

General Conditions for Maintaining Transaction Accounts and Performing Payment Services for Business Entities

Applicable as of 26 January 2021

The Central Bank of Montenegro shall supervise the Bank's operations following the regulations governing banking operations.

1. Introductory notes

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

- 1.1. **Bank** - The issuer of these General Terms and Conditions and Payment Service Provider shall be Erste Bank AD Podgorica, registered with the Central Registry of Business Entities (hereinafter: CRBE) under registration number 02351242, with headquarters in Podgorica, at ul. Arsenija Boljevića 2A, SWIFT: OPPOMEPG, website: <http://www.erstebank.me>, info phone: +38220440440, e-mail: erstebank@erstebank.me
- 1.2. **Bank's Acts** – all documents and decisions of the Bank's authorised bodies under the prescribed procedure accessible to the Client through specific Distribution Channels and that shall regulate the rights, powers and obligations of the Client and of all other persons who assume rights and obligations towards the Bank, as well as the Bank itself. At its request, the Bank shall make available to the Client all Acts of the Bank applicable to its 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 <http://www.erstebank.me> (hereinafter: the website), ATMs, or electronic banking.
- 1.4. **Card** - Mastercard Business Debit Card enabling the user to dispose of funds from Accounts at ATMs, at the Internet, and other self-service devices.
- 1.5. **Personalised Card Security Features** - card elements necessary for making payments at cash disbursement or POS terminals with or without user's physical presence (Internet, catalogue and telephone sales - MOTO transactions) that include Card PIN and/or Card Number and/or Card Expiry Date and/or a three-digit CVV number stamped on the Card and/or Mastercard Identity Check.
- 1.6. **Unique Identification Tag** - a combination of letters, numbers or symbols that a payment service provider assigns to the user, which user has to specify to identify another user and/or the payment account of another user used in a Payment Transaction clearly. Under applicable legislation, within the meaning of these General Terms and Conditions, the Bank shall consider Unique Identification Tag to be IBAN or Account Number.
- 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. **Payment Order** - An instruction submitted by the payer or payee to his payment service provider requesting the execution of a Payment Transaction and containing all necessary elements for execution. According to the payment manner, Payment Orders in the national payment system can be payer's transfer order, payee's transfer order, payer's payment order, payer's order and payee's order for withdrawal.
- 1.9. **Payment Instrument** - any personalised means and/or set of procedures contracted between the payment service user and the payment service provider used by the payment service user to initiate a Payment Transaction.
- 1.10. **Payment transaction** - payment, withdrawal, or transfer of funds initiated by the payer or payee, regardless of obligations between the payer and payee.
- 1.11. **National payment transaction** - a payment transaction involving the payer's payment service provider and/or the payee's payment service provider that provide payment services in the territory of Montenegro.

