

# GENERAL TERMS OF PROVIDING PAYMENT SERVICES TO PRIVATE INDIVIDUALS AND REGISTERED FARMS

## 1. INTRODUCTORY PROVISIONS

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

Basic data on the issuing Bank of the General Terms:

Corporate name: ERSTE BANK A.D. NOVI SAD;  
Registered office: Bulevar oslobođenja 5, 21000 Novi Sad  
TIN: 101626723;  
REG. NO: 08063818;  
Giro account: 908-0000000034001-19;  
Internet page [www.erstebank.rs](http://www.erstebank.rs);  
e-mail address: [info@erstebank.rs](mailto:info@erstebank.rs)  
Telephone for users: 080 0201 201  
+38160/ 4848 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.

## 2. TERMS

- 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) e-payment order means electronic message containing instruction which is electronically generated, sent, verified, received, processed, and stored
- 4) payment account means account used for executing payment transactions, maintained by payment service provider for one or several payment service users; Payment account can be current account or other payment account
- 5) current account is payment account maintained with the Bank, used for executing payment transactions and for other purposes relating to services provided by banks to payment service users
- 6) payment instrument means any personalised device and/or a set of procedures agreed between the payment service user and the payment service provider and used by the payment service user in order to issue a payment order
- 7) payment service user means a natural or legal person that uses or was using a payment service in the capacity of a payer and/or payee or has turned to the payment service provider in order to make use of such services
- 8) payer means a natural or legal person that issues a payment order from its payment account or gives consent to execute a payment transaction based on the payment order issued by a payee, or, if there is no payment account, a natural or legal person that issues a payment order
- 9) payee means a natural or legal person designated as the recipient of funds subject to a payment transaction
- 10) user 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
- 11) 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
- 12) registered farm - private individual who is a holder or member of family farm in sense of the law governing agriculture and rural development
- 13) funds means cash, scriptural money and electronic money
- 14) cash means banknotes and coins
- 15) electronic money means electronically (including magnetically) stored monetary value as represented by a claim on the issuer which is issued on receipt of funds for the purpose of execution of payment transactions and which is accepted by a natural or legal person other than the electronic money issuer
- 16) electronic money holder means a natural or legal person to whom electronic money has been or is being issued, and/or a natural or legal person that has turned to the issuer for the purpose of issuing the money, as well as any other natural or legal person having a claim from item 14)
- 17) 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
- 18) 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

- 19) 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
- 20) IPS NBS system is the system whose operator is the National Bank of Serbia and which ensures the providers of payment services the execution of individual instant approval transfers (instant payment), 24 hours a day, seven days a week, 365 days a year (24/7/365) almost immediately, i.e. within a few seconds
- 21) direct debit means a payment service where a payee, based on the payer's consent, initiates a payment transaction to debit the payer's payment account. The payer may give such consent to the payee, its payment service provider or payee's payment service provider. The payer may give such consent to the payee, its payment service provider or payee's payment service provider
- 22) standing order is the instruction which the payer delivers to the provider of payment services at which has opened payment account, for the execution of approval transfer, in regular time intervals or in previously defined dates
- 23) 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
- 24) 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
- 25) reference interest rate means the interest rate which is used as the basis for calculating interest and which is publicly available, and is determined independently of the unilateral will of the payment service provider and user which have entered into a payment service contract
- 26) 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
- 27) 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
- 28) 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
- 29) 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
- 30) legal residence in the Republic of Serbia is the residence of a private individual in the Republic of Serbia, in accordance with the regulations which define residence of citizens, i.e. residence of foreigners in accordance with the Law on Foreigners, including the foreigners who stay in the Republic of Serbia in accordance with the laws which regulate asylum and immigrants or based on the international agreement
- 31) change of payment account is the service which the provider of payment accounts provides to the user in accordance with the Law on Payment Services

### 3. PAYMENT SERVICES

3.1. The Bank shall execute the following payment services:

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

### **4.1. Current/Payment Account Opening and Maintaining**

4.1.1. The Bank shall open current and other payment accounts - escrow accounts, a vista deposit accounts, etc. The Bank shall open account based on filled in User's application (the Bank form) upon signing the Agreement on Account Opening and Maintaining

4.1.2. When establishing business relation, the Bank shall identify the User examining his valid identification document

4.1.3. For the purpose of disposing funds on the User's account, signatures of persons authorised for disposing of such funds shall be stored with the Bank, which will be used for signing payment order forms

4.1.4. Account opening applicant shall allow the Bank to verify and further process all of the data listed in the Application in accordance with the Law on Personal Data Protection, as well as to, upon account opening, forward his personal data to the Private Individual Account Register maintained by the NBS which shall not be public

4.1.5. In addition to the data referred to in the above paragraph, the Bank may also request other data from the User. In the event the User fails to provide the data which would enable the Bank to implement analysis of the User in accordance with the provisions of the Law on the Prevention of Money Laundering and Terrorism Finance, the Bank will not establish business relation or execute a transaction, i.e. it will terminate already existing business relation

4.1.6. In case of a request of the consumer with legal residence in the Republic of Serbia for the opening of RSD payment account with basic features, the Bank can reject such request if the consumer already has the payment account at other bank, which enables him or her to use the services from Article 73n of the Law on Payment Services, unless the consumer delivers the statement in writing and the notification from other bank that the payment account will be closed

4.1.7. When opening current account, the Bank shall provide the User with data on the number of account serving as unique identifier of the User in payment transactions, which is to be stated when executing payment services, used in payment transaction for unambiguous identification of such user and/or his payment account

4.1.8. The Bank shall undertake to maintain account to the User, execute payment services, and provide other banking services, in accordance with the General Terms, agreement entered into with him, and applicable regulations

4.1.9. The User shall dispose of the funds on his account within the available funds through disposal instruments. Disposal of funds on account on ATM, on acceptance device, or otherwise implying card use shall be executed using card and signing and/or using the Card User's PIN, or in other manner enabled by the Bank to Users. The Bank may determine maximum number of transactions and total amount of transactions executed on a daily basis using card when paying out cash and when purchasing goods and services, on which the User will be notified by the Bank on the Bank Internet page [www.erstebank.rs](http://www.erstebank.rs) and in the Bank business premises in which operations with clients are executed

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

### **4.2. Proxy**

4.2.1. When opening account or subsequently, the User may authorise one or several persons for the disposal of funds on account by authorisation provided at the Bank or through proxy certified with competent authority. Authorisation/proxy may be one-off, temporary, or permanent. Considering the right of funds disposal on account, authorisation/proxy may be general or special

4.2.2. If proxy has been issued outside the Bank, the User's signature must be certified by national or international competent authority. Proxy holder may execute transactions on behalf of and for the account of the User in accordance with regulations, but he may not have higher rights than the User

4.2.3. If the User is abroad, the proxy must be certified by notary (public notary) and include „Apostille” stamp (and be translated into the Serbian language by certified translator). If proxy is certified at diplomatic and consular representative office of the Republic of Serbia or if there is a bilateral agreement on the release of the obligation of legalising public documents between the Republic of Serbia and the country in which such document is certified, „Apostille” stamp shall not be necessary

4.2.4. Proxy holder may not grant proxy to a third party to dispose of funds and require account closing unless it is stated in proxy

