

General Conditions for Maintaining Transaction Accounts and Performing Payment Services for Natural Persons

Applicable as of 30 November 2021

The Central Bank of Montenegro (CBCG) shall supervise the Bank's operations under the regulations governing banking operations.

1. INTRODUCTORY PROVISIONS

Specific terms used in these General Terms and Conditions 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 Arsenija Boljevića 2A, SWIFT: OPPOMEPG, IBAN: ME2554000007000000101; website: www.erstebank.me, info phone: +38220440440, Call Centre 19991, e-mail: erstebank@erstebank.me

1.2. Bank's Acts – all belonging documents and decisions of the Bank's authorised bodies under the prescribed procedure accessible to the Client through specific Distribution Channels 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 (ex. Specific Terms and Conditions, Decision on Fees for Payment Operations Services in operating with Natural Persons. At its request, the Bank shall make available to the Client all the Bank's Acts 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), Erste Web ebanking, ATMs, etc.

1.4. Card – Mastercard Debit Card or Mastercard Credit Card that, in addition to identification card purpose, enables the Client to dispose of funds from Accounts at ATMs, EFT-POS devices, Internet, and other self-service devices. It shall also mean *Kartica na rate* (Card for paying by instalments) enabling the Client to dispose of funds solely from the granted limit for use on ATMs, EFT-POS terminals, and internet trade that are described in details in Specific Terms and Conditions.

1.5. Unique Identification Tag - a combination of letters, numbers, or symbols that a payment service provider assigns to the Client, which Client has to specify to identify another Client and/or the payment account of another Client 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.

1.6. Payment Services Client (Client) – Within the meaning of these General Terms and Conditions, Payment Service Client shall be a natural person-consumer which has concluded a Framework Agreement on Payment Services with the Bank for the purpose not intended to its activity, operations, or occupation.

1.7. Payment Order - An instruction submitted by the payer or payee to its 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 order for depositing cash, order for withdrawing cash, order for transferring funds, order for collection of funds, etc.

1.8. Payment Instrument - any personalised means and/or set of procedures contracted between the Payment Service Client and the Payment Service Provider used by the Payment Service Client to initiate a Payment Transaction.

1.9. Payment transaction - payment, withdrawal, or transfer of funds initiated by the payer or payee through a Payment Order or Payment Instruments, regardless of obligations between the payer and payee.

1.10. National payment transaction - a Payment transaction involving the payer's payment service provider and/or the payee's payment service provider, or just one payment service provider, that operate in Montenegro's territory under the Payment System Law.

1.11. Cross-border payment transaction - a term used only after Montenegro's accession to the European Union. It shall mean a Payment Transaction involving two payment service providers, one of which (payee's or payer's payment service provider) operates in Montenegro under the Payment System Law, while the other (payee's or payer's payment service provider) operates under the rules of another Member State. Until joining the European Union, these transactions shall be considered International Payment Transactions.

1.12. International payment transaction - a Payment Transaction in which two payment service providers participate. One of them (payee's or payer's payment service provider) operates in Montenegro under the Payment System Law, while the other (payee's or payer's payment service provider) operates under the rules of a Third Country. Until Montenegro joins the European Union, each Cross-border payment transaction shall be considered an International Payment Transaction.

1.13. Member State – 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 the Contract and these General Terms and Conditions, it shall mean Transaction Account the Bank opens to the Client for executing Payment Transactions. Within the meaning of these General Terms and Conditions, it may be Transaction Account used for executing national or international euro transactions, or transaction accounts used for executing international transactions in other currency.

1.16. Contract - Contract on opening and maintaining an individual Transaction Account for used for executing national or international euro transactions, or transaction accounts used for executing international transactions in other currency.

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 within the Retail Banking.

1.20. Specific Terms and Conditions - the terms and conditions set out for a specific product/service (e.g., General Terms and Conditions for the use of Erste Web ebanking services, etc.).

1.21. Authorised Person – It shall be a natural person authorised to dispose of available funds in an Account by the Client or by the law. An Authorised person may be a Proxy or a Legal Representative.

