

ADRIATIC BANK AD PODGORICA

**GENERAL TERMS AND CONDITIONS OF OPENING,
MAINTAINING AND CLOSING TRANSACTION ACCOUNTS,
SAVINGS ACCOUNTS AND PROVIDING PAYMENT SERVICES
FOR PHYSICAL PERSONS**

Version 4.3

Podgorica, January 27th, 2022

Pursuant to authorizations from Article 55 of the Law on credit institutions, Article 189 of the Law on companies, Article 43 of the Charter of Adriatic bank AD Podgorica, Decision on the structure, more detail conditions and manner of transaction account opening and closing, the Management Board of Adriatic Bank AD Podgorica (hereinafter: the Bank) on January 27th 2022, passes the following:

GENERAL TERMS AND CONDITIONS OF OPENING, MAINTAINING AND CLOSING TRANSACTION ACCOUNTS, SAVINGS ACCOUNTS AND PROVIDING PAYMENT SERVICES FOR PHYSICAL PERSONS

INTRODUCTORY PROVISIONS AND DEFINITION OF TERMS

Article 1

These General Terms and Conditions regulate the rights and liabilities of the payment service provider Adriatic Bank AD Podgorica (hereinafter: the Bank) and the payment service users (hereinafter: the User) when opening, maintaining and terminating transaction and savings accounts of physical persons as well as providing of payment services (hereinafter: the Physical persons).

These General Terms and Conditions apply to the national and international payments of physical persons carried out by the Bank determining the terms and conditions for concluding and terminating the Agreement on opening and maintaining a transaction account and providing payment services, savings accounts, maintaining the accounts, deadlines related to the execution of payment transactions, compounding of funds in transaction accounts, fees and charges for payment services, methods and deadlines for notifying the User, liability of the Bank and the entry into force of these General Terms and Conditions.

Physical persons, residents and non-residents are users of the services in terms of these General Terms and Conditions.

In addition to these General Terms and Conditions, the General Terms and Conditions of Adriatic Bank AD Podgorica and Tariffs for national and international payment transactions for physical persons shall apply to the business relation between the User and the Bank.

The Bank will make these General Terms and Conditions available to the User at all counters of the Bank, as well as on the Bank's website, and will notify the User of all changes in the manner defined in these General Terms and Conditions.

The official language of the Bank is Montenegrin or another language officially used in Montenegro, used in all correspondence and communication between the Bank and the User. Information about the Bank – a payment service provider:

Adriatic Bank AD Podgorica, registered address: Bulevar Džordža Vašingtona 98, 81000 Podgorica; number in CRPS (Central Registry of Business Entities) Podgorica: 4 – 0009471; registration number 03087158; transaction account 907 - 58001 – 38; issuer of General Terms and Conditions for opening, maintaining and closing the transaction accounts, savings accounts and providing of payment services for physical persons.

The Central Bank of Montenegro is the supervising authority in charge of the Bank's operations in Montenegro.

The Central Bank of Montenegro issued the license No. 0101-4014 / 83-2 for conducting banking operations on 01 March 2016.

Contact information »e-mail: info@adriaticbank.com

Post Office Box: Adriatic Bank AD Podgorica, Bulevar Džordža Vašingtona 98, 81000 Podgorica

DEFINITION OF TERMS

Article 2

The following terms have the following meanings in these General Terms and Conditions:

- 1) **payment transaction** refers to deposits, credits or transfer of funds initiated by a payer or a payee regardless of the liabilities between them;
- 2) **payer** is a physical person with a payment account that gives order or consent for payment to be made from that account or a physical person without a payment account that gives order for payment to be made;
- 3) **payee** is a physical or legal person that the funds, subject of payment transactions, are intended to;
- 4) **user of payment services** is a physical or legal person that uses a payment service as a payer and/or payee;
- 5) **consumer** is a physical person that concludes the Agreement on Payment Services referred to under this law for purposes not intended to his/her business activity, business operations or profession;
- 6) **money remittance** is a payment service whereby funds from the payer are received without opening a payment account on the name of the payer or payee, solely to transfer relevant amount of funds to the payee or other payment service provider acting on behalf of the payee and/or these funds are received for a payee and made available to that payee;
- 7) **funds** include cash (bank notes and coins), funds in the account and electronic money;
- 8) **payment order** is an instruction that a payer or payee submits to the payment service provider requesting payment transaction to be made;
- 9) **value date** is a reference time that the payment service provider uses to calculate interest on funds, debited or credited to the payment account;
- 10) **reference exchange rate** is the exchange rate used as a base when converting a currency. It is made available by the payment service provider or it stems from a publicly available source;
- 11) **payment instrument** is a personalized asset and/or set of procedures agreed between the payment service users and the payment service providers that the user applies to initiate a payment order;
- 12) **acceptance of payment instrument** is a payment service whereby the payment service provider enables the payee to execute a payment transaction initiated by the payer using a particular payment instrument;
- 13) **payment card** is a payment instrument enabling its holder to pay goods and services through acceptance instrument or remotely and/or enabling cash pay-out or using other services available at ATM or other self-service device;
- 14) **means of remote communication** is any asset that the payment service provider and the payment service user may use to conclude a payment service agreement when they are not physically present at the same time;
- 15) **working day** is the day or part of the day in which the payer's or payee's payment service provider which participates in the execution of a payment transaction, operates so as to enable the execution of the payment transaction for its payment service user;