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

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

4.2.7. Permanent proxy shall cease to apply by way of revocation by the User in writing, account closing, death of the User or proxy holder, loss of the User or proxy holder's work capability, Agreement cancellation or termination, or account closing. If statement of revocation and/or termination is made outside the Bank, signature in such document must be certified by national or international competent authority

### **4.3. Representation**

4.3.1. For minor or a person who is not capable of work, account opening shall be required by legal representative and/or guardian under decision of welfare center

4.3.2. Legal representative may operate under account in accordance with legislation, decisions of competent authorities, and approval of the Welfare Center

4.3.3. Legal representative may not agree overdraft under account or grant proxy to a third party to dispose of account

4.3.4. The right of disposal of legal representative shall be closed based on effective decision by competent authority, his death, death of represented person, and after represented person has acquired work capability

## **5. PAYMENT INSTRUMENT - DEBIT CARD**

### **5.1. Payment Instrument - Debit Card**

5.1.1. Upon opening current/payment account to the User, the Bank shall, upon his request, issue him a debit payment card which shall be the payment instrument based on which the User shall dispose of funds on account and/or initiate payment transactions up to the amount available on his account

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

If the User wants a debit card of other payment brand, upon his or her request, the Bank will issue other payment card (Visa, MasterCard, etc.)

The Bank shall be bound to reissue DinaCard debit card to the holders of debit cards after the expiry of the previously issued card, when re-issuing the existing card (unless DinaCard debit payment card was previously issued)

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

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

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

5.1.4. For the issuance and use of payment card, the Bank shall charge fees and costs, listed in the Price List. The Bank shall collect fees and other charges by debiting account the Card is tied to or in cash. The Account Holder shall be liable for the accuracy of any data provided to the Bank when the Card is issued and he shall report any data change to the Bank. Any costs incurred due to the failure to report data shall be borne by the Account Holder

## 5.2. Card Issuance and Card Data Protection

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

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

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

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

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

## 5.3. Debit Card Use

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

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

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

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

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

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

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

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

5.3.9. The Bank shall, for security reasons, set out cash amount limit and the amount of goods and service payment which may be used on ATMs and EFTPOS terminals on a daily basis. Daily limit under issued debit card shall amount to RSD 350,000.00, for executing transactions through EFTPOS terminal and RSD 50,000.00 for cash withdrawal on ATM. Limit of the number of daily transactions executed using card through EFTPOS shall be 15 transactions. The Card User shall be entitled to request changing daily limit level, by providing application for limit change, without any obligation of entering into Annex to Framework Agreement

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

5.3.11. The Card validity period shall be embossed on card. Debit card shall be valid until the last day in stated month. If the

User is in compliance with the provisions of Framework Agreement, upon validity period expiry, he shall be automatically re-issued the Debit Card in accordance with the current regulations, at the fee provided for in the Price List. The Debit Card User shall be entitled to, within 30 days prior to card validity, state unless he wants to be re-issued card

#### **5.4. Currency Exchange Rate**

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

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

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

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

5.4.5. If funds in original currency are not available on account, account shall be charged in currencies according to the following sequence: EUR, USD, CHF, GBP, and further in accordance with the sequence of the Bank exchange rate list at the Bank selling exchange rate for original currency and at the Bank buying exchange rate for currency on account

5.4.6. In the event original transaction currency is not included in the Bank exchange rate list, Mastercard International and Visa International shall translate original amount into EUR in accordance with Referential exchange rate, and the Bank shall, from such amount, calculate RSD counter value at the Bank selling exchange rate applicable on date of debiting, and from such amount at selling exchange rate, the Bank shall calculate counter value in currencies in accordance with the following sequence: EUR, USD, CHF, BGP, and further in accordance with the sequence of the Bank exchange rate list

5.4.7. MasterCard and Visa International exchange rates shall be publicly available on Internet pages [www.visaeurope.com](http://www.visaeurope.com) and [www.mastercard.com](http://www.mastercard.com) and they shall be variable during day, and the Bank exchange rate lists shall be available on the Bank Internet page and at all branches

#### **5.5. Complaints**

5.5.1. The User shall ensure to keep copy of slip/bill for the purposes of any complaint. The User shall ensure to file complaints under concluded transactions in writing in the prescribed form to the closest point of sale of the Bank, immediately upon being aware thereof, but not later than 13 days upon the receipt of statement and/or date of debiting

5.5.2. Date of the receipt of the Bank statement means the date of being aware of executed transaction

5.5.3. Complaints not filed within the prescribed deadline and form shall not be accepted by the Bank, and financial loss shall be borne by the Debit Card User

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

5.5.5. In the event the User wants to get the complete transaction documentation, he must request it from the Bank not later than 13 (thirteen) months from date of debiting

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

#### **5.6. Lost/Stolen/Misused Card**

5.6.1. The User shall ensure to immediately report the Debit Card loss/theft/fraud to the closest Bank sub-branch or to number 021/67 72 116. The User shall ensure to state the Debit Card number or his personal number in order for the Bank to ensure the further use thereof. The User shall, within 2 business days, confirm the report of the lost/stolen Card in writing

5.6.2. The Debit Card found after reporting loss must not be used and it must be returned as cut to the Bank in order to be destroyed

5.6.3. The User shall ensure to, without any delay, report the Bank damage and deficiency of the Debit Card in the manner provided for in the report of lost card

5.6.4. In the event of unauthorised use of the Debit Card and/or data from the Card, resulting in the execution of unauthorised transactions, the User shall, immediately, upon being aware thereof, but not later than within 13 months from the date of debiting, notify the Bank on any transaction executed based on unauthorised use of the Debit Card and/or data from such Card

5.6.5. The User shall, without any delay, return the Bank damaged, technically deficient card for which he suspects that it has been used in an unauthorised manner. If, after reporting lost card, it is found, he shall undertake to return it, without any delay, to the Bank for the purpose of destruction

## **5.7. Liability for Damage**

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

5.7.2. The Debit Card User shall bear any losses relating to any transaction executed due to fraud committed by himself, and he shall also bear losses resulting from the failure to meet his liabilities resulting from these General Terms, to notify the Bank without any delay on loss, theft, and misuse of payment card

5.7.3. The User shall not bear any losses resulting from transactions executed upon reporting loss, theft, or unauthorised use of the Debit Card and/or data from the card unless he himself has made fraud or participated in fraud or acted with the intention of making fraud

With regard to the Debit Card which may be used for making payment through the Internet, unless the site on which payment is made supports 3-D Secure protection mechanism, any risk relating to such payment will be assumed by the User if data from the Debit Card are misused

5.7.4. If data from the Debit Card are used by the User with the aim of executing telephone, e-mail, or postal purchase, the User shall assume complete risk relating to such payment, if data from such Debit Card are misused

5.7.5. The User shall have limited liability up to the amount of RSD 15,000 if unauthorised payment transactions have been executed due to the use of the lost or stolen Card, or misused Card if the User has failed to protect its personalised security elements

## **5.8. Protective and other Measures**

5.8.1. The User shall ensure to use the Debit Card in accordance with these General Terms governing the issuance and use of such an instrument

