed to have received the Payment Order at the time when it is delivered by the agreed means of communication. The Client / Authorized Person is responsible for the accuracy and completeness of the data on the Payment Order and in cases when it may require the Bank to fill out the Payment Order according to his/her instructions. In case the date of execution is not stated on the Payment Order, it is considered that the desired date of execution is equal to the date of receipt of the order.

5.7. The Bank accepts and executes a correct and duly filled out Payment Order from the Client only if it is delivered to the Bank by the Client in the manner agreed for a particular payment service and if there are no legal obstacles to its execution.

5.8. If the Bank receives a Payment Order on a day which has not been specified as a working day or after the time specified in the Payment Schedule, the Payment Order shall be deemed as received on the first following working day.

5.9. The Bank shall execute the duly filled out Payment Order on the day of receipt or on a predetermined working day, in accordance with the Payment Schedule, provided that there are funds available on the Client's Account on the day of execution of the Payment Order and if there are no legal obstacles to its execution.

5.10. In the event that the Payment Order issued via electronic banking services is not executed on the given day due to insufficient funds on the Account, attempts to make the payment will be made for the next 15 (fifteen) days, except for a group of orders with batch booking option which are executed only on the value date. In case there are insufficient funds on the Account for Payment Orders issued through the Payment Initiation Service Provider, the Payment Initiation Service Provider defines the manner of order execution, in such a way that the transaction is rejected on the execution day or the attempts to perform the transaction will be made for the next 15 (fifteen) days, except for a group of orders with batch booking option which are executed only on the value date.

5.11. The Client selects the currency for the coverage of the Payment Order, if it has not been filled in, it is considered that the currency for the coverage of the Payment Order is equal to the payment currency.

5.12. Payment Orders issued through electronic banking services or FINA electronic channels and through the Payment Initiation Service Provider may be issued individually or collectively. If such orders are issued collectively (file), they can be given only in xml format in accordance with the instructions for Clients: ISO 20022 xml standard for initiating credit transfer messages (pain.001.001.03.), unless explicitly agreed otherwise between the Client and the Bank.

An Xml file can contain one or more groups of payment orders. Payment order groups can be:

- with single debit option and / or
- with the option of batch booking only for national payments in HRK

A group of payment orders with the option of batch booking is executed only in the case when all orders from the group of payment orders are correct and when there is enough funds to cover the whole group, otherwise it is rejected.

If the Client does not select the batch booking option, the entire content of each individual Payment Order will be visible on the account statement.

If the group of payment orders with the option of aggregate debit refers to the payment of personal income, the Bank shall apply the agreed fee as well as ensure the recognition of personal income payment orders, including access to data in accordance with authorizations, if the group of payment orders is marked with following parameters: file 2.3. – Batch Booking (method of debiting the payer's account) – obligatory data is true, field 2.14 – Category Purpose / Code – mandatory data SALA, field 2.127 – Purpose / Code – mandatory data SALA, in field 2.116 <Id> The IBAN of the payee is the transaction account of the natural person (recognized by the second part of the IBAN starting with 31, 32 or 35).

5.13. Failure to execute the Payment Order due to the non-existence of the Available Balance on the Account is not considered a rejection of the Payment Order and the Bank is not obliged to notify the Client about it.

5.14. If the Client or the Authorized Person submits to the Bank an incorrect Unique Identification Code of the payee on the Payment Order, the Bank bears no responsibility towards the Client or the payee for the incorrect execution of the Payment Transaction.

5.15. The Bank executes the payment order in accordance with the Unique Identification Code of the payer / payee specified by the Client in the payment order, and by accepting these General Terms and Conditions, the Client gives consent to the Bank to use the name / name and surname, headquarter / address and tax number (OIB) of the payer / payee from the Bank's registers, which correspond to the specified Unique Identification Code. Exceptionally, the Bank may change the Unique Identification Code specified in the Payment Order if the Payee, based on the special order and the authorization contracted in the business cooperation agreement with the Bank, determines his/her new Unique Identification Code, and the Client agrees to this by accepting these General Terms. In that case, the Payment Order shall be executed in accordance with the new Unique Identification Code if all other conditions for the execution of the order are met.

5.16. In the event that there are insufficient funds on the Client's Accounts specified to cover the Order for the execution of the Payment Order issued through Erste Netbanking in the foreign / domestic currency defined in the Payment Order, and the Client's Account is denominated in several currencies, the Client or the Authorized Person should define the order of currencies to be converted for the execution of the Payment Order. If the Client or the Authorized Person has not defined the order of currencies or does not have sufficient funds in the selected currency/ currencies, the Bank shall make the conversion from other available currencies only after the receipt of a respective written order by the Client or the Authorized Person.

5.17. The Bank may refuse the execution of the Payment Order if all the conditions for its execution are not met.

The Bank shall inform the Client about the refusal to execute the Payment Order, as well as about the reasons for the refusal and the procedure for eliminating the errors that were the reason for the refusal, except in cases when this is prohibited by other regulations. The Bank shall make the notice available to the Client via one or more contact data specified in the Request for opening a transaction account or the Request for the activation of the transaction account or in another explicitly agreed manner no later than within the deadline set for the execution of

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the Payment Order in the Payment Schedule. The Bank has the right to charge a fee for the notification, at the Bank's discretion, if the rejection of the Payment Order was objectively justified.

