Zapad Banka

GENERAL TERMS AND CONDITIONS
OF PAYMENT SYSTEM SERVICES FOR CONSUMERS / NON-CONSUMERS
IN ZAPAD BANK AD PODGORICA

Podgorica, August 2026

General terms and conditions of payment system services for consumers / non-consumers in Zapad bank ad Podgorica

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INFORMATION	
Document drafted by *(name, surname, function/branch unit)*	Jovana Kovačević, Payment System Department Director
Document adopted by *(authority)*	MANAGEMENT BOARD
Consent for the document provided by *(authority)*	N/A
Liability in terms of interpretation *(name, surname, function/branch unit)*	Jovana Kovačević, Payment System Department Director
Mandatory annual revision *(YES/NO)*	NO
DISTRIBUTION OF THE DOCUMENT	
Confidentiality level	INTERNAL
Data criticality	SMALL
Data sensitivity	SMALL
Document distribution method	DMS – Internal acts
Document recepients	

VERSION OF THE DOCUMENT

Version	Date	Description of changes
1.	October 29, 2021	Amendments
2.	May 16, 2022	Alignment with CBCG findings
3.	February 2, 2024	Alignment with the amendments of the Law on Payment System
4	June 18, 2025	Alignment with the Amendments to the Payment

		Transactions Act (Official Gazette of Montenegro, No. 62/13 of 31 December 2013, 6/14 of 4 February 2014, 111/22 of 7 October 2022, 7/23 of 20 January 2023, and 15/25 of 20 February 2025)
5	March 25, 2026	Alignment with work process
6	June 17, 2026	Alignment with Article 11(3) of the Act on the Comparability of Fees
7	July 17, 2026	Alignment with the Amendments to the Payment Transactions Act (Official Gazette of Montenegro, No. 103/26 of 16 July 2026)
8	August 12, 2026	Alignment with the Law on the Comparability of Fees Related to Consumer Payment Accounts, Switching of Consumer Payment Accounts, and Payment Accounts with Basic Services (Official Gazette of Montenegro, No. 145/21 of 31 December 2021 and 070/26 of 20 May 2026).

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General terms and conditions
of payment system services for consumers / non-consumers
in Zapad bank ad Podgorica

I

Introduction

These General Terms and Conditions for payment system services for consumers / non-consumers in JSC Zapad Bank Podgorica (hereinafter referred to as: the Bank) shall define the manner of business operations with transaction accounts and transaction accounts – payment cards, manner and conditions for executing payments, as well as rights and liabilities of the Bank as well as consumers/non-consumers account holder/ payment service user (hereinafter referred to as: the Client).

General Terms and Conditions for payment system services for consumers / non-consumers in the Bank (hereinafter referred to as: the General Terms and Conditions) shall be applied to opening and servicing of transaction accounts and transaction accounts – payment cards, manner of execution, deadlines and recording of payment transactions, establishment and disposal of the funds, reporting to the Client on changes and account balance, exchange rates used for currency calculation, charging interest on the assets, calculation and charging the fees for Bank's services, closing of the account, scope of information submitted to the Client, as well as other matters related to payment system services.
Constituent part of these General Terms and Conditions shall be:

- Term plan for the receipt and execution of payment transactions (hereinafter: Term plan).

Any reference to the General Terms and Conditions hereinafter shall imply reference to the document referred to in the previous paragraph.

General Terms and Conditions shall be an integral part of the individual Framework Agreement on provision of payment system services (national and international payment transaction) (hereinafter: The Framework Agreement), as well as the agreement/order on a one-time payment transaction and, together with the General Conditions on Bank Operations, Tariffs and Term plan form a Framework Agreement and / or an agreement / order on a one-time payment transaction, and shall constitute a whole.

Prior to a Client's conclusion of the Framework Agreement, as well as the agreement/order on a one-time payment transaction, the Bank shall, in a timely manner, present to the Client the General Terms and Conditions, the General Conditions on Bank Operations and Tariffs, in one of the following manners:

1) In writing, in premises and/or organizational units (branches, affilates, countes, representative office abroad) of the Bank (hereinafter referred to as: the Bank's premises).
2) By email
3) Through e – banking
4) By reference to the website of the Bank www.zapadbanka.me

In case of a discrepancy between the Framework Agreement and the General Terms and Conditions and/ or other documents of the Bank, the provisions of the Framework Agreement shall apply, followed by the

provisions of these General Terms and Conditions, and finally the Bank's documents. By entering into the Framework Agreement the Client confirms to be previously introduced with these General Terms and Conditions and to fully agree with them and accept them.

The Bank may, on the basis of a separate agreement, entrust to a third party, i.e. an agent, the performance of all or some of the payment services. In such a case, the agent shall provide payment services for and on behalf of the Bank, whereas the Bank shall be liable for all the acts and omissions of its agent in performing the delegated duties.

The Bank shall commit to provide the Client with information about itself as a provider of payment services, the use of payment services, the main characteristics of the payment services it provides and the data necessary for the correct input for payment orders, the fees, exchange rates and interest rates, the channels of communication between the Bank and the Client, protection and correction measures, the change and termination of the agreement, legal protection, and other issues provided by positive regulations. These General Terms and Conditions shall be considered an integral part of all the agreements on account opening and servicing, defined by regulations as transaction accounts.

II

Bank – provider of payment services

Name:	ZAPAD BANKA AD PODGORICA
Address:	Montenegro, 81000 Podgorica2b Moskovska Street, VII floor
Registration number in the Commercial Registry:	40009448
Company number:	03032531
Tax Identification Number:	03032531
BIC/SWIFT:	ZBCGMEPG
Transaction account with the Central Bank	907-57001-31
E-mail:	info@zapadbanka.me
Website:	www.zapadbanka.me
Telephone:	+382 20 690 000
Fax:	+382 20 690 001
Body in charge of supervision of operations:	Central Bank of Montenegro, with headquarters at: 81000 Podgorica, 6 Blvd Svetog Petra Cetinjskog

Bank License issued by the Central Bank of Montenegro: 0101-4014/67-3 of 30th January 2015

III

Definitions and interpretation

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

1) Acts of the Bank - all documents and decisions approved by the authorities of the Bank, its bodies and authorized persons, which are available to the Client through certain distribution channels that define the rights and obligations of the Client and all other persons to whom the rights and obligations towards the Bank are assigned, as well as of the Bank itself.

2) Transferring Bank - the payment service provider that transfers the necessary information for the execution of payment account transfers.

3) Receiving Bank - the payment service provider that receives the necessary information for the execution of payment account transfers.

4) BIC (Business Identifier Code) means the international business identifier of a payment service provider assigned in accordance with the ISO 9362 international standard and used in the execution of payment transactions;

5) Targeted financial sanctions mean the freezing of funds, blocking of financial transactions or financial services, and other prohibitions that, directly or indirectly, prevent designated persons from having access to funds and/or other assets;

6) CRS (Common Reporting Standard) means the Common Reporting Standard, including the Commentary on the Common Reporting Standard, approved by the Council of the Organisation for Economic Co-operation and Development (OECD) on 15 July 2014, as amended from time to time, which contains reporting procedures and due diligence measures for the automatic exchange of information;

7) CVV Code - three-digit code on the back of a payment card, used in carrying out transactions on the Internet or MOTO / CNP transactions.

8) Distribution channels - all ways and means through which it is possible to access, contract and use the Bank's products and services; Bank's subsidiaries, the Bank's website, e-banking services, etc.

9) Date of execution of the payment order - a date on which the Bank charges a transaction account and/or transaction account – payment card of the Client or reserves the funds for the executed payment

10) Currency date of approval / debit - a date on which the Bank approves the account of the Provider of payment services of the payment recipient or a transaction account and/or transaction account – payment card of the Client.

11) Debit card - a payment card used for payments and charging of the transaction account, by transaction accounts – payment card with no delays.

12) Direct Debit - a payment service for debiting the Payment Account of the Payer, where the payment transaction is initiated by the Payee based on the consent given by the Payer to the Payee, the Payee's payment service provider, or the Payer's payment service provider.

13) Member state - the EU member state or a state signatory to the Agreement on European Economic Area.

14) Two – factor authentication - a security procedure that requires two different methods of confirming identity before the Client gains access to the E-banking service. The Client may use one of two methods:

- Personal identification number (JMBG)/permanent code + One-time password (OTP)
- Token + One-time password (OTP)

15) EFT POS Terminal means a device intended for the acceptance of payment cards and the authorization of transactions;

16) E – banking - remote access services to client account information and/or execution of payment transactions and currency conversion transactions using computer or mobile devices.

17) Electronic payment transaction - a payment transaction initiated and executed using an electronic platform or device, and does not include payment transactions initiated by a paper payment order, mail, or telephone.

18) EPC (European Payments Council) means the acronym for the European Payments Council;

19) FATCA means that, pursuant to the Act Ratifying the Agreement between the Government of Montenegro and the Government of the United States of America to Improve International Tax Compliance and to Implement FATCA (Foreign Account Tax Compliance Act), financial institutions (banks, custodians, investment firms and certain insurance companies) having their registered seat in Montenegro are required to identify U.S. taxpayers and report certain accounts and related information;

20) IBAN (International Bank Account Number) means the international standard for the numbering of bank accounts;

21) Identity document - a document submitted by the Client to the Bank for review, establishing the identity of the same, the nationality and the possibility of determining the place of residence (an identity card for residents; a passport or other appropriate ID with a photo for residents and non-residents).

22) Information Document on the Most Representative Services Associated with a Basic Payment Account for Consumers means a standardized document made available to consumers by the Bank in its capacity as a payment service provider. The document is published on the website www.zapadbanka.me and is available at all branches of the Bank.

23) Internet banking - a service within E-banking that allows clients to access their transactional accounts and perform transactions remotely using a computer and a device capable of receiving or generating OTPs.

24) IP Account means a dedicated account within the system used for the execution of instant payments;

25) IPS means the acronym for the Central Bank of Montenegro's Instant Payment System (IPS).

26) Unique identification mark - combination of letters, numbers or symbols that the provider of payment services determines to the user of payment services, and witch the user of payment service must indicate in order to unambiguously determine the other payment service user and / or transaction account of other payment service users which is used in the payment transaction (the unique identifier can be IBAN / BBAN / number of transaction account; BBAN is used in the payment system in the country and IBAN in international payment transactions

27) One – time payment transaction - payment order, which contains information in accordance with the law.

28) Specimen signatures - list of signatures of persons authorized to manage funds in transaction account of the Client and/or transaction account – payment card, deposited onto the Bank's prescribed form.

29) Payment Initiation Channel means a method, device or procedure through which a payer submits a payment order to the Bank for the execution of a credit transfer, including internet banking, a mobile banking application, an ATM, or any other means available at the premises of the Bank as a payment service provider.

30) Payment card user - a client or a person specially authorized by the Client to use the payment card.

31) Payment services user - Natural or legal entity using the payment service in the capacity of a payer and/or a recipient of the payment.

32) Client's contact address - an address given by the Client to the Bank in contracting of any product or service, or subsequently notified in writing to the Bank as an address to which the Client wishes to receive written notices from the Bank, if the address is different from the headquarters / residence / domicile of the Client

33) Credit transfer - a payroll service used by the Payer to initiate the execution of one or more payment transactions with their payment services provider, including the issuance of a standing order

34) List of the Most Representative Services (Glossary) Related to the Payment Account with Basic Services

Contains a list of the names and definitions of the most representative services related to a consumer payment account. The Glossary of Payment Services is available free of charge at the Bank's branches and on the Bank's official website: www.zapadbanka.me.

35) International payment transaction - a payment transaction in any currency where one payment service provider offers a payment service within the territory of Montenegro, and the other payment service provider operates within the territory of another country; as well as a payment transaction in EUR (euro) where one payment service provider offers a payment service within the territory of Montenegro, and the other payment service provider offers a payment service within the territory of another SEPA member state, and the service is executed through the SEPA payment scheme;

36) Mobile banking - a service within E-banking that allows clients to access their transactional accounts and perform transactions remotely using mobile telecommunication devices, such as smartphones, tablets, and mobile devices. For identity verification in the mBanking application, the client confirms the token using a permanent PIN or biometric authentication.

37) MOTO/CNP transaction - *Mail order and telephone order* - postal and phone orders and *Card non-present* transactions - represent transactions whose performance at the point of sale does not require the use of Client's payment card

38) National payment transaction - a payment transaction involving the payment service provider of the payer and/or the payment service provider of the payee, who provide payment services within the territory of Montenegro.

39) Payment order - an instruction submitted by the Client to the Bank, requesting the execution of payment transactions.

40) Instant Payment Order means an order for the execution of an instant credit transfer that may be executed 24 hours a day, on every calendar day of the year, and may be issued only for an amount of less than EUR 3,000.00 (three thousand euros);

41) Non-consumer - a natural person who, in the agreement on payment services covered by these General Terms and Conditions operated within its registered economic activity as an entrepreneur, as well as legal entity.

42) Non-resident - a person defined in accordance with the law establishing current and capital transactions with foreign countries, i.e. persons not covered by the term resident.

43) Cash assets - cash money (banknotes and coins), the funds in the account and electronic money

44) Framework Agreement on rendering payment operation services (national and international payment transactions)Transaction account for execution of national payment transactions (BBAN) and Transaction account for execution of international payment transactions (IBAN) and Framework agreement on rendering payment operation services (national and international payment transaction through payment card) Transaction account for execution of national payment transactions (BBAN) and Transaction account for execution of international payment transactions (IBAN) (hereinafter referred to as: the Framework Agreement) - a contract regarding payment services, which regulates the future execution of individual payment transactions, terms for opening and managing transaction accounts, transaction accounts, payment cards, as well as services related to transaction accounts and/or transaction accounts - payment cards.

45) Authorized person - a natural person authorized by the User of a payment service – an owner of the transaction account and/or by transaction account – payment card or its representative to dispose of the funds from such an account, in accordance with internal acts of the Bank and/or special proxy for disposing with the funds held at the account.

46) Sensitive data - data that can be used for fraud, including personalized security information, with the exception that for activities of payment initiation service providers and account information service providers, the account owner's name and account number do not constitute sensitive payment data.

47) OTP - One time password - a single-use password with a limited time duration, used when accessing E-banking services, which the client receives via SMS, hardware, or software token.

48) Personalized security elements - data on the payment card along with the data associated with the card, enabling the Bank to identify the person who has the authorization to use the card, and in particular first and last name of the user of the payment card, payment card number, control number printed on the

payment card, date of expiry of the payment card, PIN and signature on the card of the users of payment card, as well as OTP, TAN, CVV

49) Personalized security data - customized characteristics provided by the payment service provider to the user of payment services for the purpose of authentication.