- 1.12. **International payment transaction** - a payment transaction in which one payment service provider provides a payment service in the territory of Montenegro, while the other payment service provider provides the service in a third country, and a payment transaction in which the same payment service provider provides a payment service for one payment service user in the territory of Montenegro, for the same or another payment service provider in a third country.
- 1.13. **Member State** - a Member State of the European Union or a State signatory to the Treaty on the European Economic Area.
- 1.14. **Third Country** - Until Montenegro's accession to the European Union, it shall mean each foreign country, and after accession, a non-Member State.
- 1.15. **Account** - Within the meaning of these General Terms and Conditions, it shall mean transaction account maintained by the Bank as a payment service provider on the name of one or more payment service users, used to execute national and international payment transactions.
- 1.16. **Contract** - Contract on opening and maintaining an individual transaction account for business entities.
- 1.17. **Work Time Schedule** - the Bank's specific act defining the terms, methods, and conditions of executing Payment Transactions.
- 1.18. **Payment Reference** - The number assigned by the Bank identifying the Payment Transaction.
- 1.19. **Branch Office** - organisational part of the Bank.
- 1.20. **Specific Terms and Conditions** - the terms and conditions set out for a specific product/service that the Client contracts additionally (e.g., General Terms and Conditions for the use of e-banking services by business entities, etc.).
- 1.21. **Authorised Person** – Within the meaning of these General Terms and Conditions, it shall be a natural person authorised to dispose of funds in an Account which a Client's Legal Representative has authorised to dispose of funds in the Client's Account. Under the Bank's rules, this person has deposited his signature on the Client's Deposited Signature Card, for orders initiated at the Bank's counters in writing, that is, it shall be a person holding a special authorisation to dispose of funds if it is a specific payment service for services such as electronic banking and payment card use.
- 1.22. **Client's Legal Representative of the** – It shall be the person given the authorisation to represent by the law.
- 1.23. **Client's Deposited Signature Card** - the Bank's form that contains the Client's basic data, data on the Client's Authorised Persons who may dispose of Account funds, their deposited signatures, and the stamp of the legal entity to authenticate payment transactions (the use of the stamp/seal is not mandatory for companies (business entities)-for residential legal entities this includes: general partnership, limited partnership, joint stock company and limited liability company).
- 1.24. **Client's Contact Address** - the address given by the Client when contracting any of the Bank's products or services, or subsequently notified in writing to the Bank, as the address to which it wishes to receive written notifications from the Bank if that address is different from the Client's headquarters.
- 1.25. **Business entity** – It includes a legal entity, public administration authority, public administration body, local self-government unit, association and society (sports, cultural, charitable, etc.) and entrepreneur or natural person engaged in economic activity for profit, but does not perform the business for the account of another, as well as a natural person pursuing the activity of an independent profession regulated by special regulations, unless otherwise governed by those regulations, and other non-consumers who may be a resident or non-resident.
- 1.26. **Person subject to sanctions shall mean a person:**
- listed on the sanctions list, or owned or controlled by the person listed on the sanctions list, or acting on behalf of the persons listed on the sanction list; or
 - with residence, permanent residence, registered office, or is established under the regulations of a state or territory subject to sanctions, or owned or controlled (directly or indirectly) by a person – with residence, permanent residence, registered office, or established under the regulations of a state or territory under the sanctions regime; or
 - subject to sanctions on other grounds.
- 1.27. **Sanctions** - means laws, regulations, embargoes or restrictive measures relating to the economic sanctions administered, enacted and enforced by the Sanctioning Authority.

1.28. The Sanctioning Authority shall mean:

- the Government of the United States of America;
- the United Nations;
- the European Union;
- the United Kingdom;
- Switzerland;
- any State in which the Bank has its registered office;
- relevant government institutions and agencies belonging to the bodies mentioned above;
- including, without limitation, the US Treasury Department's Office of Foreign Assets Control (OFAC), the United States Department of State, and the United Kingdom Her Majesty's Treasury (HMT).

1.29. Sanctions lists - include the "List of specially designated citizens and blocked persons" maintained by OFAC, Consolidated list of entities subject to financial sanctions, the Investment Prohibition List maintained by HMT, or any similar list supported or made public by any Sanctioning Authority.

2. General provisions

2.1. With these General Terms and Conditions, the Bank shall regulate the transaction accounts management, the terms and manner of providing payment services to Clients, refer to the applicable acts on fees, and define other issues related to the payment services provision.

2.2. In the process of an Account opening and/or contracting any payment service of the Bank, in addition to the information from these General Terms and Conditions, the Bank shall make available to the Client its other acts that regulate the Bank's specific payment services required by the Client, or contracted with the Bank (e.g., Specific General Terms and Conditions, Decision on Fees, Work Time Schedule).

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

- these General Terms and Conditions,
- relevant Specific General Terms and Conditions for the additional service contracted by the Bank and the Client,
- Decision on fees for payment services for business entities,
- the Work Plan Schedule, and
- the Contract on opening and maintaining of a transaction account for business entities.

These General Terms and Conditions and all the documents constituting the Framework Agreement shall be available on the Bank's website <http://www.erstebank.me/> and in the Bank's branch offices.

2.4. In the case of this Agreement's collision with other Bank's acts, the provisions of the Agreement shall apply primarily, then the provisions of the General Terms and Conditions, and finally, other Bank's Acts, unless otherwise expressly agreed.

2.5. By concluding the Framework Agreement, the Client confirms that, prior to the subject agreement conclusion, it has understood these General Terms and Conditions and other Bank Acts and other documentation referred to in Article 2.3 herein that constitute the Framework Agreement, and that it entirely agrees with and accepts them.