5.18. If the payment order is provided by the Submitter of the Order, he/she shall sign such order, regardless of whether the order has already been signed by the persons authorized to represent the Client or the Authorized Person and the Bank identifies it in accordance with the regulations.

5.19. The Bank is authorized to refuse to execute a Payment Transaction if it considers that there is a discrepancy when depositing cash in foreign currency on the Client's Account related to the compliance with foreign exchange regulations or other regulations or instructions of public bodies responsible for foreign exchange supervision or the implementation of relevant regulations. For the avoidance of doubt, the Client is responsible for ensuring that the deposit of cash in the Account complies with all applicable regulations, which applies to, but is not limited to, regulations on foreign exchange operations and regulations on the prevention of money laundering and terrorist financing. If the Client deposits cash in foreign currency to the Account, he/she is obliged to deposit the entire amount of cash in foreign currency received when charging for his/her service, regardless of the price of that service and enclose the appropriate documentation according to the Bank's instructions (e.g. contract, invoice, quote or other documentation in accordance with the applicable regulations). The Bank is authorized to request additional documentation confirming the compliance of the Client's cash deposit with the relevant regulations at any time prior to the execution of the Payment Transaction and is authorized to refuse the execution of the Payment Transaction if the Client does not submit such documentation within the specified deadline.

6. Payment Order Cancelling

6.1. The Client or the Authorized Person may revoke the Payment Order in writing before the execution of the Payment Order in the Branch Office by revoking the consent for the execution of the Payment Order, revoking the authorization for a standing order or a series of Payment Transactions. If the Payment Order (with the exception of a standing order) is issued via an electronic banking service, it can be revoked using that service. Any Payment Transaction executed after an orderly revocation at the Bank's discretion shall be considered as unauthorized. The Client or the Authorized Person may not revoke the Payment Order after it has been forwarded to the interbank payment systems (NCS, HSVP) or the SWIFT network.

6.2. In case of revocation of the Payment Order referred to in Article 6.1. of these General Terms and Conditions, the Bank allows its revocation until the end of business hours of the Bank's Branch Office on the day of submission of the Payment Order, in case it has not been forwarded to the interbank payment systems (NCS, HSVP) or to SWIFT network, or via electronic banking service until the moment of being forwarded to interbank payment systems for the orders issued through the electronic banking service.

6.3. By way of derogation from Article 6.1., the Client or the Authorized Person may not revoke the Payment Order in following cases:

- in case of a transaction initiated by the payee or initiated through the payee after giving the payee his consent to execute the Payment Transaction
- in case of a transaction initiated through the Payment Initiation Service Provider after giving consent to initiate a Payment Transaction to that service provider, except for the transaction specified with the date executions in the future, whereby such order can be revoked no later than the end of the working day preceding the day agreed for the beginning of the execution of the order. Revocation of such Payment Order is possible only through the Payment Initiation Service Provider.

7. Disposal of Funds on the Account

7.1. The Client may dispose of paid funds on the Account when the amount of the Payment Transaction is approved on the Account in accordance with the deadlines for the execution of Payment Transactions specified in the Bank's Payment Schedule and when the Bank receives all necessary information for the approval of the Client's Account.

7.2. Payment transactions coming from a payer from another domestic or foreign bank are processed in such a way that the Client's Account is credited on the basis of the Unique Identification Code specified in the Payment Order. The Bank does not undertake to verify the correctness of other data listed with the Unique Identification Code, except for all cross-border and international payments and national payments in foreign currency where the name of the payee is controlled, and in case of non-compliance of the Unique Identification Code and the name of the payee, the Bank is authorized to refuse the execution of the Payment Order.

If the day on which the funds are credited to the payee's payment service provider's account is not a working day for that service provider, the payee's payment service provider shall be deemed to have received the payee's funds on the first following working day.

7.3. By accepting these General Terms and Conditions, the Client agrees that the Bank may eliminate the incorrect posting of debit or approval of the Account performed without the Client's order, which is a consequence of an error of the Bank or its external executors, using the reverse posting or cancellation procedures. The Bank informs the Client about the stated postings in the agreed manner, via the account statement. Additionally, the Client may, upon request, obtain information at the Branch Office.

7.4. The Client is not authorized to pledge the Account in favour of a third party without the prior written consent of the Bank.

8. Other Account Debiting Basis

8.1. Other grounds for debiting the Account include bills of exchange, contractual authorisation given to the Bank and FINA orders in accordance with the Act on Execution of Enforcement over Monetary Assets, as well as other respective bylaws. Based on the stated grounds, the Bank debits the Client's Account without his/her prior consent.

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8.2. By accepting these General Terms and Conditions, the Client agrees that, in the of Client's default under any contractual relationship, the Bank may collect the amount due including all related allowances and default interest from all Client's accounts in the Bank, or from all Client's funds entrusted to the Bank either as collateral for the Bank's claims against the Client on any basis, or entrusted to the Bank on any other basis.

8.3. If the Bank makes a payment from the Client's Account in accordance with the previous paragraph of this Article, and the Account does not have sufficient funds in the currency of the payment, the Bank shall convert from other currencies in the Client's Account according to the Bank's exchange rate valid on the day of conversion.

8.4. The FINA e-Bank order is executed only from the Positive Balance on the Client's Account and subsequent cash inflows. If the order is executed on a foreign currency account, the Client agrees that the Bank may convert foreign currency into HRK at the Bank's buying rate valid on the day of redemption and the Bank transfers the resulting amount in HRK to the allocated funds account. The Bank will deal with the seized funds on the allocated funds account in accordance with the FINA order.