50) Payment card PIN - personalized security element that makes a secret identification number of the Client, which is assigned by the Bank, known only to the cardholder and which is strictly confidential, and that serves to identify the user of the payment card and authentication for payment transactions requiring identification and PIN authentication

51) Payer - an individual or legal entity that holds a transaction account and/or a transaction account linked to a payment card and gives an order or consent for payment from that account, or an individual or legal entity that does not have a transaction account and gives a payment order.

52) Payment transaction - the deposit, withdrawal, or transfer of funds initiated by the payer or the payee, regardless of any obligations between the payer and the payee.

53) Remote payment transaction - a payment transaction initiated via the internet or a device capable of remote communication.

54) Payment instrument - personalized instrument and / or a set of procedures agreed between the user of payment services and provider of payment services, used by the user payment services to initiate the payment order

55) Payment card - payment instrument that enables its holder to pay for goods and services via the receiving device or remotely and / or that allows the withdrawal of cash or the usage of other services at the ATM or other self-service device

56) Consumer - an individual who enters into a contract for payment services covered by these General Terms for purposes that are not related to their business, trade, or profession.

57) Special terms - requirements prescribed for a particular service of the Bank (e.g. e-banking, payment cards, services, etc.)

58) Reliable client authentication - authentication based on the use of two or more elements falling into the categories of knowledge, possession, and inherence, which are mutually independent, and which only the user knows and possesses, meaning that compromising one does not diminish the reliability of the others. It is designed in such a way as to protect the confidentiality of the data whose authenticity is being verified

59) Acceptance of payment transactions - a payment service through which the payment service provider, based on a contract with the payee for the acceptance and processing of payment transactions, transfers funds to the payee.

60) Payee - an individual or legal entity to whom the funds subject to the payment transaction are intended.

61) Bank Premises - the headquarters of the Bank and/or its organizational units (branches, offices, counters, overseas representative offices)

62) Authentication Verification - the process 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 personalized security data of the user.

63) Payment Service Provider - entities that, according to the Law, are authorized to provide payment services in Montenegro.

64) **Network Service Provider (NSP)** means a legal entity that provides network and communication services required for the secure transmission of data and messages among participants in payment schemes and payment systems;

65) Payment Account - an account maintained by the Bank, as a payment service provider, in the name of a payment service user and used for the execution of payment transactions. A payment account is opened on the basis of an agreement concluded between the Bank and the payment service user;

66) Basic Payment Account means a euro-denominated transaction account maintained by the Bank in the name of the Client, which enables the use of services prescribed by the Act on the Comparability of Fees Related to Consumer Payment Accounts, Consumer Payment Account Switching and Basic Payment Accounts, the Payment Transactions Act, implementing regulations and other applicable laws and regulations;

67) Basic Payment Account for Vulnerable Groups means a type of account that may be opened by consumer clients who are recipients of the minimum wage; recipients of the minimum old-age, disability or survivor's pension; pension beneficiaries receiving a supplement up to the minimum pension amount; and beneficiaries of proportional pensions (old-age, disability or survivor's pensions) who receive a supplement up to the minimum amount in accordance with the law governing pension and disability insurance, as well as recipients of temporary compensation registered with the Employment Agency of Montenegro who receive benefits paid by the Pension and Disability Insurance Fund of Montenegro up to the amount of the minimum pension, child allowance, social assistance benefits, personal disability allowance, care and assistance allowance, and unemployment insurance benefits, where such rights are exercised in accordance with the laws governing labour, employment mediation and rights during unemployment, as well as social and child protection.

68) Business Day - a part of the day during which the Bank or another payment service provider of the payee/payer, who participates in the execution of the payment transaction, operates and facilitates the execution of the payment transaction to the payment service user.

69) Reference - the numeric code generated during processing of payment orders in the Bank and that allows the payer / recipient of payment to identify the payment transaction.

70) Resident - a person defined in accordance with the law regulating current and capital transactions with foreign countries:

- companies and other legal entities registered in Montenegro, excluding their branches outside Montenegro;
- branches of foreign companies registered in the register of the competent authority in Montenegro;
- entrepreneurs - individuals domiciled or resident in Montenegro who engage in commercial activities for their own account for profit and are registered with the competent authority in Montenegro;

- natural persons - citizens of Montenegro who have resided continuously in Montenegro for one year or more;
- natural persons - foreign nationals who, based on a permit for permanent or temporary residence, or a permit for temporary residence and work, have resided continuously in Montenegro for one year or more;
- diplomatic, consular, and other representations of Montenegro abroad, their employees, and members of their families who are not foreign nationals.

71) R-transaction – refers to an international payment transaction in EUR (euro) to SEPA member states that the payment service provider is unable to properly execute or that results in exceptional processing, due to, among other reasons, insufficient funds, revocation, incorrect amount or date, lack of authorization, or an incorrect, closed, or terminated account.

72) SCT Inst Scheme (SEPA Instant Credit Transfer) means a set of rules, standards and procedures for the execution of instant credit transfers that enables funds to be made available to the payee within a matter of seconds, 24 hours a day, 7 days a week, in accordance with the rules prescribed by the European Payments Council.

73) SEPA (Single Euro Payments Area) – refers to a unified euro payment area in which legal and natural persons execute and receive payment transactions under the same basic conditions, with equal rights and obligations, regardless of the location of the payment service users, through SEPA payment schemes.

74) SEPA payments – refer to all types of credit transfers and direct debits carried out within the Single Euro Payments Area (SEPA) through SEPA payment schemes.

75) SEPA payment scheme – represents a set of rules, practices, and standards designed to ensure compatibility in the provision and operation of SEPA payment instruments, as agreed upon among payment service providers.

76) SWIFT (Society for Worldwide Interbank Financial Telecommunication) – refers to a global network for the exchange of financial messages among financial institutions, enabling secure, standardized, and reliable transmission of payment transaction information, regardless of the location of banks or other system participants, through SWIFT codes and messages in accordance with international standards.

77) Tariff - A valid, publicized pricelist pursuant to which the Bank – among other things, charges the services related to the opening and maintaining the account and the execution of payment transactions

78) Time – frame plan for the receipt and execution of payment transactions - Bank's act defining the terms, methods and conditions for the execution of payment transactions

79) Token - hardware or software generator of OTP

80) Transaction account for execution of national payment transactions (BBAN) and Transaction account for execution of international payment transactions (IBAN) (hereinafter, altogether, referred to as: Transaction account) - A type of payment account open and managed by banks and other credit institutions providing payment services, a branch office of a credit institution from a third country having the seat in Montenegro and the Central Bank, on behalf of one user of payment services, for execution of national and international payment transaction and for other purposes. It serves for

executing payment transactions, as well as for other purposes related to transactional services which is open for consumers and non – consumers, natural and legal entities, residents and non – residents.

81) Durable media - A means allowing the Client to preserve the data sent to him/her personally, in a way that such information remain available to them for future use for a period relevant for the data themselves, and enabling reproduction of stored data in an unchanged form.

82) Standing order - A payment service for the execution of a credit transfer based on contractual relation between the Payer and its provider of payment service, by virtue of which the Payer approves to the Provider of payment services to issue a payment order by debiting the Payer's transaction account and crediting the account of a certain Recipient.

83) Transaction account – payment card - A type of account related to payment card, as a payment instrument. It is open for consumers and non – consumers, natural and legal entities, residents and non – residents. It records all financial changes, commissions and charges incurred by the usage of the Card, all in line with the Fees.

At the request of the user of the main Card, it may open individually for all users of additional cards.

Transaction account and Transaction accounts – payment card are hereinafter collectively referred to as the accounts.

84) Agreement on payment services - An agreement establishing that a provider of payment services is committed to deliver certain payment services, i.e. a payment service, to the user of payment services, whereas the user of payment services is committed to pay the agreed fee therefor to the provider of payment services.

85) Payment Initiation Service - a payment service involving the initiation of a payment order at the request of the payment service user relating to a payment account held with another payment service provider.

86) Notification Service - a service within E-banking that enables clients to receive notifications via mobile phone, including sending OTPs (One-Time Passwords) via messages as well as messages about the balance, inflow, outflow on the transaction account, 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.

87) Account Information Service - a payment service provided through online connectivity, providing consolidated information about one or more payment accounts that the payment service user holds with another payment service provider or with multiple payment service providers.

88) Account holder - A user of a payment service who signed the Framework Agreement with the Bank and has a transaction account and/or transaction accounts – payment cards in the Bank

89) Law - The current Law on Payment System in Montenegro, including the amendments thereof

90) Law on the Comparability of Fees means the currently applicable Law on the Comparability of Fees Related to Consumer Payment Accounts, Switching of Consumer Payment Accounts, and Payment Accounts with Basic Services, including any amendments and supplements thereto.

91) Representative - a person who is the legal representative of the Client based on the Articles of Association, founding or other document, or a person who establishes a business relationship on behalf of the client or their representative based on a special power of attorney.

92) 3-D Secure Standard means the standard for the authentication of a Payment Card User when making purchases over the Internet, developed by card schemes (Mastercard and Visa), which enables the secure payment of goods and services using payment cards online.

With regard to the interpretation of the meaning of certain words in this part of the General Terms and Conditions, it is insignificant weather singular or plural or gender nouns were used or not, including a capital letter or lowercase letter. The titles of individual parts are given for orientation and cannot form the basis for the interpretation of the General Terms and Conditions.

IV

Types of payment services

These General Terms and Conditions shall defined the performance of payment system services, these being:

- ✓ services that enable cash payment on the transaction account and/or transaction account – payment card, as well as all activities required for managing the transaction account;
- ✓ services that enable cash withdrawal from the transaction account, as well as all activities necessary for managing transaction account;
- ✓ execution of payment transactions, including transfer of funds on the transaction account and/or transaction account – payment card of the user of payment services, at the provider of payment services or with another provider of payment services, including
  - – execution of direct debit, including one-time direct debits
  - – execution of payment transactions through a payment card or a similar instrument
  - – execution of credit transfers, including standing orders
- ✓ execution of payment transactions where the funds are secured by loans to the Client
  - – execution of direct debit, including one-time direct debits,
  - – execution of payment transactions through a payment card or a similar instrument,
  - – execution of credit transfers, including standing orders;
- ✓ issuing and / or accepting payment instruments;
- ✓ execution of remittances
- ✓ payment initiation services;
- ✓ account information services.
- ✓ SEPA Credit Transfers;
- ✓ Instant Credit Transfers.

Payment transactions executed by the Bank are divided into:

1) national payment transactions;
2) international payment transactions.

The Bank may conclude with the Client the Agreement on payment services as:

1) One-time payment transaction and/or
2) A framework Agreement

The Agreement (i.e. the order) on a one-time payment transaction regulates the execution of a payment transaction not covered by the Framework Agreement.
The Framework Agreement regulates the execution of future individual payment transactions as well as terms of opening, servicing and suspension of a transaction account and/or transaction account – payment card. In addition to the previously mentioned services, the Framework Agreement provides the Client with e-banking services, notification service, standing order / direct debit, payment cards and other payment services of the Bank.
Based on the submitted documentation to open a transaction account and/or transaction account – payment card and a signed Framework Agreement, the Bank shall open the transaction account(s) and/or transaction account – payment card and issue payment instruments to the Client.
The Bank shall carry out the agreed payment services in accordance with applicable regulations of the Central Bank of Montenegro, terms designated for execution and Term plan for the receipt and execution of payment transactions of the Bank, which is an integral part of these General Terms and Conditions.

IV-1

Opening, managing and terminating transaction account and/or transaction account – payment card

1. Paying in the capital contribution

Prior to the opening of a transaction account, the founders of a legal entity shall pay the funds for the capital contribution. Payment shall be made to an account opened for this purpose, on the basis of which the Bank shall issue a certificate to the founders of a legal entity for the payment of the capital serving for registration of a legal entity with the competent authority. The Bank shall charge adequate fees for the issuance of said certificates. Upon registration with the competent authorities of Montenegro, and following the request of the Client, the funds designated as capital contribution shall be transferred to the newly opened transaction account of that legal entity. If registration process is intermitted, the capital contribution is returned to the payer at their request, with the obligation of the payer to return the original certificate of payment of the deposit to the Bank.

2. Payment of the funds for the increase of capital contribution

Payments are performed in favor of the transaction account of the client with reference number, referenced payments and with information about the account number and the name of a legal entity to which the increase of capital contribution is made. Following the execution of the payment, the Bank shall issue a certificate to the Client on the amount of the payment done for the purpose of increasing the capital contribution, i.e. capital increase, based on the written request of the Client therefor. In order to have the said certificates issued, the Client shall submit a valid decision on the increase of capital to the Bank, whereas the Bank shall charge the prescribed fee.

3. Opening of a transaction account and transaction account – payment card

The Bank shall open a transaction account and/or a transaction account – payment card for the Client on the basis of the concluded Framework Agreement. The Framework Agreement is concluded on the basis of the request of the Client for opening of transaction accounts, along which the documentation prescribed by these General Terms and Conditions shall be submitted. A request for opening a transaction account and/or a transaction account – payment card shall be submitted in the regulated form given by the Bank, which contains all the elements provided in the positive regulations.

The Client shall be responsible for the truthfulness and completeness of the information specified in the application for opening a transaction account and/or transaction account – payment card.
On the basis of application for opening of a transaction account and/or transaction account – payment card and submitted documentation, the Bank may conclude a Framework Agreement and open a transaction account for payments in the country and abroad and/or transaction account – payment card, i.e. for performing national and/or international payment transactions, as well as special purpose account. The Bank can open such types of accounts for residents and non-residents, consumers and non-consumer. Transaction accounts opened for performing national transactions are opened in BBAN format - Basic Bank Account Number, consisting of 18 numeric characters, while transaction accounts for performing international transactions are opened in IBAN format (International Bank Account Number), which consists of two alphabetic characters and 20 numeric characters.

In the process of opening a transaction account and/or transaction account – payment card, the Bank shall determine the identity of the Client and carry out other procedures that are in accordance with the current legislation governing the prevention of money laundering and terrorist financing and implementation of FATCA and CRS in Montenegro. The Bank may require the Client to present other information or documentation, if the same is required by law or other regulations, as well as if deemed necessary in order to decide upon the said application.