- 16) **direct debit** is a payment service for debiting the payer's payment account. Payment transaction is initiated by the payee, based on the payer's consent given to the payee, payee's payment service provider or payer's service provider;
- 17) **national payment transaction** is a payment transaction in which the payer's payment service provider and/or the payee's payment service provider provide such service in the territory of Montenegro;
- 18) **international payment transaction** is a payment transaction in which one payment service provider provides this service in the territory of Montenegro and the other in a foreign country, as well as a payment transaction where the same payment service provider provides such service for one payment service user in the territory of Montenegro and in a foreign country for the same or other payment service user.
- 19) **one-off payment transaction** is a depositing or withdrawing of funds by a payer or payee without a transaction account with the Bank or without using the Bank account for that transaction regardless the liabilities arising out of the relation between the payer and the payee;
- 20) **IBAN** (International Bank Account Number) - structure of transaction account for execution of international payment transactions;
- 21) **BBAN** (Basic Bank Account Number) - structure of transaction account for execution of national payment transactions;
- 22) **digital certificate** is a means of identifying a user by which the user proves identity when using electronic banking services - e-banking in business operations with the Bank. It confirms connection between the verification data for electronic signature and the signatory's identity, which is issued by the certification body and found on a Smart Card or USB;
- 23) **allowed overdraft** is the amount of funds that the Bank makes available to the User based on the Framework Agreement on Opening and Maintaining the Account and Providing Payment Services - type of account that provides overdraft in line with the Bank's business policy acts or under the Agreement on specially agreed overdrafts in the account;
- 24) **FATCA** (Foreign Account TAX Compliance Act) is a law of the United States aimed at preventing U.S. taxpayers from using their accounts abroad to avoid paying taxes. The text of the law is available at www.irs.com;
- 25) **resident** is a physical person - citizens of Montenegro residing in Montenegro continuously one year or longer; physical person - foreign citizens residing in Montenegro continuously one year or longer based on a permanent or temporary residence permit, i.e. a temporary residence and work permit;; diplomatic, consular and other missions of Montenegro abroad, employees of those missions and members of their families who are not foreign citizens;
- 26) **non-resident** is a physical person not covered by the term resident;
- 27) **standing order** is an order by which the User gives consent in advance to the Bank to debit his/her Account in favour of a specific payee for a specified amount, with a defined payment schedule and possibility of a certain number of repayments, for a fixed period;
- 28) **"PSL"** is an abbreviation used in these General Terms and Conditions referring the Law on Payment Services;
- 29) **Term plan** is a prescribed plan by which the Bank determines the final time for receiving and executing a payment order;
- 30) **Durable media** - a means that enables the Client to store data sent to him personally, in such a way that this data remains available for future use during the period, appropriate to the purpose of the data and which enables reproduction of stored data in unchanged form.

SECURITY OF PERSONAL DATA AND CONFIDENTIAL INFORMATION

Article 3

Information and data related to providing of payment services under these General Terms and Conditions shall be considered a bank secrecy. The Bank may send this information only to the User or the third parties that the Bank has been given consent by the User in line with the law and other relevant regulations as well as to the relevant institutions at their request.

By signing the Framework Agreement, the User allows the Bank to collect information required to determine the status of the United States taxpayer, which is required in order to fulfil the obligations in line with the Bank's regulations and policies regulating the application of FATCA.