8.5. In the event of debiting the Account on the basis of an FINA order, the Bank shall deny the Client the right to use the framework credit on the transaction Account for the entire duration of the execution of the payment basis unless otherwise expressly agreed between the Client and the Bank.

8.6. The Bank shall not be liable for damages in the event of an incorrectly issued FINA order for the implementation of the basis for the payment.

9. Additional Payment Services

9.1. Additional payment services are:

- Electronic banking services
- SEPA direct debit
- Standing order
- Card
- Other services prescribed by the Bank's Acts.

9.2. The main characteristics as well as the conditions for the use of additional payment services are defined in the Special General Terms and / or in individual contracts for these services.

10. Operations with Standing Orders

10.1. The Client may authorize the Bank to make regular or occasional payments at the expense of his Account by:

- Conducting a Payment Transaction in favour of the payee according to the terms defined by the Client (payee's account, payment amount, duration, and payment dynamics) (hereinafter: the Standing Order).
- In the event of any change under the conditions defined by the Client in the Standing Order, the Client is obliged to notify the Bank thereof. The Bank does not take responsibility for the correct execution of Standing Orders in the event of a change that the Client has not reported to the Bank.

10.2. The Bank shall execute Standing Orders in accordance with the conditions defined by the Client. If the default day for payment of the Standing Order is not a working day, the payment will be made on the first following working day. The Client is obliged to provide funds on the Account no later than the time defined in the Payment Schedule. The Bank executes a Standing Order only if there are sufficient funds in the account to cover the entire defined amount of payment. In the event that the Standing Order with a defined fixed amount of payment is not executed on the given day due to insufficient funds on the Account, the payment will be attempted for the next 20 (twenty) days.

10.3. The standing order expires on a defined date or upon cancellation by the Client.

10.4. The standing order shall terminate automatically by closing the paying Account.

10.5. The Bank may unilaterally terminate the Standing Order without notice if the Client, in the Bank's opinion, does not comply with these General Terms and Conditions, does not settle his/her obligations in timely manner or if the Client's business, at the Bank's sole discretion, poses a security threat or endangers the Bank's business.

10.6. The Bank may cancel the Standing Order with a notice period of 30 days, without giving a reason.

11. Business SEPA Direct Debits

11.1. The Client may give his/her Consent to the payee who is a business entity to initiate SEPA direct debit orders which will charge the Client's Account. SEPA direct debit is a national payment service in HRK which can be contracted only at the expense of the Account.

11.2. Consent for direct debit is a document on the basis of which the Client authorizes the payee who is the Business Entity to initiate orders for debiting the Client's Account and authorizes the Bank to debit that Account in accordance with these debit orders submitted by the payee. Each consent has its own Consent Identifier, which is a unique Consent Identifier assigned by the payee to uniquely mark the Consent. Prior to the commencement of the SEPA direct debit service, the Client is obliged to submit the original copy of the Consent to the Bank for inspection.

11.3. The Client agrees that the Bank can execute SEPA direct debit orders on his Account based on these General Terms and Conditions without giving additional consent to the Bank, but provided that he/she has previously submitted the original copy of the Consent to the Bank for inspection.

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11.4. Payee who is a business entity defines the date of execution and the amount of each order for direct debit. The Client is responsible for monitoring and verifying the execution of debit orders executed under SEPA direct debits.

11.5. Execution of SEPA direct debit, i.e. validity of the Consent terminates based on at least one of the following reasons: withdrawal of the Consent on the side of the payee who is a business entity and notifying the Bank of the respective withdrawal, closing the Bank Account debited by SEPA direct debit, defining a ban on conducting SEPA direct debits on the Account.

11.6. The Client is obliged to submit to the Bank without delay all changes related to the valid Consent, and in particular, but not limited to the withdrawal of the Consent.

11.7. An authorized transaction under SEPA direct debit is considered to be any transaction carried out in accordance with the valid Consent.

11.8. The Bank executes an authorized SEPA direct debit transaction upon receipt of a debit order by the payee, and in accordance with the Payment Schedule for the execution of payment transactions, if the account balance is available for the order, if it does not contradict the provisions of these General Terms and Conditions and if there are no legal obstacles to its execution.

11.9. If the Bank does not correctly transfer the order to the payer's payment service provider for the individual SEPA direct debit transaction within the deadline agreed with the payee, which allows the payer's financial obligation to be settled on the agreed maturity date, the Bank will notify the payee and is not obliged to resubmit the order in question to the payer's payment service provider

11.10. The Client may define special conditions for the execution of SEPA direct debit in the Bank's branch office as specified in Articles 11.11., 11.12. and 11.13.

11.11. The Client has the right to define a ban on the execution of all SEPA direct debits on an individual transaction account by sending a signed request to the Bank. By defining this ban, the Bank shall not execute the received orders regardless of the signed Consent to the payee who is a business entity. This ban cancels all previous Restrictions on a specific SEPA direct debit and it is not possible to define other restrictions or black and white lists before the withdrawal of this ban.

