



**THE GENERAL TERMS AND CONDITIONS FOR
ISSUING AND USING A PAYMENT CARD AS A
PAYMENT INSTRUMENT IN ZAPAD BANK**

*The General terms and conditions for issuing and using a payment card as a payment instrument in
Zapad bank*

CONTENT:

1.	INTRODUCTION	3
2.	BANK – PAYMENT CARD ISSUER	4
3.	TERMS AND INTERPRETATION.....	5
4.	AREA OF APPLICATION OF GENERAL TERMS	14
5.	ISSUING AND USING OF PAYMENT INSTRUMENTS.....	14
6.	BANK’S OBLIGATIONS RELATED TO PAYMENT INSTRUMENTS	15
7.	CLIENT’S AND ITS AUTHORIZED REPRESENTATIVE OBLIGATIONS AS USERS OF BANK’S PAYMENT INSTRUMENTS.....	16
8.	LIABILITY FOR DAMAGE WITH PAYMENT CARDS.....	17
9.	RESTRICTIONS/LIMITATIONS FOR THE USAGE OF PAYMENT INSTRUMENTS	17
10.	BANK’S RIGHT TO BLOCK THE PAYMENT INSTRUMENT	18
11.	CANCELATION/CHANGE OF PAYMENT CARD	18
12.	PAYMENT SERVICES	19
12.1.	<i>Signing payment orders / Verification</i>	19
12.2.	<i>Authorizations of payment transactions</i>	20
12.3.	<i>Proof of authenticity in execution of payment transactions</i>	21
13.	RESPONSIBILITY OF CLIENT / NON-CONSUMER FOR UNAUTHORIZED TRANSACTIONS	22
14.	CLIENT’S CONSUMER / NON-CONSUMER RIGHTS IN CASE OF UNAUTHORIZED OR INCORRECTLY EXECUTED PAYMENT TRANSACTION	22
15.	BANK’S LIABILITY FOR EXECUTION OF UNAUTHORIZED OR INCORRECTLY EXECUTED PAYMENT TRANSACTIONS	23
16.	LIABILITY FOR EXECUTION OF A PAYMENT TRANSACTION IN CASE OF PAYMENT INITIATION THROUGH A PAYMENT INITIATION SERVICE PROVIDER.....	23
17.	BOOK ENTRIES / CORRECTION OF BOOK ENTRIES.....	24
18.	RIGHT TO SETTLEMENT	24
19.	FEES AND EXPENSES.....	25
20.	CURRENCY AND RATES.....	25
21.	COMMUNICATION - OBLIGATION OF INFORMING CLIENT.....	25
22.	AMENDMENTS TO THE GENERAL TERMS.....	26
23.	EXTRAJUDICIAL PROCEDURES AND ALTERNATIVE DISPUTE RESOLUTION.....	26
24.	EXCLUSION OF LIABILITY	27
25.	DATA TREATMENT	27
26.	FINAL PROVISIONS	28

1. INTRODUCTION

These General Terms and Conditions for the issuance and use of payment cards as a payment instrument at Zapad Bank AD Podgorica define the manner and conditions for issuing and using Payment Cards for consumers and non-consumers, i.e. natural persons, legal entities and entrepreneurs, residents and non-residents, as well as the rights and obligations of Zapad Bank AD Podgorica (hereinafter: the "Bank") and the Account Holder/Payment Card User/Cardholder (hereinafter: the "Client").

The General Terms and Conditions for issuing and using payment cards as a payment instrument at Zapad Bank AD Podgorica (hereinafter: the "General Terms") apply to:

- issuance of the Payment Card,
- the manner of its use by the Client,
- recording of transactions on the transaction account and/or the Client's Payment Card account,
- informing the Client about changes and balances on the transaction account,
- calculation and collection of Bank fees for services related to Payment Cards,
- blocking and cancellation of the Payment Card,
- as well as other matters related to the issuance and use of Payment Cards.

An integral part of these General Terms are:

- General Rules for issuing and using Mastercard Debit Cards ("General Rules"),
- General Rules for issuing and using Mastercard Business Debit Cards ("General Rules for Mastercard Business Debit Cards"),
- Terms of Use of the "Zapad Secure" service,
- Tariffs – residents and Tariffs – non-residents ("Tariffs") of the Bank, whether forming part of the contract or available to Clients on the website www.zapadbanka.me or displayed in the Bank's premises.

Any reference to the General Terms shall also include reference to the above documents.

The General Terms, General Rules, and Terms of Use of Zapad Secure service form an integral part of the individual Agreement (on issuing and using Mastercard Standard Debit and/or Mastercard Gold Debit cards) and together with the Application form constitute the Agreement as a single whole.

The General Terms together with the General Rules for Mastercard Business Debit cards and Terms of Use of Zapad Secure service form an integral part of the separate Agreement on issuing and using Mastercard Business Debit cards (hereinafter: the "Agreement").

The General Terms, General Rules, Terms of Use of Zapad Secure service and Tariffs are available in written form upon application and on the Bank's website. By signing the Application/Agreement, the Client confirms familiarity with and acceptance of all provisions.

In the event of any conflict between the Agreement and the General Terms and Conditions and/or other acts of the Bank, the provisions of the Agreement shall prevail, followed by the provisions of the Framework Agreement on the provision of payment services (national and international payment transactions), then the General Terms and Conditions for the provision of payment transaction services (payment services for consumers/non-consumers) of the Bank, the General Terms, General Rules or General Rules for Mastercard Business Debit cards, the Terms of Use of the Zapad Secure service, and finally the provisions of other acts of the Bank.


By concluding the Agreement, the Client confirms that they have been previously acquainted with these General Terms and Conditions, fully agree with them, and accept them in their entirety.