OPENING AND MAINTAINING THE ACCOUNT

Article 4

The legal relation between the Bank and the User shall begin as of the date of signing the Framework Agreement on Opening and Maintaining a Transaction Account for making national and international payment transactions and provision of payment services (hereinafter: the Agreement). The Agreement is entered for an indefinite period and signed by authorized persons of the Bank and the User identified by the Bank when opening the account, or the User's proxies based on a special power of attorney certified by a notary in the form of notarial records, unless otherwise prescribed by applicable legal and other regulations as well as internal acts of the bank.

Article 5

The Bank shall open an account for the User based on the Request for opening a transaction account or savings account, jointly with the supporting documentation in line with the applicable regulations and any additional documentation required by the Bank. The Bank shall approve or refuse the Request no later than 8 working days upon receiving it. The Bank shall not be obliged to explain the reasons for refusing the Request for account opening. The Bank and the User shall sign the Framework Agreement upon approval of the request for account opening.

Article 6

The Bank shall maintain the account and make payment transactions in euro and foreign currencies specified in the Bank's exchange rate list.

Article 7

The Bank reserves the right to refuse to establish or terminate a business cooperation if the User refuses to give permission for processing personal data required for establishing a business relation in the manner prescribed by special regulations on money laundering and terrorist financing prevention and regulations on protection of personal data or for other reasons. If business cooperation is terminated, the Bank shall promptly notify the User about termination in writing, unless it is prohibited by imperative regulations or individual decision of the court or other competent authority.

DOCUMENTATION REQUIRED TO OPEN AN ACCOUNT:

Article 8

Residents

- 1) name and surname of a physical person;
- 2) residence, address and phone number;
- 3) unique citizen number of a physical person or other identification number from the appropriate personal document of the physical person;
- 4) signature of a physical person;
- 5) other information required by the payment service provider a transaction account is to be opened with in line with its business policy.

Along with the request, the User submits for inspection the documentation for determining identity of that person and his citizenship (ID card, passport or other appropriate identity document with a photograph) whereby the foreign citizen and stateless person submits a certified copy of the Montenegro's permanent or temporary residence permit i.e. permits for temporary residence and work in Montenegro or other appropriate document, which proves that he resides in Montenegro continuously for a year or longer.

Along with the request, the User deposits his signature, and in case he authorizes another person to sign the payment order, the signature of that person have to be deposited also.

The Bank may also open a transaction account for a resident minor, based on a framework agreement which is signed by his legal representative who acts in the name and on behalf of that minor resident, after determining of the identity of such representative.

Exceptionally from the previous paragraph, the Bank may open a transaction account at the request of a minor resident in cases where these persons exercise their rights as if they were of legal age, in accordance with special laws (marriage, employment contract, etc.).

Non-residents

- 1) name and surname of a physical person;
- 2) residence, address and phone number;
- 3) unique citizen number of a physical person or other identification number from the appropriate personal document of the physical person;
- 4) signature of a physical person;
- 5) other information required by the payment service provider a transaction account is to be opened with in line with its business policy.

Along with the request, the User submits for inspection the documentation for determining identity of that person and his citizenship (identity card, passport or other appropriate identity document with a photograph), i.e. the appropriate document proving that the person is stateless, whereby the Montenegrin citizen encloses proof that resides in Montenegro continuously less than a year, and the foreign citizen and stateless person submits a certified copy of the temporary residence permit in Montenegro, or temporary residence and work permit in Montenegro or other appropriate document proving that he resides in Montenegro continuously less than a year.

Along with the request, the User deposits his signature, and in case he authorizes another person to sign the payment order, the signature of that person have to be deposited also.

The Bank may also open a transaction account for a non-resident minor, based on a framework agreement which is signed by his legal representative who acts in name and on behalf of that non-resident minor, after determining of the identity of such representative.

The Bank is entitled to request other documentation in line with its own needs or legal regulations in force when the Agreement was signed.

A physical person – non-resident may authorize another person to conclude a framework agreement on opening and maintaining a transaction account, in name and on behalf of that non-resident person, in which case the Bank determines identity of the authorized person and opens a transaction account based on authorization certified by the competent authority. Such authorization cannot be accepted if it is issued more than three months before concluding a framework agreement on opening and maintaining a transaction account.

Article 9

The User shall immediately inform the Bank about any amendments made to the documentation related to the Request for opening an account with the Bank no later than 3 days after the amendments have been made and submit the relevant documentation about it. The User shall bear responsibility for any errors or damages resulting from incorrect data in the Bank's records due to untimely informing the Bank about amendments made to the documentation.

The user of direct banking (e- and m-banking) may submit notification on data change through electronic platform (message or other) sent to e-mail address defined in the General Terms and Conditions of Using e- and/or m-banking services.