11.12. The client has the right to define Black and White lists of the payees who are business entities according to the identifier of the payee according to SEPA rules. The black list includes a list of payees for which the Client blocks all SEPA direct debit orders. The black list cannot be combined with a white list and a ban on execution of all SEPA direct debits. The white list includes a list of payees of business entities for which the client allows the execution of orders under SEPA direct debits in accordance with the agreed consents of the payee. When defining a white list, the Client can also define a unique consent identifier for each payee. If the Client specifies the consent identifier in addition to the payee on the white list, the Bank will perform only the SEPA direct debit which is defined by that consent identifier. The white list is valid until the Client revokes it and can be combined with a limit on the amount and / or time period for the order execution. The white list cannot be combined with a black list and a ban on execution of all SEPA direct debits. All other payees who are not defined in the white list are prohibited from executing orders under SEPA direct debits.

11.13. The Client may define Restrictions on the collection of orders under SEPA direct debit for a certain amount and / or time period for a particular Consent based on a written request to the Bank. By defining the limit on the amount of the order without defining the time period, the Bank will execute an individual order only if the amount is less than the amount defined by the limit. By defining the limit on the amount of the order with the definition of the time period, the Bank shall execute an individual order only in a defined period and in the event that the amount of the individual order is less than the amount defined by the restriction, and after the expiration of that period, orders will be executed regardless of the amount.

11.14. The Client has the right to withdraw the defined Limit on the amount and time period at any time, as well as to withdraw the ban on the execution of all orders or to change the black and white list for SEPA direct debits.

11.15. Written requests for the Restriction of order collection, prohibition of order execution and the definition of black or white list of SEPA direct debit received by the Bank on the Bank's working day no later than 12 a.m. shall enter into force on the first following working day of the Bank and the requests received by the Bank after that time or received on a non-working day of the Bank shall be deemed as received on the next working day of the Bank and shall be processed on the first working day of the Bank following the specified day of receipt.

12. Bank's Responsibilities and Refunding the Payment Transaction Amount

12.1. In case of the execution of an unauthorized Payment Transaction, the Bank shall make the refund for that transaction to the Client together with interest to which the Client is entitled in accordance with the Bank's Acts as well as all accrued fees, if the Client notifies the Bank in writing of the unauthorized transaction within 45 days from the day of debiting the Account, unless there are legal and / or contractual grounds for different treatment. In case of an unauthorized Payment Transaction initiated through the Payment Initiation Service Provider, the Bank shall return the transaction to the Client in accordance with this Article.

12.2. The Client is fully liable for unauthorized payment transactions if they are the result of the Client's fraudulent conduct or his/her intentional non-fulfilment of one or more of his/her obligations regarding the Payment Instrument and / or Personalized Security Credentials or failure to fulfil these obligations due to his/her gross negligence. Extreme negligence within the meaning of the above mentioned, for example, is considered non-fulfilment of contractual obligations governing the protection of the Payment Instrument and / or Personalized Security Credentials, or acting contrary to the provisions of the Framework Agreement.

12.3. In case of the Bank's liability for non-execution or irregular execution of the Payment Transaction, the Bank undertakes to return the amount of unperformed or irregularly executed Payment Transaction as well as all charged fees and will pay an interest to which the Client is entitled in accordance with the Bank's Acts if the Client notifies the Bank in writing of such non-execution or irregular execution of the Payment Transaction immediately after learning of it, and no later than within 45 days from the day of debiting or from the date of the approval of his/her Account.

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12.4. The Paying Client shall be liable for unauthorized payment transactions in the entire amount of the transaction, if the execution of such transactions is a consequence of the use of a lost or stolen Payment Instrument or a consequence of another misuse of the Payment Instrument. In the above case, the Paying Client is not responsible: 1. if the loss, theft or misuse of the Payment Instrument could not be detected by the Paying Client prior to the execution of an unauthorized Payment Transaction 2. if the unauthorized Payment Transactions are the result of an act or omission of an employee, agent or branch office of the Bank or its outsourced company 3. if the Bank has not provided adequate means for daily notifications on loss, theft or misuse of the Payment Instrument 4. if the Bank does not require reliable authentication of the Client 5. if the Bank, as the payment service provider of the payee, does not apply the required reliable authentication of the Client.

12.5. If the Client acted fraudulently or the Bank finds that there was no basis for refund of the Payment Transaction, i.e. that the transaction was authorized or duly executed, and the Bank refunded such transaction to the Client together with interest and fees, the Bank is authorized to debit the Client's Account directly for the same amount, as well as all other Client's funds deposited in the Bank.

12.6. The Bank is not obliged to refund the amount of unauthorized, unexecuted and / or improperly executed Payment Transactions, together with calculated fees and interest if, at the Bank's sole discretion, any of the following cases occur:

- if the execution, non-execution and / or irregular execution of the Payment Transaction is a consequence of exceptional and unforeseeable circumstances beyond the control of the Bank and the consequences of which could not be avoided despite handling the with necessary care;
- if the execution, non-execution and / or irregular execution of the Payment Transaction is a consequence of the Bank's obligation arising from other binding regulations for the Bank;
- if the execution, non-execution and / or irregular execution of the Payment Transaction is a consequence of the Client's fraud, fraud of the Authorized Person or if the Client or the Authorized Person intentionally or due to gross negligence fails to fulfil his/her obligations regarding the Payment Instrument and / or Personalized Credentials;
- if the Bank executed or improperly executed a Payment Transaction on the basis of a forged Payment Order submitted to the Bank by the Client or the Authorized Person;
- if the execution of an unauthorized Payment Transaction is a consequence of the use of a stolen or lost Payment Instrument or a Payment Instrument that has been misused if the Client or the Authorized Person has not provided personal elements of protection for the Payment Instrument;
- if the Client has not notified the Bank without delay of an unauthorized and / or improperly executed Payment Transaction, in case he/she has determined that such Payment Transactions have occurred, and no later than within 45 (forty five) days from the date of the execution of the Payment Transaction;
- in case the Client has sent data or Payment Order in the form of an unsecured record (e.g. magnetic medium, e-mail, fax), the Bank shall not be liable for possible damage that may occur due to loss, delay in delivery, modification and / or disclosure of data;
- if, in case of an irregularly executed Payment Transaction, the Bank proves that the payment service provider of the payee has received the amount of the given payment transaction within the deadlines defined in the Bank's Payment Schedule;
- if the non-execution or irregular execution of the Payment Transaction in relation to the Bank's Client who is the payee is a consequence of the actions of the Payer's Payment Service Provider;
- if the non-execution or irregular execution is a consequence of the payee's actions in payment transactions initiated by the payee or through the payee;
- in other cases defined by these General Terms and Conditions.

The Bank is not liable for possible damage in the execution of Payment Transactions executed on the basis of Payment Orders sent in the manner described above. The responsibility for the safe, correct and timely transfer of data lies with the data sender.

12.7. In case of non-executed or irregularly executed Payment transaction initiated through the Payment Initiation Service Provider, the Bank shall not be liable for the eventual damage caused to the Client due to the actions of the Payment Initiation Service Provider and in these cases the Client may contact the Payment Initiation Service Provider.

12.8. Article 12.3 shall not apply in case of a delay in the execution of a payment transaction. If the Bank is responsible for the delay in the execution of the Payment Transaction, it is obliged to specify the date that would have been determined as the value date for the amount of that payment transaction if the payment transaction had been executed on time, if the Client notifies the Bank in writing of such delay immediately after learning about it, and no later than within 45 days from the day of debiting or from the day of approving the Client's Account. If the Payment Transaction was executed with a delay due to the actions of the Payer's Payment Service Provider, payee, intermediary bank or due to the Payment Initiation Service Provider, the Bank shall not be liable for the eventual damages to the Client who is the payee nor is it required to specify a date for the account approval value date that would have been determined for that amount as the value date if the Payment Transaction had been executed on time. This article also applies to delays in orders initiated by the payee or initiated through the payee.

12.9. The Client is solely responsible for all omissions and actions of the Authorized Person, and the Bank shall not be liable for any damage caused by the Authorized Person.

12.10. If the Client disputes that he/she has authorized the executed payment transaction or claims that the Payment Transaction has not been executed or that it has not been executed properly or on time, the burden of proving the same lies with the Client. The above mentioned provisions also apply to Payment Transactions initiated through the Payment Initiation Service Provider.

12.11. The Bank is not responsible for the non-execution or irregular execution of the Payment Order, due to extraordinary events and aggravating circumstances over which the Bank has no influence:

- natural events – earthquakes, floods, storms, fires

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- political events – rebellions, armed conflicts, terrorist attacks, riots, changes in the law or decision-making by public authorities, either at home or abroad
- events that prevent the performance of payment transactions due to the interruption of telecommunication connections, or non-functioning of the NCS, Euro NCS, HSVP, FINA, SWIFT, Target system
- due to the application of provisions and regulations related to the prevention of money laundering and terrorist financing as well as provisions and regulations related to the fight against corruption and organized crime
- due to business processes and actions of intermediary banks / correspondent banks and / or other payment service providers, such as reduction of order amount or inflow due to application of cost options other than options applied by the Bank, conversion of order amount into currency other than the original currency defined in the order, etc.
- in other cases of force majeure

12.12. The Client loses the rights based on non-execution, irregular execution and delay in execution and the rights based on unauthorized Payment Transactions, if he/she does not inform the Bank about the non-execution, irregular execution, delay in execution and unauthorized payment transaction immediately after learning about them, i.e. within 45 days from the day of debiting or crediting his Account.

13. Interest, Fees, Expenses, and Exchange Rates

13.1. The Bank shall publish an overview of fees for payment services and other services in dealing with Clients in the document Fees for performing payment services for business entities, which constitutes an integral part of these General Terms and Conditions.

13.2. The Bank has the right to charge the Client a fee and actual costs for the provision of services in accordance with the applicable Fees for performing payment services for business entities.

13.3. The Bank calculates interest on the positive balance on the Account at the interest rate defined in the Decision on Interest Rates for Business Entities.

13.4. Interest is calculated monthly, and is credited to the Account on a quarterly basis and at the time of closing the Account.

13.5. The Bank shall charge a legal default interest or interest in accordance with the Decision on Interest Rates for Business Entities for the negative balance on the Account.

13.6. In case of currency change, the purchase or sale exchange rates for foreign currencies taken from the Bank's daily exchange rate list, which is valid at the time of the change, shall be applied. The exchange rate list is available in all branch offices of the Bank and on the Bank's website.

13.7. The Client is obliged to adhere to all obligations arising from the business relationship with the Bank and consequently is obliged to cover the costs arising from the use of services and products in accordance with the Bank's Acts and is obliged to reimburse the Bank all costs arising from the relationship (contractual or non-contractual) with the Bank, including the obligation to compensate any damage caused to the Bank as a result of any action or omission of the Client.

