GENERAL TERMS OF EXECUTING SINGLE PAYMENT TRANSACTIONS

I. INTRODUCTORY PROVISIONS

Article 1

General Terms of Executing Single Payment Transactions shall set out the mutual rights and obligations relating to executing single payment transactions, conditions, and methods of transaction execution, methods and deadlines of notification, and the Bank responsibilities, in accordance with the Law on Payment Services (Official Gazette no. 139/2014 and 44/2018).

General Terms of Executing Single Payment Transactions (hereinafter: General Terms) shall apply to User who has addressed the Bank for the purpose of executing payment transaction, but has not entered into framework agreement on payment service provision with the Bank.

These General Terms shall also apply to the User who has entered into the framework agreement with the Bank i.e. holding current account at the Bank i.e. who has been issued payment instrument of the Bank, but does not use them for executing required payment transaction.

Payment transactions these General Terms refer to shall include transactions initiated by issuing payment order in hard copy and using payment card on the Bank ATM.

Basic data on the Bank - Payment Service Provider:
    Corporate name: ERSTE BANK A.D. NOVI SAD;
    Registered office: Bulevar oslobodjenja 5, 21000 Novi Sad
    TIN: 101626723;
    REG. NO: 08063818;
    Giro account: 908-0000000034001-19;
    Internet page www.erstebank.rs;
    e-mail address: info@erstebank.rs
    Telephone for users: 080 0201 201
                    060 48 48 000

The operation license was issued by the National Bank of Yugoslavia under decision O no. 202 of 20 December 1989. The competent authority supervising the Bank operation shall be the National Bank of Serbia, Nemanjina 17.

II. TERMS

Article 2

1) payment transaction means an act, initiated by the payer or by the payee, of placing, transferring or withdrawing funds, irrespective of any underlying obligations between the payer and the payee
2) payment order means any instruction by a payer or payee to its payment service provider requesting the execution of a payment transaction
3) payment account means account used for executing payment transactions, maintained by payment service provider for one or several payment service users; Payment account can be current account or other payment account
4) payment instrument means any personalised device and/or a set of procedures agreed between the payment service user and the payment service provider and used by the payment service user in order to issue a payment order
5) payment service user means a natural or legal person that uses or was using a payment service in the capacity of a payer and/or payee or has turned to the payment service provider in order to make use of such services
6) payer means a natural or legal person that issues a payment order from its payment account or gives consent to execute a payment transaction based on the payment order issued by a payee, or, if there is no payment account, a natural or legal person that issues a payment order
7) payee means a natural or legal person designated as the recipient of funds subject to a payment transaction
8) consumer means a private individual entering into payment service agreement or agreement relating to electronic money for the purposes not intended for its business or other commercial activity
9) entrepreneur means a natural person other than a consumer, that is, a natural person with legal capacity that pursues a business activity with a view to obtaining revenue, in accordance with the law governing companies and other law
10) funds means cash, scriptural money and electronic money
11) cash means banknotes and coins
12) business day means a day, namely part of the day in which the relevant payment service provider of the payer or of the payee involved in the execution of a payment transaction is open for business as required for the execution of a payment transaction to its payment service user
13) credit transfer means a payment service where the payer instructs the payment service provider to initiate the execution of one or more payment transactions, including the issuing of a standing order
14) instant approval transfer is domestic payment transaction in RSD which the payer can initiate at any moment, every day in a year, and whose transfer is executed immediately or almost immediately through IPS payment system of the National Bank of Serbia. The service of instant transfer of approval the Bank shall provide as of 1 April 2019

15) value date means a reference date, that is, reference time used by a payment service provider for the calculation of interest on funds debited from or credited to a payment account

16) reference exchange rate means the exchange rate which is used as the basis to calculate any currency exchange and which is made available by the payment service provider or comes from a publicly available source

17) unique identifier means a combination of letters, numbers and/or symbols specified to the payment service user by the payment service provider to be used in a payment transaction to identify unambiguously the respective payment service user and/or its payment account

18) means of distance communication refers to any means which, without the simultaneous physical presence of the payment service provider and the payment service user, may be used for the conclusion of a payment service contract

19) durable medium means any instrument which enables the payment service user to store data addressed personally to it in a way accessible for future reference for a period of time adequate to the purposes of the data and which allows for the unchanged reproduction of the data stored

20) national payment transaction means a payment transaction in which the payer's payment service provider and payee's payment service provider provide the service within the territory of the Republic of Serbia

21) single payment transaction means a transaction not covered by the Framework Agreement entered into between the bank and payment service user.