Data shall be deemed amended only when the Bank becomes familiar about them and when it officially enters them into records.

PAYMENT ORDERS

RECEPTION AND CONTROL OF PAYMENT ORDER

Article 10

Payment order is an instruction submitted by the payer or payee to the Bank to make a payment transaction in form of deposits, credits or transfer of funds.

The Bank receives and processes correctly filled in payment orders of the User related to his/her accounts.

The User shall submit the payment orders to the Bank in the prescribed slip.

Payment orders may be initiated electronically or otherwise agreed upon.

The User shall directly authorize the Bank to debit his/her account with the Bank specified in the order as accounts from which the payment is made, to execute the order in foreign currency and to collect the relevant fee.

Article 11

Depending on the delivery method, the Bank distinguishes a moment when the payment order was received and undertakes the authorization process for payment transaction to which the User has given consent. A payment transaction shall be deemed authorized if the User has given consent as agreed upon between the User and the Bank.

The transaction is deemed authorized upon successful completion of the authorization.

The Bank carries out only authorized payment transactions. Non-authorized transactions are deemed not received.

The Bank shall conduct the payment service for the authorized transaction in line with the deadlines for execution of payment transactions defined by the Law on Payment Service and other acts regulating this matter as well as by the Term Processing Plan.

When submitting a payment order, the Bank formally controls the signature on the payment order by comparing the signatures deposited with the Bank. When submitting a payment order via e- and m-banking, the formal validity of the submitted payment order is made in the application of digital platform.

The Bank reserves the right to additionally verify certain payment orders and to contact the client by phone for confirmation.

The payment service provider shall bear the burden of proof in case of disputing the authorization of the executed payment transaction when the authorization of the executed payment transaction is disputed by the User in line with the Law on Payment Services (PSL).

Article 12

When paying, collecting, transferring, buying or selling real estate, share and securities, the User shall comply with legal regulations, whereby the Bank shall not be held liable in case of violating these regulations. As a rule, the User does not submit the documents to the Bank based on which the payment is made (contracts, invoices, decisions, etc.) and retains the documents proving the obligation and determining the payment basis. The User shall submit the documents to the Bank or the competent authority for inspection at their request.

Article 13

Payment order in writing is a form of rectangular shape, dimensions 299 mm (corresponding 1/3 of A4) with a minimum of prescribed elements (hereinafter: basic elements). After being filled in, signed and verified, it becomes an order for executing the national payment transaction. Basic elements of the payment order for executing the national payment transaction in electronic form are determined by the operating rules of the payment system, in line with the law.

OTHER BASES TO DEBIT THE ACCOUNT

Article 14

The Bank executes orders to debit the User's account based on the forced payment order at the request of the competent court or other competent authorities, as well as public enforcement officer. The Bank executes forced payment orders from the available balance in all User's accounts except those exempted from execution. The Bank may also block the User's accounts at the request of the competent authority as well as at the request for forced payment by the competent authority or person.

The Bank shall debit a drawee of a bill from the available balance of the User's account based on a bill of exchange containing all elements prescribed by the law also if the one that brings bill of exchange submits to the Bank all information required to act upon the bill of exchange and if the User has coverage to execute the bill of exchange by 4 pm. Bills of exchange that on the maturity date are not covered in the User's account shall be executed by the Bank a day after.

The Bank shall be entitled to debit the available balance from all User's accounts in all currencies to settle the missing amount, for the amount of each inflow from abroad or from another local bank, which the Bank processes and enters into books in favour of the client's account, for which the Bank determines that it has not received coverage in its account with another bank.

Article 15

Regarding all due and unpaid receivables from the User on other grounds and accounts in the Bank, the Bank shall be entitled to give an order for collection of these receivables at the expense of the User's account, while the User agrees that the Bank's orders for collecting these receivables shall have priority over other payment orders of the User, regardless of the time of their submission, in line with the legal priorities. In order to collect due receivables for payment services, the Bank may also use all instruments for securing payments and securities of the User deposited with the Bank in line with the regulations and concluded Agreement. Collection of the receivables is made from the available balance of the account or from all accounts.

REFUSING THE PAYMENT ORDERS

Article 16

The Bank shall not execute payment orders that are improperly completed, without containing the prescribed information and which are not filled-in in line with the applicable regulations, contrary to the rules prescribed by these General Terms and Conditions. The Bank is entitled to refuse to execute an order if it deems that its execution would be contrary to other regulations.