1.22. Power of Attorney – It shall be the authorisation for disposal of the transaction account the Client gives to the Authorised Person in a form and content acceptable to the Bank.

1.23. Central Registry of Transaction Accounts – is a unique information database on transaction accounts and their owners, maintained by the CBCG.

1.24. Electronic banking service – a set of the Bank's services consisting of internet banking services and mobile banking services.

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 the Client, refer to the applicable acts on fees, and define other issues related to the payment services provision.

2.2. When opening an Account and/or contracting any payment service of the Bank, in addition to the information referred to in 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 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 Terms and Conditions for the additional service contracted by the Bank and the Client,
- Decision on Fees for Payment Services in operating with Natural Persons,
- Catalog of Retail Department's Banking Products for Natural Persons (only in the part related to interest rates on Accounts),
- the Work Plan Schedule, and

- the Contract on transaction account for executing national payment transactions and international euro payment transactions and/or the Contract on transaction account for executing international payment transactions in other currency.

These General Terms and Conditions and all the documents constituting the Framework Agreement shall be available on the Bank's website and/or in the Bank's branch offices.

2.4. In the case of the 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.

3. ACCOUNT OPENING

3.1. The Bank shall open an Account to the Client, provided that the Client personally provides the Bank with the following documentation:

- duly filled Account Opening Form;
- documents enabling the identification of the Client 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 Bank shall open the Account to the Client based on the Account Opening Form and the complete requesting documentation. The Bank shall reserve the right to refuse the Account Opening without providing explicit explanation. The Obligation relation between the Bank and the Client shall commence by concluding the Framework Agreement.

3.3. The Bank and the Client shall conclude the Agreement based on the request and complete documentation for account opening.

3.4. The Client may start to operate through the Account after signing the Agreement by the Bank, and/or upon activating the open account by the CBCG.

3.5. At the Client's request, upon opening the Account, the Bank will order to make a Card according to the General Terms and Conditions for issuing and use of payment cards for natural persons.

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.

4. 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. The Client agrees to the Bank that the funds received by the Client based on an international euro payment transaction may be transferred to the Clients' transaction euro account. The Client shall not pay a fee to the Bank for the said transfer.

4.3. The available balance on the Account shall consist of a positive balance considered a demand deposit, and a contractually allowed overdraft on the Account (hereinafter: Available Balance).

4.4. The Available Balance on the Account may be disposed of by the Client and its Authorised Persons.

4.5. Disposal of funds shall be unlimited within the Available Balance on the Account, except in cases of force majeure or when regulations require otherwise.

4.6. Immediately upon opening the Account or subsequently, the Client may authorise other persons to dispose of funds on its Account by issuing an appropriate written power of attorney, which form, content, and all other details must be in full compliance with the Bank's requirements and applicable regulations. The Client shall acquaint each authorised person 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. herein.

4.7. By selecting a certain person as an authorised person, the Client guarantees that the person appointed as the authorised person shall meet the legally prescribed conditions necessary for appointing an authorised person, and that the person is of his trust.

4.8. The Bank shall not be liable to the Client for the actions of the Client's authorised person both towards the Bank and the Client itself. The Client shall be solely responsible for all the Client's authorised person's omissions and actions.

4.9. The Power of attorney, and/or its revocation made outside the Bank must be certified by a domestic or foreign competent authority, in accordance with applicable regulations. The Bank reserves the right not to act on a one-off power of attorney older than 3 months.

4.10. The Power Of Attorney on the Account shall cease to be valid no later than one working day from the day of receipt of the statement/confirmation of written revocation from the Client or the Client's authorised person by closing the Account, by submitting the certificate of business capacity loss, or the death of Client and/or the Client's Proxy under the applicable legislation.

4.11. On the day the given power of attorney expires, the Authorised Person may no longer dispose of funds from the Account or take any other actions or obtain any information. It shall immediately return the Card and other available funds to the Bank, if any.