III. PAYMENT SERVICES

Article 3

The Bank shall execute the following payment services:

1) services ensuring incoming payment of cash to payment account
2) services ensuring outgoing payment of cash from payment account
3) money remittance services where a payment service provider receives funds from a payer, without any payment accounts being opened in the name of the payer or the payee, for the sole purpose of making these funds available to a payee or of transferring these funds to the payee's payment service provider, which makes such funds available to the payee
4) acquiring payment instruments where the payment service provider enables to the payee the execution of payment transactions initiated by the payer by using a specific payment instrument
5) other services related to the above-mentioned payment services.

Entering into Agreement on Single Payment Transaction

Article 4

Issuing payment order to the Bank it shall be deemed that the User has become aware of and accepts the conditions of executing single payment transactions of the Bank.

The Agreement shall be deemed entered into with the act of expressing the User's willingness to execute payment transaction (verbally, handing over cash and/or payment order, inserting payment card into ATM), and by granting consent by the User to execute single payment transaction in the manner set out in the provisions hereof.

The agreement on single payment transaction shall comprise signed and/or authorised User's payment order, these General Terms, the Bank Price Lists, Daily Exchange Rate List of the Bank valid on the date of transaction execution of currency is exchange, and Cut-off Times.

Agreement on single payment transaction shall set out the execution of single payment transaction not covered by payment service framework agreement.

Agreement on single payment transaction shall not set out the execution of any future individual payment transactions.

IV. PAYMENT SERVICE PROVISION

Payment Order Receipt

Article 5

The Bank shall receive payment order by personal submission at the Bank branch, in writing.

The Bank shall receive payment orders directly from the User initiating the execution of single payment transaction:

· in the capacity of payer issuing order for incoming payment of funds in favour of account opened with the Bank or with other payment service provider
· in the capacity of payee who has, based on bill of exchange, initiated transfer of funds from payer's account with the Bank in favour of payee's account with other payment service provider
· in the capacity of payee who, based on identification code/presentation of a series of necessary data initiates funds outgoing payment
· on the Bank ATM using payment card not issued by the Bank

Order Receipt Time

Article 6

Payment order receipt time shall be the moment when the Bank receives order directly from the User.

Date when the Bank receives payment order shall be deemed the date of the initiation of payment transaction execution and execution condition verification.

The Bank Cut-off Times set out the time within which the Bank receives and executes payment order.

Payment Order Execution

Article 7

Payment order may be incoming and outgoing payment order.

Incoming payment order means payment order used for incoming payments of cash to current account (payment of turnover, payment of liabilities in cash or other incoming payments to current account).

Payment order shall include the following basic elements:
1) name of payer
2) name of payee
3) number of payee's current/payment account
4) currency designation
5) amount
6) payment purpose
7) payment code
8) model reference number relating to crediting number
9) reference number of crediting
10) place and date of receipt
11) execution date
12) payer's i.e. consent
13) manner of order execution-urgent.

Outgoing payment order means payment order used for cash outgoing payments from current account.

Outgoing payment order shall include the following basic elements:
1) name of payer
2) name of payee
3) number of payer's current account
4) currency designation
5) amount
6) outgoing payment purpose
7) payment code
8) model reference number relating to debiting number
9) reference number of debiting
10) place and date of receipt
11) execution date
12) payer's signature i.e. consent.

The Bank may execute payment orders even when they do not include all of the elements of this Article if it is determined that the elements stated in order are sufficient for the execution thereof.

Article 8

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

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

The Bank shall be entitled to require user to provide additional information relating to payment transaction if such obligation arises from the regulations governing the prevention of money laundering or terrorism finance or internal acts of the Bank passed based on such regulations.

Consent for Executing Single Payment Transaction

Article 9

The Bank will execute payment transaction only if the User has granted his consent thereto prior to the execution thereof. Unless there is the User's consent - authorisation for payment transaction execution, it shall be deemed that it has not been approved and it will not be executed.

The User shall give his consent for the execution of single payment transaction as follows:
- issuing and signing payment order in hard copy
- handing over cash necessary for payment order execution
- inputting minimum data necessary for the approval of transaction of withdrawing cash or other service on ATM by payment service provider who has issued payment instrument (inputting PIN or other security elements).

Single payment transactions for the execution of which consent has been granted in the one of the above-mentioned manners shall be deemed approved and/or authorised payment transaction.

Article 10

The User shall be liable for the completeness and accuracy of data stated in payment order.