2.6. If the provisions of the agreements under which the Bank and the Client have established the contractual relations for Account keeping and the provision of payment services, prior to the introduction of these General Terms and Conditions, breach the provisions of the Payment System Law and/or the provisions of these General Terms and Conditions, the provisions of previously concluded contracts shall not apply. These General Terms and Conditions and other documents in accordance with Article 2.3 herein that constitute the Framework Agreement shall supersede such provisions.

2.7. The Bank may outsource payment operations to a third party. Anything determined for the Bank by these General Terms and Conditions shall apply for a third party entrusted to perform payment operations.

3. Account opening

- 3.1. The Bank shall open an Account to the Client, provided that the Client provides the Bank with the following documentation:
- duly filled in Bank's forms for opening a transaction account certified by the stamp and signature of the Person authorised for representation (the use of the stamp/seal is not mandatory for companies (business entities)-for residential legal entities this includes: general partnership, limited partnership, joint stock company and limited liability company);
 - documents enabling the identification of the Business Entity and persons authorised to dispose of funds in the account, under the Law on the Prevention of Money Laundering and Terrorist Financing and other applicable regulations;
 - the information required to maintain the account register;
 - other documents under the applicable laws or the Bank's special request.
- 3.2. The legal entity's stamp certifying the documentation referred to in paragraph 1 above shall contain the legal entity's name and the registered office of the company, following the CRBE data. The entrepreneur's seal shall include the name, owner's first and last name and the registered office, following the CRBE data (the use of the stamp/seal is not mandatory for companies (business entities)-for residential legal entities this includes: general partnership, limited partnership, joint stock company and limited liability company).
- 3.3. The Bank shall reserve the right to approve or refuse the Request for Transaction Account Opening (hereinafter: the request) within 5 (five) working days after receiving the Request and the complete required documentation. In case the Bank refuses to open an Account, it will inform the Applicant, if this does not violate the applicable legal regulations.
- 3.4. The Bank and the Client shall conclude the Agreement based on the request and complete documentation for account opening.
- 3.5. The Client may start to operate through the Account after signing the Agreement by the Bank, i.e. upon receiving the notice on the Account opening and the Account number.
- 3.6. The Bank shall open the Accounts under the law and following the structure established by the implementing legislation and the Bank's rules.
- 3.7. To perform enhanced due diligence according to the Law on the Prevention of Money Laundering and Terrorist Financing, clients who are non-resident¹ legal entities shall submit within the one year from the previous due diligence:
- Statement of beneficial owner for all categories of non-residents other than natural persons (ownership structure table);
 - Information document (address of residence) on the legal representative, owner and signatory of the non-resident, and a copy of their passports;
 - Power of Attorney (if it existed at account opening);
 - The Party's statement of political exposure for the legal representative, the beneficial owners, and the account signatory if they are non-residents.

Non-resident clients based abroad, individual traders, entrepreneurs and other natural persons with registered office abroad who perform independent economic activity abroad for which they are registered, shall, in addition to the aforesaid, submit, once a year, an excerpt from the register in which it is registered in the country where it has its registered office.

4. Transaction Account Maintaining

- 4.1. Through the Account, the Bank shall execute payment transactions to the Client and perform depositing, withdrawing or transferring funds services within the available Account balance.
- 4.2. A positive balance on the Account shall be considered a demand deposit with the Bank.

¹ The term non-resident is regulated by the applicable Law on Current and Capital Foreign Operations

- 4.3. By appointing a designated person as an Authorised Person, the Client shall guarantee the meeting of the statutory requirements necessary for the appointment of the Authorised Person and that such person is a person of trust.
- 4.4. Only Authorised persons may dispose of the available balance on the Account. The authorised persons to dispose of the funds in the Account are listed on the Deposited Signatures Card deposited with the Bank, i.e. they have individual authorisations for additional payment services (Erste eBanking service for business entities, Master Business Debit Card). The Client may dispose of funds unlimitedly within the available Account balance, except in the force majeure or if regulations require otherwise. The Client shall submit a written request to the Bank for each change of the Authorised Person.
- 4.5. The Bank shall be held liable for the Authorised Persons' actions either towards the Bank or towards the Client. The Client shall be responsible for all Authorised Persons' omissions and actions towards the Bank.
- 4.6. Changing the persons authorised to dispose of funds on the Card of Deposited Signatures shall not imply the automatic change of authorised persons by other distribution channels if this is the same person or more of them. However, if it wishes, the Client may revoke all rights of the Authorised Person for all channels. Changing of Client's legal representative shall not imply the change of the powers related to additional payment services (e.g. e-banking services of business entity) that the Client contracted with the Bank, and the Client shall independently declare the will to close or change the powers related to additionally contracted payment services. The Client shall inform each authorised person about the contents of these General Terms and Conditions and on all the documents constituting the Framework Agreement referred in Article 2.3. herein.