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

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

## **5.9. Payment Card Blocking**

5.9.1. The Bank shall block the further use of the Debit Card if there are reasonable grounds relating to payment card security, if there is suspicion of unauthorised use of the Debit Card or the use thereof for the purpose of fraud, or if there is an increased risk that the User will not be able to meet its payment obligation when the use of the Debit Card is related to the approval of loan and/or overdraft of account to the User

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

5.9.3. the Bank will ensure re-use of the Debit Card or it will be replaced with a new one - when reasons for blocking thereof cease

## **6. TERM DEPOSITS**

6.1. The Bank shall maintain term deposits for the User, which may be in RSD or FX

6.2. Deposit funds shall be placed through cash incoming payment or by transfer from current account in favour of deposit account

6.3. Deposit funds may not be transferred to other accounts through credit transfer

6.4. Depositor shall freely dispose of deposit funds

6.5. Term Deposit Agreement shall define the rights and obligations of the Bank and the Depositor, and set out whether interest shall be accrued and paid to deposit funds

## **7. STANDING ORDER**

7.1. The User and the Bank may agree the Standing Order execution under which the Bank shall be authorised to, at the charge of his account, execute regular or temporary payments in such manner that payment transaction shall be executed in favour of payee under the conditions defined by user (payee's account, payment amount, duration, payment schedule)

7.2. The Bank shall agree two types of standing orders with users:

- 1) Contractual standing orders - opened in favour of companies with which the Bank has entered into agreement on standing orders
- 2) Ordinary standing orders - through ordinary standing order, user may pay his debts to legal entities and private individuals with whom the Bank has not entered into agreement, transfer funds to savings account, pay humanitarian aid, etc. if the liability settled every month is in the same amount

7.3. The Bank shall execute standing orders in accordance with the conditions defined by the User. Unless standing order payment date is business day, payment will be executed on the first next business day. The User shall ensure funds on his Account not later than the time defined in the Cut-off Times. The Bank shall execute standing order only if there are sufficient funds on account to cover the total defined payment amount and accrued interest unless it is the payment based on credit liabilities to the Bank

7.4. Standing order shall be agreed by signing Standing Order Opening form and inputting any relevant data relating to the payment transactions executed through Standing Order

7.5. Standing order shall cease to be valid on the date defined in the Standing Order Form, by termination by the User, as well as by closing the account at the charge of which payment is executed and/or account in favour of which payment is executed

## **8. DIRECT DEBIT**

### **8.1. Introductory Provisions**

8.1.1. The User may agree direct debit service with the Bank enabling him to settle his liabilities to payee based on the consent provided to the Bank by payee, payee's service provider, or payer

8.1.2. Direct debit authorisation may be one-off or multiple, with fixed or periodical maturities

8.1.3. Direct debit authorisation in prescribed form may be provided by the User to his bank, payee's bank, or payee

8.1.4. The Bank will execute direct debit in accordance with the conditions determined in direct debit form. Unless direct debit payment date is business day, payment will be executed on the first next business day. The User shall ensure funds on his Account on the date of debit not later than the time defined in the Cut-off Times. The Bank shall execute direct debit only if there are sufficient funds on account for the cover of the total defined payment amount and accrued fee for service

8.1.5. The Bank will fully execute individual order which is a part of a series of payment transactions, exceptionally order will be executed in partial amount when there are insufficient funds on the User's Account for complete order execution if direct debit is agreed for the purpose of settling loan to the Bank

## **8.2. Return of Amount of Approved and Correctly Executed Payment Transaction**

8.2.1. The Bank shall ensure to, upon payer's request, return full amount of approved and correctly executed payment transaction by direct debit if the following conditions are met:

- 1) the payer's authorisation for execution of a payment transaction does not specify the exact amount of the payment transaction
- 2) the amount of the payment transaction exceeds the amount the payer could reasonably have expected taking into account its previous spending pattern, the conditions stipulated by the framework contract and circumstances of the case

8.2.2. The payer's payment service provider may require from the payer to provide evidence about facts relating to the fulfilment of conditions under paragraph 1 of this Article. The payer may not refer to the condition under paragraph 1, item 2) of this Article if the higher amount of the payment transaction was due to currency conversion at the agreed reference exchange rate

8.2.3. The payer may submit the request referred to in paragraph 1 of this Article within 56 days after the debit date

8.2.4. The payer's payment service provider shall refund the full amount of the payment transaction to the payer or inform it of the reasons for rejecting the request specified under paragraph 1 of this Article by no later than ten business days after the receipt of the request

8.2.5. If it rejects the request referred to in paragraph 1 of this Article, the payment service provider shall, in the notification about the reasons for the refusal, notify the payer also about the procedure for the protection of rights and interests of payment service users, including out-of-court redress, and the proceedings that could be instituted for the violation of provisions of this Law, as well as the body responsible for conducting these proceedings

8.2.6. The payer shall not be entitled to the return of payment transaction amount if the following conditions are met:

- 1) the payer has given its consent to execute the payment transaction directly to its payment service provider
- 2) information on the future payment transaction was provided or made available in the agreed manner to the payer for at least 28 days before the due date by the payment service provider or by the payee

8.2.7. The payer and its payment service provider may agree by provisions of the framework contract regulating direct debits that the payer may request a refund of the amount of the authorised payment transaction executed through direct debit even when the conditions under paragraph 1 of this Article have not been met. In such case, the payer's payment service provider may not refuse the payer's request for a refund of the amount of the payment transaction

## **9. PAYMENT INSTRUMENT - CREDIT CARD**

### **9.1. Payment Instrument - Credit Card**

9.1.1. Upon the approval of credit application to the User, the Bank shall, upon its request, issue it a Credit Card which shall be the payment instrument based on which the User shall dispose of funds on account and/or initiate payment transactions up to the amount available on his account

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

9.1.3. The Credit Card shall be made out to the User and it shall not be transferable. Credit Card shall be the Ownership of the Bank upon whose request it must be returned. The Credit Card User shall exclusively be responsible for the correct Credit Card Use

9.1.4. For the issuance and use of credit card, the Bank shall charge fees and costs, listed in the Price List. The Bank shall collect fees and other charges by debiting account the Card is tied to

The Credit Card User shall be liable for the accuracy of any data provided to the Bank when the Card is issued and he shall report any data change to the Bank. Any costs incurred due to the failure to report data shall be borne by the Credit Card User

### **9.2. Card Issuance and Card Data Protection**

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

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

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

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

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

### **9.3. Credit Card Use**

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

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

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

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

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

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

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

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

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

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

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

### **9.4. Currency Exchange Rate**

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

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

9.4.3. MasterCard and Visa International exchange rates shall be publicly available on Internet pages [www.visaeurope.com](http://www.visaeurope.com) and [www.mastercard.com](http://www.mastercard.com) and they shall be variable during day, and the Bank exchange rate lists shall be available on the Bank Internet page and at all branches

## **9.5. Complaints**

9.5.1. The Credit Card User shall ensure to keep slip/bill copy for the purposes of any complaint. 5.5.1 The Credit Card User shall ensure to file complaints under concluded transactions in writing in the prescribed form to the closest point of sale of the Bank, immediately upon being aware thereof, but not later than 13 months upon the receipt of statement and/or date of debiting

9.5.2. Date of the receipt of the Bank statement means the date of being aware of executed transaction

9.5.3. Complaints not filed within the prescribed deadline and form shall not be accepted by the Bank, and financial loss shall be borne by the Account Holder