2. BANK – PAYMENT CARD ISSUER

Name:	ZAPAD BANKA AD PODGORICA
Address:	Moskovska street 2B/Vii, 81 000 Podgorica, Montenegro
Registrar of Companies number:	40009448
Identification number:	3032531
Tax Identification Number:	3032531
BIC/SWIFT:	ZBCGMEPG
Bank account with the Central Bank:	907-57001-31
E-mail:	info@zapadbanka.me
Web page:	www.zapadbanka.me
phone:	+382 20 690 000
Fax:	+382 20 690 001
Supervisory body:	Central Bank of Montenegro
Work permit issued by the Central Bank of Montenegro:	0101-4014/67-3 from January 30. 2015

3. TERMS AND INTERPRETATION

In these General Terms, the following words have the following meanings:

Acts of the Bank	All documents and decisions adopted by the Bank's governing bodies, its internal bodies, and authorized persons, which are made available to the Client through specific distribution channels, and which regulate the rights and obligations of the Client and all other persons assuming rights and obligations towards the Bank, as well as those of the Bank itself.
Authentication of the User	A procedure that involves the identification and verification of the User's identity.
Transferor Bank	Provider of payment services transmitting information necessary for transferring payment accounts.
Recipient Bank	Provider of payment services receiving information necessary for transferring payment accounts.
Contactless payment	<p>A payment transaction authorized by tapping a Payment Card or another payment instrument on a POS terminal. Depending on the transaction amount and the functionalities of the POS terminal, authorization is performed by tapping the Payment Card or other payment instrument on the device, with an additional step of entering a PIN for transactions exceeding the amount defined in the General Terms and Conditions for the issuance and use of Payment Cards.</p> <p>Each contactless payment reader displays the following symbol: </p>
Biometric Authentication	A method of authenticating the User by using a biometric characteristic, such as a fingerprint, facial recognition, etc., which the User has previously stored on their mobile device/application.
CVV code	three-digit code on the back of a payment card, which is used in carrying out transactions on the Internet or MOTO / CNP transactions.
Execution Date of the Payment Order	The day on which the Bank debits the client's transaction account and/or transaction account linked to the client's payment card or reserves funds for the executed payment.
Currency date of credit/debit	the date on which the Bank credits the account of the Payment Service Provider of the payee or the transaction account and/or the Payment Card transaction account of the Client

The General terms and conditions for issuing and using a payment card as a payment instrument in Zapad bank

Debit card	represents a payment card with payment and settlement of the transaction account without delay.
Distribution channels	All methods and channels through which access to, contracting, and use of the Bank's products and services is enabled, such as the Bank's branches, the Bank's website, electronic banking services, and similar.
Direct debit	A payment service for debiting the Payer's payment account, where the payment transaction is initiated by the Payee based on the Payer's consent given to the Payee, the Payee's payment service provider, or the Payer's payment service provider.
Daily limit	Maximum Daily Spending Limit. For security reasons, the Bank sets a daily limit for cash withdrawal transactions, purchases at POS terminals, and online payments. The daily limit may be adjusted upon the Client's request, up to the maximum amount defined by the Bank.
Additional card	Card issued to a non-account holder.
Member state	Member State of the European Union or a signatory state of the European Economic Area Agreement.
E - banking	Remote access services for accessing Client account information and/or executing payment transactions and currency conversion transactions using computer or mobile devices.
Electronic payment transaction	A payment transaction initiated and executed through the use of an electronic platform or device, excluding payment transactions initiated by paper-based payment orders, mail, or telephone.
Identification document	The document submitted to the Bank by the client to establish their identity, nationality, and residential address (ID card for residents, passport or other appropriate identification document with a photograph for residents and non-residents).
Internet banking	The service within E-banking that enables clients to access their transaction accounts and perform transactions remotely using a computer and a device that allows the receipt or generation of OTP codes.
Online Point of Sale	A registered merchant location that offers products or services via the Internet.

Online Transaction	A transaction carried out at an online point of sale using a Payment Card.
Unique identification code	A combination of letters, numbers, or symbols designated by the payment service provider to the payment service user, which the payment service user must provide in order to clearly identify another payment service user and/or the transaction account of another payment service user used in the payment transaction (the unique identification code can be IBAN/BBAN/account number; BBAN is used in domestic payments, while IBAN is used in international payments).
One – time payment transaction	A payment order containing information in accordance with the Law
Specimen Signatures	A list of signatures of authorized persons for the disposal of funds from the Client's transaction account and/or the Payment Card transaction account, deposited using the Bank's designated form.
Cardholder	Natural person specially authorized to use the payment card.
Payment service user	A natural person, legal entity, or entrepreneur who uses a payment service as a payer and/or payee.
Client's contact address	the address provided by the Client to the Bank when contracting any product or service, or subsequently notified to the Bank in writing, as the address at which the Client wishes to receive written notifications from the Bank, if such address differs from the Client's registered office/permanent residence/place of stay.
Credit transfer	A payment service by which the payer initiates and executes one or more payment transactions through their payment service provider, including the issuance of a standing order.
Spending limit	Maximal amount of purchase, cash withdrawal and money transfer, by which debit card/cards are limited on a daily (from 00:00 to 24:00) and monthly level;

International payment transaction	A payment transaction in which one payment service provider offers the payment service within the territory of Montenegro, and the other payment service provider operates in the territory of another country, as well as a payment transaction in which the same payment service provider offers the payment service to one payment service user within the territory of Montenegro, and to the same or another payment service user in the territory of another country.
Monthly limit	Maximum monthly spending amount. For security reasons, the Bank defines a monthly limit for cash withdrawal transactions, purchases at POS terminals, and online payments. The monthly limit may be changed upon the Client's request, up to the maximum amount defined by the Bank.
MOTO/CNP transaction	Mail Order and Telephone Order (MOTO) and Card-Not-Present transactions are transactions that do not require the use of the Client's Payment Card at the point of sale.
Mobile banking	A service within E-banking that enables the Client to access their transaction accounts and perform transactions remotely using mobile telecommunication devices, such as smartphones, tablets, and other mobile devices.
Payment order	An instruction submitted by the Client to the Bank requesting the execution of a payment transaction
National payment transaction	A payment transaction involving the participation of the payment service provider of the payer and/or the payment service provider of the payee, where the payment services are provided within the territory of Montenegro
Nonconsumer	A natural person who, in payment services agreements, acts within the scope of their registered business activity – a sole proprietor, as well as a legal entity.
Nonresident	A person defined in accordance with the law regulating current and capital transactions with foreign countries, i.e., a person who is not considered a resident
Card owner	a legal entity or a resident sole proprietor who uses or has used the card, or has contacted the Bank for the purpose of using the payment card issuance service
Cash assets	cash (banknotes and coins), funds in the account, and electronic money