5. Payment Transaction Authorisation and Execution

- 5.1. Authorisation (consent) to execute a Payment Transaction shall be considered to be granted if, prior to the Payment Transaction execution, any of the following conditions have been fulfilled:
- payment order was submitted to the Bank in paper form, signed by authorised persons and stamped following the Card of deposited signatures (the use of the stamp/seal is not mandatory for companies (business entities)-for residential legal entities this includes: general partnership, limited partnership, joint stock company and limited liability company);
 - payment order was issued by e-banking by the Authorised Persons for the e-banking service under the General Terms and Conditions of Using the E-Banking Service by Business Entities;
 - orders arising from a contractual relationship with the Bank, where the Client has given the Bank written authorisation to execute payment transactions (accounts discharge, transactions resulting from the calculation of fees, loans, interest, etc.);
 - inserting, using or sending a card at an ATM with PIN entering;
 - giving, inserting or placing a card at the EFT-POS terminal or self-service device of the POS or cash withdrawal point, and depending on the system (EFT-POS terminal/self-service device - card) confirmation of the transaction with or without entering the PIN and/or signature;
 - entering and providing personalised security features of the Card, i.e. Mastercard ID Check and other information at the merchant's request when in conducting online payment, catalogue or telephone purchase;
 - for the execution of individual standing orders, it shall be deemed that the Client or the Authorised Person has given consent and authorisation by signing a specific contract as described in Article 10 herein.
- 5.2. The information prior to the execution of the Payment Transaction shall be contained in these General Terms and Conditions, the Specific General Terms and Conditions for the additional service/product contracted by the Bank and the Client or the Authorised Person, the Work Time Schedule, and in the Fees for Services to Business Entities.
- 5.3. The Client or the Authorised Person may submit duly filled Payment Orders to the Bank (in writing at the teller and through e-banking services).
- 5.4. A duly completed Payment Order shall mean an Order which is:
- completed under the Montenegrin applicable regulations;
 - completed wholly and legibly (without corrections)
 - authorised.

5.5. Notwithstanding the possible prior involvement of the Bank in the process of completing the payment order, the Bank shall be deemed to have received the Payment Order at the time when it was submitted to the contracted means of communication. The Client or the Authorised Person shall be responsible for the accuracy and completeness of the information on the Payment Order, and in cases where it may require the Bank to complete the payment order according to its instructions.

If no execution date has been indicated on the Payment Order in domestic currency between the domestic legal entity and/or the natural/legal person, the desired execution date shall be considered equal to the date of Order receipt.

5.6. The Bank shall accept and execute the correct and duly completed Client's Payment Order only if the Client delivered it to the Bank in the manner contracted for the particular payment service and if there are no legal obstacles for its execution.

5.7. If the Bank receives a Payment Order on a date not specified as its business day, or after the time specified in the Work Time Schedule, the Payment Order shall be deemed to have received on the next Business Day.

5.8. The Bank shall execute the duly completed Payment Order on the day of its receipt or a pre-determined working day, following the Work Time Schedule, if there are available funds in the Client's Account on the day of order execution, and if there are no legal obstacles for its execution.

5.9. Failure to execute a Payment Order due to the absence of an available balance in the Account shall not be considered a refusal, and the Bank shall not be obliged to inform the Client about it.

5.10. If the Client or the Authorised person submits to the Bank an incorrect Unique Identification Code of the payment order payee, the Bank shall not be liable either to the Client or the payee for the incorrect Payment Transaction execution.

5.11. If the Client or the Authorised person issue a Payment Order in a currency for which there is no balance in the Account, the Client or the Authorised Person may define the currencies from which the payment will be executed through the Currency Conversion (Purchase) Order. If the Client or the Authorised Person does not have sufficient funds in the selected currency, the Bank may choose the currency/currencies of its choice to process the subject payment order and convert the currency from the Balance Accounts with sufficient balance.