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

9.5.5. In the event the Credit Card User wants to get the complete transaction documentation, he must request it from the Bank not later than 13 (thirteen) months from date of debiting

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

## **9.6. Lost/Stolen/Misused Card**

9.6.1. The User shall ensure to immediately report the Credit Card loss/theft/fraud to the closest Bank sub-branch or to number 021/67 72 116. The Credit Card User shall ensure to state the Credit Card number or his personal number in order for the Bank to ensure the further use thereof. The User shall, within 2 business days, confirm the report of the lost/stolen Card in writing

9.6.2. The Credit Card found after reporting loss must not be used and it must be returned as cut to the Bank in order to be destroyed

9.6.3. The Credit Card User shall ensure to, without any delay, notify the Bank on damage and deficiency of the Credit Card in the manner provided for in the report of lost card

9.6.4. In the event of unauthorised use of the Credit Card and/or data from the Credit Card, resulting in the execution of unauthorised transactions, the User shall, immediately, upon being aware thereof, but not later than within 13 months from the date of debiting, notify the Bank on any transaction executed based on unauthorised use of the Credit Card and/or data from such Card

9.6.5. The User shall, without any delay, return the Bank damaged, technically deficient Credit Card for which he suspects that it has been used in an unauthorised manner. If, after reporting lost card, it is found, the Credit Card User shall undertake to return it, without any delay, to the Bank for the purpose of destruction

## **9.7. Liability for Damage**

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

9.7.2. The Credit Card User shall bear any losses relating to any transaction executed due to fraud committed by himself, and he shall also bear losses resulting from the failure to meet his liabilities resulting from these General Terms, to notify the Bank without any delay on loss, theft, and misuse of the Credit Card

9.7.3. The Credit Card User shall not bear any losses resulting from transactions executed upon reporting loss, theft, or

unauthorised use of the Credit Card and/or data from the Credit Card unless he himself has made fraud or participated in fraud or acted with the intention of committing fraud

With regard to the Credit Card which may be used for making payment through the Internet, unless the site on which payment is made supports 3-D Secure protection mechanism, any risk relating to such payment will be assumed by the Credit Card User, if data from the Credit Card are misused

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

9.7.5. The Credit Card User shall have limited liability up to the amount of RSD 3,000 if unauthorised payment transactions have been executed due to the use of the lost or stolen Credit Card, or misused Credit Card if the User has failed to protect its personalised security elements

## **9.8. Protective and other Measures**

9.8.1. The Credit Card User shall ensure to use the Credit Card in accordance with these General Terms governing the issuance and use of such an instrument

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

9.8.3. The Credit Card User shall, immediately upon becoming aware of loss, theft, or fraud of payment card, report the Bank thereof

## **9.9. Credit Card Blocking**

9.9.1. The Bank shall block the further use of the Credit Card if there are reasonable grounds relating to payment card security, if there is suspicion of unauthorised use of the Credit Card or the use thereof for the purpose of fraud, or if there is an increased risk that the User will not be able to meet its payment obligation

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

9.9.3. The Bank will ensure re-use of the Credit Card or it will be replaced with a new one - when reasons for blocking thereof cease.

## **10. PAYMENT INSTRUMENT – NETBANKING SERVICE**

### **10.1. NetBanking**

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

10.1.2. E-banking service User may become any private individual holding opened current/payment account at the Bank (hereinafter: User). The User shall agree e-banking NetBanking service use by signing the Application Form which shall, at the same time, be the Application for NetBanking Service Use

### **10.2. Service Type**

10.2.1. Erste NetBanking shall cover the Internet Banking services and functionalities listed and described in user manual.

10.2.2. Erste NetBanking services shall enable the following to the User:

- review of balance and turnover under all accounts
- payment transaction execution:
  - a. funds transfer between accounts held at the Bank
  - b. order for payment through credit transfer, including instant transfers
  - c. FX buying and selling
  - d. FX payment order
    - funds term depositing
    - agreement of standing orders and Contractual Standing Orders
    - agreement of other services

- cheque review
- statement ordering
- filing application for credit products
- financial advisor functionality ensuring: graphic overview, income and expenses monitoring and control, automated transaction categorisation, budget adjustments, review of future costs.

10.2.3. The Bank shall enable the User to use all of the services and functionalities offered within Erste NetBanking, and the User shall individually, at own discretion, determine which of the services and/or functionalities he wants to use. The Bank shall reserve the right to change the volume and content of the NetBanking services and functionalities on which the User shall be notified through the content of its Internet pages

### **10.3. Erste NetBanking Service Use**

10.3.1. Upon the approval of Application by the Bank, the Bank shall provide the User with user name and password to e-mail and TAN table or another security device necessary for NetBanking service identification and use (hereinafter: user identification) shall be provided in person

10.3.2. The User shall use Erste NetBanking service upon overtaking user identification and he shall undertake to, when accessing the NetBanking service for the first time, change his password. The User shall, immediately upon the receipt of user identification, take any reasonable and appropriate measures for the purpose of protecting personalised security elements of user identification

10.3.3. Erste NetBanking service use shall be defined herein and in NetBanking Service Use Instructions

10.3.4. Financial advisor functionality shall be defined in the General Terms of Financial Advisor Use and in the Instruction. Erste NetBanking User shall activate the financial advisor functionality by way of electronic acceptance of the General Terms of Financial Advisor Use and by granting Data Processing Consent, whereby minimum one inflow or outflow transaction must be executed to activate this functionality

10.3.5. Instruction on the functionality use shall be available on the Bank Internet page for the service activation

10.3.6. All of the forms of using Erste NetBanking services which are electronically executed applying prescribed user identification shall be identical to signing

10.3.7. The User shall undertake to fill in all of orders and any necessary specifications in an orderly and accurate manner, and to authenticate them by way of final transaction confirmation, taking available amount of funds on accounts at the Bank into consideration, otherwise he shall bear the risk of non-execution, incorrect execution, and/or rejection of payment order execution

10.3.8. Payment order execution deadline shall be defined in the Bank Cut-off Times

10.3.9. The Bank shall not assume liability for the non-availability of Erste NetBanking service resulting as the consequence of technical problems on computer equipment, outage, or hindrances in telecommunication channels, electric power system outage, or as a consequence of force majeure

### **10.4. Data Protection and Liability for Damage**

10.4.1. The User shall ensure to keep the secrecy of user identification and smart card and he shall accept full liability for any liabilities resulting from the attributes of his user identification

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

10.4.3. The Bank shall be entitled to block the use of Erste NetBanking service and disable its further use if there are grounds relating to this payment instrument security in case of suspicion of unauthorised payment instrument use or the use thereof for the purpose of fraud, as well as in other cases required by security reasons

10.4.4. The Bank will automatically block the service use to user if incorrect user data are input three times during logging. In such case, the User may unblock service access in person in the Bank premises or by calling User Support

10.4.5. The User shall bear any losses resulting from the execution of non-authorized payment transactions if such transactions have been executed due to the User's fraud or his failure to meet the obligation of taking any reasonable and

appropriate measures for the purpose of protecting personalised security elements of user identification due to his wilful intention or gross negligence