13.8. In case of execution of an order based on special legal authorities (forced collection on the Account), the Bank is merely the executor of the order and it collects the orders in accordance with special legal regulations.

13.9. The cost options that the Client can choose when initiating international and cross-border payments are as follows:

OUR (our) cost option according to which all costs shall be borne by the Client – the payer who issued the Payment Order (costs of the Bank and intermediary / foreign banks)

It should be selected for international payment transaction orders other than payments in USD in favour of US banks.

SHA (shared) cost option implies sharing of costs, so that the Client – the payer pays the costs of the Bank, and the payee pays the costs of other banks, intermediaries and his/her own costs

It should be selected for National, Cross-border and International Payment Transactions except for SEPA payments in EUR within the EU / EEA and 6 non-EEA countries (Andorra, Monaco, San Marino, Switzerland, UK, and Vatican).

SLEV cost option implies sharing of costs, so that the Client – the payer pays the costs of the Bank, and the payee pays the costs of other banks, intermediaries and his/her own costs

It should be selected only for SEPA payments in EUR within the EU / EEA and 6 non-EEA countries (Andorra, Monaco, San Marino, Switzerland, United Kingdom, Vatican) and provided that the payee's bank is a registered participant in the SEPA payment system.

The OUR cost option cannot be selected for USD payments in favour of US banks.

It is not possible to select the OUR cost option for Cross-Border Payment Transactions.

14. Bank Secrecy

14.1. Information on the balance and turnover of funds on the account is considered a bank secret and the Bank may disclose them to third parties only in cases provided for by applicable positive regulations or with the express written consent of the Client.

15. Communication with the Bank and Information

15.1. Unless otherwise agreed between the Bank and the Client, the agreements for the provision of payment services and communication during the contractual relationship shall be concluded in the Croatian language.

15.2. The Client shall submit certified translations into Croatian language of all documents and notices in a foreign language to the Bank. If the

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Client fails to comply, the Bank may, at its discretion: (i) fail to meet its obligation to the Client; (ii) invite the Client to submit documents and notices in the foreign language in a certified translation into the Croatian language; (iii) order a translation of the respective documents and notices into Croatian language from the certified translator at the expense of the Client.

15.3. At the request of the Client, the Bank shall, without delay, provide the Client with a copy of the Framework Agreement on paper or other durable medium for the entire duration of the Framework Agreement.

15.4. The Client is obliged to immediately notify the Bank in writing of all status changes, changes in the Authorized Person's personal data, as well as other data specified in the Request for opening a transaction account or the Request for the activation of the transaction account by submitting a change request to the Bank, requesting the change on the transaction account, and to support these changes with necessary documentation. The Client shall be liable for any omission and any damage that would result from failure to comply with the obligation to provide information on the changes made.

15.5. In dealing with the Bank, the Client shall submit to the Bank data on the Personal Identification Number (OIB). The Client shall submit all data and documentation required to the Bank for keeping the register of transaction accounts under applicable regulations. Otherwise, the Bank reserves the right not to enter into the Framework Agreement, i.e. to act in accordance with Article 18 of these General Terms and Conditions.

15.6. The Bank informs the Client about the executed Payment Transactions, as well as about the balance and changes in the Account in the manner agreed between the Client and the Bank. The bank shall provide all information on the Payment Transaction to the Client after the execution of the transaction on the first regular next Account statement. The Bank charges for the information service in accordance with the applicable Fees for payment service transactions with business entities. It is considered that the Bank has fulfilled its obligation to inform by sending the account statement to the last known address (postal, e-mail, fax), in the manner agreed between the Client and the Bank. Any additional or frequent notification at the request of the Client may be provided by the Bank by sending repeated statements to the client's contact address, which may be different from the address agreed when the service was contracted.

15.7. The Bank notifies the Client of all other changes to the Account in accordance with the Enforcement Act in the manner agreed between the Client and the Bank. It is considered that the Bank has fulfilled its obligation to inform by sending a notice to the last known address (postal, e-mail, fax) agreed with the Client.

15.8. The client is obliged to notify the Bank without delay of an unauthorized and / or improperly executed Payment Transaction, in case he/she has determined that such Payment Transactions have occurred, and no later than within 45 (forty five) days from the day of debiting or crediting of his/her Account. The client is obliged to notify the Bank about the non-executed Payment Transactions immediately and without delay, and no later than 45 (forty-five) days from the day of initiating the Payment Transaction.

15.9. In case of a dispute between the Bank and the Client, the Bank shall be deemed to have fulfilled all its legal and contractual obligations to inform the Client if the information was made in the agreed manner and if the Client considers otherwise, he/she is obliged to prove it.

16. Protective and Corrective Measures

16.1. The Client is obliged to use the Payment Instrument in accordance with the provisions of these General Terms and Conditions and other Acts of the Bank governing the issuance and use of a particular Payment Instrument and to notify the Bank without delay about the loss, theft or misuse of the payment instrument or its unauthorized use. The Client may block the Payment Instrument by calling the telephone number 072 555555 in accordance with the special general conditions governing that Payment Instrument. Immediately upon receipt of the Payment Instrument, the Client is obliged to take reasonable measures for the protection of Personalized Security Credentials, as well as all other protection measures defined by the provisions of the Framework Agreement.