<p>Framework Agreement for the Provision of Payment Services (national and international payment transactions) Transaction Account for the Execution of National Payment Transactions (BBAN) and Transaction Account for the Execution of International Payment Transactions (IBAN) and Framework Agreement for the Provision of Payment Services (national and international payment transactions via payment card) Transaction Account for the Execution of National Payment Transactions (BBAN) and Transaction Account for the Execution of International Payment Transactions (IBAN) (hereinafter referred to as the "Framework Agreement")</p>	<p>A payment services agreement that governs the future execution of individual payment transactions, the terms and conditions for opening and maintaining a transaction account, transaction accounts – Payment Cards, as well as services related to the transaction account and/or the transaction account – payment cards.</p>
<p>Authorized person</p>	<p>A natural person authorized by the Payment Service User – the holder of the transaction account and/or the transaction account – Payment Card, or by their representative, to dispose of the funds in that account, in accordance with the Bank's internal regulations and/or a specific power of attorney for managing the funds in the account.</p>
<p>OTP</p>	<p>One-Time Password – a time-limited code that the Client receives via the Notification Service, a hardware token, or a software token.</p>
<p>Main card</p>	<p>Card issued to the owner of transaction account.</p>
<p>Sensitive data</p>	<p>Data that can be used to commit fraud, including personalized security credentials, provided that, for the activities of the payment initiation service provider and the account information service provider, the account holder's name and account number do not constitute sensitive payment data.</p>

Personalized security elements	Data on the Payment Card and data associated with the card that enable the Bank to identify the person authorized to use that Payment Card, particularly the name and surname of the Payment Card User, the Payment Card number, the security code printed on the Payment Card, the card's expiration date, the PIN, and the signature of the Payment Card User on the card, as well as OTP, TAN, and CVV.
Payment card PIN	A personalized security element consisting of the Client's personal secret identification number, assigned by the Bank, known exclusively to the Payment Card User and strictly confidential, used for identifying the Payment Card User and authorizing payment transactions that require identification and authorization via PIN.
Payment instrument	A personalized instrument and/or a set of procedures agreed upon between the Payment Service User and the Payment Service Provider, which the Payment Service User applies to initiate a payment order.
Payment card	A payment instrument that enables its holder to pay for goods and services via an acceptance device or remotely, and/or to withdraw cash or use other services at an ATM or another self-service device.
Consumer	A natural person who enters into a payment services agreement for purposes not related to their trade, business, or profession.
Connected payment brands	The inclusion of two or more payment brands or payment applications of the same payment brand on the same payment instrument.
Special conditions	Terms and conditions prescribed for a specific Bank service (e.g., Electronic Banking Services, Payment Cards, services, etc.).
Strong Customer authentication	Authentication based on the use of two or more elements that fall into the categories of knowledge, possession, and inherence, which are mutually independent, and which only the User knows and possesses—meaning that the compromise of one does not undermine the reliability of the others—and which is designed in such a way as to protect the confidentiality of the data being authenticated.
Entrepreneur	A natural person who is not a consumer, that is, a legally competent individual who carries out an activity for the purpose of generating income, in accordance with the law regulating business entities and other applicable laws.

The General terms and conditions for issuing and using a payment card as a payment instrument in Zapad bank

Acceptance of payment transactions	A payment service by which the payment service provider, based on an agreement with the payee for the acceptance and processing of payment transactions, transfers funds to the payee.
Receiver of funds	physical person or a legal entity that are intended to receive the funds that are the subject of a payment transaction.
Authentication Verification	A procedure that enables the payment service provider to verify the identity of the payment service user or the validity of the use of a specific payment instrument, including the use of the user's personalized security credentials.
The provider of payment services	entities that can, under the law, provide payment services in Montenegro.
Business day	The part of the day during which the Bank or another payment service provider of the payee participating in the execution of the payment transaction operates and enables the execution of the payment transaction to the payment service user.
Payment account	An account maintained by the payment service provider in the name of a single payment service user, used for executing payment transactions.
Reference	Numerical code generated during payment order processing at the Bank, enabling the payer/payee to identify the payment transaction.
Reference rate	the rate used as a currency conversion basis, made available by the payment service provider or derived from a publicly available source (Mastercard).

Resident	<p>A person defined in accordance with the law governing current and capital transactions with foreign countries:</p> <ul style="list-style-type: none"> • Business entities and other legal persons registered in Montenegro, excluding their representative offices located outside of Montenegro; • Branches of foreign companies registered with the competent authority in Montenegro; • Entrepreneurs – natural persons with a registered office or residence in Montenegro who conduct business activities on their own behalf for profit and are registered with the competent authority in Montenegro; • Natural persons – Montenegrin citizens who have resided in Montenegro continuously for one year or longer; • Natural persons – foreign nationals who, based on a permanent or temporary residence permit, or a temporary residence and work permit, have resided in Montenegro continuously for one year or longer; <p>Diplomatic, consular, and other representations of Montenegro abroad, employees of those representations, and members of their families who are not foreign nationals.</p>
Tariff	<p>The valid publicly disclosed tariff according to which the Bank, among other things, charges for services related to account opening and maintenance, as well as the execution of payment transactions.</p>
Payment Transaction Reception and Execution Term plan	<p>Bank's act defining deadlines, manners and conditions for execution of payment transactions</p>
Token	<p>Hardware or software OTP generator</p>
Transaction account	<p>A type of payment account opened and maintained by banks and other credit institutions providing payment services, a branch of a credit institution from another country with a registered office in Montenegro, and the Central Bank, in the name of a single payment service user, for the execution of payment transactions and other purposes. It is used for carrying out payment transactions, as well as for other purposes related to payment services, and may be opened for consumers and non-consumers, residents and non-residents.</p>