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

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

10.4.8. The User shall have limited liability up to the amount of RSD 3,000 if unauthorised payment transactions have been executed due to the use of lost or stolen user identification, or if user identification has been misused, because the User has failed to protect its personalised security elements

## **10.5. Protective and other Measures**

10.5.1. The User shall ensure to use Erste NetBanking in accordance with the provisions hereof governing the issuance and use of such an instrument

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

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

## **10.6. Erste NetBanking Blocking**

10.6.1. The Bank will block the further use of Erste NetBanking if there are grounds relating to this payment instrument security in case of suspicion of unauthorised payment instrument use or the use thereof for the purpose of fraud

10.6.2. The Bank shall undertake to notify the User on its intention of Erste NetBanking blocking and on the reasons of such blocking. Unless it is able to notify him thereof prior to blocking, the Bank shall undertake to do so immediately upon blocking. Notification on the intention of blocking i.e. Erste NetBanking blocking shall be provided by the Bank to the User to the e-mail address known to the Bank unless the provision of such notification is prohibited under regulations or if there are reasonable security reasons not to do so

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

## **10.7. Notification**

10.7.1. The User shall be informed on payment and turnover transactions executed through Erste NetBanking through the Statement provided to the e-mail address reported to the Bank or in other agreed manner. The User agrees to receive additional notifications, of informative or other nature, through various Bank distribution channels

10.7.2. The User may file complaint relating to the transaction set through Erste NetBanking immediately upon becoming aware of non-executed, incorrectly executed, or unapproved transaction, but not later than 13 months from the date of debiting

10.7.3. The User shall undertake to report e-mail address change to the Bank, otherwise it shall be deemed that he has been duly notified by submitting Statement and other notifications to the last reported e-mail address

## **11. PAYMENT INSTRUMENT – mBANKING SERVICE**

### **11.1. Introductory Provisions**

11.1.1. Erste mBanking (hereinafter: mBanking) shall be the service of mobile banking of Erste Bank a.d. Novi Sad (hereinafter: Bank) enabling the user to execute and review payment transactions and review account balance. The excerpt hereof, including Application Form, Excerpt from the Price List, and Cut-off Times shall comprise a framework payment service agreement (hereinafter Framework Agreement)

### **11.2. mBanking Service Use Agreement**

11.2.1. The mBanking service User may become any private individual holding opened current account at the Bank (hereinafter: User)

11.2.2. The User may agree this service only if he has got an adequate mobile device, which may support the mBanking application

11.2.3. The User shall agree the mBanking service use by signing the Application Form which is, at the same time, Application for mBanking Service Use. The User holding opened Erste NetBanking may also agree the mBanking service through his NetBanking order. Selection of the option of accepting mBanking through Erste NetBanking order shall be deemed to be the Application for mBanking Service Use

11.2.4. With his signature, the User shall acknowledge the accuracy of stated data

### 11.3. Service Type

11.3.1. mBanking services shall cover the Internet Banking services and functionalities listed and described in user manual

11.3.2. The mBanking services shall enable the following to the User:

- review of balance and turnover under all accounts
- payment transaction execution:
  - a. funds transfer between accounts held at the Bank
  - b. order for payment through credit transfer, including instant transfers
  - c. FX buying and selling
- funds term depositing
- agreement of standing orders and Contractual Standing Orders
- agreement of other services

11.3.3. The mBanking services shall cover the mobile banking services listed and described in instruction on mBanking service use. The Bank shall enable the User to use all of the services offered in the mBanking, and the User shall individually, at own discretion, determine which of the services he wants to use. The Bank shall reserve the right to change the volume and content of the mBanking services on which the User shall be notified through the content of its Internet pages. The User shall grant his consent to such changes and fully accept them. The User shall not be entitled to require damage compensation in the event of the mBanking service content change

### 11.4. mBanking Service Use

11.4.1. Upon the approval of Application by the Bank, the Bank shall provide the User with user name and password to e-mail and TAN table or another security device necessary for the mBanking service identification and use (hereinafter: User Identification) shall be provided in person

11.4.2. The User shall use the mBanking service upon overtaking user identification and he shall undertake to, when accessing the mBanking service for the first time, change his password. All of the forms of using mBanking services which are electronically executed by applying prescribed user identification shall be identical to signing

11.4.3. The Bank shall guarantee the mBanking service User to freely dispose of funds on all of demand accounts, opened based on entered into agreement with the Bank, up to the amount of funds on his account, also including overdraft on such account. In the event the client has already used the NetBanking service, he shall use the user identification already used for the NetBanking

11.4.4. The User shall undertake to fill in all of payment orders in an orderly and accurate manner, and to authenticate them by way of the final transaction confirmation, taking available amount of funds on accounts at the Bank into consideration, otherwise he shall bear the risk of non-execution, incorrect execution, and/or rejection of payment order execution

11.4.5. The User shall be liable for the accuracy of all data of payment orders and he shall bear the damage resulting from inputting incorrect data for any frauds of the mBanking service in his own environment

11.4.6. Payment order execution deadline shall be defined in the Bank Cut-off Times

11.4.7. The Bank shall exclude own liability for any consequences which may arise from the use of inadequate mobile device

11.4.8. The Bank shall not assume liability for the non-availability of the mBanking service resulting as the consequence of technical problems on computer equipment, outage, or hindrances in telecommunication channels, electric power system outage, or as a consequence of force majeure

### 11.5. Data Protection and Liability for Damage

11.5.1. The User shall ensure to keep the secrecy of the mBanking user identifications and he shall accept full liability for any liabilities resulting from the attributes of his user identification.

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

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

11.5.4. The Bank will automatically block the mBanking service use to user if incorrect user data are input three times during logging. In such case, the User may unblock service access in person in the Bank premises or by calling User Support

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

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

11.5.7. The User shall not bear any losses resulting from mBanking transactions executed upon reporting loss, theft, or unauthorized use of user identification to the Bank unless he himself has made fraud or participated in fraud or acted with the intention of making fraud

11.5.8. The User shall have limited liability up to the amount of RSD 3,000 if unauthorized payment transactions have been executed through the mBanking due to the use of lost or stolen user identification, or if the mBanking user identification has been misused, because the User has failed to protect its personalised security elements

## **11.6. Protective and other Measures**

11.6.1. The User shall ensure to use the mBanking in accordance with the provisions hereof governing the issuance and use of such an instrument

11.6.2. The User shall, immediately upon the mBanking user identification receipt, take any reasonable and appropriate measures to protect personalised security elements of such an instrument (password, TAN table, token, etc.)

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

## **11.7. mBanking Blocking**

11.7.1. The Bank shall block the further use of mBanking if there are reasonable grounds relating to payment instrument security, if there is suspicion of unauthorized use of the mBanking or the use thereof for the purpose of fraud, or if there is an increased risk that the User will not be able to meet its payment obligation when the use of such instrument is related to the approval of loan and/or overdraft on account to the User

11.7.2. The Bank shall undertake to notify the User on its intention of the mBanking blocking and on the reasons of such blocking. Unless it is able to notify him thereof prior to blocking, the Bank shall undertake to do so immediately upon blocking. Notification on the intention of blocking i.e. the mBanking blocking shall be provided by the Bank to the User to the e-mail address reported to the Bank unless the provision of such notification is prohibited under regulations or if there are reasonable security reasons not to do so

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

## **11.8. Notification**

11.8.1. The User shall be informed on payment and turnover transactions executed through the mBanking through the Statement provided to the e-mail address reported to the Bank. The User agrees to receive additional notifications, of informative or other nature, through various Bank distribution channels.