The Bank will not receive order if, until the time of receipt, it identifies deficiency of any of its elements or the existence of other important reasons.

In order for payer's payment order in hard copy to be executed, it shall be necessary to be duly filled in (completely and legibly, without any corrected, crossed, or deleted data) in the payment order prescribed form, as well as to provide monetary funds in the amount of required transaction and fee charged by the Bank for payment service provision.

Payment orders in writing, filed in person at the Bank's premises in the amount of up to RSD 300,000, which the User flagged as instant payment (urgent) while completing the order, the Bank will execute immediately or almost immediately, if the conditions herein are met.

In order for payee's payment order to be executed, it shall be necessary to, in addition to duly filled in payment order, enclose appropriate documentation evidencing transaction grounds.

In order to execute order issued using payment instrument on the Bank ATM, it shall be necessary to meet the conditions provided for in agreement with payment service provider who has issued payment instrument, especially the validity of payment instrument, funds availability, input of PIN, etc.

If the Bank executes payment order in accordance with the above-mentioned single identifier, it shall be deemed that payment has been duly made.

If user provides the Bank an incorrect unique identification or otherwise inaccurate or incorrect important part of payment order, the Bank shall not be liable to the User for the accuracy and timeliness of execution.

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

The Bank shall in cases referred to in paragraphs 7-10 be liable only for payment transaction execution in accordance with single identifier.

Article 11

Prior to transaction execution, the Bank shall identify the User examining his identification document and/or based on the input of personalised identification data if transaction is executed on ATM.

Payment order shall be deemed executed:
- when payment transaction amount under payer's and/or payee's payment order has been credited on the account of payee's payment service provider
- when the User has been paid out money on the Bank ATM, i.e. confirmation has been issued that other service has been executed depending on device capabilities.

Payment Order Rejection

Article 12

The Bank may reject order execution unless all of the conditions for order execution prescribed in Article 10 of the General Terms are met.

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

The Bank shall provide the User with the notification referred to in the above paragraph without any delay, but not later than within the terms stipulated for payment order execution.

The Bank may charge fee to user regarding notification on payment order rejection if the reason of rejection is e.g. insufficient balance on account or order has not been completed in accordance with these General Terms. Fee level shall be determined in the Bank Price Lists.

The Bank shall be entitled to reject order meeting all of the execution conditions if the execution thereof would be contrary to the regulations governing the prevention of money laundering or terrorism finance or internal acts of the Bank passed based on such regulations.

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

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

Payment Order Recall

Article 13

Payer may recall order not later than the moment of order receipt by the Bank and/or when Payee has specifically agreed the beginning of order execution with the Bank, but not later then the deadline for order receipt on the business day preceding the day agreed for the beginning of order execution.

Payer may only recall payment order in person at the Bank Branch by providing other payment order copy unless it has been cleared and/or processed by the National Bank of Serbia RTGS.

In case of instant transfer, the payer can require the Bank to initiate the refund of instant transfer from the payee's payment service provider, due to the reasons stipulated by the current regulations (e.g. the payer has executed instant transfer at the wrong account number of the payee, in the wrong amount, etc.).

Recall of order upon the expiry of the deadlines referred to in paragraph 1-2 of this Article may be charged by the Bank, in accordance with the Price Lists.

Upon the expiry of recall deadline, payment service user may recall payment order only based on agreement with the Bank.

Payment Transaction Execution Deadline

Article 14

Payment orders shall be executed by the Bank considering the time of order receipt in accordance with the Cut-off Times. In case of domestic payment transaction up to RSD 300,000 initiated as instant approval transfer received by the User in person at the Bank's branch within business hours, the Bank is obliged to approve the amount of the transaction at the account of the payment service provider immediately, i.e. almost immediately, after the receipt of such order.

V. INFORMATION TO USER

Information in Pre-agreement Stage

Article 15

The Bank shall ensure to, prior to entering into agreement on single payment transaction, make the following information readily available to payment service user:
1) unique identifier or other data to be provided by the payment service user for the correct execution of a payment order;
2) time limit for execution of a payment transaction;
3) type and amount of all charges payable by the payment service user to the payment service provider and, if the payment service provider collects these charges in aggregate amount - the breakdown of the types and amounts of each individual charge making up the aggregate charge;
4) if currency conversion is applied - the exchange rate and/or reference exchange rate used by the payment service provider for a payment transaction.