The Bank reserves the right, in its sole discretion will and without giving particular explanation, to reject the application for opening a transaction account and/or transaction account – payment card, even though the Client meets the requirements specified in this paragraph. The bank shall deliver a written notice to the Client

regarding the rejection, and, at the request of the Client, return the original documentation submitted for the purpose of opening an account and keep copies of the same.

The Client is responsible for the accuracy and completeness of all data based on which the Bank has opened and maintained a transaction account and/or a transaction account – payment card. The Client shall compensate the Bank for any loss or expense incurred from false and/or incomplete information provided by the Client. The Client shall notify the Bank immediately, in written form, of any change of data that is entered in the register of accounts at the Bank, no later than 3 days from the date of the change and submit the documentation to the Bank. The Bank is deemed to have fulfilled the obligation to send notifications if it has sent them to the Client's last known address on file with the Bank. In case the Client fails/delays to inform the Bank of the changes made, the responsibility for any damage related to the maintenance of the transaction account and/or transaction account – payment card will be borne by the Client. The Client shall submit all required data for persons authorized to represent and manage the funds. Client's transaction accounts are subject to controls by the competent authority in accordance with the current legislation.

When opening a transaction account and/or transaction account – payment card, the Bank shall inform the Clients, hence the Clients shall acknowledge, that the Bank, in case of receiving the requests from a foreign bank, related to the execution of transaction, may forward the information about the Client itself, as follows: The date of opening Client's transaction account of the Client with the Bank, actual business address of the Client, the beneficiaries of the Client and its related parties, and give a closer description of the Client's operations, the documentation which served as the basis for the execution of the transaction and other necessary information requested by the foreign bank from the Bank, in the process of execution of a transaction or for an already executed one.

Within 8 (eight) business days from the date of receiving the request for opening a transaction account and/or a transaction account - payment card, the Bank will approve or reject it in accordance with internal policies. Aiming to decrease the exposure of the card to potential misuse, the Bank provides for the opening of a transaction account – payment card for which the card is tied to, individually per user of a additional card. The Bank shall open a transaction account – payment card based on the concluded Framework Agreement on providing the services of payment system (national and international transactions via payment card), hereinafter referred to as "the Framework Agreement – payment card". Framework Agreement – payment card shall be entered into on the basis of the Client's request to open a transaction account – payment card. If the Request for opening a transaction account – payment card is submitted along with the Request for opening a transaction account for the Client, the Bank shall use submitted documentation to open a transaction account. If a transaction account – payment card is open following the opening of Client's transaction account, the Client shall submit documentation envisaged by these General Terms and Conditions and other Bank's internal acts.

If the User of the payment instrument is a resident, they have the option whether to tie the card to their basic transaction account or to a transaction account – payment card.

If the User of the payment instrument is a non – resident, a transaction account – payment card shall be open, for all the users stated within the request.

A Payment Instrument User, whether a resident or a non-resident, may choose whether the card will be linked to a primary transaction account or to a transaction account with a payment card.

The Bank shall open a transaction account/ transaction account payment card for the Client, provided that the Client personally submits the following documentation to the Bank:

- properly filled in request for opening the account
- Documentation enabling identification of the Client and persons authorized to dispose of the funds at the account, as well as other persons in line with the Law on Prevention of Money Laundering and Terrorist Financing, Law on Payment System, Central Bank of Montenegro Decisions on structure, conditions and manner of opening and terminating transaction accounts and other bylaws and Bank's internal acts.
- certificates and other documents for opening the account, whether required by the Bank itself or by the Central Bank of Montenegro (Central Bank) or other regulatory body
- In accordance with the applicable regulations governing the prevention of money laundering and terrorist financing, as well as the implementation of FATCA and CRS requirements, in addition to the above-mentioned documentation, when opening a transaction account and/or a transaction account with a payment card with the Bank, the Client shall also complete the following forms:
- Questionnaire for Politically Exposed Persons (PEPs);
- Information on Beneficial Owners;
- Documentation for the identification of U.S. Persons, where applicable;
- CRS Form, where applicable.

In case of opening a transaction account which is exempted from foreclosure, according to positive regulation, the Client shall submit documentation based on which they prove that the said transaction account is to be exempted from foreclosure.
Once the Bank determines that the submitted documentation is complete, and that the requirements for opening a transaction account/transaction account payment card have been met, the Framework Agreement with the Client is entered into/the Framework Agreement – payment card.

4. Opening of a Basic Payment Account and/or a Basic Payment Account for a Consumer Customer Belonging to a Vulnerable Group

A Basic Payment Account, in accordance with the Act on the Comparability of Fees, may be contracted by natural persons lawfully resident in Montenegro (or in the European Union, once Montenegro accedes to the European Union), including natural persons without a permanent address and asylum seekers, as well as natural persons who have not been granted a residence permit and whose expulsion is not possible for legal or factual reasons, regardless of their place of residence in Montenegro.

The applicant shall submit the signed application to a branch of the Bank. By signing the Application, the applicant confirms the accuracy of the information stated therein and authorises the Bank to verify all information contained in the Application, as well as to collect additional information.

The Bank, in accordance with the Act on the Comparability of Fees and the conditions of its business policy, shall decide whether to approve or reject the Application and, accordingly, shall have the right to refuse the opening of a Basic Payment Account. The Bank may reject the applicant's Application if the applicant already has a Basic Payment Account opened in the territory of Montenegro which enables the use of the services prescribed by the Act, or if the opening of a Basic Payment Account would result in a breach of the regulations governing the prevention of money laundering and terrorist financing. In the event of rejection of an application for the opening of a Basic Payment Account, the Bank shall notify the applicant in writing of such decision and the reasons for the rejection, unless disclosure of the reasons would be contrary to the objectives of national security, public interest or the regulations governing the prevention of money laundering and terrorist financing.

The Account enables the Client to execute an unlimited number of payment transactions and other activities covered by the basic services, in accordance with these Terms, the funds available in the account and the Applicable Regulations.

Basic Payment Account for a Vulnerable Group of Consumers

A Basic Payment Account for a Vulnerable Group of Consumers, in accordance with the Act on the Comparability of Fees, may be contracted by natural persons lawfully resident in Montenegro (or in the European Union, once Montenegro accedes to the European Union), including natural persons without a permanent address and asylum seekers, as well as natural persons who have not been granted a residence permit and whose expulsion is not possible for legal or factual reasons, regardless of their place of residence in Montenegro, and who are recipients of the minimum wage, recipients of the minimum old-age, disability or survivor's pension, recipients of pensions who receive a supplement up to the minimum pension amount, and recipients of proportional pensions (old-age, disability or survivor's pensions) who receive a supplement up to the minimum amount in accordance with the law governing pension and disability insurance, as well as recipients of temporary compensation registered with the Employment Agency of Montenegro who receive compensation paid by the Pension and Disability Insurance Fund of Montenegro up to the amount of the minimum pension, child allowance, social assistance benefits, personal disability allowance, care and assistance allowance and unemployment insurance benefits, who exercise such rights in accordance with the laws governing labour, employment mediation and rights during unemployment, as well as social and child protection.

The applicant shall submit the signed Application to a branch of the Bank. By signing the Application, the applicant confirms the accuracy of the information stated therein and authorises the Bank to verify all information contained in the Application, as well as to collect additional information.

The Bank, in accordance with the Act on the Comparability of Fees and the conditions of its business policy, shall decide whether to approve or reject the Application and, accordingly, shall have the right to refuse the use of a Basic Payment Account for a Vulnerable Group of Consumers.

The Bank may reject the applicant's Application if the applicant already has a Basic Payment Account for a Vulnerable Group of Consumers opened in the territory of Montenegro which enables the use of the services prescribed by the Act on the Comparability of Fees, or if the opening of a Basic Payment Account for a Vulnerable Group of Consumers would result in a breach of the regulations governing the prevention of money laundering and terrorist financing.
In the event of rejection of an application for the opening of a Basic Payment Account for a Vulnerable Group of Consumers, the Bank shall notify the applicant in writing of such decision and the reasons for the rejection, unless disclosure of the reasons would be contrary to the objectives of national security, public interest or the regulations governing the prevention of money laundering and terrorist financing.

5. Maintenance of Transaction Accounts / Transaction Accounts with Payment Cards, Basic Payment Accounts and/or Basic Payment Accounts for Consumer Clients Belonging to Vulnerable Groups

The funds in transaction accounts are kept as a vista funds, and the Bank participates in the system of protection of deposits with the Deposit Protection Fund in a manner stipulated by positive legislation.
The Bank maintains transaction accounts in the currency officially used in Montenegro, as well as in the currencies in Exchange rates list of the Bank, depending on the type of transaction account, and in accordance with the provisions of the Framework Agreement concluded with the Client.
The Bank shall record the execution of the Client's payment transaction at the level of its individual transaction account, and is obliged to daily update and record the information and to ensure the accuracy of the same per transaction account.

A Client - consumer may authorize, in writing, one or more persons, in the manner provided by the Bank, i.e. in accordance with the special power of attorney certified by a notary, a consular office or other competent authorities of foreign countries, provided that the document is properly certified for use abroad and accompanied by a translation of the court interpreter into Montenegrin language. In addition to the Client – consumer and the attorney, payment transaction may be initiated by legal representatives or guardians of the Client - consumer.

A Client – non-consumer shall designate authorized persons to dispose of funds at the account and timely inform the Bank on any changes thereto. The Client – non-consumer shall inform the authorized persons regarding their rights and obligations in the enforcement of authorizations for managing the funds on the transaction account. The Client – non-consumer shall be liable to the Bank for any damage incurred as a result of exceeding authority by its proxies., The Client – non-consumer may give, change and revoke the authorization to manage the funds in transaction account exclusively in writing, on Specimen signatures of the Bank ("KDP").
The Bank bears no responsibility for any damage incurred as a result of omission of the Client – non-consumer to timely deliver the notice to the Bank referred to in the previous paragraph.

6. Available balance of the transaction account/transaction account – payment card and manner of disposing of the funds

Available funds / balance, is balance on the transaction account/transaction account – payment card of the previous day increased by the daily inflow and the funds in approved overdraft credit, and decreased by the daily outflow and the amount of provisions from card operations, up to the moment of determining the balance.

The Client and the Bank agree that the Bank will receive its payment of funds on transaction account and/or transaction account-payment card, and will carry out payments and transfers of funds upon Client's order within the available funds on the transaction account and/or transaction account – payment card, all in accordance with the Term plan for the receipt and execution of payment transactions.

The Bank may approve loan limit or overdraft credit per transaction account, in accordance with the applicable internal acts of the Bank.

The Client shall keep their own records of operations per the transaction account and/or transaction account – payment card with the Bank, and ensure to have sufficient funds for the execution of the given payment order.

The Client shall submit payment orders to the Bank in Bank's payment system forms in paper form, via e-banking service, through payment card and on the basis of the contractual relationship between the Client and the Bank.

Payment instrument user, who connected the payment card to the transaction account – payment card, may perform the following transfers between their transaction accounts:

Natural persons – residents/non-residents

- Account holders, i.e. authorized persons, may perform transfers from their transaction account to transaction accounts – payment cards by internal transfer/transfer order;
- Basic cards holders may perform returns from transaction accounts – payment card onto the transaction account by internal transfer/transfer order;
- Basic cards holders have the option to review the balance and turnover of the transaction account – payment card.

Legal persons – residents/non-residents

- Legal entity's authorized persons may perform transfers from transaction account to transaction accounts – payment cards by internal transfer/transfer order;
- Legal entity's authorized persons may perform returns from transaction accounts – payment card onto the transaction account by internal transfer/transfer order;

- Legal entity's authorized persons have the option to review the balance and turnover of the transaction account – payment card.

6a. Available Balance of the Basic Payment Account and/or the Basic Payment Account for a Consumer Client Belonging to a Vulnerable Group and the Method of Disposing of Funds in Such Account

The Client may issue payment orders and dispose of the funds held in the Basic Payment Account up to the amount of the available balance in the Basic Payment Account for basic services, in accordance with the applicable regulations, the Framework Agreement, the General Terms and Conditions for the Provision of Payment Services and the Schedule of Terms.

The Bank shall not allow the Client to dispose of funds in an amount exceeding the available funds in the Account, nor shall it grant any authorised overdraft, unarranged overdraft or any other form of credit facility in respect of this Account that would result in a negative balance on the Account.

7. Bank's authorizations to dispose of the funds at the Client's transaction account and/or transaction account – payment card

Bank shall manage the funds in the Client's transaction account and/or transaction account – payment card on the basis of its contractual powers vested in the Bank.

In the process of foreclosure onto the Client's cash funds the Bank shall enforce the orders made by the competent authority, while it does neither establishe nor check the relations between the Client and the person indicated as a creditor therein. The Bank shall not be liable for the damage that could be caused by the implementation of unlawful or irregular order of the competent authority.

Under the positive regulations governing the implementation of foreclosure of cash funds, the Bank shall enforce the payment orders from the funds on transaction accounts within the available balance in these accounts.

In case of insufficient funds on transaction account and/or transaction account – payment card, the Client irrevocably authorizes the Bank to collect the contractual financial obligation from the funds from all its transaction accounts with the Bank, except from the transaction accounts that are exempted from foreclosure under applicable legislation. When The Client has several accounts in the Bank, the Bank is authorized, at its discretion, to determine the order in which to perform the collection and transfer of the funds for the execution of payment orders.
In case of unauthorized negative balances and outstanding, unpaid obligations on Client's transaction account and/or transaction account – payment card, the Client authorizes the Bank to charge the overdue

accounts receivables from the Client, regardless of the basis of those receivables, by debiting any of the Client's accounts with the Bank. If the Bank's claims are to be collected in EUR (euro) from funds held in a currency other than EUR (euro), the Bank shall perform the currency conversion in accordance with the exchange rate list published by the Bank on the due date of the obligation, or on the date of transfer of such funds. Such payment transaction shall not be deemed an unauthorized payment transaction.

In the event of incorrect authorization of funds to the transaction account of the Client, the Client shall return the funds that have been paid in on its transaction account without grounds. In case of the incorrect debiting or crediting of Client's account the Bank is authorized to correct the mistake and bring the transaction account to its original state. The Bank shall correct errors from the payment system in accordance with the Bank's internal regulations.

The Bank is authorized to prevent the disposal of funds in the client's transaction accounts in case there is suspicion of possible fraud or misuse of the transaction account by the account owner and/or representative and/or authorized person and/or third party.

8. Blocking of a Transaction Account and/or a Transaction Account Linked to a Payment Card, a Payment Account with Basic Services and/or a Payment Account with Basic Services for a Consumer Client Belonging to a Vulnerable Group.

