

ADRIATIC BANK AD PODGORICA

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

Version 4.5

Podgorica, January 31<sup>st</sup>, 2024

Pursuant to authorizations from Article 55 and 206 of the Law on credit institutions, Article 164, 165 and 189 of the Law on companies, Article 64 of Law on Payment Services, Law on Comparability of Fees Related to Consumer Payment Accounts, Payment Accounts Switching and Payment Account with Basic Features, 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 31<sup>st</sup> 2024, passes the following:

## GENERAL TERMS AND CONDITIONS OF OPENING, MAINTAINING AND CLOSING TRANSACTION ACCOUNTS, SAVINGS ACCOUNTS PAYMENT ACCOUNT WITH BASIC SERVICES, ACCOUNT TRANSFER 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](mailto: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, on their behalf, or by the payee, regardless of the liabilities between them;
- 1a) **remote payment transaction** is a payment transaction initiated via the internet or a device capable of remote communication.
- 1b) **Acceptance of payment transactions** is a payment service whereby the payment service provider, based on an agreement with the payee for accepting and processing payment transactions, transfers funds to the payee.
- 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 person that uses a payment service as a payer and/or payee;
- 5) **User** is a physical person that concludes the Agreement on Payment Services referred to under Payment system 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) **Authentication verification** is a process that enables the payment service provider to verify the identity of payment service users/payment instruments or the validity of the use of a specific payment instrument, including the use of personalized security data of the user;
- 11a) **Reliable customer authentication** is authentication based on the use of two or more elements falling into the categories of knowledge, possession, and inherence that are independent of each other, known and possessed only by the user, meaning that compromising one does not diminish the reliability of others and is designed to protect the confidentiality of the data being authenticated;
- 11b) **Personalized security data** are personalized characteristics provided by the payment service provider to the user for authentication purposes;
- 11c) **Sensitive payment data** are data that can be used for fraud, including personalized



security data, with the exception that, for activities of payment initiation service providers and account information service providers, the account holder's name and account number do not constitute sensitive payment data.

- 12) **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;
- 13) **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;
- 14) **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 another self-service device;
- 15) **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;
- 15a) **electronic payment transaction** is a payment transaction initiated and executed using an electronic platform or device, excluding payment transactions initiated by paper-based payment orders, mail, or telephone;
- 15b) **online connectivity** is the connection through a publicly available communication network (e.g., the internet) between the provider and the user of a specific service.
- 16) **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;
- 17) **credit transfer** is a payment service whereby the account of the payee is credited for a payment transaction or a series of payment transactions, to the debit of the account of the payer, by the payment service provider with whom the account of the payer is held, based on a payment order issued by the payer;
- 18) **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;
- 18a) **payment initiation service** is a payment service initiating payment orders at the request of the payment service user, which relates to an account held with another payment service provider.
- 18b) **account information service** is a payment service provided through online linking, offering consolidated information about one or more payment accounts held by the payment service user with another payment service provider or with multiple payment service providers.
- 18c) **account-holding payment service provider** is a payment service provider that opens and maintains payment accounts for the payer.
- 18d) **payment initiation service provider** is a payment service provider, as a payment institution, offering payment initiation services.
- 18e) **account information service provider** is a payment service provider exclusively providing account information services.
- 19) **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;
- 20) **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.
- 21) **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;
- 22) **IBAN** (International Bank Account Number) – structure of transaction account for execution of international payment transactions;
  - 23) **BBAN** (Basic Bank Account Number) - structure of transaction account for execution of national payment transactions;
  - 24) **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;
  - 25) **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;
  - 26) **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](http://www.irs.com);
  - 27) **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;
  - 28) **non-resident** is a physical person not covered by the term resident;
  - 29) **standing order** is an order by which the User gives consent in advance to the Bank to debit his/her Account in favor 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;
  - 30) **"PSL"** is an abbreviation used in these General Terms and Conditions referring the Law on Payment Services;
  - 31) **Term plan** is a prescribed plan by which the Bank determines the final time for receiving and executing a payment order;
  - 32) **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.
  - 33) **Fees** are the fees and costs paid by the User to the payment service provider for the services associated with the payment account or in connection with those services, if any;
  - 34) **Transferring payment accounts** is:
    - a) transfer of information from one payment service provider to another in relation to all or certain permanent credit transfer orders, recurring direct debits and recurring incoming payment credit transfers executed on the payment account,
    - b) transfer of available funds from payment account of one payment service provider to the payment account of another payment service provider, or
    - c) transfer of information and transfer of available funds in accordance with subsection a) and b) of this point, with or without cancellation of the previous payment account.
  - 35) **Legal residence in Montenegro** is the residence of a natural person in Montenegro in accordance with the regulations governing the residence of citizens, i.e. the residence of foreigners in accordance with the Law governing the rights of foreigners, including a foreigner residing in Montenegro in accordance with laws governing the international and temporary protection of foreigners or on the basis of an international agreement;