16.2. The Bank has the right to block the Payment Instrument in the following cases:

- in case of loss and / or theft of the Payment Instrument,
- in case of receiving information on the termination of the Client or the death of the Authorized Person,
- if there are objective reasons to doubt the security of the Payment Instrument,
- if there is a suspicion of unauthorised use or use of the Payment Instrument for fraudulent purposes,
- if there are reasons under which the Bank can reasonably conclude that there is a significantly increased risk that the Client will not be able to fulfil his/her payment obligation.

16.3. If the Bank blocks Payment Instruments under Article 16.2. of these General Terms and Conditions, the Bank shall notify the Client orally (by phone) or in writing (electronically, by fax or mail) before the blocking, of the intention and reasons for the blockade. If it does not do so before, the Bank will notify the Client immediately after the Payment Instrument blocking.

Exceptionally, the Bank will not notify the Client about the blocking of the Payment Instrument if such notification is contrary to objectively justified security reasons or contrary to regulations.

16.4. The Bank is authorized to deny the Other Payment Service Provider access to the Account on the basis of proven and objectively justified reasons related to unauthorized access of the Service Provider to the Account or its fraudulent access, including unauthorized initiation of payment transaction or initiation of payment transaction for fraud. The Bank shall notify the User who is a payer of the intention and reasons for denying access to the Account in the same manner as in the case of blocking the Payment Instrument in accordance with these General Terms and Conditions. Exceptionally, the Bank will not notify the Client about the blocking in accordance with the above if such notification is contrary to objectively justified security reasons or contrary to regulations.

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17. Amendments to the Framework Agreement

17.1. In case of amendments of the Framework Agreement by the Bank, the Bank shall publish the Notice on modifications of the Framework Agreement or the amended document which is an integral part of the Framework Agreement at least 8 days before the published amendments to the Framework Agreement enter into force. Upon request, all changes can be delivered to the Client in paper form, by mail or in electronic form.

17.2. The Client has the right to cancel the Framework Agreement until the proposed effective date of the changes. If the Client fails to notify the Bank in writing about his/her refusal of the amendments to the Framework Agreement up to the proposed date of their entry into force, it shall be deemed that the Client accepted the published amendments. If the Client notifies the Bank in writing that he/she does not accept the amendments to the Framework Agreement, the Client shall be deemed to have terminated the Framework Agreement. For termination of the Framework Agreement, the Bank is authorized to charge a fee for closing the account and termination of the Framework Agreement, which is independent of the duration of the Framework Agreement.

17.3. Amendments to the Framework Agreement relating to changes in interest rates or exchange rates arising from the Bank's contractual authority may be implemented immediately, without prior notice.

18. Termination of the Framework agreement and Account Closing

18.1. The Framework Agreement as well as individual agreements for additional payment services are concluded for an indefinite period of time, unless the Bank and the Client have limited the duration of the agreement for the additional payment service and / or the duration of the Framework Agreement in the Framework Agreement or in the agreement for individual additional payment services.

18.2. The Client may terminate the Framework Agreement, regardless of whether it was concluded for a definite or indefinite period of time by submitting the Request, without adhering to the notice period unless otherwise expressly agreed between the Client and the Bank. The Bank is authorized to charge the Client a fee for the termination of the Framework Agreement in accordance with the Fees for performing payment services for business entities, regardless of the fact whether the terminated contract is concluded for a definite or indefinite period of time. The fee is independent of the duration of the Framework Agreement.

18.3. In the event that, at the sole discretion of the Bank, there is a suspicion of fraud or misuse, money laundering and / or terrorist financing, the Bank is authorized to postpone or refuse the provision of the requested service, product or any other transaction and it is not obliged to give any explanations. Furthermore, the Bank shall make all necessary actions to terminate any business relationship with the Client, if it deems it necessary. In addition, the Bank is authorized (but not required) to request clarification or information or documentation that it may, at its sole discretion, deem necessary to remove suspicion of fraud or any misuse, money laundering and / or terrorism financing. The criteria and methods by which the Bank assesses the risks of these abuses are considered as the measure for risk management and protection of the Bank. They are continuously updated and improved in order to protect the stability of operations and security of Clients, and the Bank is therefore not obliged to provide Clients with or explain such criteria and methods.

18.4. The Bank may unilaterally terminate the Framework Agreement without adhering to the notice period and in case there is no turnover on the Accounts. Failure to realize turnover on the Accounts implies the absence of turnover on the Accounts for a period longer than 18 (eighteen) months, whereby the accrual of interest or collection of fees and other costs is not implied by the turnover on the Accounts.

18.5. The Bank may unilaterally terminate the Framework Agreement without notice if the Client, at the Bank's discretion, violates the provisions of the Framework Agreement or positive regulations and if his/her operations damage the Bank's reputation.

18.6. In case of non-fulfilment of the Client's obligations agreed in the Framework Agreement (for example, obligation of submitting the documentation or data according to the Article 3.6 of these General Terms and Conditions), the Bank reserves the right, with obligatory previous Bank's notification to the client, to decline the execution of the Payment Order(s) and/or other Bank services agreed in the Framework Agreement until the fulfilment of agreed client's obligations, all according to the deadline defined in the Bank's notification to the client. In case the Client doesn't fulfil such obligations in the additional deadline, the same will be considered as the severe violation of the Framework Agreement clauses and the Bank will unilaterally terminate the Framework Agreement without notice period.