The Bank may freeze the transaction account and/or transaction account – payment card or a payment instrument for reasons related to:

- the security of the payment instrument;
- the suspicion of unauthorized use or use of the payment instrument having the fraudulent intent;
- in the case of a payment instrument with a credit line, which is related to a significant increase in the risk that the payer will fail in fulfilling its payment obligation
- in other cases, stipulated by law, as well as the Bank's internal regulations (related to foreclosure, the decisions of the competent authorities of Montenegro, Client's delays or failure to fulfill contractual obligations to the Bank etc.)

Through freezing referred to in the previous paragraph of this item of the General Terms and Conditions, the Bank may temporarily or permanently limit or suspend the usage of certain or all functionalities of the transaction account and/or transaction account – payment card and corresponding payment instruments.

The Bank shall also freeze the transaction accounts and corresponding payment instruments in case of learning about Client's death or in case of loss, disappearance or theft of the payment card, i.e. personalized security elements of other payment instruments.

The Client shall bear responsibility for transactions which have occurred until the moment of the receipt of a written application to the Bank related to the loss, disappearance or theft of the payment card, or another payment instrument.

The bank will freeze the transaction account and/or transaction account – payment car on the basis of the received order from the competent authorities and act further in accordance with applicable legislation. During the freezing of the transaction accounts, the Client and the authorized persons cannot manage the funds in transaction account. The Bank can freeze the transaction accounts to settle its outstanding claims, as well as for the purpose of obtaining the necessary documentation updates in accordance with the applicable Bank's internal regulations.

9. Closure/Termination of a Transaction Account and/or a Transaction Account with a Payment Card, a Basic Payment Account and/or a Basic Payment Account for a Consumer Client Belonging to a Vulnerable Group

Closure and/or cancellation of Client's transaction account and/or transaction account – payment card may be performed:

- at the request of Client - consumer / non-consumers
- without a request, if the client – non-consumer - ceases to exist as a legal entity under the law or other regulation (upon completion of the bankruptcy, liquidation, etc.), i.e. when the Central Registry of Commercial Entities ("Central Registry") or another public registry does not list the entity under any designation, but there is an obligation for registration, or if it is listed under designations such as "deleted," "liquidated," or any other designation indicating that it has ceased to exist as a legal entity in accordance with regulations. If no legal successor or other party in favor of whose account the transaction is executed is determined by regulation or legal act for the Client - non-consumer, the Bank will transfer the funds from their abolished transaction accounts to a special account opened by the Bank for unused funds. The Bank abolishes all transaction accounts of the Client - non-consumer - resident against which bankruptcy or liquidation proceedings have been initiated based on the request of the bankruptcy/liquidation administrator and opens a transaction account in bankruptcy or liquidation for that entity. The prescribed documentation is submitted with the request of the bankruptcy/liquidation administrator. In the case of status changes for the Client - non-consumer - resident, the Bank abolishes the accounts based on the request of that entity or its legal successor, with the prescribed documentation, and transfers the funds from the abolished accounts to the transaction account specified in the request. An exception to the rule that the Bank may not abolish transaction accounts for entities in previous point 7 of this Part (IV-1) of the General Terms and Conditions, applies to the abolition of blocked transaction accounts for the Client - non-consumer - resident, when such entities have ceased to exist as legal entities. When the Bank receives data from the Central Bank of Montenegro (Central Bank) regarding Clients - non-consumers - residents who have been deleted from CRBE or another public register, it is obliged to abolish such accounts without delay and
- under the provisions of the Framework Agreement/Framework Agreement – payment card governing the matter between the Client and the Bank.

The Bank shall refuse to close the transaction account and/or transaction account – payment card to a person who has been blocked in the following cases, namely:

a) for residents: in the process of foreclosure, freezing injunction, etc.;
b) for non - residents: court decision, etc.

In the event of closure / cancellation of transaction account and/or transaction account – payment card, the Client shall submit an application to the Bank in writing. Transaction account and/or transaction account – payment card shall also be closed based on the decision of the Bank in the event that the client fails to comply with contractual obligations. The bank may revoke the transaction account and/or transaction account - payment card of payment service users without a request for revocation of those accounts if there have been no changes on those accounts for a period of 5 (five) years and if the balance on those accounts is zero.

After the death of the Client, the funds existing in the transaction account and/or transaction account – payment card shall be allocated on the basis of a final court decision on inheritance or other legally recognized basis for inheritance, after which Client's transaction account and/or transaction account – payment card shall be closed.
Each negative balance of transaction account and/or transaction account – payment card, which is not covered by a loan, shall be considered to be unauthorized overdrafts. If unauthorized overdraft occurs on a transaction account and/or transaction account – payment card, the Bank takes measures against the Client in accordance with the contractual provisions and the applicable internal regulations. The Client shall pay the debt no later than 8 (eight) days from the day when the Bank delivered a warning with ordinary mail or cancellation by registered mail with a return receipt to post office with address of the client specified in the Agreement. If the client fails to settle the debt within a specified period, the bank takes further measures for collection of receivables: freezing of a transaction account and/or transaction account – payment card, the cancellation of overdraft, etc.

The Client is committed to settle their obligations towards the Bank, incurred under any circumstances, before submitting the request for closing the transaction account and/or transaction account – payment card.

10. E - banking

E-banking services encompass Internet banking, Mobile banking, and Notification service.
The bank provides e-banking services to its clients who have an open account. The client requests the activation of e-banking services when opening an account, which can be further canceled or activated based on a special request from the client.
Access to e-banking is granted to individuals and legal entities upon their request, enabling online management of their transaction accounts. If an individual is also an authorized person for a specific legal entity, e-banking can be activated for that individual for the legal entity, pursuant to the authorization of that legal entity.
The e-banking service provided by the bank to its clients ensures reliable authenticity verification through implemented two-factor authentication methods.

By using e-banking services, the client assumes full responsibility for payment transactions and currency conversion transactions initiated through e-banking, as well as for safeguarding the (secret) password for accessing Internet banking and Mobile banking systems.

The bank does not assume responsibility for damages that may result from a change in the owner of the telephone number provided by the client in the Request for Opening a Transaction Account, to which the bank sends all relevant data necessary for using Internet banking and Mobile banking, nor in cases where the client, their representative, or authorized person loses or lends the card with the telephone number set up for receiving Notification services, when the card with the telephone number set up for receiving Notification services is stolen, or when someone else uses the card with the telephone number set up for receiving Notification services, with or without the client's knowledge. In all these cases, the client is obliged to promptly inform the bank that the card with the telephone number for receiving Notification services is no longer in their possession or that of their representative.

The bank is obliged to provide clients with access to user manuals for Internet banking and Mobile banking. The user manual for using the application can be obtained within the application itself or by request to the client's email address provided in the Framework Agreement.

The bank may block the client's access to e-banking in cases where:

1) The security of the client's data is compromised.
2) The bank receives a directive from a competent institution/agency or believes that there has been misuse of that electronic order or that the interests of the client or the bank have been compromised in any other way.

The bank does not assume responsibility for cases where the user cannot utilize the bank's notification service due to disruptions in the telecommunication network or other circumstances beyond the bank's control.

For e-banking services, the bank charges a fee in accordance with its tariff, available at branches and on the bank's website, debited from the client's transaction account.

By activating e-banking and signing the Framework Agreement, the client accepts these General Terms and Conditions for the provision of payment services for consumers and non-consumers.

IV-2

Payment services

1. The content of the payment order

The Bank shall accept and execute the following types of orders: (a) cash deposit orders; (b) cash withdrawal orders; and (c) transfer orders. The form and structure of payment orders are prescribed by law. A cash

deposit order is a payment order requesting the execution of a payment transaction involving the deposit of cash. A cash withdrawal order is a payment order requesting the execution of a payment transaction involving the withdrawal of cash. A transfer order is a payment order requesting the execution of a payment transaction involving the transfer of funds. The content of a payment order must be duly completed, legible and signed by the payment service user. The Bank shall not be liable for any damage that may arise as a result of delays in the processing of a payment order where such delay is caused by the need for the Bank to make additional contact with the payment service user for the purpose of supplementing and/or correcting the payment order.
The content of the orders given in the payment system in country and abroad is different from the point of the documentation as it follows:

National payment system:

A properly filled payment order, in accordance with the provisions of the Law.

The urgency indicator in the payer's/payee's order shall be entered when the payee requires execution through the RTGS system.

The field indicating urgency shall be completed, on an optional basis, when transferring funds.

The payer/payee shall complete this field by entering the symbol "X" in the designated space.

International payment system:

A properly completed order/request for international payment with all necessary information, including details of the payer, the payer's account number, the amount and currency being paid, the payee with payment instructions, a detailed description of the purpose of payment, applicable payment options (cost sharing, value date), and the basis for the payment (invoice / pro forma invoice / contract / decision, resolution, etc.). For SEPA payment orders, the payment currency shall be EUR (euro), and the charging option shall be shared charges (SHA).

2. Signing the payment order/verification

All types of payment orders, i.e. requests, instructions, submitted to the Bank's premises, must be signed by the authorized representatives on the Specimen Signature or other document deposited with the Bank and certified with a seal presented to the Bank (Clients - non-consumers), if envisaged to be used by them. Nalozi za plaćanje primljeni u Banku putem usluge elektronskog bankarstva potpisuju se, ovjeravaju/autorizuju se u skladu sa uslovima definisanim u zahtjevu za aktiviranje usluga.

When dealing with a transaction account and/or transaction account – payment card, the payment services user-consumer is required to identify him/herself with a valid identification document. When affixing signatures in operations dealing with a transaction account and/or transaction account – payment card, the signature of the payment services user -consumer must be identical to the signature deposited on the Request for opening the account/or payment card/.

The payment order is considered unambiguously signed and certified by the user of the payment service - the payer if it is submitted to the Bank through E-banking.

The provisions of the preceding paragraphs shall also apply to orders for the conversion of EUR (euro) into other currencies or of other currencies into EUR (euro).

3. Receipt of payment orders

The Bank receives orders for payment in accordance with the applicable and published Term Plan for receipt and execution of payment transactions, with which the payment services user is informed in Bank's premises and on the website of the Bank.

The Bank shall accept advance non-cash payment orders exclusively through the electronic banking services, in accordance with the conditions defined in the service activation request and the user instructions governing the electronic submission of payment orders.

Interbank noncash payment issued in paper form, will be accepted in accordance with the Term Plan for the receipt and execution of payment transactions.

The payment services user and their authorized persons may give the Bank the authorization to debit the payment services user's transaction account and/or transaction account – payment card, perform regular or periodic payments, i.e. a standing order / direct debit. The Bank will carry out the standing order / direct debit in accordance with the terms and conditions defined by the payment services user. If the scheduled date for the execution of a standing order/direct debit is not a Bank business day, the payment shall be executed on the first following Bank business day. If the specified day of payment of standing order / direct debit is not a business day of the Bank, payment will be made on the next working day of the Bank. The Bank executes a standing order / direct debit only if the transaction account and/or transaction account – payment card has sufficient funds to cover the entire defined amount of payment and the Bank's fee for the provision of payments services. In the event that the Standing Order / Direct Debit is not executed by the Bank on a set day due to insufficient funds in the payment services user's transaction account and/or transaction account – payment card, the Bank will attempt to carry out payment afterwards, in a certain number of days, or in accordance with the Agreement with the recipient and the applicable Term Plan for the receipt and execution of payment transactions. Upon the expiration of the calendar month, the Bank will notify the Client about the inability of the execution of a standing order / direct debit and its rejection.

An Instant Payment Order (instant credit transfer) may be executed 24 hours a day, on every calendar day of the year, and may be issued only for an amount of less than EUR 3,000.00. Payment transactions in amounts of less than EUR 3,000.00 that are initiated by the payee may also be executed through the RTGS system at the payee's request.

4. The accuracy of a payment order

The bank will make the payment at the expense of the payment services user's transaction account and/or transaction account – payment card, only on the basis of a correct payment orders that were issued by the payment services user. The correct payment order is considered to be an order that meets the following requirements:

- ✓ that contains minimum required elements of payment orders in accordance with Law and these General Terms and Conditions;
- ✓ that there is a full coverage of funds on a transaction account and/or transaction account – payment card covering a payment of the amount of orders in the currency of payment, as well as coverage for a fee per transaction;
- ✓ that the order is, in its whole content, in accordance with applicable legislation and the Bank's internal regulations and that there are no legal impediments to its execution;
- ✓ that it has appropriate consent for payment in the manner specified by these General Terms and Conditions
- ✓ that appropriate accompanying documentation is attached, obtained in accordance with positive legal regulations and the Bank's internal acts.

5. Refusal of payment orders

The Bank shall not execute a payment order which has been corrected, crossed out, deleted or changed in any way, and for which there are no available funds i.e. the balance on the transaction account and/or transaction account – payment card for its execution. The Bank shall not execute a payment order for whose execution, at the currency date, there was no coverage on transaction account and/or transaction account – payment card or there existed the funds only for partial execution of the order, but not the full amount thereof. The Bank shall inform the payment services user about the refusal, the reasons for refusal and the procedure for correcting mistakes that led to the refusal. The order that is denied is considered as if not received.
The Bank has the right to refuse a payment order that meets all the requirements listed above if its execution would be contrary to the applicable legal regulations governing the prevention of money laundering and terrorist financing or internal documents of the Bank.

6. Revocation and changes of the payment order

User of payment services has the right to request from the Bank cancellation and modification of payment orders.
If a payment transaction is initiated by a payment initiation service provider, or by or through the payee, the Client may not revoke the payment order after giving consent to the payment initiation service provider to initiate the payment transaction or after giving consent to the payee for the execution of the payment transaction.

National payment system:
To revoke a payment order, the user of payment services must submit a request for cancellation to the Bank in the Bank's premises or via E-banking before the order is sent for execution.
In domestic payment transactions, the user of payment services cannot change payment details after sending them for execution via E-banking.

The revocation of a standing order must be submitted to the Bank for the following month at least one month before the scheduled payment date. In the case of a direct debit, when an agreed date applies, the payment service user may revoke the payment order no later than the end of the business day preceding the agreed debit date, without prejudice to the payer's right to a refund.

International payment system:

To revoke a payment order, the user of payment services must submit a request for cancellation to the Bank via email from the email address registered in the Bank's system or in the Bank's premises or via E-banking before the order is confirmed in the Bank's foreign exchange application.