If unable to execute the refused orders, the Bank shall notify the User about the reasons of refusal and the procedure how to remove error that caused the refusal, when submitting the payment order or through one of the communication channels such as telephone, fax, e-mail, or mail, stating the reasons of refusal and the procedures for removing any errors that caused the refusal within the deadlines for the execution of the payment order, during the Bank's working hours.

The order whose execution was refused is deemed not to have been received.

The Bank shall not execute payment orders if payment instructions are related to countries or persons under international sanctions or embargoes, specifically ordered by the European Union, the United States of America or the United Nations.

The Bank reserves the right to limit or prohibit the User from disposing of funds in the account through:

- a) Suspending the transaction;
- b) Blocking the transaction;
- c) Freezing the funds in the account

in line with the rules and regulations regarding the prevention of money laundering and terrorist financing, as well as in cases of restrictive measures and different sanctions regimes.

Article 17

The Bank shall not be held liable for unduly execution of an order due to force majeure, such as interruption of telecommunication connections, power outages, interruption in the system for execution of interbank transactions, as well as other similar reasons that the Bank cannot affect to.

The liability of the Bank regarding the execution of a payment transaction is excluded under extraordinary and unforeseen circumstances the Bank could not affect to and whose consequences it could not avoid, as well as in cases where the Bank acted in line with the law.

By using the reception service of bank statements or notifications about account by mail, telephone, fax, SMS, e-mail, etc., the User accepts the exclusion of the Bank's liability for information that may be accessed by third parties, which the Bank could not affect to.

REVOCATION OF PAYMENT ORDERS

Article 18

The User may revoke the payment order, i.e. withdraw the authorization in the organizational part of the Bank, the counter where he/she has submitted the payment order, provided that the Bank has not executed the payment order.

A payment order shall be deemed irrevocable after it has been executed.

If the User initiates a payment order and does not have funds available in his/her account to execute a payment transaction, the Bank shall commence executing the order when the User makes sufficient additional funds available to the Bank and informs that the conditions for the implementation of the payment transaction have been created.

In case the User does not make available to the Bank additional funds, it shall be deemed that the User has revoked the payment order.

If the payment transaction is initiated by or through the payee, the User cannot revoke the payment order.

BANK'S LIABILITY AND REPAYMENT OF PAYMENT TRANSACTIONS

Article 19

If the Bank is held liable for non-execution and/or improper execution of a payment transaction and/or the execution of an unauthorized payment transaction, it shall refund to the User the amount of such payment transaction including any accrued fees and interest for that transaction.

The Bank shall be exempt from the liability to refund the amount of unauthorized payment transactions:

- if the execution of an unauthorized payment transaction results from exceptional and unforeseen circumstances which the Bank, despite all efforts, cannot control;
- if the liability to execute a payment transaction arises from regulations that are binding for the Bank;
- if the execution of an unauthorized payment transaction results from fraudulent practice of the User or if the User intentionally or due to extreme negligence fails to fulfil his/her obligations related to the payment instruments;
- if the User has submitted a counterfeit, modified or double payment order to the Bank;
- if the execution of an unauthorized payment transaction results from a stolen or lost payment instrument or a misused payment instrument (if the User has not protected the personal security elements of the payment instrument) in the part covered by the User;
- If the User did not immediately notify the Bank in writing about the unauthorized payment transaction, when he/she discovered that it occurred no later than the deadline prescribed for filing a complaint.

Article 20

If it is found that the Bank has failed or wrongly made a payment transaction, the User may file a request to correct the Bank's error. The Bank shall make effort to correct the error as soon as possible.

DISPOSING OF FUNDS

Article 21

The Bank shall approve the User's account for received funds in line with the deadlines for execution of payment transactions, specified by the Law on Payment Services or when the Bank receives all required information for approval of the User's account.

The funds paid by the payment services user to his/her account shall be available immediately upon the payment.

Inflow processing is done solely for a properly stated BBAN/IBAN, i.e. account number of the inflow recipient.

Article 22

The Bank is authorized to correct wrong debits and approvals from the User's account without a specific consent of the User.

INTEREST AND FEES

Article 23

The Bank calculates interest on the balance of funds on the account in accordance with the Catalogue of Products for Individuals as well as all its subsequent amendments.

The Bank shall notify the User of any changes in interest rates and fees in writing or on another durable medium, at least two months before the proposed date of application of that change to one of the following communication channels:

- to the e-mail address submitted by the User to the Bank;
- to the postal address provided by the User to the Bank;
- through the Electronic Banking Service;
- delivery at the Bank's counter,
- by delivering CDs and DVDs,
- by USB flash drive,
- supplying a memory card or computer hard drive,
- SMS message by submitting the link of the Bank's website to the User's mobile phone,
- Viber message by submitting the link of the Bank's website to the User's mobile phone.