5.12. The Bank may refuse to execute the Payment Order if not all the conditions for its execution have been fulfilled. The Bank shall notify the Client of the refusal to execute the Payment Order, and on the reasons for the refusal and the procedure for eliminating the errors that caused the refusal, except when other regulations prohibited it. The Bank shall make the notice available to the Client in the manner and within the time limit specified in the Work Time Schedule.

6. Payment Order Cancellation

6.1. Prior to the Payment Order execution, the Client or the Authorised Person may send a letter to the Branch office, or through e-banking services (if the order was assigned through the e-banking service), to cancel the Payment Order by revoking the consent for the Payment Order execution, or revoke the authorisation for a standing order. Any payment transaction made assessed by the Bank to be a proper cancellation shall be deemed unauthorised. The Client or the Authorised Person may not cancel the payment order after it has been forwarded to the interbank payment system or SWIFT network.

6.2. When cancelling the Payment Order referred to in Article 6.1. above that has been submitted in the Branch office, the Bank shall allow its cancellation until the end of business day of the Bank's branch office on the day of Payment Order submitting if it has not been executed or forwarded to the interbank payment system or SWIFT network.

7. Disposing of with the Funds in the Account

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

7.2. Payment transactions originating from payers from another domestic or foreign bank shall be processed so that the Client's account is approved based on the specified Unique Identification Code in the payment order. The

Bank shall not be required to verify the validity of other information provided under the Unique Identification Tag and may refuse to process a payment transaction if it provides incorrect instructions or if the Client's Unique Identification Tag does not match the Bank's information.

- 7.3. If the day when the funds had been credited to the Payee's Bank Account is not the Bank's business day, the payee's bank shall be considered to have received the funds for the payee on the first following next business day.
- 7.4. By accepting these General Terms and Conditions, the Client agrees that the Bank may remedy the incorrect crediting or debiting on the Account, that resulted from a Bank's or its external executors' error, without the Client's order. The Bank shall notify the Client of the said postings in the contracted manner, through the account statement.

8. Other Account Debiting Basis

- 8.1. Other grounds for debiting the Account include bills of exchange, contractual authorisation given to the Bank, and compulsory payment orders created under the Law on Enforcement and Security.
- 8.2. By accepting these General Terms and Conditions, the Client agrees that, in the case 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, and/or from all the Client's assets 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. Moreover, by accepting these General Terms and Conditions, and through the contractual relationship with the Bank, the Client authorises the Bank to submit an order to other institutions to send order to other payment system institutions to collect the Client's outstanding debt to the Bank in the case of inability to collect from the Client's accounts with the Bank. By accepting these General Terms and Conditions, and through the contractual relationship with the Bank, the Client shall explicitly authorise payment system organisations - executing institutions to execute the payment order in the manner described.
- 8.3. If the Bank executes a payment from the Client's Account under the paragraph above, and there are not sufficient funds in the Account in the payment currency, the Bank shall convert from other currencies in the Client's Account under the Bank's rules.

9. Additional payment services

- 9.1. The Client may agree with the Bank the use of additional payment services related to the Account, such as:
- E-banking services;
 - standing order;
 - Card;
 - discharge of accounts;
 - other services prescribed by the Bank's Acts.
- 9.2. The main features and the terms of use of additional payment services are defined in the Special General Terms and/or in the individual contracts for these services.

10. Operations with Standing Orders

- 10.1. The Client may conclude specific agreements with the Bank authorising the Bank to make regular payments at the expense of his Account by:
- conducting a Payment Transaction in favour of the payee on terms defined by the Client (payee's account, payment amount, duration, payment dynamics, hereinafter: the Standing Order);
 - in case of any change on the terms defined by the Client's Standing Order, the Client shall inform the Bank thereof. The Bank assumes no 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 following the conditions defined by the Client. If the specified day for payment of the Standing Order is not a business day, payment will be made on the first following business day. The Client shall secure the funds in the Account within the time defined in the Work Time Schedule. The Bank shall execute a Standing Order only if there are sufficient funds in the account to cover the entire defined

payment amount. In the case the Standing Order with a fixed amount of payment is not executed on the given day due to insufficient funds in the Account, the payment will be attempted in the next 20 (twenty) days.