The availability of the information referred to in the above paragraph shall be ensured by the Bank by displaying the following documents in visible place, in the Branches where payment services are provided, and on the Bank Internet page:

- these General Terms containing the information on the data the User shall ensure to state in payment order for the purpose of the correct execution thereof i.e. on single identifier and other data relevant for the execution of single payment transaction,
- the Cut-off Times setting out the time of receipt and deadline for payment transaction execution by the Bank,
- the Bank Price Lists setting out types and levels of fees charged by the Bank,
- Overview of Services and Fees related to payment account
- Daily exchange rate lists valid on the date of initiating single payment transaction if the execution thereof includes currency exchange.

For payment transactions initiated on the Bank ATMs, prior information shall be provided to the User by payment service provider who has issued payment instrument - payment card.

Upon the request of payment service user, payment service provider shall ensure to provide the information referred to in paragraph 1 of this Article to such user in hard copy or other permanent data carrier.

Payment service provider may provide payment service user with the information referred to in paragraph 1 of this Article in the form of draft agreement on single payment transaction or payment order which includes this information.

Information of Payer prior to Single Payment Transaction Execution

Article 16

The Bank shall, prior to executing single payment transaction, immediately upon the receipt of payment order for the execution of single payment transaction, make the following information readily available to payer:
1) a reference or other data enabling the payer to identify the payment transaction and information relating to the payee;
2) the amount of the payment transaction in the currency indicated in the payment order;
3) the amount of any charge payable by the payer for execution of a payment transaction, and, if the payment service provider collects these charges in aggregate amount - the breakdown of the types and amounts of each individual charge making up the aggregate charge;
4) if currency conversion is applied - the exchange rate and/or reference exchange rate used in execution of the payment transaction by the payer's payment service provider and the amount of the payment transaction following currency conversion;
5) the date of receipt of the payment order.

The payer's payment service provider shall provide, on the payer's request, the information from paragraph 1 of this Article on paper or other durable medium.

Information for the Payer after Receipt of the Payment Order for Execution of a Single Payment Transaction

Article 17

Immediately after receipt of the payment order for execution of a single payment transaction, the payer's payment service provider shall provide or make available to the payer, in an easily accessible manner, the following information:

1) a reference or other data enabling the payer to identify the payment transaction and information relating to the payee;
2) the amount of the payment transaction in the currency indicated in the payment order;
3) the amount of any charge payable by the payer for execution of a payment transaction, and, if the payment service provider collects these charges in aggregate amount - the breakdown of the types and amounts of each individual charge making up the aggregate charge;
4) if currency conversion is applied - the exchange rate and/or reference exchange rate used in execution of the payment transaction by the payer's payment service provider and the amount of the payment transaction following currency conversion;
5) the date of receipt of the payment order.

The Bank shall provide, upon the payer's request, the information referred to in paragraph 1 of this Article on paper or other durable medium.

In the event of payment orders issued using payment instrument - payment card on the Bank ATM, information on executed single payment transaction shall be provided to the User by payment service provider who has issued payment card.

VI. FEES AND CURRENCY EXCHANGE RATE

Fees

Article 18

For the execution of payment services, the Bank shall charge fees in accordance with the Retail and Registered Farm Product and Service Price List, Entrepreneur Product and Service Price List, Price List of Products and Services to Corporate

Clients of the Small Enterprises and Entrepreneurs Department, Corporate Payment Service Price List, and Express Sub-branch Product and Service Price List (hereinafter the Bank Price Lists), which shall be an integral part hereof.

The Bank shall charge fee to the User immediately upon payment service execution.

Fees for executing incoming orders or for executing other service on the Bank ATM shall be set out in framework agreement with payment service provider who has issued payment card.

Currency Exchange Rate

Article 19

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

VII. LIABILITY FOR PAYMENT TRANSACTION EXECUTION

Liability for Non-approved Payment Transaction

Article 20

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

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

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

Article 21

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

If the Bank is liable for non-executed or incorrectly executed payment transaction, it shall, immediately upon being aware thereof, refund the amount of non-executed or incorrectly executed payment transaction to payer, except if payment service user has requested correct payment transaction execution.

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

The Bank shall ensure to, if it is liable for non-executed or incorrectly executed payment transaction shall, refund its payment service user the amount of any fees charged to payment service user, as well as to refund or pay the amount of any fees such user is entitled to relating to non-executed or incorrectly executed payment transaction.

Obligation to Trace Funds in Case of Non-executed or Incorrectly Executed Payment Transactions

Article 22

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

Liability for Using Unique Identifier

Article 23

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

If unique identifier provided by the payment service user to payment service provider is incorrect, payment service provider shall not be liable for non-executed or incorrectly executed payment transaction.