11.8.2. The User may file complaint relating to the transaction set through the mBanking immediately upon becoming aware of non-executed, incorrectly executed, or unapproved transaction, but not later than 13 months from the date of debiting

11.8.3 The User shall undertake to report e-mail/postal address and mobile device change to the Bank, otherwise it shall be deemed that he has been duly notified by submitting Statement and other notifications to the last reported e-mail/postal address and/or number of mobile device to the Bank

## **12. PAYMENT SERVICE PROVISION**

### **12.2. Consent regarding Payment Transaction**

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

12.1.2. The method of granting consent to payment transaction execution shall depend on payment instrument (payment card, NetBanking, mBanking, and order receipt channel (through direct submission at the Bank branch, electronically, by presenting and reading QR code at the location of the seller in case of the initiation of instant transfer etc.)

12.1.3. The User shall give his consent for the execution of payment transaction initiated:

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

### **12.2. Payment Order Types**

12.2.1. Payment order may be incoming, outgoing, and transfer payment order

12.2.2. Incoming payment order means payment order used for incoming payments of cash to current/payment account (payment of liabilities in cash or other cash incoming payments to current/payment account of the User or payee)

12.2.3. 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 signature, i.e. consent
- 13) manner of order execution - urgent

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

12.2.5. Outgoing payment order shall include the following basic elements:

- 1) name of payer
- 2) name of payee
- 3) number of current/payment account
- 4) currency designation
- 5) amount
- 6) 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

12.2.6. Transfer order means payment order used for cash transfer from current account to current/payment account

12.2.7. Electronic payment orders shall include the same elements as payment order forms in hard copy

12.2.8. Transfer payment order shall include the following basic elements:

- 1) order execution method - urgent
- 2) name of payer
- 3) name of payee
- 4) number of payer's current/payment account
- 5) number of payee's current/payment account
- 6) currency designation
- 7) amount
- 8) payment purpose
- 9) payment code
- 10) model reference number relating to crediting number
- 13) reference number of crediting
- 14) place and date of receipt
- 15) execution date
- 16) signature of payee/payer, i.e. consent

12.2.9. The Bank may individually, for the purpose of payment transaction execution, also determine additional payment order elements - bar code, optical character recognition - OCR, etc

12.2.10. Payment orders for payments in FX in Serbia and international payment orders, as well as payment orders in RSD and FX between non-residents and residents in Serbia are prescribed in the Law on Foreign Exchange Transactions, Decision on Conditions and Method of International Payment Execution, and Instruction on Implementing such Decision. Payment orders for payment among non-residents, residents, and non-residents in Serbia, and for payments abroad shall include Payment Order, Collection Order, and General FX Order. Documentation evidencing payment and/or collection grounds in accordance with regulations shall be provided in addition to the above-mentioned orders

### **12.3. Payment Order Receipt**

12.3.1. The Bank shall receive payment orders through its distribution channels, in accordance with the provisions of account opening and maintaining agreement, and the provisions of General Agreements for payment services and the provisions of these General Terms (Erste NetBanking/mBanking/payment card issuance, etc.) provided by the Bank relating to such accounts

12.3.2. Order may be received at the Bank:

- by personal submission at the Bank branch, in writing
- electronically through NetBanking/mBanking; or
- indirectly through payee (using payment card or through direct debit)

### **12.4. The Bank Procedure upon Order Receipt**

12.4.1. 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

12.4.2. 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 or certified copy shall be presented to the Bank and the Bank shall keep documentation copy

12.4.3. The Bank shall be entitled to require the 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

12.4.4. Orders must be filled in a legible, clear, and unambiguous manner. Any data required in order form must be filled in, inputting execution date and obligatory signature, otherwise by granting consent depending on product and/or communication channel with the Bank

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

12.4.6. 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

## **12.5. Order Receipt Time**

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

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

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

12.5.4. If the payment service User and the Bank determine that payment order execution is to begin on certain date or on the date at the end of certain period or on the date when payer makes monetary funds available to its payment service provider - it shall be deemed that payment order is received on such determined date. Unless such date is business day of payment service provider, it shall be deemed that order is received on the next business day of such provider

12.5.5. For payment transactions initiated using card, the time of order receipt shall mean the moment in which the Bank has received the order of payee's payment service provider, after which the User's account will be debited in the amount of payment transaction

12.5.6. Unless payment order receipt time is business day of the Bank and/or if the Bank has received order after particular deadline for payment order receipt in accordance with Cut-off Times, it shall be deemed that order is received on the next business day. Payment orders in the amount of RSD 300,000, initiated electronically via NetBanking/mBanking, flagged by the User as instant payment (urgent), the Bank will be executed immediately or almost immediately in any part of day, every day in a year

## **12.6. Payment Order Execution**

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

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

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

## **12.7. Payment Order Rejection**

12.7.1. The Bank may reject order execution unless all of the conditions for order execution prescribed herein are met

12.7.2. 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

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

12.7.4. The Bank may charge fee to the 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, account blocking, etc. Fee level shall be determined in the Retail and Registered Farm Product and Service Price List

12.7.5. 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

12.7.6. 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

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

## **12.8. Payment Order Recall**

12.8.1. Payer may recall payment order - by providing the Bank request for recall in writing or electronically depending on the method of the issuance of payment order recalled (amount, payee, payer, execution date, etc.), at the time and in the manner ensuring to initiate such recall prior to the execution of the instructions contained in such order provided that the Bank has not executed such payment order

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

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

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

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

12.8.6. 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.)

12.8.7. Recall of order upon the expiry of the deadlines referred in paragraph 1-3 of this Article may be charged by the Bank, in accordance with the Retail and Registered Farm Product and Service Price List

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

## **12.9. Payment Transaction Execution Deadline**

12.9.1. Payment orders shall be executed in accordance with time of receipt and execution date

12.9.2. For domestic payment transaction executed in RSD, the Bank shall undertake to approve transaction amount on the account of payee's payment service provider on the same Business Day on which the Bank has received payment order. In case of domestic payment transaction up to RSD 300,000 as instant approval, the Bank is obliged to immediately i.e. almost immediately approve the amount of the transaction at the account of the payment service provider, after the receipt of such order

12.9.3. For payment transactions not covered in the above paragraph, deadlines for payment transactions set out in law and/or relevant by-laws shall apply

12.9.4. In the event of international payment transactions or payment transactions in currency of third states, the Bank shall not be bound to, prior to payment service agreement entering into, provide or make readily available information to the User relating to deadline for payment transaction of payment service provider of payee in a third country if, at the time of entering into this agreement, such information is not available to the Bank. In such case, framework agreement relating to these transactions need not contain information on transaction execution deadline, and the Bank shall ensure to provide information to the payment service User on expected time of payment transaction execution

## **13. INFORMATION AND COMMUNICATION METHOD BETWEEN THE BANK AND THE USER**

### **13.1. Information in Pre-agreement Stage**

13.1.1. The Bank shall ensure to, within reasonable term, prior to entering into framework agreement, provide information to the User stipulated in the law as the obligatory elements of such agreement in such manner which will enable the user to become aware of the conditions relating to payment service provision, as well as to compare offers of various payment service providers and estimate whether these conditions and services meet his needs