10.3. The standing order shall cease to be valid on the defined date or upon Client's cancellation.

10.4. Standing Order Contracts shall terminate automatically by closing the paying Account.

10.5. The Bank may terminate the Standing Order Agreement without notice if the Client, in the Bank's assessment, fails to comply with these General Terms and Conditions, is not due in meeting its obligations, or if the Client's business, at the Bank's sole discretion, poses a security threat or threatens the Bank's operations.

11. Bank's Responsibilities and Returning the Payment Transaction Amount

11.1. If the Bank is responsible for Payment Transaction non-execution and/or irregular execution, it shall return the amount of the outstanding or irregularly executed Payment Transaction and all fees charged, and it will pay the interest to which the Client shall be entitled under the law.

11.2. The Bank shall not return the amount of unauthorised, non-executed and/or improperly executed Payment Transaction, and accrued fees and interest if in the Bank estimated that any of the following has occurred:

- if the Payment Transaction execution, non-execution and/or incorrect execution resulted from exceptional and unforeseen circumstances which the Bank may not influence or fails to influence despite all its efforts;
- if the Payment Transaction execution, non-execution and/or incorrect execution as a consequence of the Bank's obligation arising from other regulations binding the Bank;
- if the Payment Transaction execution, non-execution and/or inaccurate execution resulting from the Client's fraud, the fraud of the Authorised Persons or if the Client or the Authorised Person accidentally or negligently fails to fulfil their obligations concerning the Payment Instrument;
- if the Bank has executed or has erroneously executed the Payment Transaction based on a forged Payment Order submitted to the Bank by the Client or the Authorised Person;
- if the execution of an unauthorised Payment Transaction resulted from the use of a stolen or lost Payment Instrument or a misused Payment Instrument if the Client or the Authorised Person has not provided the personal elements of the Payment Instrument protection;
- if the Client failed to notify the Bank immediately of the unauthorised and/or improperly executed Payment Transaction, when it determined that such Payment Transactions occurred, only within 45 (forty-five) days from the day of Payment Transaction execution;
- if the Client sends data or a Payment Order in the form of an unsecured record (e.g. e-mail, fax), the Bank shall not be held liable for any damage that may result from the loss, delay in delivery, modification and/or disclosure of information.

The Bank shall not be liable for any possible damage in executing of Payment Transactions executed based on the Payment Order sent as described. The data sender shall be responsible for secure, correct and timely transmission of data.

11.3. The Client shall be solely responsible for all Authorised Persons' omissions and actions, and the Bank shall not be liable for the damage caused by the Authorised Person.

12. Interest, Fees, Expenses, and Exchange Rates

12.1. The Bank shall publish an overview of fees for payment services and other services in dealing with Clients in the Decision on Fees for Payment Services for Business Entities, which constitutes an integral part of the General Terms and Conditions.

12.2. The Bank may charge the Client the fees and actual costs for providing services under the valid Decision on Fees for Payment Operations in operations with Business Entities.

12.3. The Bank shall accrue interest on the positive balance of the Account at the interest rate defined in the Decision on Interest Rates for Business Entities.

12.4. For international payment transactions coming from a foreign bank, the Bank shall not be responsible for fees charged by the sending bank and/or intermediary banks, but it shall inform the Client of the amount of fees paid by the sending bank and/or intermediary banks.

12.5. Interest shall be accrued monthly and credited to the Account semi-annually, and at the Account closing.

12.6. The Bank shall accrue interest on the negative balance in the Account per the agreed interest rate.

- 12.7. In the event of currency conversion, the Bank shall apply the purchase or sale exchange rate for foreign currencies from the Bank's daily exchange rate valid at the time of conversion, except in the conversion of Card costs, defined in the Specific General Conditions of that product. The exchange rates shall be available at all Bank's branch offices and the Bank's website.
- 12.8. The Client shall comply with all obligations arising from the business relationship with the Bank. Thereby, it shall cover the costs arising from the use of services and products following the Bank's Acts, and it shall reimburse the Bank for all costs arising from the relationship (contractual or non-contractual) with the Bank, including also the obligation to compensate for any damage caused to the Bank by any Client's act or omission.

13. Banking secret

- 13.1. Information on the number, owner, balance and turnover of funds in the account shall be a banking secret, and the Bank may disclose them to third parties only in cases provided for by applicable regulations or with the express written consent of the Client.