- 36) **Framework Contract** is a contract that regulates the execution of future individual payment transactions, and the conditions for opening and maintaining a payment account can also be regulated in accordance with special regulations.
- 37) **Payment account** is an account held by a payment service provider in the name of one or more payment service users and is used for the execution of payment transactions.
- 38) **Transaction account** is a type of payment account opened and maintained by banks and other credit institutions providing payment services, a branch of a credit institution from a third country with headquarters in Montenegro and the Central Bank in the name of one or more users of payment services for the execution of payment transactions and for other purposes.
- 39) **Payment account with basic services** is a transaction account that is opened to users who have a legal residence in Montenegro, including users who do not have a permanent address and asylum seekers, as well as users who have not received a residence permit and whose expelling is not possible due to legal or factual reasons,

## 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 or other competent authority 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:

A request for opening a transaction account for the execution of national and international payment transactions should include the following information:

- 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.).

A physical person - resident may authorize another person to, on their behalf and for their account, conclude a framework agreement on the opening and maintenance of a transaction account, in which case payment service providers establish the identity of the authorized person and open the transaction account based on the authorization certified by the competent authority and which cannot be older than three months.

When, based on the submitted application and provided documentation, it is determined that the conditions for opening a transaction account are met, the payment service provider concludes a framework agreement on the opening and maintenance of the transaction account with the applicant.

##### Non-residents

The application for opening a transaction account for executing national and international payment transactions should contain the following information:

- 1) Full name of the physical person;
- 2) Country of residence, address, and telephone number;
- 3) Identification number from a passport or other appropriate personal identification document of the individual;
  - 3a) Temporary residence address in Montenegro, when applicable;
- 4) Signature of the individual;
- 5) Other data required by the payment service provider with whom the transaction account is being opened, in accordance with their 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 ACCOUNT WITH BASIC SERVICES

### Article 10



The bank opens an account with basic services to Users based on the Request for opening a payment account with basic services.

The legal relationship between the Bank and the User is established on the date of signing the Framework Agreement on opening and maintaining a payment account with basic services. User that has a legal residence in Montenegro, including a User that does not have a permanent address and an asylum seeker, as well as the User that has not received a residence permit and whose expelling is not possible for legal or factual reasons, has the right to open and use a payment account with basic services at the bank, regardless of the place of residence in Montenegro.

#### Article 11

At the User's request, the bank is obliged to open a payment account with basic services or reject the request, without delay, and at the latest within ten working days from the date of receipt of the proper request.

The bank shall reject the User's request from the previous article if opening a payment account with basic services would be contrary to the regulations governing the prevention of money laundering and the financing of terrorism.

The bank can refuse the User's request to open that account if the User already has a payment account opened in the territory of Montenegro that allows them to use the services.

Before opening a payment account with basic services, the bank can check whether the User has an opened payment account with another credit institution that allows them to use the services, and can also accept a written statement from the User that they do not have opened payment account in Montenegro or that the payment account will be terminated.

In case of rejection of the User's request for opening a payment account with basic services, the bank is obliged, without delay, in writing and without compensation, to deliver to the User a notification about the rejection and the reasons for the rejection, unless the disclosure of the reasons would be contrary to the goals of national security, public interest or regulations governing the prevention of money laundering and terrorist financing.

#### Article 12

A payment account with basic services includes:

- 1) services that enable the opening, management and termination of payment account;
- 2) services that enable the payment of cash to a payment account;
- 3) services that enable the withdrawal of cash from a payment account, at a bank counter or an ATM during or after the bank's working hours, and
- 4) execution of the following payment transactions:
  - direct debits;
  - payment transactions via payment card, including payments via the Internet, and
  - credit transfers, including standing orders, at terminals, bank counters and online, if available.

The payment account with basic services must operate in the currency that represents the payment method in Montenegro.

The bank must not enable the disposal of funds in an amount that exceeds the available funds in the payment account with basic services, i.e. it must not conclude an Overdraft Agreement that would apply to the payment account with basic services.

For the services outlined in Article 12, the Bank may charge the User fees as per its usual pricing policy, up to the maximum amount it charges holders of other payment accounts, in accordance with the Tariffs for national and international payment transactions.

#### SENSITIVE GROUPS

For consumers belonging to sensitive groups, the Bank is obliged to provide services as outlined in Article 12, paragraph 1, points 1, 2, and 3, as well as the first ten national payment transactions per month free of charge. For other services outlined in Article 12, paragraph 1, point 4, the Bank may charge a fee, up to a maximum of 70% of the fee charged to other holders of payment accounts with basic services.

**Consumers belonging to sensitive groups include:** recipients of minimum wage, material security, personal disability pensions, care and assistance allowances, and cash benefits for unemployment insurance, who receive these benefits in accordance with laws governing employment, employment mediation, unemployment benefits, and social and child protection.