Payment card transaction account	A type of account linked to a Payment Card as a payment instrument. It is opened for consumers and non-consumers, natural and legal persons, residents and non-residents. All financial changes, fees, and charges arising from the use of the Payment Card(s) are recorded on this account, all in accordance with the applicable Tariffs. Upon request of the primary cardholder, it may be opened individually for all additional cardholders.
Permanent medium	A means that enables the Client to store information addressed personally to them, in a way that makes the information accessible for future use during a period appropriate to the purpose of the information, and which allows the reproduction of the stored information in an unaltered form.
Money transfer	A payment transaction in which the User of payment services, using the payment Card as a payment instrument, through payment platforms, sends or receives money from a transaction account to or from a transaction account linked to a payment Card.
The Agreement for issuing and using a Mastercard debit card	Agreement regulating the way of issuing and the conditions for using a debit Mastercard card.
Payment initiation service	A payment service initiating a payment order at the request of the payment service user that concerns an account held at another payment service provider.
Account information service	a payment service provided through online access, which provides consolidated information on one or more payment accounts held by the payment service user with another payment service provider or multiple payment service providers.
Notification service	A service within E-banking that enables Clients to receive notifications via mobile phone, i.e., the sending of OTP codes via messages, as well as messages regarding the balance, inflows, and outflows on the transaction account and/or the transaction account linked to a Payment Card, information about the Bank's payment cards and their usage, including other information related to the Bank's operations via SMS, Viber, and other messaging platforms.
Terms of Use for the Zapad Secure Service	The terms under which reliable authentication is carried out during online purchases.

Account owner	The user of payment services who has signed the Framework Agreement with the Bank and has opened a transaction account and/or a transaction account for payment cards with the Bank.
Law	Existing Law on Payment System in Montenegro, including amendments thereon
Zapad Secure Service	A banking service – a mobile device application that enables reliable user authentication.
Representative	A person being the legal representative of the Client, based on the Articles of Association, founding or other acts or person who establishes a business relation on behalf of the client, i.e. their representative under a special proxy.
3D Secure Standard	A standard for verifying the identity of a Payment Card User during online purchases, developed by card schemes (Mastercard, Visa), which enables secure payment for goods and services via the Internet.
3D Secure Service (Three Domain Secure)	Refers to the application of the Mastercard SecureCode standard for more secure payment of goods and/or services at online points of sale.

With regard to the interpretation of the meaning of certain words in this section of the General Terms and Conditions, it is irrelevant whether the singular or plural form is used, the gender of the noun, or whether a capital or lowercase letter is used. The headings of individual sections are provided for orientation purposes only and cannot serve as a basis for interpreting the General Terms and Conditions.

4. AREA OF APPLICATION OF GENERAL TERMS

These General Terms apply to future execution of payment transactions initiated by the Client through payment for goods and services using a Payment Card at acceptance devices or remotely, as well as cash withdrawals at ATMs.

The Bank issues a Payment Card to a natural person, entrepreneur, or legal entity if they have an open payment account with the Bank and actively use it.

All previously stated information is made available to the user of the Bank's services in an appropriate form at the time of concluding agreements related to the issuance and use of Payment Cards and acceptance of these General Terms – which are considered an integral part of such agreements.

5. ISSUING AND USING OF PAYMENT INSTRUMENTS

Upon an opened transaction account and/or Payment Card account, the Bank may issue payment instruments to the Client and/or their authorized persons and/or Payment Card users, upon the Client's request, in accordance with these General Terms and the general rules governing Payment Cards.

The Bank issues a Payment Card to the cardholder in their name, and it is linked to their transaction account and/or Payment Card account.

The owner of the account may have one or more Payment Card accounts and may request issuance of one or more cards for such accounts, including additional cards, even if they do not possess a primary card. Transactions performed using the Payment Card are debited from the Client's account on the transaction date. The Payment Card remains the property of the Bank, is issued in the name of the user, is non-transferable, and may only be used by the person whose name is printed on it. It is issued for a defined validity period.

The card may be used for: cashless payments at points of sale in Montenegro and abroad, purchase of goods and services, cash withdrawals at ATMs, exclusively within the available balance on the account. The Client is responsible for all costs incurred by using the card. All transactions performed domestically or abroad are debited in the currency of the card (EUR/USD) according to the exchange rate determined by the card organization (Mastercard).

Upon the expiration of the validity period of the existing Payment Card, the Bank issues a new Payment Card with a new validity period. A card whose validity has expired cannot be used. In that case, the User must cut it and return it to the Bank either by mail or in person. Any other use of the Payment Card, as well as use of the Payment Card by a person whose name is not printed on the card, is considered misuse, and the Bank may revoke the right to use it by confiscating the Payment Card and terminate the agreement on the transaction account and/or the Payment Card account.

Misuse of the right to use the Payment Card particularly includes using the Payment Card for the purpose of concluding fictitious sales contracts, securing debt repayment, collecting debts, or for any other purpose that is by its nature and intent contrary to the morality and positive regulations of Montenegro.

For conducting cashless and cash payment transactions using the Payment Card, the User of payment services signs all necessary documentation in accordance with the Bank's internal acts and receives the Payment Card and PIN.

6. BANK'S OBLIGATIONS RELATED TO PAYMENT INSTRUMENTS

The Bank is obliged to:

- ensure that the personalized security elements of the Payment Card as a payment instrument are available only to the Client authorized to use that payment instrument;
- refrain from sending a payment instrument that the Client has not requested, except in the case of replacing an already issued payment instrument;
- enable the Client at any time to submit a notice of loss, theft, or misuse of their Payment Card as a payment instrument, or its unauthorized use, free of charge, although the Bank may charge for the replacement of a lost or stolen payment instrument;
- upon the Client's request, provide appropriate proof that such notice of loss, theft, or misuse of their Payment Card as a payment instrument, or its unauthorized use, was submitted in accordance with the Agreement, provided that the request is made within 18 (eighteen) months from the date the Bank received such notice;
- prevent any use of the payment instrument after receiving the aforementioned notice.

The Bank bears the risk of delivering the payment instrument and the personalized security elements of the payment instrument to the Client.

7. CLIENT'S AND ITS AUTHORIZED REPRESENTATIVE OBLIGATIONS AS USERS OF BANK'S PAYMENT INSTRUMENTS

The Client or their Authorized Representative who is authorized to use the payment instrument shall be obliged to:

- 1) use the payment instrument in accordance with the provisions of the Agreement governing the issuance and use of that payment instrument;
- 2) immediately upon receipt of the Payment Card, take all measures to protect the personalized security elements of this instrument, i.e. to keep the assigned PIN code, as well as the Payment Card data, confidential in order to prevent misuse. It is particularly important that the PIN code is not written on the Payment Card or on any other document kept together with the Payment Card. The Client shall bear all financial consequences in case of misuse of an unsigned Payment Card, disclosure of the PIN code to an unauthorized person, or making the Payment Card available for use to third parties;
- 3) immediately upon becoming aware, notify the Bank or a person designated by the Bank of any loss and/or theft and/or misuse of the payment instrument and/or its unauthorized use, so that the Bank, upon receiving such notification, may prevent further use of the Payment Card.