4.12. The Bank shall not bear the consequences that may occur if this Authorised Person does not act in accordance with the provisions referred to in this Article. The Bank shall not inform the Client about the authorised person's actions and omissions.

5. PAYMENT TRANSACTION AUTHORISATION AND EXECUTION

5.1. Authorisation (consent) to execute a Payment Transaction shall be considered granted if, prior to the Payment Transaction execution, any of the following conditions have been fulfilled:

- a) The Client or Authorised Person submitted the payment order to the Bank and handed cash to the Bank's authorised employee;
- b) The Client or the Authorised Person has certified the payment order or the transfer order with a signature identical to the signature on the identification document (the Client's / Authorised Person's identification document) presented when submitting the Payment Order;
- c) The Client or Authorised Person identified according to the General Conditions for Using E-banking for Natural Persons submitted the payment order by e-banking, The Bank may at any time request from Client additional authorisation for identification and authorisation;
- d) inserting or using a card at an ATM with PIN entering;
- e) 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;
- f) entering and providing personalised security features of the Card, and other information at the merchant's request when in conducting online payment, catalogue or telephone purchase;
- g) for executing 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 11 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 Payment Operation Services to Natural persons.

5.3. The Client or the Authorised Person may submit duly filled Payment Orders to the Bank, verbally with the request to complete the Payment Order or through e-banking services.

5.4. A duly completed Payment Order shall mean an Order at the prescribed form that contains all requested data and is readable.

5.5. The Bank executes authorised Payment Transactions upon receipt of a duly completed Payment Order, in accordance with the Work Time Schedule if all conditions specified above, if the Account has enough funds for Payment Transaction,

if the Payment Order is completed legibly and completely (without corrections), and if there are no legal obstacles to its execution.

5.6. Notwithstanding the possible prior involvement of the Bank in 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.

5.7. The Bank shall accept and execute the correct and duly completed Client's Payment Order only if the Client or the Authorised Person submitted it to the Bank in the manner contracted for the particular payment service.

5.8. 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. In this case, if the Payment Order is received at the Bank's Branch for funds required to execute the received Payment Order, the Bank will not debit the Account, but will reserve funds on the Client's Account to ensure execution of the Payment Order on the next business day. The Client or the Authorised Person may not dispose of the reserved funds on the Account, but may revoke the Payment Order in accordance with Article 7 of these General Terms and Conditions.

5.9. 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. 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 or the Authorised person about it.

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

5.11. 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 or the Authorised Person in the contracted manner and within the time limit specified in the Work Time Schedule.

6. PAYMENT ORDER CANCELLING

6.1. Prior to the Payment Order execution, the Client or the Authorised Person may in writing, or through e-banking services (if the order was assigned through the e-banking service), cancel the Payment Order by revoking the consent for the Payment Order execution, or revoke the authorisation for a standing order or direct debit. 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.

6.2. When cancelling the Payment Order referred to in Article 6.8. 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.

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 is approved in the at the Bank's Account 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 data indicated in the payment order. The Bank shall not be required to verify the validity of other information provided under the Unique Identification Tag.

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 with reverse booking, without the Client's order. The Bank shall notify the Client of the said booking in the contracted manner, through the account statement.

8. OTHER ACCOUNT DEBITING BASIS

8.1. Other grounds for debiting the Account shall include bills of exchange, cheques, contractual authorisations, enforcement collection orders given according to the Law on Execution and Securing of Claims given to the Bank. Based on the stated grounds for debiting, the Bank shall debit the Client's Account without its prior approval.

8.2. The Bank shall execute the enforcement collection order only from the positive balance at the Client's account and subsequent inflows under the applicable legislation.

8.3. In the event that the Bank has receivables from the Client from any contractual relationship with the Bank, the Client agrees that by accepting these General Terms and Conditions, in case of non-fulfilment of obligations under any contractual relationship, the Bank shall collect the due amount with all allowances and default interest from all Client's Accounts in the Bank, or from all funds of the Client entrusted to the Bank either as security for the Bank's receivables from the Client on any basis, or funds entrusted to the Bank on any other basis.