14. Communication with the Bank and Information

- 14.1. Unless the Bank and the Client contracted otherwise, the agreements on payment services provision and/or communication during the contractual relationship shall be concluded and/or performed in the Montenegrin language.
- 14.2. The Client shall submit documents and notices in a foreign language to the Bank in certified translation into Montenegrin language. If the Client fails to comply, the Bank may, at its discretion: (i) fail to meet its obligation to the Client or (ii) invite the Client to provide the documents and notices in the foreign language in a certified translation into the Montenegrin language.
- 14.3. At the Client's request, the Bank shall, without delay, provide the Client with a copy of the Framework Agreement on paper or other durable media without delay.
- 14.4. The Client shall inform the Bank immediately in writing of all status changes, changes of personal data of the Authorised Persons, and other data related to the Account that is stated in the request, and to support these changes with 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.
- 14.5. 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 conclude the Framework Agreement, or to cancel the existing one.
- 14.6. The Bank shall notify the Client of the executed Payment Transactions, the balance, and changes in the Account in the manner contracted between the Client and the Bank. The Bank shall provide all information about the Payment Transaction to the Client after the transaction completion, and while debiting the Account on the first regular next Account statement. Transactions made using payment cards, for which the Bank has not yet received an official debit (pending authorisations), have been defined in the specific General Terms and Conditions for issuing and using the Mastercard Business Debit card for Bank's Business entities. The Bank shall charge the inflation service under the Decision on Payment Service Fees for business entities. The Bank shall be considered to have fulfilled its obligation to inform by sending the account statement to the last known e-mail address of the Client, submitting the account statement at the Bank's branch offices, in the manner contracted between the Client and the Bank.
- 14.7. The Client shall immediately and without delay inform the Bank of the unauthorised and/or improperly executed Payment Transaction when it has determined that such Payment Transactions have occurred within 45 (forty-five) days from the day of debiting/crediting. The Client shall immediately and without delay, within 45 (forty-five) days from the day of the Payment Transaction initiation, inform the Bank about the outstanding Payment Transactions.
- 14.8. If a dispute between the Bank and the Client arises, the Bank shall be deemed to have fulfilled all its legal and contractual obligations to inform the Client if the information was done in a contracted manner and unless the Client considers otherwise, it shall prove the same.

15. Corrective and Preventive Measures

15.1. The Client shall use the Payment Instruments following the provisions of these General Terms and Conditions and Bank's other acts governing the issuing and use of a particular Payment Instrument, and it shall inform the Bank about the identified loss, theft or misuse of a Payment Instrument or its unauthorised use without delay. The Client may block the Payment Instrument following the Specific General Conditions governing that Payment Instrument.

15.2. The Bank may block the Payment Instrument:

- if there are objectively justified reasons to doubt the Payment Instrument's security;
- 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 its payment obligation;
- in case of need to adapt the Bank's operations to the applicable legal regulations.

15.3. If the Bank blocks Payment Instruments under Article 15.2. herein, it shall notify the Client verbally (by phone) or in writing (electronically, by fax) before the blocking, in the contracted manner. If it does not do so before, the Bank will notify the Client immediately after the Payment Instrument blocking, unless when giving notice shall be contrary to objectively justified security reasons or contrary to law. When the reasons for the Payment Instrument blocking cease, the Bank shall unblock or replace the blocked Payment Instrument with a new one.

16. Framework Agreement Modification

16.1. If the Bank modifies the Framework Agreement, the Bank shall publish a Notice of changes to the Framework Agreement on the website and in the Bank's branch offices at least two months before the published Framework Agreement amendments enter into force. On request, the Client may be provided with any changes on paper or other durable media.

16.2. The Client may terminate the Framework Agreement until the proposed effective date. The Client shall be deemed to have accepted the published changes if, until the proposed effective date of the Framework Agreement amendments, it has not notified the Bank in writing of their non-acceptance. If the Client informs the Bank in writing of non-acceptance on the Framework Agreement amendments, the Client shall be deemed to have terminated the Framework Agreement. For Framework Agreement termination after the expiration of two months, the Bank shall charge a fee that may not be proportional to the Framework Agreement duration.

16.3. Changes to the Framework Agreement regarding the interest rates or exchange rates changes resulting from the Bank's contracted authorisation may be made immediately without prior notice.