In the event that the Client finds the Payment Card after reporting it as lost, they must contact the Bank. If the card has not been deactivated, the Bank will reactivate it. Otherwise, the Client may not use it and must return it to the Bank without delay.

8. LIABILITY FOR DAMAGE WITH PAYMENT CARDS

If the Bank does not enable the reporting of loss, theft, or unauthorized use of the Payment Card, or unauthorized use of data from the Payment Card at any time, the User shall not bear the consequences of such unauthorized use, unless the User has committed the misuse themselves.

The User shall bear losses related to any transaction carried out through misuse that they themselves have committed, and shall also bear losses arising from failure to fulfill their obligations:

1. arising from the prescribed General Terms and Conditions for issuing and using a payment card as a payment instrument at Zapad Bank, and
2. to adequately safeguard the PIN code.
- 3.

The User shall not bear losses resulting from transactions executed after notifying the Bank of the loss, theft, or unauthorized use of the Payment Card or its data, unless the User has committed or participated in the misuse or acted with fraudulent intent.

The Bank shall send the Client information about every transaction executed domestically and abroad via the "Notification Service" to the mobile phone number registered with the Bank, as well as through Internet banking if the Client uses this service.

The Client is obliged to immediately, upon receiving a message about a change in the account balance that they do not recognize as their own, notify the Bank without delay by contacting an authorized Bank representative or visiting a Bank branch and request the blocking of their Payment Card.

9. RESTRICTIONS/LIMITATIONS FOR THE USAGE OF PAYMENT INSTRUMENTS

The Bank determines the amount of daily and monthly spending limits (cash withdrawals at ATMs, payments for goods and services via EFTPOS devices, and online payments), as well as money transfer limits, at the time of approving the Payment Card, and informs the Client thereof when submitting the application for its issuance. These limits are restricted by the limits of the network in which the Payment Card is used.

The payment service user has the right to request from the Bank a change to the initially agreed spending limits. Additionally, the user may change the limits through the Bank's digital channels (internet banking/mobile banking), up to the maximum limits defined by the Bank's decision.

10. BANK'S RIGHT TO BLOCK THE PAYMENT INSTRUMENT

The Bank reserves the right to block/cancel a payment instrument for justified reasons related to:

1. the security of the payment instrument,
2. suspicion of unauthorized use or use of the payment instrument with intent to commit fraud.

The Bank is obliged to inform the Client of its intention and the reasons for blocking the payment instrument via the address/phone number provided when opening the transaction account and/or the transaction account linked to the Payment Card. The Bank will first inform the Client verbally, and then by email or with written confirmation sent to the provided address. If the Bank is unable to inform the Client prior to blocking the payment instrument, it is obliged to do so immediately after the block has been established, and as soon as possible.

Exceptionally, in cases of justified security reasons or when required by law and competent authorities, the Bank is not obliged to inform the Client.

The Bank also has the right to block/cancel the payment instrument in the following cases:

- If the account holder to which the Payment Card(s) are linked has due and unpaid obligations to the Bank arising from the use of the payment instrument;
- If the User/Cardholder acts contrary to these General Terms and the regulations governing this area;
- When the account holder to which the Payment Cards are linked closes the primary account with the Bank.

The Bank will unblock the Payment Card once the reasons for which it was blocked cease to exist.

11. CANCELTION/CHANGE OF PAYMENT CARD

The use of the Payment Card may be terminated either at the Client's initiative (cancellation of use) or by the Bank's decision to revoke the right to use it (prohibition of use).

The Client may cancel the use of the Payment Card in writing at least 30 (thirty) days before the expiration date printed on the card. Otherwise, the Bank will automatically renew and issue a new Payment Card to the Client, and the reissuance will be charged in accordance with the Bank's Tariff.

A Payment Card whose use has been cancelled must be returned to the Bank along with all additional cards, with the obligation to settle all liabilities incurred through their use.

The Client is required to return a damaged or malfunctioning Payment Card to the Bank, cut in half, either in person or by mail. The Bank will cancel the damaged card and issue a new one. The replacement service for a damaged Payment Card is charged to the Client in accordance with the Bank's Tariff, unless the Bank decides otherwise.

In the event of loss, theft, or misuse of the Payment Card, the Client has the right to submit a request for a new card. The issuance of a new Payment Card is charged to the Client in accordance with the Bank's Tariff.

12. PAYMENT SERVICES

12.1. Signing payment orders / Verification

When making payments or withdrawing cash using a Payment Card at EFTPOS devices, the Client identifies themselves by signature or PIN, and at ATMs by entering a PIN.

A correctly entered and verified PIN serves as the sole and unambiguous confirmation of the service performed at the ATM or EFTPOS terminal.

The Client is obliged to keep their PIN confidential and must not disclose it to others or write it on the Payment Card itself. All risk of PIN misuse is borne by the Client.

For transactions at EFTPOS terminals that do not have a PIN module, the Client's signature serves as confirmation of the transaction.

When paying for goods and services at online merchants, the Client confirms their identity using the following data: the Payment Card number, the card's expiration date, and optionally the security code printed on the back of the card (CVV code), OTP code, and/or biometrics. In cases of online payments, telephone orders, toll payments, and similar, the Client bears responsibility for any misuse if it occurs due to the Client's negligence or gross carelessness, or due to use of the Payment Card contrary to the general and specific terms of service.

The Client gives consent for a payment transaction by: inserting the Payment Card into an ATM and entering the PIN, inserting the Payment Card into an EFTPOS device and entering the PIN, or for online (e-commerce) or MOTO/CNP transactions, by entering the CVV code, OTP code, and/or using biometrics.

The Client agrees that their PIN, when entered and verified at an ATM or EFTPOS terminal, or their signature on an EFTPOS terminal that does not have a PIN module, or the entry of the CVV code, OTP code, and/or biometrics for online or MOTO/CNP transactions, shall serve as the sole and unambiguous confirmation of the service performed—whether it be cash withdrawal or payment for goods and services.