18.7. The Bank may unilaterally terminate the Framework Agreement without notice:

- if the Client is a Person subject to sanctions or a Person who violates the regulations on Sanctions;
- if the Client violates the obligations from the Framework Agreement on Payment Services related to Sanctions;
- if a request / lawsuit has been filed against the Client or an action has been taken or an investigation or procedure has been initiated in connection with or for the purpose of applying the Sanctions by the Sanctioning Authority.

18.8. The Bank may unilaterally terminate any Framework Agreement, regardless of the fact whether it was concluded for a definite or indefinite period of time, without stating a reason, with a notice period of 30 (thirty) days.

18.9. The Bank may terminate the Framework Agreement without notice unless the Client, at the request of the Bank, provides the documentation required to determine the tax status of the Client in the United States (the so-called FATCA status) [1].

18.10. In the event of unilateral termination of the Framework Agreement by the Bank, the Bank shall notify the Client that the Framework Agreement has been terminated and the Account(s) closed unless the termination has occurred by force of law.

18.11. The Bank is authorized to charge a fee for closing the Account in accordance with the Fees for performing payment services for business entities. The fee is independent of the duration of the Framework Agreement.

[1] The FATCA (Foreign Account Tax Compliance Act) is the law designed to prevent U.S. taxpayers from using foreign accounts to avoid paying taxes. The U.S. taxpayer status is granted to a person determined by the indicators showing that the law should be applied to that person. The text of the law is available at www.irs.com

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18.12. The Framework Agreement shall be terminated by a written statement sent to the other contracting party at the last known contact address, and the termination notice period shall begin on the day of sending the registered mail for delivery.

18.13. In the event of termination of the Framework Agreement, the Client is obliged to settle all obligations under the Framework Agreement incurred up to the date of termination of the Framework Agreement.

18.14. In the event of termination of the Framework Agreement at the Client's request, the Client undertakes to indicate to the Bank the account number to which the Bank will forward any future payments. If the Client has not indicated the Client's account number to which the Bank will forward any future payments or if the Framework Agreement is terminated due to cancellation or termination made by the Bank, all possible future payments to the Client's closed Account shall be returned to the payer.

18.15. The Bank is not obliged to comply with the Client's request to close the Account and cancel the Framework Agreement if the Client has overdue outstanding obligations towards the Bank or is obliged to return items owned by the Bank, and the Framework Agreement has not legally ceased to exist.

18.16. If the Client has several individual Agreements concluded with the Bank, termination of one Agreement shall not lead to the termination of the Framework Agreement.

19. Submission of Complaints

19.1. If the Client considers that the Bank has violated his/her rights during the business relationship, he/she may send a reasoned written complaint to the Bank's business address or by mail to Erste&Steiermärkische Bank d.d., Service Quality Management Team, Zagreb, Ivana Lučića 2, or by e-mail to vasemisljenje@erstebank.hr or file a written complaint in the Branch office, stating that this is a complaint. The Bank's employees will forward the complaint to the organizational unit in charge of resolving a certain type of complaint.

19.2. The complaint should contain a detailed description of the event / situation and, if possible, evidence that the complaint is well-founded. If the submitted description of the event / situation and / or evidence is incomplete, the Bank may request from the Client to complete the complaint and the Bank shall not be liable for any harmful consequences of the incomplete complaint.

19.3. The Bank shall respond to the complaint and / or inform the Client about the measures and actions it takes in writing or on another durable medium.

19.4. The Bank shall designate the bodies in charge of conducting the complaint procedure and their powers.

19.5. The Client may also file a complaint with the Croatian National Bank. In all disputes between the Client and the Bank arising in connection with the contractual relationship based on the invoice, the Client may submit a mediation proposal to the Mediation Centre of the Croatian Chamber of Commerce.

19.6. A Client who considers that the Bank does not comply with any provision in the Regulation (EC) No. 924/2009, Regulation (EU) No. 260/2012 or Regulation (EU) 2015/751 may:

- send a written complaint to the Bank in one of the ways defined in Article 19.1, to which the Bank is obliged to respond within ten days from the day of receipt of the complaint, or
- file a complaint with the Croatian National Bank.

19.7. For the purpose of resolving possible disputes arising in connection with the application of Regulation (EC) No. 924/2009, Regulation (EU) No. 260/2012 or Regulation (EU) 2015/751, the Client may submit a mediation proposal to the Mediation Centre of the Croatian Chamber of Commerce.

20. Transitional and Final Provisions

20.1. The law of the Republic of Croatia shall apply to the relations, mutual rights and obligations of the Client and the Bank.

20.2. Unless expressly agreed otherwise and/or unless there is the exclusive jurisdiction of another court or competent authority, all eventual disputes arising from the business relationship between the Client and the Bank shall be resolved before the competent courts at the registered office of the Bank.

20.3. The provisions of these General Terms and Conditions shall enter into force on September 7th, 2020. and shall replace the General Terms and Conditions for Maintaining Transaction Accounts and Performing Payment Services for Businesses Entities as of August 20th, 2020. Unless explicitly agreed between the Client and the Bank, for Accounts opened before the entry into force of these General Terms and Conditions, delivery of the notice referred to in Article 17.1. of these General Terms and Conditions shall be deemed to have been executed if it is published on the Bank's website.

20.4. The provisions of these General Terms and Conditions shall apply to Agreements concluded before the entry into force of these General Terms and Conditions.

20.5. Any issue that is not regulated by these General Terms and Conditions shall be governed by the General Terms and Conditions of Erste & Steiermärkische Bank d.d. in transactions with business entities.

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