In the case referred to in paragraph 2 of this Article, the payment service user shall be entitled to require its payment service provider to take any reasonable measures i.e. to provide it information on payment transaction monetary funds flow (e.g. on payee's payment service provider and/or payee).

Payment service provider may charge special fee to the payment service user for taking measures referred to in paragraph 3 of this Article if it is set out in framework agreement.

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

Liability Exclusion due to Force Majeure or Law

Article 24

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

VIII. PROTECTION OF THE RIGHTS AND INTERESTS OF PAYMENT SERVICE USER

Article 25

If the payment service provider or electronic money issuer fails to comply with provisions of this Law, other regulations or general terms of business governing payment services or electronic money, good business practices relating to these services or obligations arising from payment service contracts and/or contracts concerning electronic money - the payment service user and/or electronic money holder are entitled to the protection of their rights and interests.

The procedure of protecting rights and interests of payment service users and electronic money holders shall be subject to provisions of the law governing the protection of financial services consumers which relate to exercising the protection of rights and interests of financial services consumers.

Provisions of the law governing the protection of financial services consumers shall apply accordingly to unfair contract terms and unfair business practice in the field of providing payment services and issuance of electronic money, including the procedure of their prohibition.

Right to Complaint

Article 26

The User shall be entitled to file claim to the Bank if he considers that the Bank is not in compliance with the provisions of the Law on Payment Services, general terms of business, or good business practice relating to payment services or obligations from agreement entered into with user.

The User shall be entitled to complain within three years from the date when his right or legal interest was breached. The Bank shall ensure to provide provider of such claim with a clear and understandable response to claim not later than within 15 days from the day of complaint receipt, and it shall ensure to, in such response, point out his right to file claim to the National Bank of Serbia.

The Bank shall ensure, in its business premises in which services are provided to users and on its Internet page, the possibility of filing complaint, and/or enable the user to be informed on the manner of filing complaint and on the method of handling complaint.

The Right to Claim to the National Bank of Serbia

Article 27

If he is not satisfied with response to his complaint, or response has not been provided within the prescribed term, complaint provider may, prior to initiating legal proceedings, file claim in writing to the National Bank of Serbia.

Complaint provider may file claim within six months from the date of response receipt or the expiry of term for providing response.

The National Bank of Serbia shall notify claim provider on finding under such claim within three months from the date of claim receipt, and in more complex cases, such deadline may be prolonged by maximum three months, on which the National Bank of Serbia shall ensure to notify claim provider in writing prior to the expiry of original deadline.

Extra Judicial Settlement of Disputable Relation

Article 28

If complaint provider is dissatisfied with response to his complaint or such complaint has not been provided to him within the prescribed term, disputable relation between complaint provider and financial service provider may be solved in extra judicial proceedings - mediation procedure.

After initiating mediation procedure, user may not file claim thereafter unless this mediation has been completed in suspension or waiver, and if claim has already been filed - the National Bank of Serbia will stop proceedings thereunder and/ or suspend the proceedings if mediation is completed in agreement.

Mediation procedure shall be initiated at the proposal of one of the parties in dispute which is accepted by other party. This proposal must also include deadline for the acceptance thereof, which may not be shorter than five days from the date of submitting such proposal.

Mediation procedure shall be confidential and urgent.

Parties in dispute may make decision to implement mediation procedure before the National Bank of Serbia or other authority or person authorised for mediation.

Mediation procedure before the National Bank of Serbia shall be free of charge for parties in such procedure.

Mediation procedure may be finalised with agreement between parties, suspension, or waiver by the Bank.

IX. PAYMENT SERVICE DATA SECRECY AND PERSONAL DATA PROTECTION

Article 29

The regulations governing business or bank secrecy and personal data protection, as well as Erste Bank a.d. Novi Sad General Terms of Business shall apply to the treatment of data obtained by the Bank during payment service provision as well as to personal data processing.

X. CLOSING PROVISIONS

Article 30

The General Terms are made in writing and they shall be available at the Bank Branches and on the Bank Internet Page. Payer shall be entitled to require a copy hereof in hard copy or other permanent carrier.

Signing payment order, the User shall acknowledge that he is aware of the provisions of the General Terms and accepts the application thereof.

The Bank Price Lists and the Cut-off Times shall be an integral part hereof.

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

General Terms shall apply starting from 17 March 2019.