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GLOSSARY OF PAYMENT SERVICES

No.	Term	Definition
1.	Payment Service Provider	A payment service provider maintains a consumer's payment account in accordance with an agreement, enabling the consumer to use the funds held in that account to execute payment transactions and access other services related to the payment account.
2.	Consumer	A natural person who enters into an agreement on payment services for purposes that are outside that person's trade, business, or profession.
3.	Payment Account with Basic Features	A payment account with basic features includes: 1. services enabling the opening, operation and closure of a payment account; 2. services enabling the deposit of cash into a payment account; 3. services enabling the withdrawal of cash from a payment account, at a counter or an automated teller machine (ATM), during or outside the working hours of the credit institution; and 4. the execution of the following payment transactions: – direct debits; – payment transactions carried out using a payment card, including payments made online; and – credit transfers, including standing orders, at terminals, at counters and via the internet, where available.
4.	Transaction Account	A type of payment account opened and maintained by a payment service provider in the name of one or more payment service users for the execution of payment transactions and for other purposes.
5.	Payer	A natural or legal person who holds a payment account and gives a payment order or consent for a payment to be made from that account, or a natural or legal person who does not hold a payment account and gives a payment order.
6.	Payee	A natural or legal person who is the intended recipient of the funds that are the subject of a payment transaction.

7.	Payment Order	An instruction submitted by the payer or payee to a payment service provider requesting the execution of a payment transaction.
8.	Payment Instrument	A personalised device and/or a set of procedures agreed between a payment service user and a payment service provider and applied by the payment service user to initiate a payment order.
9.	Payment Transaction	An act of depositing, withdrawing or transferring funds initiated by the payer, on the payer’s behalf, or by the payee, irrespective of any underlying obligations between the payer and the payee.
10.	Remote Payment Transaction	A payment transaction initiated via the internet or by means of a device that may be used for distance communication.
11.	Funds	Cash (banknotes and coins), funds held in an account, and electronic money.
12.	Framework Agreement	An agreement governing the execution of future individual payment transactions, which may also set out the terms and conditions for opening and maintaining a payment account, in accordance with applicable legislation.
13.	Payment Account Management	A service whereby a payment service provider manages a payment account so that the payment service user can use it.
14.	Internet Payment	A payment service linked to a payment account and provided to payment service users by a payment service provider via the internet.
15.	Mobile Payment	A payment service linked to a payment account and provided to payment service users by a payment service provider through a mobile application.
16.	National Payment Transaction	A payment transaction involving the payer’s payment service provider and/or the payee’s payment service provider, where such payment services are provided within the territory of Montenegro.
17.	International Payment Transaction	A payment transaction involving a payment service provider providing payment services within the territory of Montenegro and another payment service provider providing the payment services within the territory of a third country, as well as a payment transaction involving the same payment service provider providing the payment service to one payment service user within the territory of Montenegro and to the same or

		another payment service user within the territory of a third country.
18.	Standing Order	A payment service for the execution of credit transfers based on a contractual relationship between the payer and the payer's payment service provider, whereby the payer authorizes the payment service provider to issue a payment order debiting the payer's transaction account and make a payment to a specified payee.
19.	Direct Debit	A payment service for debiting the payer's payment account, whereby the payment transaction is initiated by the payee on the basis of the payer's consent given to the payee, the payee's payment service provider, or the payer's payment service provider.
20.	Payment Card	A payment instrument that enables its holder to pay for goods and services through an acceptance device or remotely and/or to withdraw cash or use other services at an automated teller machine (ATM) or another self-service device.
21.	Issuance of a Debit Card	A payment service provider issues a payment card linked to the consumer's payment account. The amount of funds made available to the consumer by the payment service provider is limited to the funds available to the consumer in their payment account.
22.	Issuance of a Credit Card	A payment service provider issues a payment card linked to the consumer's payment account. The amount of funds made available to the consumer by the payment service provider exceeds the amount of funds available in the payment account, pursuant to an agreement on an authorized overdraft facility on the account.
23.	Cash Withdrawal Using a Debit Card at an ATM	The consumer withdraws cash from their own payment account at an automated teller machine (ATM) in Montenegro or abroad, using a debit card.
24.	Cash Withdrawal Using a Credit Card at an ATM	The consumer withdraws cash from their own payment account at an automated teller machine (ATM) in Montenegro or abroad, using a credit card.
25.	Authorized Overdraft	The amount of funds made available by a payment service provider to a consumer that exceeds the amount of funds available in the payment account, pursuant to an agreement on an expressly agreed authorized overdraft facility on the account.

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26.	Overdraft Agreement	A separate agreement under which a payment service provider makes funds available to the consumer in excess of the amount of funds available in the consumer's payment account.
27.	Fees	Fees and charges payable by the consumer to the payment service provider for services related to the payment account or in connection with such services, where applicable.
28.	Notification by Means of Distance Communication	A service involving the notification of the consumer via SMS, email, electronic banking, or another available channel, in accordance with the provisions of the agreement concluded between the Bank and the consumer.

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