8.4. 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.

8.5. In case of debiting the Account based on the enforcement collection order, the Bank will deny the Client the right to use the allowed overdraft on the Account for the entire duration of the execution of the enforced collection bases.

8.6. The Bank shall not be liable for damages in the event of an erroneously issued enforced collection order for the implementation of payment bases.

9. ADDITIONAL PAYMENT SERVICES

9.1. The Client may contract with the Bank the use of additional payment services related to the Account, such as:

- E-banking services;
- Direct debit order
- standing order;
- card;
- 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 Specific Terms and Conditions and/or in the individual contracts for these services.

10. OPERATIONS WITH STANDING ORDERS AND DIRECT DEBIT ORDERS

10.1. The Client and its Authorised persons may conclude specific agreements with the Bank authorising the Bank to make regular or temporary payments at the expense of his Account by:

- executing 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, the Client shall inform the Bank thereof. The Bank shall not be liable for the correct execution of Standing Orders in the event of a change that the Client has not reported to the Bank.
- settles the Client's obligations to the payee based on data (amount and date of payment) submitted to the Bank by the payee (direct debit order).

10.2. The term payee in this Article, and for the purpose of contracting and executing a direct debit order, shall mean exclusively the payee who has a contract with the Bank regulating the execution of a direct debit order.

10.3. The Client may conclude a direct debit order agreement directly with the Bank or through the payee. If the Client submits a request for a direct debit order through the payee, the contract shall be deemed concluded at the moment when the payee submits the data necessary for the execution of the direct debit transaction to the Bank.

10.4. 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.

10.5. The Bank shall execute direct debit orders in accordance with the terms and conditions submitted by the payee. If the specified day for payment of the direct debit order is not the Bank's business day, the payment will be made on the first following business day. The Client shall provide funds on the Account no later than the time defined in the Work Time Schedule. The Bank shall execute direct debit in full depending on the available balance on the Account, in accordance

with the agreement with the payee. In the event that the direct debit order is not executed on the given day due to insufficient funds, an attempt will be made to execute a certain number of days, if so defined by the payee.

10.6. The Client may cancel the individual execution of a direct debit order transaction without cancelling the direct debit order agreement, no later than the end of the business day preceding the debit day defined by the payee. Individual revocation is possible only in the Bank's Branch.

10.7. If the Payee does not submit data on the direct debit order, and in case of complaints regarding the amount and due date of the invoice in the data submitted by the Payee to the Bank, the Client shall resolve the misunderstanding directly with the Payee.

10.8. If the Client complains about the amount of the executed direct debit order submitted to the Bank by the Payee, in such a way that he considers that the amount of the payment transaction exceeds the amount that the Client would normally expect considering his previous spending habits, it shall submit a written complaint to the Bank. The Bank will proceed as follows:

- check the amount of the executed direct debit order indicated in the file submitted by the Payee. If it determines that the Bank's omission charged a larger amount, the Bank shall return to the Client the unjustifiably charged amount as soon as possible,
- if the Bank determines that it has debited the Client's Account and in the exact amount as indicated in the file submitted by the Payee, the Bank shall instruct the Client to resolve the disagreement directly with the Payee.

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

10.10. The direct debit order shall be executed until the Client's cancellation, the termination of the direct debit order agreement between the Bank and the payee, or until the cancellation by the payee. The Client may cancel the contract directly with the Bank or with the payee. In case of cancellation through the payee, the contract shall be considered terminated at the moment when the Bank receives the notice of cancellation from the payee.

10.11. Standing Order Contracts shall terminate automatically by closing the paying Account based on which the payment is made. The Bank may unilaterally terminate the Standing Order or Direct Debit agreement without notice if, in the Bank's opinion, there are justified reasons for doing so.

10.12. The Bank may terminate the Standing Order and Direct Debit Agreement with a two-month notice period, without stating a reason.