To change the details of a payment order abroad, the user of payment services must submit a request for order modification to the Bank via email from the email address registered in the Bank's system or in the Bank's premises, specifically in the part related to the basis of payment (invoice/proforma invoice/contract/decision, final document, etc.) and/or correction of details about the user of funds (name/address).

If the user of payment services wants to change other details of a payment order abroad, they must submit a request for order cancellation, or if the order was entered via E-banking, they can modify all details, thereby canceling the previous entered order and creating a new one with modified details.

User of payment services may request from the Bank the cancellation of a payment order after the Bank has received and processed it in its system.

Cancellation/Modification of a payment order abroad is possible, at the request of the user of payment services, even after processing the order via SWIFT or via SEPA payment scheme, by submitting a request to the Bank for order modification via email from the email address registered in the Bank's system or in the Bank's premises, whereby the Bank is released from liability for non-execution of return/change of the payment orderIf the transaction was executed via SWIFT, the Bank will send a revocation request to the correspondent bank using an MT192 SWIFT message and will charge the fee in accordance with the applicable Tariff. If the transaction was executed via the SEPA payment scheme, the Bank will send a revocation request to the payee's bank using a camt.056 message and will charge the fee in accordance with the applicable.

7. Consent for payment transactions

Payment transaction is considered authorized only if the user of payment services has given consent for the execution of the payment transaction. 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, and may also be given through the payee or payment initiation service provider; otherwise, the payment transaction is deemed unauthorized.

To avoid any doubt, consent is also considered retroactively given when the payer, after the payment transaction has already been executed, obtains documents (confirmations, certified payment orders, etc.) relating to that payment transaction.

The user of payment services gives consent for the execution of the payment transaction by signing and receiving a copy of the payment order in the Bank's premises, submitting the order to the Bank via the Bank's E-banking services, or signing on EFTPOS terminals.

The user of payment services gives consent for the execution of the payment transaction depending on the channel of receiving the payment order and the payment instrument as follows:

a) In the Bank's premises: issuing the payment order to an authorized Bank employee or handing over the signed payment order;

b) By card: handing over the card and signing, inserting the card into an ATM and entering the PIN, inserting the card into an EFTPOS device and entering the PIN, or for transactions conducted online (e-commerce payments) or MOTO/CNP transactions, entering the CVV code and/or 3D secure option;

c) Through E-banking: using two-factor authentication methods;

d) At the payee: signing the order.

When, according to positive legal regulations, certain additional documents or data are required for the execution of a payment order in addition to a duly completed payment order, the Bank will execute the payment order if such documents and data are provided or presented in the prescribed form. In these cases, the Bank is not liable for extending the deadline for executing the payment order.

7a. Debiting an Account for Payment Without a Payment Order

The bank will debit the account for payment of the user of payment services – the Client, without a payment order in the following cases:

1) when execution is carried out on the account for payment of the user of payment services as the executing debtor, in accordance with the law regulating execution and security;
2) for the collection of due fees for services provided by the Bank in accordance with the provisions of the Law, due receivables based on loans granted by the Bank to the user of payment services - the Client, or other due receivables of the Bank from the user of payment services, if such a method of payment is agreed, and
3) in other cases prescribed by the Law.

A payment transaction executed in accordance with the preceding paragraph is not considered an unauthorized payment transaction.

8. Authorization of payment transactions

By signing the payment order payment services user - the consumer, and by affixing the signature and the stamp on the payment order payment services user – non-consumer, thereby authorizes an individual transaction, confirming that the information given is accurate, and that the Bank, has informed him/her on the data from these General Terms and Conditions, before performing each individual transaction.

The user of payment services, whether a consumer or non-consumer, agrees that their data related to reliable authentication entered into the E-banking application shall serve as the exclusive and unequivocal confirmation of the authorization of individual payment transactions. The Bank informs the users of payment services about the data in these General Terms in advance, before each individual transaction.

For Bank clients who wish to use the E-banking service, after submitting the appropriate request and concluding the Framework Agreement, depending on the chosen method, the data for two-factor authentication is delivered to the client via SMS to the phone number registered within the Request for Opening a Transaction Account or provided through a token.

Via payment card:

By inserting or tapping the card at the point of sale to purchase goods or services, and entering the PIN into the POS terminal or signing the transaction confirmation generated by the POS terminal;

- By inserting or tapping the card into the ATM and entering the PIN code;
- By inserting or tapping the card into the POS device at the cash withdrawal point to withdraw cash, and entering the PIN into the POS terminal or signing the transaction confirmation generated by the POS terminal;
- By entering the card details, including security elements for access, required during online transactions, or by entering the username and/or password under which the client's card is registered as a payment method for online purchases;
- At certain toll or parking fee collection points where, due to the speed of transaction execution or technological prerequisites, it is defined that consent for the execution of such transactions is without the cardholder's signature or entering the PIN. The cardholder gives consent for the execution of such transactions by using the card;

The cardholder accepts that their PIN entered and verified at the ATM or POS terminal, or signature on the POS terminal confirmation without a PIN option, for transactions conducted online or MOTO/CNP transactions, entering the CVV/CVC code and OTP, serve as the exclusive and unequivocal confirmation of the executed transaction and their identity.

All authorizations made using debit cards are performed in the local currency, i.e., euros, as well as in another settlement currency, US dollars, whereby the reserved amount for debit/credit transaction in other currencies may differ from the original amount until the transaction is posted.

9. Proof of authenticity in execution of payment transactions

Authentication is a process that enables the Bank to verify the use of a specific payment instrument, including the verification of its personal security elements, in accordance with the Law. As proof of conducted authentication, a record in the database of successful/unsuccessful logins to E-banking will be considered, containing data such as the date, time, card serial number, IP address from which the login was made, as

well as a description of activities and records of executed payment orders in the database tables with data on the date, time, amount, card serial number, activities per compartments (input, verification, second verification-authorization), and transaction account and/or transaction account - payment card deposit.

When a user of payment services disputes that they authorized the executed payment transaction or claims that the payment transaction was not properly executed, the Bank will conduct verification in its system to prove that the authentication of the payment transaction was conducted, and that the payment transaction was properly recorded and booked.

The Bank, as a provider of payment services and issuer of payment instruments, is obliged to require the application of reliable authentication for electronic payment transactions, except in cases where exceptions are permitted by applicable regulations, depending on the transaction amount, number, or total amount of consecutive transactions, the payee, or other criteria provided by the applicable regulations.

In cases where exceptions are permitted based on Part III of the Decision on ensuring reliable client authentication and the common secure open communication standards - Exceptions from the application of requirements for reliable client authentication, the mere fact that it was not required or conducted does not imply by itself that the transaction was not authorized in the agreed manner.

10. Execution of payments between payment service providers

Deadlines for execution of payment transactions between payment service providers are defined by the Time frame Plan for the receipt and execution of payment transactions of the Bank and shall be calculated from the receipt of the payment order.

11. International payments

Along with the payment orders submitted to the Bank, the payment services user shall also enclose the documents which prove the grounds and payment obligation. The Bank will receive a payment order made only in the context of the available balance on the transaction account. A total amount of the given task includes the amount of orders that need to be paid and the amount of all the fees the payment services user has to pay to the Bank for the execution of the said order. If balance of the transaction account is not sufficient for completing a given order, the Bank is not liable for the damage resulting from not executing the same. The Bank executes orders in accordance with the Term Plan for the receipt and execution of payment transactions and the Tariff, with which the payment services user has been acquainted before the conclusion of the Framework Agreement.
While processing the payment orders, the Bank applies daily exchange rates list of the Bank, unless otherwise agreed with the payment services user. When buying and selling a foreign currency ("foreign currency") to the payment services user for payments abroad or for transferring on the transaction account,

the Bank applies the purchase exchange rates from a regular exchange rates list of the Bank valid on the day of sale, unless otherwise agreed with the payment services user.

Correct international payment orders shall be executed by the Bank through SWIFT, by sending a pacs.008 message, or through SEPA payment schemes, by sending a pacs.008 file, in accordance with the Schedule for the Receipt and Execution of Payment Transactions.

A valid international payment order is considered to be an order that contains at minimum the following information: client details, the account number from which the payment is made, payee details (full name, address, IBAN, payment instructions), purpose of payment, amount and currency of the payment, applicable payment options (urgency, cost coverage, etc.), accompanied by appropriate documentation for the execution of the payment (contract, pro forma invoice/invoice, decision, statement, or similar), and signed by the Client's authorized representatives. The order must also be covered by sufficient funds and the transaction fee must be secured on the payment service user's transaction account with the Bank.t.

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The payment service user authorizes the Bank to charge a fee for the payment transaction services, as well as the costs of intermediary banks incurred during the execution of the payment transaction.

In the case of international payment orders executed via SWIFT, the payment service user authorizes the Bank to charge fees for the "OUR" option from the available funds on their transaction accounts held with the Bank, without requiring separate consent.

The payment services user shall be liable for the accuracy of the information specified in the payment order and for the authenticity of the transaction / documentation

With electronic payments via e-banking services, the payment services user shall be liable for the accuracy of the data entered for payment as well as for the entered reference code for the payment.

The user of payment services, both non-consumer and consumer, in accordance with the provisions of these General Terms and Conditions, authorizes the Bank to transfer funds from the transaction account for national payment transactions to the transaction account for international payment transactions after receiving/entering the payment order.

The Bank shall be relieved of responsibility for extending the execution period or non-execution of the payment order if the cause is the implementation of measures in accordance with positive legal regulations on anti-money laundering and counter-terrorism financing, regulations on international restrictive measures and embargo measures, as well as internationally accepted obligations in the field of anti-money laundering and counter-terrorism financing.

R-transactions, in the context of international payments in EUR (euro) to SEPA member states executed through SEPA payment schemes, represent a set of exceptional situations that include the revocation and/or refund of a payment transaction. A SEPA payment service user may request the Bank to revoke a payment, which must be executed within 10 business days, except in the case of fraud, where the deadline is 13 months. Refunds, initiated by the Bank at the user's request, must be executed within three business days. Upon the user's request, the Bank sends a camt.056 message to the payee's bank requesting the revocation or refund of the payment transaction.

12. Payments from abroad

In the case of incoming payments received via SWIFT, The Bank shall credit the transaction account of the payment service user with the value date on which the Bank's account held abroad or with another domestic bank is credited, on the day of receipt of the SWIFT pacs.008 message or upon receipt of the account statement from the correspondent bank and the pacs.008 message. **For incoming payments received via the SEPA payment scheme**, the user's transaction account is credited with the value date corresponding to the date on which the Bank's account with a foreign or domestic bank is credited, based on the receipt of a pacs.008 message or upon receipt of the account statement from the correspondent bank and the pacs.008 message. If a foreign or domestic bank revokes or modifies the payment order before the value date, the Bank will not process the incoming payment and shall bear no responsibility or obligation toward the payment service user on that basis. If the instruction/information provided by the payment service user is incomplete or if the required documentation or appropriate documentation is not submitted, the Bank has the right to withhold the incoming payment until the missing instruction/information/documentation is received, and will credit the user's transaction account no later than the next business day following receipt of the missing required instruction/information/documentation. If the payment service user fails to provide the required instruction/information/documentation within the given deadline, the Bank is authorized to return the incoming payment to the sender, deducting its own fees from the payment amount. The payment service user authorizes the Bank to charge fees for its services as well as intermediary bank fees incurred during the execution of the payment transaction from the available funds on their transaction account.

When processing incoming payments, the Bank enters the payment purpose code based on the data received in the MT103 message from SWIFT, the pacs.008 message from the SEPA payment scheme, or based on information provided by the Client. The Bank is authorized to request additional information from the ordering bank, if necessary, regarding the purpose of the incoming payment, as well as additional documents from the Client for the purpose of identifying the payment basis, in accordance with applicable legal regulations governing the prevention of money laundering and terrorist financing.

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The Bank shall not be liable for an extension of date of execution or non-execution of the order for approval of payment, if the cause is implementation of measures in accordance with applicable legislation governing the prevention of money laundering and financing of terrorism and regulations of international restrictive measures and embargo measures and internationally accepted obligations in the field prevention of money laundering and terrorist financing.

Upon receipt of cash funds on transaction account for payment transactions abroad, on the basis of international payment transactions, The Bank shall: 1) transfer received funds to payment services user's transaction account for the execution of the national payment transactions and / or 2) execute the payout of cash and / or 3) execute payments obligations abroad.

The payment services user, non-consumer and the consumer, according to the provisions of these General Terms and Conditions, authorizes the Bank to:

a) on their behalf, execute transfers of funds from their account in national payments onto their account in international payments, for all payment inflows approved in favor of their account in the national payment system, and for the implementation of any transfer of funds from the principal's account to their account, in a currency other than EUR (euro) and instructs the Bank to perform the conversion of the aforementioned funds into primary currency of payments, specified by the principal, and to transfer these funds to their account in that currency, and
b) on their behalf, during the internal transfer of funds through e - banking, in a currency other than EUR (euro), carry out the conversion of funds and transfer them to their account of the national payment system, and the transfer from this account to the account for the national payment of the beneficiaries of funds, in order to implement the transfer of funds from their account to the end user, according to the order given to the Bank i.e. delivered through e - banking.

13. Payment Initiation Services, Account Information Services and Confirmation of the Availability of Funds

Payment Initiation Service

The Client/Payment Service User may, through another authorised service provider, initiate a payment transaction debiting the Client's account, provided that the payment account is accessible online at the moment of initiation of the payment order. Payment orders initiated through a payment initiation service provider shall be executed under the same conditions as those applicable to payment orders initiated directly by the Client/Payment Service User, including compliance with all conditions for execution prescribed by law, the agreement and these General Terms and Conditions.

The Bank shall be obliged to:

1. communicate securely with payment initiation service providers;
2. immediately after receiving a payment order from a payment initiation service provider, provide or make available to the payment initiation service provider all information regarding the initiation of the payment transaction and all information available to the account servicing payment service provider in connection with the execution of the payment transaction;
3. treat payment orders transmitted through a payment initiation service provider in a non-discriminatory manner, particularly with respect to the time of receipt, priority or charges, compared to payment orders transmitted directly by the payer, unless there is an objective reason to do otherwise.

Account Information Service

The Client/Payment Service User shall have the right to use an account information service provided by an authorised account information service provider for access to information on the balance and transactions of the account. When enabling the Client to use an account information service, the Bank shall apply strong customer authentication in accordance with these General Terms and Conditions.

The Bank shall be obliged to:

1. communicate securely with account information service providers;
2. treat requests for information submitted through account information service providers in a non-discriminatory manner, unless there is an objective reason to do otherwise.