If the delivery is made via SMS or Viber message, the Bank will clearly specify in that message the User's link on the Bank's website where the proposed changes to the framework agreement and the terms of the Agreement can be inspected and the notification that if the User does not have link, may notify the Bank on a specific phone number or email in order to obtain information in which other way he can personally get acquainted with the proposed changes, and that he can achieve this by coming to the specified premises of the bank.

The Beneficiary agrees that it shall be deemed to have accepted the amendments referred to in paragraph 2 of this Article if it does not notify the Bank by the proposed date of their entry into force that it does not accept them.

Article 24

The Bank calculates fee for the executed services in line with the Rules on Tariffs for the Bank's Payment Services.

The Bank's current fees for payment services are available to the User on the Bank's website and at the Bank's branches.

If there are not enough funds in the User's account, the Bank will debit the account for the stated fee and collect it after the first inflow of funds.

The Bank expresses the fee in Euros depending on the type of payment service for which the payment is made. Fees in foreign currency are calculated and charged in Euro equivalent. The calculated fees for the performed services of Bank for national payment services and certain international payment services shall be charged by the Bank from the User's account simultaneously with the execution of a payment order. The User shall provide sufficient amount in the account to pay the calculated fee. Upon expiry of that period, the Bank shall calculate default interest on all outstanding debts commencing on the last day of the accounting period.

INFORMING THE USER

INFORMING ABOUT BALANCE AND TURNOVER IN THE ACCOUNT

Article 25

The Bank shall record all changes made to the debits and credits from the account and make the bank statement about the balance and turnover on the account available to the User in the manner provided in the Request for opening a transaction account or in a later Request for changes in a transaction account.

The Bank shall provide the User with minimum information on payment transactions, amount and currency, date of currency and booking of a transaction.

If a payment transaction includes the conversion of currencies, the Bank applies its exchange rate which is the rate formed on the basis of movements of currencies in the international market, valid on the day of execution of the transaction, which is publicly available, or the middle rate, as defined, for repayment of a loan with a currency clause and it is not shown it in the bank statement.

CLAIMS

Article 26

The Bank receives complaints and claims of the User on made payment services submitted in writing. The Bank shall respond to the User within 8 working days upon receiving the complaint or claim.

Article 27

The User shall file a potential claim in writing within 3 days upon submitting the statement or other notice for inspection or disposal, or within 8 days upon dispatching if sent by post. Otherwise, the statement or other notice shall not be deemed disputable.

Article 28

In case of an unauthorized or incorrectly executed authorized payment transaction due to error of the payee's payment service provider, the Bank shall initiate a complaint procedure at the written request of the User, whereby the Bank shall be entitled to charge the User in line with the Decision on Fees for Services.

Article 29

The Bank shall not refund for an authorized transaction of direct debiting initiated by the payee. In this case, the User sends a request for refunding directly to the payee.

PROTECTIVE AND CORRECTIVE MEASURES

Article 30



In case of misuse, alienation or loss of personalized identification means (payment card, USB Key), suspected misuse or embezzlement by the User's proxy, the User shall contact the Bank and request the payment instrument to be blocked, the service or power of attorney given to the User's proxies to be cancelled or limited, signatures of persons authorized to dispose of funds to be revoked, power of attorney to be revoked and similar.

The Bank shall not be held liable for any damage incurred up to the moment of receiving the notice of loss or theft. The Bank shall charge the costs of issuing new payment instruments in line with the current Decision on Fees for Services as well as for the damage resulting from improper handling of payment instruments.

Article 31

By using the service to receive the statement or notification about the account by mail, phone, fax, SMS, e-mail, etc., the User accepts the exclusion of the Bank's liability for information that may be accessed by third parties, which cannot be affected by the Bank.

The User shall immediately inform the Bank about possible change of the phone number, fax or e-mail the User specified for submission of notices, statements and similar.

Article 32

The end user shall take all reasonable steps immediately after receiving the payment instrument to protect the personal security features of that payment instrument.

The User holds all legal responsibility for any unauthorized use of payment instruments.

Article 33

From the moment the request has been received for blocking the payment instrument, cancellation or limitation of services or power of attorneys granted to the User's proxies, revocation of signatures of persons authorized to dispose of funds, revocation of power of attorney and similar, the Bank shall act in line with the request to protect the User, regardless of the channel by which the request was made and inform the User about the procedure according to the contact information provided by the User to the Bank.