10.13. The Client may, via the Electronic Banking Service, when concluding a direct debit order, deactivate the automation mechanism referred to in Article 11.5. herein by confirming the eUplatnica (electronic payment order) option. This option allows the Client to control the moment of executing the direct debit order by confirming the electronic payment slip which will be formed within the mobile banking application after exchanging the file with monthly debits of clients with the Payee and waiting for a maximum of two months for confirmation by the Client. The amount of the order will be the current debit of the Client with the Payee obtained by standard data exchange for the Direct Debit Order. It will not be possible to change it, and by confirming the electronic payment slip, the payment will be made by order in national payment operations. And charged in accordance with the Decision on Fees for Payment Services in Operations with Natural Persons. Within the special section of ePayments in the mobile application, there will be a maximum of the last two obligations of the Client towards the Recipient of payment.

11. THE BANK'S RESPONSIBILITIES AND RETURNING THE PAYMENT TRANSACTION AMOUNT

11.1. The Bank shall be liable to the Payment Service Client for the execution of an unauthorised payment transaction in accordance with the regulations governing payment transactions, these General Terms and Conditions, and the rules on liability for damage due to breach of contract.

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 13 (thirteen) months from the day of account crediting or debiting;
- if the Client sends data or a Payment Order in the form of an unsecured record (e.g. floppy disk, 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 held liable for possible damage in executing Payment transactions executed based on Payment Orders submitted in such manner. The data sender shall be liable for safe, proper and timely data transfer.
- up to the total amount of 150 euros, if the execution of an unauthorised payment transaction is a consequence of use of lost or stolen payment instrument or misuse of that payment instrument that occurred because the Client did not protect the personalised security elements of that payment instrument, or,
- in full, if the Client acted fraudulently or with gross negligence.

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 Natural Persons, which shall constitute 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 applicable Decision on Fees for Payment Operations in operations with Natural Persons.

12.3. The Bank may accrue interest on the positive balance of the Account at the interest rate defined in the Catalogue of Products of Retail Department for natural persons (part relating to Interest rates on accounts).

12.4. Interest shall be accrued and credited to the Account in the contracted manner.

12.5. 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. The exchange rates shall be available at all Bank's branch offices and the Bank's website.

12.6. 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 the obligation to compensate for any damage caused to the Bank by any Client's act or omission.

12.7. In the execution of orders based on special legal authorisations (enforced collection on the Account), the Bank Shall be only executor of the order and it shall collect orders in accordance with special legal regulations.

13. BANKING SECRET

13.1. Information on the balance and turnover of funds in the account shall be a banking secret. 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 with 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, or (iii) give the documents and notices to a sworn translator for translation into Montenegrin language at the Client's expense.

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 Account Opening Request and 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. When operating with the Bank, the Client shall submit data on Personal Identification Number (PIN) or Tax Identification Number (TIN). It shall submit all 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 through monthly Statement. The Statement shall be considered delivered if it was sent to the address for receiving account statements, taken at the Bank's branch offices, or submitted electronically.

14.7. The Client shall immediately and without delay inform the Bank of the unauthorised and/or improperly executed Payment Transaction immediately after being informed, and at the latest within 13 (thirteen) months after debiting/crediting in the manner described in Chapter 18 - Complaint submitting procedure.

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 Instrument following the provisions of these General Terms and Conditions and Bank's other acts governing the issuing and use of a particular Payment Instrument: 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 by calling +382 20 409 490 or +382 20 409 491 and following the Specific Terms and Conditions governing that Payment Instrument.

15.2. The Bank may block the Payment Instrument:

- if Payment Instrument is lost or stolen;
- if it receives information on the Client's death;
- 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 may reasonably conclude that there is a significantly increased risk that the Client will not be able to fulfil its payment obligation;
- in a need to adapt the Bank's operations to the applicable legal regulations.

15.3. If the Bank freezes Payment Instruments under Article 16.2. 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.

16. FRAMEWORK AGREEMENT MODIFICATION

16.1. The Bank shall propose to the Client amendments to the Framework Agreement two months before the proposed date of application of these amendments.