When conducting transactions with a payment account, the Client—consumer is required to identify themselves with a Payment/Bank Card and a valid identification document.

When signing in relation to the payment account, the Client–consumer’s signature must match the one deposited on the Application or on the Bank/Payment Card.

Consent to execute a payment transaction or a series of payment transactions must be given in the manner agreed between the payer and their payment service provider.

Consent may also be given through the payee or a payment initiation service provider. Otherwise, the payment transaction is considered unauthorized.

12.2. Authorizations of payment transactions

A payment transaction is considered authorized if the payer has given consent for its execution, or for the execution of a series of payment transactions that includes the specific transaction.

The method of giving consent depends on the type of payment instrument and the way the order is received.

The User gives consent for executing a payment transaction with a Payment Card by:

- inserting or tapping the Payment Card (contactless) at a point of sale to purchase goods or services and entering the PIN into the POS terminal or signing the transaction slip generated by the POS terminal;
- inserting or tapping the Payment Card (contactless) at an ATM and entering the PIN;
- inserting or tapping the Payment Card (contactless) at a POS terminal at a cash withdrawal location and entering the PIN or signing the transaction slip generated by the POS terminal;
- entering the Payment Card details, including security credentials required for online transactions, or entering a username and/or password under which the Payment Card is registered as a payment method for online purchases;
- at certain toll or parking payment locations where, due to the speed of transaction execution or technological requirements, consent is deemed to be given without the Cardholder’s signature or PIN entry. In such cases, the act of using the Payment Card constitutes consent.

For contactless transactions, entering a PIN is generally not required for amounts up to EUR 50.00. For amounts exceeding EUR 50.00, PIN entry is required.

The PIN confirmation limit may vary when using terminals of other banks that support contactless technology.

The Bank will not require PIN entry when:

- the total value of previous contactless transactions initiated with the Bank’s Payment Card does not exceed EUR 150.00, or
- the number of consecutive contactless transactions does not exceed five.

The Cardholder accepts that their PIN, when entered and verified at an ATM or POS terminal, or their signature on a POS terminal that does not support PIN entry, or the entry of the CVV/CVC code, OTP code, and/or use of biometrics for online or MOTO/CNP transactions, shall serve as the sole and unambiguous confirmation of the transaction and their identity.

The General terms and conditions for issuing and using a payment card as a payment instrument in Zapad bank

All authorizations made using Payment Cards are processed in the local currency (EUR) or in another settlement currency (USD).

As a result, the reserved amount for transactions in other currencies may differ from the original amount until the transaction is posted.

The Payment Card may be used as a payment instrument for purchasing goods and/or services via modern communication channels. When initiating online transactions, if the merchant supports the 3D Secure standard and in accordance with applicable legal regulations, Strong Customer Authentication (SCA) is required. SCA is performed using the Zapad Secure service, which includes biometric authentication. Before using the Zapad Secure service, the Payment Service User must review and accept the Terms of Use and regularly follow notifications provided by the Bank through its distribution channels (e.g., the Bank's website www.zapadbanka.me, the Zapad Secure app, etc.).

The Bank will not apply Strong Customer Authentication when the User initiates a card payment transaction at an online merchant if:

- the transaction amount is less than EUR 30.00, and
- the total value of previous transactions initiated by the User since the last SCA does not exceed EUR 100.00, or
- the number of previous transactions since the last SCA does not exceed five.

12.3. Proof of authenticity in execution of payment transactions

When the Client disputes having authorized a payment transaction or claims that the transaction was not properly executed, the Bank shall be responsible for proving that the authentication of the payment transaction was carried out, that the transaction was correctly recorded and posted, and that its execution was not affected by any technical malfunction or other deficiency.

Authentication is the process that enables the Bank to verify the use of a specific payment instrument, including the verification of its personalized security features, in accordance with the Law.

Evidence of completed authentication may include records in the database of successful/unsuccessful logins to the intranet banking system, application logs containing the date, time, serial number of the Payment Card, IP address from which the login was made, a description of the activity, and records of executed payment orders in database tables with information such as date, time, amount, card serial number, activity logs (entry, verification, second verification—authorization), and the transaction account used.

As a payment service provider and issuer of the payment instrument, the Bank is obligated to require Strong Customer Authentication (SCA) for electronic payment transactions, except in cases where exemptions are permitted under applicable regulations, depending on the transaction amount, number or total value of consecutive transactions, the payee, or other criteria defined by the relevant legislation.

In cases where, in accordance with the Decision on Ensuring Strong Customer Authentication and Common and Secure Open Standards of Communication, exemptions from the requirement for SCA apply, the mere fact that authentication was not required or performed does not, in itself, mean that the transaction was not authorized in the agreed manner.

13. RESPONSIBILITY OF CLIENT / NON-CONSUMER FOR UNAUTHORIZED TRANSACTIONS

The Client–consumer is liable for unauthorized payment transactions:

1. up to a total amount of EUR 50.00, if the unauthorized transaction was the result of the use of a lost and/or stolen payment instrument and/or the misuse of that instrument due to the Client's failure to protect the personalized security features of the payment instrument; and
2. for the full amount, if the Client acted fraudulently or failed to fulfill one or more obligations—either intentionally or through gross negligence—as outlined in Section 7 of these General Terms and Conditions.

Exceptionally, if the unauthorized payment transaction occurred as a result of the use of a lost and/or stolen payment instrument, or due to the misuse of the payment instrument, the Client shall not be held liable for any unauthorized transactions executed after the Bank has been duly notified.

If the Client fails to notify the Bank without undue delay after becoming aware of an unauthorized payment transaction, and no later than 13 (thirteen) months from the date of the debit, they lose the right to claim reimbursement for the unauthorized transaction.

The liability of a non-consumer Client for unauthorized transactions shall be governed by the provisions of the Contract.

14. CLIENT'S CONSUMER / NON-CONSUMER RIGHTS IN CASE OF UNAUTHORIZED OR INCORRECTLY EXECUTED PAYMENT TRANSACTION

In the case of an unauthorized payment transaction or an incorrectly executed payment transaction, including delayed execution, the Client has the right to request from the Bank: correction of the unauthorized payment transaction, proper execution of the payment transaction, or interest or reimbursement of the amount of the incorrectly executed/unauthorized payment transaction, in accordance with the Law.