Confirmation of the Availability of Funds

At the request of a payment service provider issuing a card-based payment instrument, the Bank shall, without delay, confirm whether the amount of funds required for the execution of a card-based payment transaction is available in the Client's/Payer's transaction account, provided that:

1. the payer's payment account is accessible online at the time the request is received;
2. the payer has given explicit consent to the Bank to respond to the request of the payment service provider issuing the card-based payment instrument for confirmation that an amount corresponding to a certain card-based payment transaction is available in the payer's payment account;
3. the consent referred to in item 2 has been given to the Bank before the first request for confirmation is submitted.

At the request of a payment service provider issuing a card-based payment instrument, the Bank shall, without delay, provide a simple response in the form of "yes" or "no", which shall not contain any information on the account balance.

Where the Bank suspects unauthorised access to accounts, or access for fraudulent purposes, by payment initiation service providers, account information service providers or payment service providers issuing card-based payment instruments, the Bank may deny access to such payment service providers and shall inform the Client thereof before, or immediately after, taking such action, as soon as this is objectively possible.

14. Issuance and use of payment instructions

Upon the opening of the transaction account and/or transaction account – payment card, the Bank may issue payment instruments to the payment services user and/or their authorized persons, at a request or without a request made from the payment services user, under these General Terms and Conditions and special conditions for those types of services.

The Bank shall issue the payment card to the payment services user and user of the payment card, at his/her name.

The Payment Service User of a payment instrument, whether a resident or a non-resident, may choose whether to link the card to a primary transaction account or to a transaction account with a payment card.*

In case a payment services user of a payment instrument is a resident, they have the option whether to tie the card to the basic transaction account or a transaction account – payment card.

In case a payment services user, i.e. the user of a payment instrument is a non – resident, a transaction account – payment card shall be open, for all the users stated within the request.

Transactions performed using a payment card charge the transaction account/transaction account – payment card by the date of transaction. Payment card is issued to a named party, it is non – assignable and may be used exclusively by the person whose name is engraved on the payment card itself, and it is issued for a defined period of time. Payment card may be used as non-cash means of payment on points of sale in Montenegro and abroad, that have labels for payment cards when purchasing goods and services, as well as for cash withdrawals, exclusively up to the amount of the funds existing on the transaction account, and defined daily and monthly limitations. Payment services user, i.e. the payment card user shall be liable for all the costs incurred by the usage of a payment card.

For all costs incurred in the country, the Bank shall debit the payment services user's transaction account/transaction account – payment card in EUR currency, and the amount of the costs incurred abroad is converted into EUR currency at the rate specified in the Framework Agreement.

The payment services user shall, without delay, report any loss, theft, disappearance or destruction of a payment card to the Bank.

Before the expiration of the validity period of the existing card, the Bank issues a new card with a new expiry date. The card with an expired validity period must not be used. Any other use of the Card, as well as the use of the card by a person whose name is not printed on the card, is considered abuse, and the Bank may deny usage rights, confiscate the card, and terminate the Framework Agreement.

Abuse of card usage rights specifically includes using the card to conclude fictitious sales contracts, insurance for debt settlement, debt collection, and for any other purpose that by its nature and purpose contradicts morality and the positive regulations of Montenegro.

To perform non-cash and cash payment transactions using payment cards, the payment services user shall sign all the necessary documents in accordance with the Bank's internal regulations and receives a payment card and PIN.

15. Bank's obligation related to payment instruments

The Bank shall

1) ensure that the personalized security features of the payment instrument are available only to the Client who is authorized to use such payment instrument;

2) ensure that in every moment adequate resources are available that will allow the Client to provide notice in accordance with paragraph 1 under 2) Part VI-1 of the General Terms and Conditions or to request unblocking of the payment instrument in accordance with paragraph 5 of Part VI-2 of the General Terms and Conditions;
3) at the request of the payment services user, provide adequate proof of the delivery of a notice in accordance with paragraph 1 under 2) Part VI-1 of the General Terms and Conditions, on condition that the request is filed within 18 (eighteen) months after the Bank's receipt of such notice;
4) prevent any use of the payment instrument after receiving the notification referred to in paragraph 1 under 2) Part VI-1 of the General Terms and Conditions.

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

16. Restrictions/limits for the usage of payment instruments

The Payment Service User and the Bank shall agree on spending limits for payment transactions executed using a payment instrument. Such limits are subject to change, and the Bank shall notify the Client thereof through the communication channels defined in these General Terms and Conditions. Upon the request of the Payment Service User, the Bank shall provide the possibility to set and modify the maximum amount that may be sent via an instant credit transfer. For the execution of instant credit transfers through the IPS system, the Bank reserves the right to set limits in accordance with its internal policies and procedures, and the requirements arising from legal obligations in the field of anti-money laundering, counter-terrorist financing and restrictive measures.

For security reasons, the Bank shall determine daily and monthly limits for cash withdrawals at ATMs, payments for goods and services through EFTPOS devices and e-commerce transactions, as well as money transfers, and shall inform the Payment Card User thereof upon activation of the card.

The Payment Service User shall have the right to request a change to the initially agreed spending limits. The Payment Service User may also change such limits through the Bank’s digital channels (internet banking/mobile banking), up to the maximum limits defined by the Bank’s Decision.

The above limits shall be subject to the limits of the network in which the payment card is used.

17. Responsibility for damage with payment cards

A payment services user is responsible for any damage resulting from misuse of payment cards to the moment of reporting the loss, theft, disappearance thereof. In case of loss, theft, disappearance of payment card for cash withdrawal where PIN is used, the damage shall be borne by the Client.

18. Replacement of payment card

A payment services user is required to return damaged or defective payment card to the Bank severed, personally or by mail. The Bank shall cancel the damaged one and issue a new card. The Client shall be charged for the service of card replacement in case of the damage, pursuant to the Tariffs for the card operations (residents and non-residents) of the Bank, unless the Bank decides otherwise.

19. Special Provisions on Instant Credit Transfers

Execution of Instant Credit Transfers

The Bank provides the payment service of executing instant credit transfers (instant payments). Payment accounts that are available for credit transfers shall also be available for instant credit transfers 24 hours a day on every calendar day, within the TIPS Clone platform.

The Bank receives and executes instant payments 24 hours a day, 7 days a week, through online banking services, while instant payments submitted at a Bank Branch are received during the branch's business hours and executed 24 hours a day, 7 days a week.

The moment of receipt of a payment order for an instant credit transfer shall be the moment when the Bank, as the payer's payment service provider, receives that order, regardless of the hour or calendar day on which it is received.

For the execution of an instant payment, the Client shall ensure that sufficient funds are available at the time of execution of the payment, and the account shall be immediately debited for the amount of the order and any fees for its execution.

By way of exception to the preceding paragraph, the moment of receipt of a payment order for an instant credit transfer that is not initiated in electronic form shall be the moment when the Bank, as the payer's payment service provider, enters the payment order information into its system, whereby the Bank shall enter such information as soon as possible after the payment order has been submitted by the payer.

Immediately upon receipt of a payment order for an instant credit transfer, the Bank shall verify that all conditions necessary for processing the payment transaction have been met and that the required funds are available, reserve the amount of the payment transaction in the payer's account or debit that account for the amount of the payment transaction, and immediately send the payment transaction to the payee's payment service provider.

Failure to execute a payment order due to the lack of available funds in the account shall not be considered a rejection of the payment order, and the Bank shall not be obliged to notify the payment service user thereof.

The time stamp marking the commencement of the target execution period of 10 seconds for instant payments shall begin from the moment the duly completed and authorised instant payment order is recorded in the Bank's system.

The Bank, as the payee's payment service provider, shall, within 10 seconds from the moment of receipt of the payment order for an instant credit transfer from the payer's payment service provider, make the amount of the payment transaction available on the payee's payment account and confirm to the payer's payment service provider that the payment transaction has been executed.

The Bank, as the payee's payment service provider, shall ensure that the value date of crediting the payee's payment account is the same as the date on which the payee's payment service provider credited the amount of the payment transaction to the payee's payment account.

The Bank, as the payer's payment service provider, shall, immediately upon receipt of the confirmation of execution of the payment transaction referred to in the preceding paragraph, or if such confirmation is not received within ten seconds from the moment of receipt of the payment order for an instant credit transfer, notify the payer and, where applicable, the payment initiation service provider, free of charge, whether the amount of the payment transaction has been made available on the payee's payment account.

If the Bank, as the payer's payment service provider, does not receive within the period referred to in the preceding paragraph a confirmation from the payee's payment service provider that the funds have been made available on the payee's payment account, it shall immediately restore the payer's payment account to the state in which it would have been had the transaction not been executed.

The Bank shall not be liable for the execution of an instant credit transfer to an unintended payee if the payer authorised the payment or if the instant credit transfer order was submitted through a payment initiation service provider.

Limitations on Instant Credit Transfers

At the request of the payment service user, the Bank shall provide the possibility of determining the maximum amount that may be sent by instant credit transfer, which may be determined per day or per transaction.

The payment service user may modify the maximum amount referred to in the preceding paragraph at any time before initiating a payment order for an instant credit transfer.

The Bank shall refuse to execute a payment order for an instant credit transfer if the payment service user's payment order for an instant credit transfer exceeds the maximum amount or results in the maximum amount for instant credit transfers being exceeded. The Bank shall notify the payer thereof and provide information on how to modify the maximum amount.

Verification of Payment Service Users for the Purpose of Applying Targeted Financial Sanctions

The Bank may refuse to execute a payment order or payment transaction and return the remitted funds to the payer if the execution of the payment order or payment transaction would result in a breach of targeted financial sanctions.

The Bank may refuse to execute a payment order where, in the Bank's assessment, there is a security risk and/or a risk of unauthorised payment transactions, as a result of which the payment service user could

suffer damage. The criteria and methods used by the Bank to assess such risks are continuously updated and enhanced for the purpose of protecting business stability and the security of payment service users. Accordingly, the Bank shall not be obliged to provide or explain such criteria and methods to users.

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Fees, interest rates and exchange rates

Bank's tariffs shall determine the amount of fees which the client shall pay to the Bank. Catalogue of the products defines the interest rates and the manner and deadlines for calculation of interest rates, as well as defining the value of changes per transaction accounts. Interests, fees, as well as the manner and deadlines for their calculation shall be variable in line with the said acts of the Bank.

The Bank shall calculate and charge the Client with the fees for opening, managing and termination/closing of the account, fees for executing individual payment transactions based on the Framework Agreement, in accordance with existing Tariffs available in Bank's premises and Bank's website, which were familiar to the Client prior to entering into the Framework Agreement and accepts them in whole, while agreeing with their application to the Framework Agreement. The Bank shall keep the right to debit the account of the Client, with no prior notification, if they do not settle their debts related to the opening, managing and closing of the account.

Any changes to the Fee Policy apply to the Framework Agreement from the date of its entry into force, until the expiration of the contractual relationship without concluding a separate annex to the Framework Agreement. Bank's activities related to the amendments to the Tariffs have been described in Part X of the General Conditions.

The Bank may arrange more favorable rates with the Client than the ones set out in the Tariffs. Client authorizes the Bank to directly charge, without giving specific consent, by giving payment orders, any of the Client's accounts at the Bank for all fees of other banks calculated and / or charged from the Bank for corrections and reclamations upon payment – turnover transaction, that were made on the basis of incorrect instructions of the Client.

A Client agrees that the Bank calculates interest on funds on transaction account in accordance with the Bank's Catalogue of Products and agrees that the interest rate, as well as the methods and terms for calculation and collections, are changeable in accordance with the Bank's Catalogue of Products and its amendments, which are available to the client in bank's premises, which has been familiar to the Client prior to the conclusion of the Framework Agreement and fully accepts and agrees with its application on Framework Agreement.

The Bank shall give proposal to the Client in writing, the amended interest rate according to the Law prior to its entry into force, in the manner defined in Part VI and IX of these General Terms and Conditions, in the event that amended interest rate is not more favorable than the currently valid one. The terms under which regular interest rates and penalty rates can be changed for the duration of this Agreement shall be determined by internal documents of the Bank that are publicly available to all clients.

For unauthorized overdraft on transaction account and/or transaction account – payment card, the Bank charges default interest in accordance with the positive regulations.
When executing foreign exchange payment orders, the Bank applies current exchange rates of the Bank and informs Client in advance on a specific exchange rate, or agreements with the Client a special exchange rate.
For currency conversion, the Client can negotiate a special exchange rate with the Bank by entering a specific conversion order into the Internet banking application and authorizing it through OTP (One-Time Password).
In unexecuted, unauthorized or incorrectly executed payment transactions by the Bank, the calculation of interest belonging to the Client is carried out in accordance with applicable legal default interest rate.

The fee for the use of a Basic Payment Account shall be charged directly to that account. For the use of a Basic Payment Account, the Client shall pay a monthly fee in accordance with the Tariffs.

No fees shall be charged for a Basic Payment Account for a Vulnerable Group of Consumers.

VI

Communication – obligations to inform the client

A Client can obtain all information related to these General Terms and Conditions, as well as the Framework Agreement / single payment transaction in the Bank's premises and on the Bank's website, as well as upon personal request when intending to execute payment transactions. The manner in which the Client shall be informed about the amendments to the Framework Agreement, as well as its Schedules: General Conditions of Bank’s Operations, General Terms and Conditions of Payment Operation Services for Consumers/Non-consumers in the Bank and the Tariffs, has been described in details in Part VIII of General Conditions.
Upon a receipt of payment order and its execution, the Bank shall submit to the Client, a copy of a filled payment order entered with a reference, the amount of the payment transaction in required currency, charges, and / or the exchange rate (if the transaction requires it), and date of receipt / processing of orders.
Framework Agreement, General Terms and Conditions, Term Plan for the receipt and execution of payment transactions, as well as the Fees for Payment transaction are written in easily understandable words and in a simple and comprehensible form.
For each individual payment transaction set directly by the payer, the Bank shall, at the request of the payer, provide information on the maximum execution time and of all fees incurred by the payer and the amount of each. The obligation to inform on the provision of payment service shall apply to the relationship between the Client who is a consumer and the Bank, and on relationship between the Client who is non-consumer and the Bank, unless otherwise agreed.
Maximum deadline for the execution of payment services with the Bank is determined by the Term Plan for the receipt and execution of payment transactions.

The method and frequency of calculation of fees for the implementation of the order for payment shall be made in accordance with applicable bank's enactments, unless otherwise agreed between the Bank and the Client.