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

13.1.3. The Bank may deliver the User the information from paragraph 1 hereof by providing draft framework agreement which contains this information, in hard copy, or on other permanent data carrier. Offer provided to the User in the form of draft framework agreement shall be valid for five days until the date of the provision thereof to the User

### **13.2. Information of Payer prior to and upon Payment Transaction Execution**

13.2.1. The Bank shall ensure to, prior to the execution of individual payment transaction initiated by payer based on framework agreement, provide the payer, upon his request, with specific information on deadline for the execution of such payment transaction and fees charged to him

13.2.2. Data on execution deadlines and fees and costs shall be communicated to payer in the place of payment transaction execution

13.2.3. The Bank will, without any delay, after any executed individual payment transaction, provide payer with data on such transaction in the manner and volume as stipulated in the Law on Payment Services or in higher volume as agreed

13.2.4. The Bank shall periodically provide information referred to in the above paragraph on a monthly basis, in the agreed manner, in hard copy or other permanent data carrier

13.2.5. The Bank shall provide the payer, upon his request, free of charge, with the information on individual executed payment transactions on a monthly basis

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

### **13.3. Information to Payee upon the Execution of Individual Payment Transaction**

13.3.1. The Bank shall, immediately upon transaction execution, provide the User - payee with data in the manner and volume as stipulated in the Law or in higher volume as agreed

13.3.2. The Bank shall periodically provide the User with the information referred to in the above paragraph on a monthly basis, in the agreed manner, in hard copy or other permanent data carrier

13.3.3. The Bank shall provide the payer, upon his request, free of charge, with the information referred to in paragraph 1 of this item on individual executed payment transactions on a monthly basis

### **13.4. Communication Method**

13.4.1. Unless otherwise agreed between the Bank and the user, communication during the contractual relation is to be made in the Serbian language

13.4.2. The Bank and the User shall communicate in the agreed manner as follows: exchanging notifications and other writs by mail or electronic mail, and upon the User's explicit request by overtaking writs at the Bank Branch

13.4.3. The User with whom the Bank electronically communicates shall ensure to meet minimum technical requirements for using electronic mail, as follows: possession of computer/mobile telephone, adequate operating system, hardware base, supporting respective e-banking application, Internet browser, and e-mail address

13.4.4. The User shall undertake to notify the Bank in writing on any changes of personal data, and other data relating to the account, referred to in account opening application. The User shall be liable for any failures and damage arising from the non-conformance with the obligation of providing data on arisen changes

## **14. FEES AND INTEREST RATES**

### **14.1. Fees**

14.1.1. For payment service execution, the Bank shall charge fees in accordance with the Retail and Registered Farm Product and Service Price List

14.1.2. The User agrees that the Bank shall collect fees and other costs arisen in accordance with this Agreement by debiting his account. Regarding fees for FX account/demand deposit maintenance, the Bank shall collect fees by debiting the User's account at the middle exchange rate of the NBS applicable on the date of collection

14.1.3. The User agrees and authorises the Bank to, in the event when he does not have funds on current account on fee collection day, reserve funds and, upon the inflow thereof, make collection from his account. In the event that there are insufficient funds on the User's account, the User agrees and authorises the Bank to also make partial collection from the User's account up to the complete liability settlement

14.1.4. The payer's payment service provider, the payee's payment service provider and the intermediary participating in the execution of a payment transaction for the account of the payment service provider shall transfer the total amount of the payment transaction specified in the payment order from the payer to the payee

14.1.5. By way of derogation from the above paragraph, the payee and its payment service provider may agree that the payment service provider shall deduct its charges from the amount transferred before crediting it to the payee's account or making it available to the payee. In such case, following the execution of a payment transaction, the full amount of the payment transaction and charges paid shall be shown separately in statement by payment service provider

14.1.6. If, in the course of international payment transactions, the Bank charges fee to the payment service User for the execution of international payment transaction or payment transactions in the currency of third states are charged by other payment service provider or intermediary participating in the execution of these payment transactions - the Bank shall, prior to payment transaction initiation, notify the User on the amount of such fee. If, at the time of initiating payment transaction, it does not have available information on the exact fee amount, the Bank shall provide the User with the information on the expected amount of the fee

## **14.2. Interest Rates**

14.2.1. Interest may be accrued and paid by the Bank to the funds deposited on current or deposit account, in accordance with agreement entered into with the User and with the applicable Price List

14.2.2. Legal default interest in the amount and in the manner prescribed in the Law on Default Interest shall be accrued and charged by the Bank to the funds over the limit of account, as well as to the amount of overdue liabilities to the Bank.

## **15. LIABILITY FOR PAYMENT TRANSACTION EXECUTION**

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

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

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

### **15.2. Payer's Liability for Unauthorised Transaction**

15.2.1. By way of derogation from the above item hereof, payer shall bear losses resulting from the execution of unauthorised payment transactions up to the amount of RSD 3,000 if such transactions have been executed due to:

- 1) the use of a lost or stolen payment instrument, or
- 2) the misappropriation of a payment instrument, if the payer has failed to protect its personalised security features

15.2.2. The Payer shall bear any losses resulting from the execution of non-authorised payment transactions if such transactions have been executed due to the payer's fraud or his failure to meet the obligation of taking any reasonable and appropriate measures for the purpose of protecting personalised security elements of such instrument due to his wilful intention or gross negligence

15.2.3. If the payment service provider does not provide appropriate means of the notification of a lost, stolen or misappropriated payment instrument, the payer shall not bear losses resulting from the use of that payment instrument, except where it has acted fraudulently

15.2.4. The payer shall not bear any losses resulting from unauthorised payment transactions executed after it notified the payment service provider of the lost, stolen or misappropriated payment instrument, except where these losses occurred due to the payer acting fraudulently

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

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

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

15.3.3. If evidence is provided by the payer's service provider 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

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

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

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

15.4.2. Unless payment order has been submitted or payment order has not been correctly submitted in the case referred in paragraph 1 of this Article, payee's payment service provider shall, immediately upon becoming aware thereof, submit and/or re-submit such order to payer's payment service provider

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

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

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

#### **15.5. Rights and Obligations of Payment Service Providers in Case of Incorrectly Executed Payment Transactions**

15.5.1. Rights and obligations of payment service providers in case of incorrectly executed national payment transactions are the following:

- 1) if the payer's payment service provider transfers to the payee's payment service provider the amount of the payment transaction that is higher than the amount indicated in the payment order or if it by mistake executes the same payment order several times, the payee's payment service provider shall, based on evidence submitted by the payer's payment service provider that made the error, return such funds to the payer's payment service provider without undue delay
- 2) if the amount of the payment transaction transferred to the payee's payment service provider is lower than the amount indicated in the payment order, the payer's payment service provider may, within time limits specified by the Law on Payment Services, transfer to the payee's payment service provider the difference, even without request of the payment service user for correct execution of the payment transaction
- 3) if funds are transferred to a payee other than the one indicated in the payment order, the payer's payment service provider may, within time limits specified in Article 42 of this Law, correctly execute the payment transaction even without the request of the payment service user for correct execution of the payment transaction, and the payee's payment service provider to whom the funds are wrongly transferred shall in any case, based on evidence submitted by the payer's payment service provider that made the error, return such funds (as recovery) to the payer's payment service provider without undue delay