16.2. The Bank shall inform the Client of any changes to the Framework Agreement and state that the Client may terminate the Framework Agreement without any termination fee until the proposed date of entry into force of the changes. The Beneficiary shall be deemed to have accepted the said changes if it does not notify the Bank in writing that it shall not accept them by the proposed date of entry into force of the Framework Agreement amendments.

16.3. The Bank shall deliver the notification on changes to the Framework Agreement amendments in person to the Client by e-mail, SMS message or by mail, in the Montenegrin language or in another language agreed between the Bank and the Client.

16.4. The Bank shall publish all amendments to the Framework Agreement on the Bank's website and in the Bank's Branches. Upon direct request of the Client during the working hours of any Bank's Branch, and upon request via e-mail address info@erstebank.me or by calling the telephone number 19991, the Client may receive all amendments to the Framework Agreement in paper form, by mail or electronically form.

16.5. If the Client does not agree with the Framework Agreement amendments, it may terminate the Framework Agreement. The Bank shall be deemed to have been notified of the non-acceptance of the Framework Agreement amendments if it received the written notice of non-acceptance no later than the last day of the deadline for receiving the notification in question. If the Client does not notify the Bank of the non-acceptance of the changes within the specified period, it will be considered that he agrees with them.

16.6. The Termination of the Framework Agreement shall have legal effect if the Client submits a written request for of the Framework Agreement termination and pays the Bank a fee for payment services provided until the Framework Agreement termination date, and other debts to the Bank arising from the Framework Agreement.

17. FRAMEWORK AGREEMENT TERMINATION

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 at any time, regardless of whether it was concluded for a fixed or indefinite period by submitting a Request, with observing the notice period not longer than 30 (thirty) days. In case of the Framework Agreement amendment by the Bank, the Client may terminate the Framework Agreement without delay and without compensation for Framework Agreement termination, before the entry into force of the Framework Agreement amendments.

17.3. The Bank may unilaterally terminate the Framework Agreement concluded for infinite period with notice of 2 (two) months without stating the reasons.

17.4. 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.

17.5. 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.

17.6. When terminating of the Framework Agreement, the Beneficiary shall pay to the Bank the fees charged by the Bank for payment services for a certain period only in proportion, until the Framework Agreement termination. If such fees are paid in advance, the Bank shall return a proportionate part of the fee paid to the Client.

17.7. The Bank shall not charge a fee for closing the Account.

17.8. The Bank may terminate the Framework Agreement, without notice, even in the event of failure to exercise the rights under the Framework Agreement. Failure to exercise the rights under the Framework Agreement shall mean the following:

- the balance on the Accounts shall not exceed 00.00 (zero) euros (or the equivalent of foreign currency converted according to the Bank's middle exchange rate on the processing day), and
- if the Account does not generate turnover for a period longer than 5 (five) years, except for accounts related to one-time time deposits (turnover on the Account shall not imply accrual of interest or collection of fees and similar costs).

17.9. 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.

17.10. 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 according to FATCA¹.

17.11. If, in the sole discretion of the Bank, there is a suspicion of fraud or any misuse, money laundering and/or terrorist financing, the Bank may without delay postpone or refuse to provide the requested service, product or any other transaction, and take all necessary actions i to terminate any business relationship with the Client, if it deems it necessary.

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

18. COMPLAINT SUBMITTING PROCEDURE

¹ The FATCA (Foreign Account Tax Compliance Act) is a law aimed at preventing U.S. taxpayers from evading taxes by using 15 foreign accounts. The status of a taxpayer of the United States of America has a person with whom the indicators due to which the subject law is applied to that person are determined. The text of the law is available at www.irs.com

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 – Marketing Unit, 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 the convenient deadline 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. The Client and the Bank may, in the event of a dispute related to the provision of payment services, and/or the application of the Payment Operations Act, submit a proposal to the Commission for Out-of-Court Settlement of Disputes in Payment Operations.

19.3. The provisions of these General Terms and Conditions shall enter into force on 30 November 2021.

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 15.6. 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.