The reference exchange rate for the conversion of foreign currency is done in accordance with the current exchange rate of the Bank in the event that it is required by transaction for payment order. The bank and the client may agree on a different reference exchange rate of the foregoing.

The calculation of interest on the funds on transaction account is performed in accordance with the Catalogue of Products, unless otherwise agreed between the Bank and the Client.

The Bank shall notify the Client on information related to the balance on transaction account and/or transaction account – payment card, denied or unexecuted orders, fees on this account, the amount, interest rate, exchange rate and other information of a payment transaction, in writing, at least once a month, through the account statement, at Client's request inform them, without a charge, in an agreed manner.

The Bank makes available to clients, via the e - banking service, the same information via account statement, if client uses those services. The account statement of the transaction account and/or transaction account – payment card is deemed to be duly served by the bank if a client received it at the Bank premises, through the services of e - banking, or if it is sent by mail to the address or email address specified by the client. The Bank may also provide for any additional or more frequent notifications, at the Clients' request, for a fee established by Tariff Policy of the Bank.

The Bank may delegate a complete processing of transactions, balances by transaction account and reporting to the Client thereon to a third party, that will submit the same information in the form of agreed statements of transactions and balances in transaction accounts and/or transaction account – payment card to client's address, and the Bank is committed to protect that information from unauthorized access as a Bank's or Business secret. The Bank may agree with the Client on a more frequent delivery of account statement per transaction account and/or transaction account – payment card than the established minimum by these General Terms and Conditions.

Language in which the above information is submitted and conclusion of the Framework Agreement is preformed is Montenegrin, unless otherwise agreed between the Bank and the Client.

For the duration of the Framework Agreement, the client is entitled, to request a copy of the Agreement and the General Terms and Conditions, in paper form or another durable medium.

VII

Protection and correction measures

VII – 1

Liabilities of the Client or their authorized representative as the users of the bank's payment instrument

The Client or their Authorized Representative, empowered to use the payment instrument, are obliged to:

1) Use the payment instrument in accordance with the provisions of the Framework Agreement/payment card framework agreement governing the issuance and use of that payment instrument; and
2) Immediately notify the Bank, or the entity designated by the Bank, of any identified loss, theft, or misuse of the payment instrument or its unauthorized use. If the report of loss, disappearance, or theft of the payment card or other means of accessing funds from the transaction account and/or transaction account - payment card is made by phone or email, the Client must confirm the report to the Bank promptly by submitting a written notification to the Card Business Sector of the Bank.

Upon receipt of the report of the loss of the payment card, the Bank will block the lost card and prevent its further use. The Bank will unblock the payment card or replace the blocked payment instrument with a new one once the reasons for blocking that payment instrument cease.

The Client or their Authorized Representative is required, immediately upon receipt of the payment instrument, to take all reasonable measures to protect the personalized security elements of that payment instrument.

VII-2

Bank's right to block the payment instrument

The Bank reserves the right to block the payment instrument for objectively justified reasons, which include:

1. Security concerns regarding the payment instrument.
2. Suspicion of unauthorized use or fraudulent intent in using the payment instrument.
3. In the case of a payment instrument with a credit line, due to a significant increase in the risk that the payer will not be able to fulfill the payment obligation.

4. in the event of the loss and/or theft of the payment instrument;
5. upon receiving information that the Client has ceased operations or upon the death of the Attorney-in-Fact;
6. if the Bank determines or suspects a possibility of a breach of the regulations governing the prevention of money laundering and terrorist financing, or if the Payment Card User, at the Bank's request, fails to provide the required information and documentation necessary for the issuance and use of the payment card and for the continuation of the established contractual relationship in accordance with the applicable regulations.

The Bank is obliged to notify the user of the payment instrument of its intention and the reasons for blocking the payment instrument at the address/telephone number provided during the opening of the transaction account and/or transaction account - payment card. If the Bank is unable to notify the Client, it will do so

immediately after the blockage. However, in exceptional circumstances, for security reasons or contrary to legal regulations, the Bank may not fulfill the obligation to inform the Client.

The Client is obliged to promptly notify the Bank of any confirmed loss, theft, or misuse of the payment instrument or its unauthorized use, in accordance with the provisions of the Framework Agreement. If the report of loss, disappearance, or theft of the payment card or other means of accessing funds from the transaction account and/or transaction account - payment card is made by phone or email, the Client is required to confirm the report in writing by submitting a letter to the Bank's premises. Upon receipt of the report of the loss of the payment card, the Bank will block the lost card and prevent its further use.

The Bank will unblock the payment card or replace the blocked payment instrument with a new one once the reasons for blocking that payment instrument cease.

VII-3

Client’s liability for unauthorized transactions

The consumer client is liable for unauthorized payment transactions as follows:

1) Up to the total amount of EUR 50.00 (fifty euros) if the execution of the unauthorized payment transaction results from the use of a lost or stolen payment instrument or its misuse.
2) In full if the consumer acted fraudulently or intentionally or due to gross negligence failed to fulfill one or more obligations from Part VII-1 of these General Terms and Conditions.

Exceptionally, if the execution of the payment transaction results from the use of a lost or stolen payment instrument, or from the misuse of the payment instrument, the Client is not liable for unauthorized payment transactions:

a) Transactions executed after informing the Bank in accordance with Part VII-1 of the General Terms and Conditions, Section 1, point 2;
b) If the Bank has not provided appropriate means of informing about the loss, theft, or misuse of the payment instrument in accordance with Part IV-2 of the General Terms and Conditions, point 14. This provision does not apply in cases of fraudulent conduct by the Client.

If the consumer client fails to promptly inform the Bank of the unauthorized payment transaction, upon becoming aware of it, and no later than within 13 (thirteen) months from the date of debit, the client loses the right from this section applicable in the event of an unauthorized payment transaction. The 13 (thirteen) month deadline does not apply if the Bank has failed to provide the Client with information about the

executed payment transaction. In that case, the Client may exercise their right under this provision within a longer period than 13 (thirteen) months.

VII-4

Rights of clients – payment services users in case of unauthorized or incorrectly executed payment transactions

In the event of an unauthorized payment transaction, incorrectly executed payment transaction, including delays in execution, the consumer client - user of payment services has the right to request the correction of the unauthorized payment transaction/proper execution of the payment transaction, as well as interest or refund of the amount of the incorrectly executed/unauthorized payment transaction, in accordance with the Law.

The user of payment services forfeits this right if they fail to inform the Bank immediately upon becoming aware of the incorrectly executed payment transaction or unauthorized payment transaction, and no later than within 13 (thirteen) months from the debit date or approval date of the transaction account. The 13 (thirteen) month period does not apply if the Bank has failed to provide the user of payment services with information about the payment transaction in accordance with the Law. In that case, the Client may exercise the right from paragraph 1 of this section of the General Terms even after the 13 (thirteen) month period.

VII-5

Bank’s responsibility for the execution of unauthorized or incorrectly authorized payment transaction

In the event of an unauthorized or incorrectly executed payment transaction, the Bank is obliged to, upon the consumer client's request for reimbursement of the unauthorized payment transaction, promptly refund the amount of the unauthorized payment transaction. In the case of an unauthorized payment transaction from the transaction account, it must restore the balance to the debited transaction account to its state before the execution of that payment transaction, provided that the value date of the payer's payment account credit must not be later than the date on which the account was debited for the amount of the unexecuted or incorrectly executed payment transaction. The Bank must also refund to the consumer user of payment services all fees charged in connection with the unauthorized or incorrectly executed payment transaction and pay any applicable interest. Additionally, in the case of an unauthorized payment transaction, the user of payment services also has the right to the difference up to full compensation for damages under the general rules of liability for damage.

The Bank, as a provider of payment services, has the following rights and obligations in certain cases of incorrect execution of payment transactions:

1) If the payer's payment service provider transfers to the payee's payment service provider an amount exceeding the amount specified in the payment order or if, by mistake, it executes the payment order

multiple times, the payee's payment service provider, based on evidence from the payer's payment service provider who made this mistake, is obliged to promptly return the excess transferred funds to them.

2) If the payee's payment service provider receives an amount lower than the amount of the payment transaction specified in the payment order, the payer's payment service provider may, within the legally prescribed period, transfer to the payee's payment service provider the amount missing to complete the payment transaction in accordance with the given payment order and without the request of the user of payment services for proper execution of the payment transaction.
3) If funds are mistakenly transferred to another payee not specified in the payment order, the payer's payment service provider may, within the legally prescribed period, correctly execute the payment transaction without the user of payment services' request for proper execution of that payment transaction, and the payee's payment service provider to whom the funds were mistakenly transferred is obliged to promptly return (transfer as a refund) the received funds to the payer's payment service provider based on evidence from the payer's payment service provider who made the mistake.

1. Responsibility for the Execution of Payment Transactions in the 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 maintaining the account is obliged, in accordance with the Law, to compensate 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 before the execution of that payment transaction.

The payment initiation service provider is obliged to prove that the payment service provider maintaining the payer's account received the payment order in accordance with the Law and that, within its authorization, authentication of the payment transaction was performed, the payment transaction was correctly recorded, and that it was not affected by a technical malfunction or other deficiency related to the non-execution or incorrect execution of the payment transaction, including the execution of the payment transaction with delay.

If the payment initiation service provider is responsible for the non-execution or incorrect execution of the payment transaction, including the execution of the payment transaction with delay, it is obligated to compensate the payment service provider maintaining the account, upon their request, without delay, for all amounts paid to the payer and any other incurred damages.

VII-6

Responsibility of the bank for execution of payment transactions initiated by payer or recipient of payment

If the payment order is executed in accordance with a unique identification code, it is considered to have been properly executed with respect to the payee designated by that code by the payment service user. The Bank is not responsible for the non-execution or incorrect execution of a payment transaction by the payment service

user if the user provides an incorrect unique identification code. If, in addition to the unique identification code, the user provides other details (specification of payee data), the Bank is only responsible for executing the payment transaction based on the unique identification code. In this case, the Bank takes reasonable measures to refund the funds from the incorrectly executed payment transaction and calculates and charges the payment service user a fee for the service of refunding funds from the incorrectly executed payment transaction, incurred due to the user's error, if specified in the framework agreement. The payee's payment service provider is required to cooperate with the payer's payment service provider and provide all relevant information to facilitate the refund of funds from the incorrectly executed payment transaction. If the refund of funds from the incorrectly executed payment transaction is not possible, the payer's payment service provider must, upon the payer's written request, provide the payer with any available information necessary to initiate legal or other proceedings to recover the funds.

The Bank is responsible to the payment service user for the execution of the payment transaction initiated by them, except in the following cases:

- If the Bank proves that the payee's payment service provider received the amount of the payment transaction in accordance with the Law and the payment order. In this case, the payee's payment service provider is responsible for the execution of the payment transaction and is liable to the payee;
- If there is a unique identification code provided by the payment service user, the Bank is not responsible for the non-execution or improper execution of the payment transaction in relation to the incorrectly provided unique identification code;
- The Bank's liability is excluded in exceptional and unforeseeable circumstances beyond the control of the party invoking them, which could not be avoided despite exercising due care, as well as in cases where the Bank was obliged to apply another regulation.

The Bank is responsible to the payment service user - the payer for the correct execution of the payment transaction initiated by the payer, except in the case where the payer provides an incorrect unique identification code. If the Bank proves to the payment service user - the payer that the payee's payment service provider received the amount of the payment transaction within the timeframes prescribed by the Law and the payment order, the payee's payment service provider is responsible for the proper execution of the payment transaction to the payee. In this case, the payee's payment service provider is required to make the amount of the payment transaction available to the payee without delay, and in the case of payment to the payee's payment account, approve the corresponding amount to the payee's account, provided that the value date of the payee's payment account credit is not later than the date that would have been determined for that amount as the value date if the transaction had been executed in accordance with the Law.

If the payment transaction is executed with delay, the payee's payment service provider must, upon request submitted on behalf of the payer by the payer's payment service provider, determine the value date of the payee's payment account credit, which shall not be later than the date that would have been determined for that amount as the value date if the transaction had been executed on time.

In the event of a non-executed or incorrectly executed payment transaction initiated by the payment service user - the payer, the Bank is required, at the request of the Client - the payer and regardless of its liability, to

take measures without delay to determine the flow of funds of the payment transaction and notify the payment service user - the payer thereof. In cases where the Bank is responsible to the payment service user - the payer for a non-executed or incorrectly executed payment transaction, it is liable to the payment service user - the payer for all fees charged to them, as well as for any interest due to the payment service user in connection with the non-executed or incorrectly executed payment transaction.

The payment service provider and the payer who is not a consumer may regulate, by agreement, the liability for a non-executed or incorrectly executed payment transaction, including liability for the execution of a payment transaction with delay, differently from Articles 1 through 7 of Article 49 of the Law.

When the payment transaction is initiated by or through the payee, except in cases where the Bank proves to have properly transmitted the payment order, when the payment service user provides an incorrect unique identification code, as well as in cases provided for in Chapter X of the General Terms and Conditions, the Bank whose payee is responsible for the proper transmission of the payment order to the payer's payment service provider, as well as for the value date and availability of funds in accordance with the received order and the timetable for receiving and executing payment transactions. In the event that the Bank, whose payment service user is the payee, is responsible for a non-executed or incorrectly executed payment transaction, it is obliged, without delay, to resend the payment order to the payer's payment service provider.

In the event of a non-executed or incorrectly executed payment transaction initiated by or through the payment service user - the payee, the Bank is obliged, at the request of the payment service user - the payee and regardless of its liability, to take measures without delay to determine the flow of funds of the payment transaction and notify the payment service user - the payee thereof. In the event that the Bank, whose payment service user is the payee, is responsible for a non-executed or incorrectly executed payment transaction, it is simultaneously responsible to the payment service user - the payee for any fees charged and any interest due to the payee in connection with the non-executed or incorrectly executed payment transaction.

For international payment orders, the Bank is responsible to the payment service user - the payer for the proper execution of the payment transaction initiated by the payer, namely to:

1) Provide its correspondent bank or another bank in the payment chain with an order that fully corresponds to the payment order of the payment service user - the payer;
2) Provide the aforementioned bank with a sufficient amount of money to execute the payment transaction.

The Bank is not responsible for the non-execution or improper execution of orders by other banks.

VII-7

Return of funds for authorized payment transaction initiated by or through the recipient of payment

The payment service user - payer has the right to a refund of funds from the Bank in full for an authorized payment transaction that has already been executed and initiated by or through the payee if the following assumptions are met:

a) Consent for execution at the time it was given was not given for the correct amount of the payment transaction.
b) The amount of the payment transaction exceeds the amount that the payment service user could reasonably expect, taking into account their previous spending patterns.