15.5.2. The return of funds under paragraph 1, items 1) and 3) of this Article shall take precedence over any other payment transaction from the payment account from which the recovery is to be made

#### **15.6. Liability of an Intermediary for Non-executed or Incorrectly Executed Payment Transactions**

15.6.1. The payment service provider shall be liable to the payment service user for a non-executed or incorrectly executed payment transaction even if the liability is attributable to an intermediary participating in the execution of that payment transaction among payment service providers

## **15.7. Obligation to Trace Funds in Case of Non-executed or Incorrectly Executed Payment Transactions**

15.7.1. 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, with the purpose of the refund of the amounts of payment transactions and to notify the user about the outcome of measures taken without undue delay

## **15.8. Liability for Using Unique Identifier**

15.8.1. 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

15.8.2. If unique identifier filled 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

15.8.3. 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), with the purpose of the refund of the amount of the payment transaction

15.8.4. Payment service provider may charge special fee to the payment service user for taking measures referred to in paragraph 3 of this Article, in the amount set out in the Price List

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

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

15.9.1. 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

## **15.10. User's Complaint**

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

15.10.2. The User shall immediately notify the Bank on any unauthorised, non-executed, or incorrectly executed payment transaction, and/or if he requires correct payment transaction execution, upon becoming aware of such payment transaction, but not later than 13 months from the date of account debiting

15.10.3. Upon the expiry of the period referred to in the previous paragraph, the User shall not be entitled to request the recovery of an incorrectly executed, unauthorised transaction if he has been provided by the Bank with the information on the respective payment transaction in accordance with the law

## **15.11. Corrections on Account**

15.11.1. The Bank shall be authorised to make correction on account without any specific request by the User if errors have arisen from a failure by a Bank employee

15.11.2. The Bank shall be authorised to make necessary corrections, issue appropriate orders, and implement changes on the Account to adjust the Account balance which would match the Account balance unless payment transaction were executed

15.11.3. The User shall be notified by the Bank on the executed corrections through statement on balance and changes under the Account or by special notification

## **16. PAYMENT ACCOUNT DEBITING WITHOUT PAYMENT ORDER**

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

- 1) in the process of enforcement and/or forced collection taken against such user, in accordance with the law
- 2) for the purpose of collecting due fees for the Bank services, due claims based on loan approved by the Bank to the User, or other due claims of the Bank to the User

- 3) in the event of filing bill of exchange for collection issued by the User if there are sufficient funds for bill of exchange collection
- 4) in other cases prescribed in the law

16.2. The executed payment transaction referred to in paragraph 1 of this Article shall not be considered an unauthorised payment transaction and it shall have priority in relation to payment orders provided by the User to the Bank for execution

## **17. PROTECTION OF THE RIGHTS AND INTERESTS OF PAYMENT SERVICE USER**

### **17.1. Introductory Provisions**

17.1.1. If the Bank fails to be in compliance 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 shall be entitled to the protection of their rights and interests

17.1.2. The procedure of protecting rights and interests of payment service users 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

17.1.3. 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, including the procedure of their prohibition

### **17.2. Right to Complaint**

17.2.1. 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

17.2.2. The User shall be entitled to complain within three years from the date when his right or legal interest was breached

17.2.3. 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

17.2.4. 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

### **17.3. The Right to Claim to the National Bank of Serbia**

17.3.1. 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

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

17.3.3. 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

### **17.4. Extra Judicial Settlement of Disputable Relation**

17.4.1. 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

17.4.2. 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

17.4.3. 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

17.4.4. Mediation procedure shall be confidential and urgent

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

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

17.4.7. Mediation procedure may be finalised with agreement between parties, suspension, or waiver

## **18. CLOSING PROVISIONS**

### **18.1. General**

18.1.1. The General Terms shall, together with agreement and application form/specific form of the Bank for specific payment services, Excerpt from the Price List, and Cut-off Time, Overview of Services and Fees related to the payment account, comprise Framework Agreement on Payment Service Provision

18.1.2. Signing Agreement/Application Form/signed form of the Bank for specific payment services, the User shall acknowledge that he is provided the excerpt hereof, that he is aware of the provisions of the General Terms and accepts the application thereof

### **18.2. Agreement Amendments**

18.2.1. The Bank shall ensure to notify the User on any General Terms/Framework Agreement amendments not later than 60 days before such proposed amendments come into force

The Bank will electronically provide amendments if e-mail address is available to the Bank, otherwise the delivery will be made by mail

18.2.2. It will be deemed that the User has acknowledged proposed amendments unless he/she has notified the Bank on his/her disagreement therewith until the date of the beginning of the application thereof

18.2.3. The User shall be entitled to, prior to the date of the application of proposed amendments, terminate the agreement excluding the payment of any fee and other charges if he disagrees with such amendments

18.2.4. The User may require that the agreement provisions contrary to the information provided in the pre-agreement stage and/or unless the provisions relating to the information comprising the obligatory agreement element have previously been sent to the User - are determined null by initiating relevant legal proceedings

### **18.3. Payment Service Termination**

18.3.1. The User may unilaterally terminate the Framework Agreement, within 30-day notice period which shall start to run from the date of sending notification in writing on the termination to other party

18.3.2. In the event of the termination by the User, he shall ensure to settle any due liabilities to the Bank and return cards, user identification, and non-used blank cheques within 8 days from the notification on the Agreement termination

18.3.3. The Bank may unilaterally terminate the Framework Agreement, within 60-day notice period which shall start to run from the date of sending notification in writing on the termination to other party

18.3.4. The Bank and the User may unilaterally terminate the Framework Agreement without any notice period if other party fails to be in compliance with the provisions of the agreement

18.3.5. The Bank may also unilaterally terminate the Framework Agreement in other cases set out in agreement, the law governing contracts and torts or in other law

### **18.4. Regulation Application**

18.4.1. Valid regulations and the Bank General Terms of Business, legislation, and other acts of the Bank governing operation with Users shall apply to anything not set out herein and in the agreement. These General Terms shall be an integral part of the Bank General Terms of Business

18.4.2. The User acknowledges that he is aware of and fully accepts the Bank General Terms of Business

18.4.3. The User acknowledges that he is informed on and that he has received the Excerpt from the General terms, Ex-

cerpt from the Price List, Cut-off Times and Overview of Services and Fees, which shall be an integral part of the Framework Agreement

### **18.5. Dispute Resolution**

18.5.1. Mutual disputes will be solved by the Bank and the User in a mutual agreement, otherwise the court having territorial and subject matter jurisdiction shall be competent court in accordance with the law

### **18.6. Application of the General Terms**

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

18.6.2. If the provisions of agreements governing payment services under contractual relations of the Bank and User until coming into force of these General Terms are contrary to the provisions of the Law on Payment Services and/or the provisions of these General Terms, such provisions of previously entered into agreements will not apply, but the provisions of these General Terms and other documents comprising the Framework Agreement will apply to them, and they shall be deemed the amendment of the existing agreement without any obligation of entering into agreement annex

18.6.3. These General Terms shall apply from 17 March 2019.