The Bank shall act upon receiving the notice about revocation of the power of attorney to the user within working hours from 8 am to 4pm.

Article 34

A requests for granting the new power of attorneys or services shall be received by the Bank only in the original, signed by the User or an authorized representative of the User. The Bank shall fulfil them within the defined deadlines, no later than 10 days upon receiving a valid Request, with supporting documentation.

AGREEMENT CANCELLATION CANCELLING/CLOSING THE ACCOUNT

Article 35

The Bank shall cancel/close the User's account under the terms of the Agreement, in line with the law or other regulations.

A transaction account may be cancelled based on a written Request of the User to cancel/close the account (by post or directly by submitting it to the Bank's branch), in line with the applicable regulations and/or internal acts of the Bank, provided that the User has settled all liabilities to the Bank on any grounds within 15 days upon submitting the request to the Bank.

The Bank shall refuse the Request to cancel a transaction account which was blocked during the forced payment procedure, due to a ban on disposal, etc.

The Bank may terminate the transaction account of the User without any submitted request for the termination of that account, if there have been no changes in that account for a period of five years and if the balance on that account is zero.

Article 36

The Bank may also terminate the Framework Agreement and cancel the User's transaction account based on its decision that the User shall be notified about in writing. In case of cancellation by the Bank, a 60-day notice period commences as of the day of sending the cancellation letter by registered mail to the last address of the User known to the Bank.

Article 37

The Bank may terminate the agreement with a 60-day notice period if, at the request of the Bank, the User does not provide the required information and documentation required to determine the beneficial owner and FATCA status, in line with the regulations governing the application of FATCA.

The Bank may terminate the agreement with a 60-day notice period if there is doubt that the User is dealing with money laundering or any indications that such possibility exists.

If the Client's account has not been active for more than 6 consecutive months, the Bank reserves the right to cancel such account upon notifying the Client. If the Bank does not receive a written request by the Client to extend the use of the Bank's services within 60 days upon notifying the Client, such Client's act shall be deemed a request for closing the account. This only applies to accounts with no deposit.

The Bank reserves the right to unilaterally terminate the Agreement on Opening and Closing the Client's account if there are indications or suspicion that the account has not been used in line with the regulations and if dealing with the Client can result in a significant increase of reputational risk of the Bank which is assessed by the Bank's internal procedures with a 60-day notice period.

Article 38

If the Agreement is cancelled by the Client, the Bank shall charge the User a fee for closing the account, as well as all other fees for the payment services provided until the day of closing the account.

Notwithstanding the paragraph above, the Bank may not charge a payment service user for termination of a framework agreement entered for a fixed period longer than 12 months or for an indefinite period provided that the payment service user terminates the agreement after 12 months expire.

If the Agreement is terminated by the Bank, the Bank shall not charge a fee for closing the account.

Article 39

In case of the User's death, the Bank shall immediately, upon receiving such notification, disable operations on the account. Upon being presented a final decision on inheritance, the Bank shall pay out the remaining funds to the heirs and close the account or transfer funds to the heirs based on available documentation. Any debts owed to the account shall be settled by the heirs referred to in the final decision on inheritance.

ONE-OFF PAYMENT TRANSACTION

Article 40

One – off payment transaction is determined by a payment order.

The Bank shall execute an individual payment order when the User submits it personally in writing to the organizational part of the Bank. The User shall provide cash for payment of orders and fees accrued by the Bank in line with the Decision on Fees for Bank Services. Payment order can be initiated in local or foreign currency, while payment can be made in national or international payment transactions in line with applicable legal regulations.

Article 41

Elements of a payment order are determined by applicable regulations and conditioned by the manner of its delivery and its execution.

In order for the Bank to properly execute a payment order received directly from the Bank's branch, the User must provide / print the following **information**:

- name and address of the payer
- name and surname or (name) and address of the recipient
- the recipient's transaction account number
- amount and payment currency
- purpose of payment

including other information depending on the receiver's requirements:

- reference number;
- name of the recipient bank;
- payment description and similar

The Bank may require other information or documents from the User.

The User shall be held liable for the accuracy and completeness of the information on the payment order.

Article 42

Reception time of the payment order is a moment when the Bank receives the payment order directly from the User. If the payment order was not received during the Bank's working day or if the payment order was received by the Bank after the deadline for receiving the payment order, the payment order shall be deemed to have been received on the next business day.