In the case of SEPA payments, the payer has the right to a refund from their payment service provider even if the specified conditions are not met, provided that the refund request (revocation) is submitted within 10 business days, except in the case of fraud, when the request may be submitted within 13 months.

The payment service user - payer cannot invoke the right to a refund if the reason for fulfilling the assumption that consent was not given for the correct amount of the payment transaction is the application of the reference exchange rate agreed with the Bank. The payment service user - payer and the Bank agree that the payer does not have the right to a refund if the following conditions are met:

1) If the payer has given consent for the execution of the payment transaction directly to their service provider;
2) Where applicable, if the Bank or the payee has provided or made available to the payer information about the future payment transaction in the agreed manner at least four weeks before the due date.

VII-8

Request for return of funds for authorized payment transactions initiated by or through the recipient of payment

The payment service user loses the right to a refund if they do not submit a refund request to the Bank within 8 (eight) weeks from the debit date.

The Bank may request from the payment service user the information necessary to establish the assumptions from the preceding paragraph of this section of the General Terms and Conditions.

Within 10 (ten) working days from the receipt of the refund request, the Bank is obliged to the payment service user to:

1) return the full amount of the payment transaction, or
2) provide a justification for refusing the refund, with the obligation to state that if the payment service user does not accept the given justification, they may submit a proposal for out-of-court settlement of disputes in payment transactions.

The Bank will not refuse a refund when it is agreed in the case of direct debit between the Bank and the payment service user, or when the exact amount of the payment transaction was not stated at the time of authorization

VIII

Account Transfer Service

In accordance with the Law on the comparability of fees related to consumer payment accounts, the transfer of consumer payment accounts, and the basic payment account, the Bank provides an account transfer service to the Client - the consumer, based on the Request for Account Transfer.
The Bank acts in accordance with legal regulations and the Protocol on cooperation between banks regarding account transfer.
The account transfer service includes:

- Transfer of information about all or certain standing orders and direct debits, as well as recurring incoming credit transfers executed on the payment account, and/or
- Transfer of all or part of the positive balance from the payment account at the transferring bank to the payment account at the receiving bank.

Pursuant to Article 11, paragraph 3 of this Act, the Bank shall, once a year and free of charge, provide the consumer with a Statement of All Fees and Interest. This Statement shall be delivered to the Client's e-mail address recorded in the Bank's database (core system). If the Client-consumer does not agree to receive the aforementioned Statement by e-mail, the Client shall inform the Bank thereof by visiting the nearest branch or by sending a notification from the e-mail address recorded in the Bank's database (core system), and shall thereby select the future method of delivery of the Statement of Fees and Interest.

IX

Amendments to the Framework Agreement

Regarding amendments to the Framework Agreement and its Appendices: General Terms and Conditions of the Bank's operations, General Terms and Conditions for providing payment services to consumers/non-consumers in the Bank, and Tariffs, the Bank proposes to the Client at least 2 (two) months before the intended effective date of the amendment.
The Client - User of payment services may accept or reject them until the proposed date of their entry into force.
Amendments and/or supplements to the Framework Agreement, as well as amendments and/or supplements to the Appendices of the Framework Agreement: General Terms and Conditions of the Bank's operations, General Terms and Conditions for providing payment services to consumers/non-consumers in the Bank, and Tariffs are proposed to the Client by the Bank within the prescribed period by delivering the executed amendments and/or supplements in one of the following ways:

1) in paper form;

2) on another durable medium, namely:

2.1) on a CD or DVD disc;

2.2) on a USB flash drive;

2.3) on a memory card or hard drive of a computer;

2.4) via email;

2.5) through E-banking, i.e., online banking;

2.6) by publishing on the Bank's website with the Bank's obligation to send a message to the Client's mobile phone containing a clear link to the website where they can review the amendments and/or supplements. Additionally, the message must include information about the Bank's telephone number or email address for obtaining information on how to personally acquaint themselves with the amendments and/or supplements, as well as that they can personally acquaint themselves with the amendments by visiting the specifically designated Bank premises.

If the amendments concern changes in interest rates, the Client agrees that the Bank may implement these changes immediately, without notice as per paragraph 1 of this Section of the General Terms and Conditions, only if the proposed changes are more favorable to the Client. The Bank is obliged to notify the Client within 5 (five) working days in the manner described in point 2 of the preceding paragraph of this Section of the General Terms and Conditions.

If the Client does not agree with the amendments and/or supplements (except for changes that are more favorable, so they agree that the Bank applies them without prior proposal), they may terminate the Framework Agreement without notice and without payment of a fee. In that case, the Client is obliged to provide the Bank with a Statement of Termination of the Framework Agreement in writing to the address of the Bank's headquarters or its Branches published on the website, no later than the day before the date specified for the commencement of the validity of the amendment and/or supplement. If the Client does not provide the Bank with a Statement of Termination of the Framework Agreement within that period, it is considered that they have accepted the amendments and that the Framework Agreement remains in force.

X

Duration and Termination of the Agreement

The Framework Agreement is concluded for an indefinite period and terminates by cancellation or termination. The Client and the Bank may mutually, in writing, terminate the agreement with immediate effect at any time. The Client may unilaterally, in writing, to the Bank's headquarters address, terminate the Framework Agreement with a notice period of 1 (one) month, except in cases specified in Part IX of the General Terms and Conditions, when a shorter period is determined. The Bank may terminate the Framework Agreement concluded for an indefinite period with a notice period of 2 (two) months. The notice of termination

(cancellation) of the Framework Agreement must be provided to the Client in a clear and understandable manner, in paper form, to the last registered address of the Client at the Bank or through another permanent medium. The notice period begins to run from the date of dispatch of the notification.

The Client agrees that the Bank may terminate (cancel) the framework agreement and/or individual contract and additional service contract related to the transaction account and/or transaction account – payment cards due to the non-exercise of rights and inactive business under the contract(s) by the Client, if the non-exercise period exceeds 5 (five) years continuously and if the balance on those accounts is zero. For termination (cancellation) of the Framework Agreement, for closing the transaction account and/or transaction account – payment cards, the Bank charges the Client a fee in accordance with the applicable Fees. The Bank does not charge the Client a fee for termination (cancellation) of the Framework Agreement that has been in force for more than 6 (six) months before the termination.

The Client agrees that the Bank may terminate the contract in the following cases:

1. if the Client violates the provisions of the Framework Agreement or these General Terms and Conditions;
2. if the Client provided incorrect or untrue personal data or other data material for the proper and lawful provision of services when concluding the Framework Agreement with the Bank;
3. if the Client acts contrary to positive legal regulations governing the prevention of money laundering and terrorist financing, regulations on international restrictive measures and embargo measures, as well as internationally accepted obligations in the field of preventing money laundering and terrorist financing, common norms of behavior or morality, or if it damages the Bank's reputation;
4. in other cases specified in the Framework Agreement and these General Terms and Conditions.

If the Client has concluded several framework agreements with the Bank, the termination of one of the agreements does not lead to the termination of other agreements unless the closure of that account occurred due to the cases specified in points 1, 2, 3, and 4 of the preceding paragraph of these General Terms and Conditions. The Client agrees that the Bank determines the procedure for closing the transaction account and/or transaction account – payment cards after the termination of the Framework Agreement. In case of termination of the Framework Agreement, the Client is obliged to fully settle all obligations to the Bank for the transaction account and/or transaction account – payment cards, from the day of termination of the Framework Agreement. The funds found in the transaction account and/or transaction account – payment cards that the Client did not dispose of after the termination of the Framework Agreement, or during the notice period, are available to the Client even after the termination of the agreement.

Termination/Closure of a Basic Payment Account and a Basic Payment Account for a Vulnerable Group of Consumers

Upon termination of the Framework Agreement governing the Basic Payment Account and the Basic Payment Account for a Vulnerable Group of Consumers, the Bank shall prevent the Client from further using

the products, services and benefits associated with the Basic Payment Account and the Basic Payment Account for a Vulnerable Group of Consumers.

The Client may, at any time and without stating any reason, terminate the Agreement on the Basic Payment Account by submitting a personally signed Application for Closure at any branch of the Bank.

The Bank may unilaterally terminate the Agreement without notice and with immediate effect if the Client uses the account for unlawful purposes or if, when opening the account, the Client provided inaccurate information which, had it been accurate, would have constituted grounds for rejecting the application. In such cases, termination shall take effect on the day written notice is delivered to the Client.

If the Bank terminates the Agreement on the Basic Payment Account in accordance with these General Terms and Conditions, termination of the Agreement shall take effect upon delivery of written notice to the Client by mail sent to the last address recorded by the Bank.

If no transaction has been executed through the Basic Payment Account for a continuous period exceeding 24 months, or if the natural person no longer has lawful residence in Montenegro (or in the European Union, once Montenegro accedes to the European Union), or if, after opening the Basic Payment Account, the natural person opens another payment account in Montenegro which enables the use of the services provided under the Act, the Bank may send the Client a notice informing the Client of the existence of grounds for termination of the Framework Agreement governing the Basic Payment Account and invite the Client to remedy such grounds within two months from the date of dispatch of the notice, free of charge and in writing, stating the reasons for termination of the Agreement, unless stating such reasons would be contrary to the objectives of national security or the public interest.

If the Client fails to remedy such grounds for termination of the Agreement on the Basic Payment Account within the specified period, the Agreement on the Basic Payment Account shall terminate upon expiry of the last day of that period.

XI

Out of court procedures and alternative dispute resolution

If the Client believes that the Bank is not adhering to the provisions of the Framework Agreement and/or the individual transaction account and/or transaction account – payment card agreements or these General Terms and Conditions, they may submit a complaint to the Bank regarding the specific event. The complaint must be submitted in writing to the Bank's headquarters address. The Bank is obliged, within 8 (eight) days from the receipt of the complaint, to provide the Client – consumer with a response to the objections raised in the complaint, either on paper and/or via email (complaint@zapadbanka.me). For non-consumer Clients, the Bank is required to respond to the objections raised in the complaint within 15 (fifteen) days from the receipt of the complaint, either on paper and/or via email. If the Bank fails to provide a response to the non-consumer Client within the specified 15 (fifteen) day period for reasons beyond its control, it must inform the

non-consumer Client with an explanation of the reasons for the delay in responding to the complaint and a deadline for providing the requested response, which must not exceed 30 (thirty) days from the date of receipt of the complaint.

After receiving a response to the complaint or in case of failure to receive a response from the Bank, the Client may submit a complaint in writing to the authority responsible for supervising the Bank's operations, namely the Central Bank of Montenegro (CBCG), headquartered in Podgorica, at the address: Bulevar Svetog Petra Cetinjskog no. 6.. The Client may access alternative dispute resolution, in accordance with the positive regulations governing alternative dispute resolution and arbitration, and the Client – consumer in accordance with the positive regulations of Montenegro governing consumer protection. The body responsible for alternative dispute resolution, among others, is the Center for Alternative Dispute Resolution, located in Montenegro, 81000 Podgorica, Serdara Jola Piletića Street bb, email: centarzaars@centarzaars.me, contact phone: +382 20 206 350. The Bank is obliged to participate in the alternative dispute resolution or arbitration proceedings initiated by the Client. The Client's right stated in this clause of the General Terms and Conditions does not affect their right to initiate court proceedings, in accordance with the positive regulations of Montenegro.

XII

Liability Disclaimer

The Bank shall not be held liable for the inability to perform payment operations in cases where objective obstacles to conducting payment operations occur. Objective obstacles are considered to be any events or actions that hinder or prevent the execution of payment operations, caused by force majeure, war, unrest, terrorist acts, strikes, interruptions in telecommunication links, and any other events whose occurrence cannot be attributed to the Bank. Obstacles also include the cessation or malfunctioning of the RTGS system, SWIFT, and SEPA payment schemes. This exclusion of liability also applies in cases where the Bank is required to act in accordance with applicable legal regulations..

XIII

Administration of data

Data obtained by the Bank during its operations, relating to the Client, including personal data and information on payment transactions, as well as the status and changes on the Client's transaction account and/or transaction account - payment card, constitute banking or business secrets. The Bank, its members, employees, and individuals engaged by the Bank shall not disclose, provide, or grant access to such data to third parties, except in cases provided for by positive legal regulations.

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

By signing the Framework Agreement, the Client consents to the Bank taking all actions related to the processing of their personal data specified in the Framework Agreement, as well as in the documentation provided in accordance with regulations and/or internal acts of the Bank, for the purpose of conducting regular Bank operations, preventing money laundering and terrorist financing, implementing FATCA (identifying U.S. persons and reporting in accordance with applicable regulations), as well as investigating and detecting fraudulent activities or abuses in payment transactions.

XIV

Final provisions

The Client is obliged to immediately, and no later than within 3 (three) days from the date of the change, inform the Bank in writing about any changes in personal data, data of Authorized Persons, and other data related to the transaction account and/or transaction account - payment cards or individual additional services, unless a different deadline is agreed by the Framework Agreement. The Bank shall not be liable for any damage that may arise to the Client or any third party due to the breach of this obligation.

These General Terms and Conditions are available on the Bank's website and in the Bank's premises.

By signing the Framework Agreement, the Client confirms that they are aware of these General Terms and Conditions, have sufficient time to become familiar with their content, and fully agree with them.

For contractual relationships and communication between the Bank and the Client before and during the contractual relationship, the Montenegrin language is used, unless otherwise agreed by the Bank and the Client.

These General Terms and Conditions are drafted in accordance with the positive regulations of Montenegro, which apply to and govern their interpretation.

Any disputes between the Bank and the Client arising from the Framework Agreement and these General Terms and Conditions are resolved in accordance with the laws of Montenegro. In case of a dispute, the court with jurisdiction is determined according to the Bank's headquarters. These General Terms and Conditions come into effect on the date of adoption and apply to all agreements related to the opening and management of accounts in payment transactions concluded before the date of entry into force of these General Terms and Conditions.

For matters not regulated by these General Terms and Conditions, positive legal regulations, decisions, and instructions of the competent authorities of the Bank, and their other acts with which the Client is familiar before concluding the framework agreement/single payment transaction order and which are available to them in the Bank's premises and on its website, shall apply.

These General Terms and Conditions come into effect on the date of adoption and apply from August 28, 2025.
As of the date of application of these General Terms and Conditions, the General Terms and Conditions from April 1, 2024 cease to apply.