17. Termination of Framework Agreement and Account Closing

17.1. The Framework Agreement and separate individual contracts for additional payment services shall be concluded for an indefinite period unless the Bank and the Client limit the duration of the specific payment service contract and/or the duration of the Framework Agreement in the Framework Agreement or the Agreement for individual additional payment service.

17.2. The Client may terminate the Framework Agreement, regardless of whether it was concluded for a fixed or indefinite period by submitting a Request, without observing the notice period, unless the Client and the Bank explicitly agreed otherwise. The Bank shall charge the Client a contract termination fee under the Decision on Fees for Payment Services in Businesses if the Client terminates the Framework Agreement concluded for a fixed period, for a period longer than 12 months or an indefinite period. The Bank may not charge a framework agreement fee after the expiry of 12 months.

17.3. The Bank may unilaterally terminate the Framework Agreement without notice if the Client, in the Bank's estimation, breaches the provisions of the Framework Agreement or applicable regulations and if it breaches the Bank's reputation through its operations.

17.4. The Bank may terminate the Framework Agreement without notice unless the Client, at the Bank's request, provides the documentation required to determine the tax status of the Client in the United States (the so-

called FATCA status)². The Bank may unilaterally terminate the Framework Agreement without termination notice:

- if the Client is a Person subject to sanctions, or breaches sanctions regulations;
- if the Client breaches the obligations of the Framework Agreement in connection with the Sanctions;
- if the Sanctioning Authority has filed a claim/lawsuit/action or initiated an investigation/proceeding connected to or for applying the Sanctions against the Client.

17.5. If the Bank terminates the Framework Agreement unilaterally, it shall inform the Client that the Framework Agreement has terminated and the Account(s) are closed unless the termination has occurred by force of law.

17.6. The Framework Agreement shall be terminated by a written statement addressed 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.

17.7. In the event of Framework Agreement termination, the Client shall settle all obligations under the Framework Agreement incurred up to the date of the Framework Agreement termination.

17.8. The Bank shall not comply with the Client's request for closing the Account and the Framework Agreement termination if the Client has outstanding obligations towards the Bank or is obliged to return the things owned by the Bank, and the Framework Contract has not legally ceased to exist.

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

17.10. The Bank may unilaterally terminate the Framework Agreement without notice if there is no account turnover/activity for the period of 5 years and if the account balance is zero.

18. Complaint submitting procedure

18.1. If the Client considers the Bank has violated any his right during the business relationship, it may deliver to the Bank as soon as possible, but within 30 (thirty) days (unless explicitly agreed otherwise) from the said event/situation, a reasoned written complaint to the Bank's business address or by mail to Erste Bank AD, Podgorica, Arsenija Boljevića 2A, or by e-mail to vasemisljenje@erstebank.me or to file a written complaint in the Branch office, stating that this is a complaint. The Bank's employees will forward the complaint to the body competent for resolving complaints.

18.2. The complaint shall contain a detailed description of the event/situation and proof that the Client's complaint is well-founded. If the provided description of the event/ situation and/or proof is incomplete, the Bank may request the Client to complete the complaint.

18.3. Failure to submit a complaint deadline shall be interpreted as approving a business practice and that the Client has no additional requirements beyond those arising from the business relationship itself. In case of submitting an objection from which grounds may not be determined, the Bank shall invite the Client to supplement its objection in this regard. If the Client fails to do so within 8 (eight) days from the invitation, the Bank shall consider that it has withdrawn the objection. The Bank shall not be liable for any adverse consequences caused by the Client's delay to submit the complaint or the supplement of the complaint.

18.4. The Bank shall notify the Client in writing of the grounds for the objection and of the measures and actions it undertakes within 8 (eight) working days from the date of the objection receipt.

18.5. The Bank shall designate the bodies that carry out the complaint resolution process and their powers.

19. Closing and Transitional Provisions

19.1. State of Montenegro's law shall apply to the relations, mutual rights and obligations of the Client and the Bank.

19.2. 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.

² 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 for which the law is applied to that person.

19.3. The provisions of these General Terms and Conditions shall enter into force on 14 February 2020.

19.4. Unless explicitly agreed between the Client and the Bank, for Accounts opened prior to these General Terms and Conditions enter into force, the notification referred to in Article 16.1. herein shall be deemed executed if made available at the Branch office and on the Bank's website.

19.5. Any issue not regulated by these General Terms and Conditions shall be governed by the General Terms and Conditions of Erste Bank AD Podgorica.