The Client loses this right if they do not notify the Bank immediately upon becoming aware of the incorrectly executed or unauthorized payment transaction, and no later than 13 (thirteen) months from the date of the debit or credit of the payment account. The 13-month period does not apply if the Bank failed to provide or make available to the Client the information about the payment transaction in accordance with the Law.

In such cases, the Client may exercise the right referred to in paragraph 1 of this section of the General Terms and Conditions even after the 13-month period.

The rights of a non-consumer Client regarding unauthorized or incorrectly executed payment transactions shall be governed by the provisions of the Contract.

15. BANK'S LIABILITY FOR EXECUTION OF UNAUTHORIZED OR INCORRECTLY EXECUTED PAYMENT TRANSACTIONS

In the case of an unauthorized or incorrectly executed payment transaction, the Bank is obliged, upon the Client's request for a refund, to immediately return the amount of the unauthorized transaction.

If the unauthorized transaction was executed from a transaction account and/or the Payment Card transaction account, the Bank must restore the balance of the debited account to the state it was in prior to the execution of the transaction. The value date of the credit to the payer's account must not be later than the date on which the account was debited for the unauthorized or incorrectly executed transaction.

The Bank is also required to refund all fees charged in connection with the unauthorized or incorrectly executed payment transaction and to pay any applicable interest. In addition to the above, in the case of an unauthorized payment transaction, the Client also has the right to claim compensation for the remaining damage in accordance with general rules on liability for damages.

As a payment service provider, the Bank has the following rights and obligations in specific cases of incorrect execution of payment transactions:

- 1) **If the payer's payment service provider transfers to the payee's provider an amount exceeding that specified in the payment order, or executes the payment order more than once**, the payee's provider is obliged, based on evidence provided by the payer's provider, to return the excess funds without delay.
- 2) **If the amount transferred to the payee's provider is less than the amount specified in the payment order**, the payer's provider may, within the legally prescribed period, transfer the missing amount to the payee's provider to complete the transaction in accordance with the payment order, without requiring a request from the payment service user.
- 3) **If funds are mistakenly transferred to a payee not designated in the payment order**, the payer's provider may, within the legally prescribed period, correctly execute the payment transaction without requiring a request from the payment service user. The payee's provider who received the funds in error is obliged, based on evidence from the payer's provider, to return the received funds (as a refund) without delay.

16. LIABILITY FOR EXECUTION OF A PAYMENT TRANSACTION IN CASE OF PAYMENT INITIATION THROUGH A PAYMENT INITIATION SERVICE PROVIDER

If the payer initiates a payment order through a payment initiation service provider, the payment service provider managing the account is obliged, in accordance with the Law, to reimburse the payer for the

amount of the unexecuted or incorrectly executed payment transaction and to restore the payment account to the state it was in prior to the execution of that transaction.

The payment initiation service provider is required to prove that the payment service provider managing the payer's account received the payment order in accordance with the Law, and that, within its scope of authority, authentication of the payment transaction was performed, the transaction was properly recorded, and that no technical malfunction or other deficiency affected the non-execution or incorrect execution of the payment transaction, including delayed execution.

If the payment initiation service provider is responsible for the non-execution or incorrect execution of the payment transaction, including delayed execution, it is obliged, upon request of the payment service provider managing the account, to promptly reimburse all amounts paid to the payer and any other damages incurred.

17. BOOK ENTRIES / CORRECTION OF BOOK ENTRIES

The Bank undertakes to timely post changes to the transaction account and/or the Payment Card transaction account so that the Client can manage the funds in the payment account based on the accurate account balance.

The Bank is authorized to reverse any incorrectly executed payment, withdrawal, or transfer of funds (any non-cash payment) once identified. The Bank is authorized to independently make the necessary corrections, issue the appropriate order, and carry out changes to the payment account to reflect the correct balance.

The Bank is obliged to notify the Client in a timely manner of any such account reconciliation action taken.

The Bank may not carry out these corrections if there are insufficient funds in the account. In case of doubt, this authorization has the nature and legal effect of a standing order.

18. RIGHT TO SETTLEMENT

Based on the Agreement with the Payment Service User, the Bank is authorized—without the payer's specific approval or the initiation of court or other proceedings—to seize and transfer to its own account any necessary funds from the payer's payment accounts held with the Bank, for the purpose of collecting its own due claims arising from services related to those accounts (such as interest, fees, and charges).

The Bank has the right, at its sole discretion, to collect such claims from any or all of the payer's payment accounts, converting foreign and domestic currencies if necessary, in an order determined by the Bank itself and using its own exchange rates, unless otherwise agreed.

19. FEES AND EXPENSES

For the issuance, maintenance, and use of the Payment Card as a payment instrument, the Client is obliged to duly pay the fees prescribed by the Bank's Tariff, as well as any additional costs that may arise.

Fees and charges are determined in EUR (euro) and are collected at the times specified in the Bank's Tariff.

The Bank may unilaterally change the amounts of fees and charges. Any such change will be published in a timely manner and made available to the Payment Service User at the Bank's business premises. The Bank will also make this information available on its website www.zapadbanka.me, at least 2 months before the changes take effect.

20. CURRENCY AND RATES

For all transactions made using the Payment Card, the Client's transaction account and/or Payment Card transaction account will be debited in EUR or USD, depending on the currency to which the Payment Card is linked.

For the conversion of foreign currency into EUR/USD, the Bank applies the exchange rates of the Mastercard card organization, valid on the date of purchase/sale/currency conversion.

The exchange rate applied by Mastercard for the conversion of payment transactions made abroad—where EUR/USD is not the billing currency—will be displayed on the Client's Payment Card statement as part of the transaction details.

21. COMMUNICATION - OBLIGATION OF INFORMING CLIENT

All information related to these General Terms and Conditions, as well as the Bank's Tariff, may be obtained by the Client at the Bank's premises or accessed via the Bank's website, and in particular upon the Client's personal request for their delivery.