The Bank shall be deemed to have executed a payment order when the payee's payment service provider's account or the payee's account with the Bank have been approved.

As for the payment transactions initiated by a card at an ATM / POS, the reception time of the payment order is a moment when the User has given consent for the payment transaction to be made and the Bank has carried out the authentication process.

Article 43

The Bank shall execute a payment transaction in line with the received instructions and the Bank shall deem that it has duly made the transaction for the payee specified in the payment order.

The Bank shall not be held liable for a non-executed or incorrectly executed payment transaction if the User has provided incorrect information or instructions.

A payment transaction shall be deemed authorized when the User gives consent for its execution.

The way of granting consent to make a one-off payment transaction depends on the reception channel for this payment transaction:

- the payer grants consent for the execution of the order at the Bank's branch by signing and delivering the payment order to the Bank's employee. The Bank shall identify the User in line with applicable legal and other regulations.

- to execute an order initiated at an ATM or POS, the User grants consent by using the card and entering a PIN or signature.

By authorizing the order, the User gives consent for the payment transaction to be executed according to the conditions presented to the User immediately before giving the consent, thus the Agreement on One-Off Payment Transaction between the Bank and the User shall be deemed concluded.

Article 44

The User may cancel the payment order until the Bank receives the signed order and cash required for its execution, before its execution commences.

An order submitted by using a card at an ATM or at a POS cannot be cancelled after being authorized.

Article 45

The Bank is entitled to refuse a payment transaction if the content of an individual payment order is not in line with these General Terms and Conditions or if there are legal impediments to execute the order, that is if its implementation would be contrary to the regulations governing the prevention of money laundering and terrorist financing and internal acts banks passed on grounds of these regulations or a decision of the competent authorities. The Bank shall inform the payer when submitting the payment order about the reasons why the payment order has not been executed.

Article 46

The Bank charges the User a fee for executing a one-off payment transaction immediately upon executing a single payment transaction. Fees are determined by the Decision on Fees for Bank Services.

Informing the User

Article 47

Prior to the User's commitment to the One-Off Payment Transaction Agreement (regardless of form and method of entering into that Agreement) the Bank shall provide the User with all key information about information that should be provided in order to properly execute a payment order, the final deadline for execution of a payment transaction, the amount of each individual fee, the exchange rate if the payment transaction involves currency conversion and other relevant information required for the execution of each payment transaction.

Article 48

Upon executing a payment transaction, the Bank shall provide the payer with the following information on payment transaction without charging it:

- necessary information enabling identification of a payment transaction,
- amount and currency of the payment transaction,
- amount of compensation,
- exchange rate applied if the conversion took place,
- date when the order has been received

A certified copy of the document with the above mentioned information shall be handed over to the User.

Article 49

When paying out cash at an ATM / POS by using a card issued by another payment service provider, a payment service provider that the User has concluded the agreement with based

on which the card was issued to the User, shall provide the User with previous information regarding the payment transaction.

FINAL PROVISIONS

Article 50

These General Terms and Conditions shall be made available at all the Bank's counters and the Bank's website. By signing the Framework Agreement on opening and maintaining a transaction account or savings account, the User shall be deemed to have been acquainted with the provisions of these General Terms and Conditions and that he/she has agreed to their application.

The Bank reserves the right to change these General Terms and Conditions, of which it will notify the User in writing or on another durable medium, or in the manner specified in Art. 23, paragraphs 2 and 3 of these General Terms and Conditions.

Article 51

All the issues that have not been regulated by these General Terms and Conditions shall be governed by legal and other legal acts and internal acts of the Bank on operating with physical persons.

Article 52

The User and the Bank shall settle any disputes or complaints regarding the provision of services by mutual agreement.

The User may submit a complaint regarding the provision of services to the Bank personally or send it to the Bank's e-mail: kvalitet@adriaticbank.com which can also be accessed from the Bank's website, or by post to the Bank's address.

If the User does not agree with the Bank's decision regarding the complaint, the User may file a complaint with the Central Bank of Montenegro.

The complaint should be in writing and contain a brief request including all the facts the User bases the complaint upon.

Article 53

Montenegrin, i.e. language officially used in Montenegro shall be used for contractual relations and communication between the Bank and the User. All business and services regulated by these General Terms and Conditions shall be governed solely by the Montenegrin law.

Associated components of these General Terms and Conditions are:

- excerpt from the Decision on Fees for Bank's Payment Services;

Article 54

General Terms and Conditions come into force on 01.04.2022.

Podgorica, January 27th, 2022