The Bank undertakes to inform the Client, at least once a month, in writing and free of charge, via a statement, about the status of the transaction account and/or the Payment Card transaction account, rejected or unexecuted orders, fees charged to the account, the amount, exchange rate, and other information related to the payment transaction. The same information, via a statement, is made available to the Client through the electronic banking service, if the Client uses this type of service. A statement for the transaction account and/or the Payment Card transaction account is considered duly delivered to the Client if it has been collected at the Bank's premises, or if it has been duly delivered via electronic banking, by email, or sent to the address specified by the Client.

Any additional notifications, apart from the regular monthly ones, may be provided by the Bank upon the Client's request, subject to a fee determined by the Bank's Tariff.

The Bank is considered to have fulfilled its obligation to send the notification if it has been sent to the last address known to the Bank.

22. AMENDMENTS TO THE GENERAL TERMS

The General Terms and Conditions may be amended and supplemented in accordance with the procedure of the Bank under which they were originally adopted.

The Bank is obliged to inform the Client of any amendments and/or supplements no later than two (2) months prior to their application, using one of the following methods:

1. in written form at the Bank's premises and/or its organizational units (branches, sub-branches, counters, foreign representative offices);
2. via electronic mail (email address);
3. through E-banking (Electronic Banking);
4. by referring to the Bank's website www.zapadbanka.me.

If the Payment Service User does not provide a written response regarding the amendments and/or supplements by the effective date, it shall be deemed that they agree with and fully accept them.

In the event that the Payment Service User does not accept the proposed amendments and/or supplements, they may terminate the Agreement without paying a fee, provided this is done before the effective date.

If the Payment Service User decides to terminate the Agreement in accordance with the above, they must notify the Bank in writing no later than one (1) business day before the effective date of the amendments and/or supplements.

23. EXTRAJUDICIAL PROCEDURES AND ALTERNATIVE DISPUTE RESOLUTION

If the Client believes that the Bank is not complying with the provisions of the Framework Agreement and/or the agreement for a specific transaction account and/or the Payment Card transaction account, or these General Terms and Conditions, they may submit a complaint regarding the matter.

The complaint must be submitted in writing to the Bank's registered address. The Bank is obliged to respond to the Client—consumer within eight (8) days from the date of receipt of the complaint, either in paper form and/or via email (prigovor@zapadbanka.me). For non-consumer Clients, the Bank is obliged to respond within fifteen (15) days from the date of receipt of the complaint, also in paper form and/or via email.

If the Bank is unable to respond to a non-consumer Client within the specified 15-day period due to reasons beyond its control, it must send a notification explaining the reasons for the delay and indicate the deadline for providing the response, which must not exceed thirty (30) days from the date the complaint was submitted.

After receiving the Bank's response—or in the event that no response is provided—the Client may submit a complaint to the Central Bank of Montenegro (CBCG) in writing.

The Client may also initiate alternative dispute resolution in accordance with applicable regulations governing alternative dispute resolution and arbitration, and in the case of a consumer Client, in accordance with the consumer protection laws of Montenegro.

One of the competent bodies for alternative dispute resolution is the Center for Alternative Dispute Resolution, located in Montenegro, 81000 Podgorica, Serdara Jola Piletića bb, email: centarzaars@centarzaars.me, phone: +382 20 206 350.

The Bank is obliged to participate in the alternative dispute resolution or arbitration process initiated by the Client.

The Client's right described in this section of the General Terms and Conditions does not affect their right to initiate court proceedings in accordance with the applicable laws of Montenegro.

24. EXCLUSION OF LIABILITY

The Bank shall not be held liable for the inability to perform activities related to the issuance and use of card products in cases where objective obstacles arise.

Objective obstacles are considered to be any events and/or actions that hinder and/or prevent the performance of such activities, caused by force majeure, war, unrest, terrorist acts, strikes, interruptions in telecommunication connections, as well as any other events for which the Bank is not and cannot be held responsible.

25. DATA TREATMENT

Information obtained by the Bank in the course of its operations that relates to the Client—including personal data, as well as data on payment transactions and the status and changes on the Client's transaction account and/or Payment Card transaction account—constitutes banking or business secrecy.

The Bank, members of its governing bodies, employees, and persons engaged by the Bank shall not disclose, deliver, or allow access to such data to third parties, except in cases prescribed by applicable legal regulations.

When collecting and processing the Client's personal data, the Bank is obliged to act in accordance with the law governing personal data protection.

The Bank may collect and process personal data for the purpose of performing its regular business activities related to the establishment of a contractual relationship, as well as for forwarding such data in accordance with the provisions of the Law on Credit Institutions and the Law on the Prevention of Money Laundering and Terrorist Financing, and for the purpose of preventing, investigating, or detecting fraudulent activities or abuses in payment operations.

26. FINAL PROVISIONS

The Client is obliged to notify the Bank in writing of any changes to personal data, data concerning authorized representatives, and other information related to the transaction account and/or the Payment Card transaction account or any additional service, immediately and no later than within three (3) days from the date of the change, unless a different deadline is specified in the Agreement.

The Bank shall not be held liable for any damage that may occur to the Client or any third party as a result of a breach of this obligation.

These General Terms and Conditions are also available on the Bank's website: www.zapadbanka.me and at the Bank's premises.

By signing the Agreement, the Client confirms that they are familiar with these General Terms and Conditions, that they have been given sufficient time to review their content, and that they fully agree with them.

The Montenegrin language shall be used for contractual relations and communication between the Bank and the Client before and during the contractual relationship, unless otherwise agreed between the Bank and the Client.

These General Terms and Conditions are drafted in accordance with the applicable laws of Montenegro, which shall also apply to their interpretation.

Any disputes that may arise between the Bank and the Client from the Agreement and these General Terms and Conditions shall be resolved in accordance with the laws of Montenegro. In the event of a dispute, the court with jurisdiction at the Bank's registered seat shall be competent.

For all matters not regulated by these General Terms and Conditions, the applicable legal regulations, decisions and instructions of the competent authorities, and the Bank's internal acts—of which the Client was informed prior to the conclusion of the Agreement and which are available on the Bank's website www.zapadbanka.me and at the Bank's premises—shall apply.

These General Terms and Conditions enter into force on the date of adoption and shall apply as of May 26th, 2026.

As of the date of application of these General Terms and Conditions, the General Terms and Conditions adopted on May 30th, 2025, shall cease to be valid.