## PAYMENT ORDERS RECEPTION AND CONTROL OF PAYMENT ORDER

### Article 13

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 consent to execute a payment transaction or a series of payment transactions must be provided in the manner agreed upon between the Client and the Bank, and it may also be given through the payee or the payment initiation service provider; otherwise, the payment transaction is considered unauthorized.

In cases where it is permissible based on prescribed criteria not to apply or not to require the application of strong customer authentication, the mere fact that it is not required or conducted does not by itself mean that the transaction is not authorized in the agreed manner.

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 14

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 15

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 16

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.

## PAYMENT INITIATION SERVICES, ACCOUNT INFORMATION SERVICES, AND FUND AVAILABILITY CONFIRMATION

### Article 17

The client who has access to an account with online connectivity can:

- initiate a payment transaction from their account via the payment initiation service provider.
- provide consent for access to information regarding the balance and transactions on their account through the account information service provider.

Upon receipt of the payment order from the payment initiation service provider, the Bank will promptly provide or make available to the payment initiation service provider all information regarding the initiation of the payment transaction and any information available to the account-holding payment service provider regarding the execution of the payment transaction.

The Bank will process received orders through the payment initiation service provider in a non-discriminatory manner compared to payment orders initiated directly by the payer, particularly concerning the timing of order receipt, priority, or fees, unless there is an objective reason for differentiation

The client can access information about the balance and transactions on their account through the account information service provider in the same way as through online banking.

The bank conducts reliable authentication under the conditions and in the manner described in the General Terms and Conditions for the use of online banking.

The provision of payment initiation services and account information services does not depend on the existence of a contractual relationship for that purpose between the payment initiation service providers, account information service providers, and the Bank.

### Article 18

The payment service provider maintaining the account, at the request of the payment service provider issuing the payment instrument based on a payment card, promptly confirms that the amount of funds required for the execution of the payment transaction based on the payment card is available in the payer's account if:

1. The payer's account is accessible via online connection at the time of receiving the request;
2. The payer has expressly consented to the payment service provider responding to the request from the payment service provider that issued the payment instrument based on the payment card to confirm that the amount corresponding to a specific payment transaction based on the payment card is available in the payer's account;
3. The consent from point 2 of this paragraph was given before the first request for confirmation.

The payment service provider issuing the payment instrument based on the payment card may request confirmation from the previous paragraph of this article if:

1. The payer has given explicit consent to the payment service provider maintaining the account for confirmation from the previous paragraph of this article;
2. The payer has initiated the payment transaction using the payment instrument based on the payment card issued by the payment service provider;
3. The payment service provider issuing the payment instrument based on the payment card has identified itself to the payment service provider maintaining the account before each request for confirmation and communicates securely with the payment service provider maintaining the account in accordance with Article 56c of this Payment Transactions Act.

Confirmation from paragraph 1 of this article consists of a simple response in the form of "yes" or "no" and must not contain information about the balance of funds in the account. The payment service provider issuing the payment instrument must not store or use the confirmation from the previous paragraph for purposes other than executing the payment transaction based on the payment card. By confirming from paragraph 1 of this article, the payment service provider maintaining the account must not prevent the disposal of funds in the payer's account. The payer may request the payment service provider maintaining the account to identify the payment service provider who requested confirmation and provide a response. The provisions of this article do not apply to payment transactions initiated through payment instruments based on payment cards on which electronic money is stored in accordance with the Payment Transactions Act.

## OTHER BASIS FOR DEBITING A PAYMENT ACCOUNT WITHOUT A PAYMENT ORDER

### Article 19

The Bank will debit the User's payment 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.

The Bank acts as an executor of orders from the competent authority/creditor when executing transactions involving the customer's funds, without establishing or verifying the relationships between the customer and third parties indicated as the creditor in the order. The Bank is not liable to the customer for damages resulting from the execution of an unlawful or irregular order from the competent authority.

#### Article 20

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 21

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, 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, or in accordance with the internal acts passed on the basis of those regulations as well as in cases of restrictive measures and different sanctions regimes.

#### Article 22

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.

## REVOCACTION OF PAYMENT ORDERS

### Article 23

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 customer initiates a payment transaction through a payment initiation service provider or by, or through, the payee, the customer cannot revoke the payment order after giving consent to the payment initiation service provider to initiate the payment transaction or after giving consent to execute the payment transaction to the payee.

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.

## USER RIGHTS AND BANK RESPONSIBILITY IN CASE OF UNAUTHORIZED OR ERRONEOUS PAYMENT TRANSACTIONS

### Article 24

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 User of payment services has the right for correction an unauthorized or incorrectly executed payment transaction only if they notify the Bank about these transactions immediately upon becoming aware of them, and no later than 13 months from the date of debiting the account, including when the unauthorized payment transaction is initiated through a payment initiation service provider.

Exceptionally, if the Bank failed to provide or make available to the user of payment services the information about the executed payment transaction that it was obliged to provide in accordance with the Law Payment Services, the user has the right to rectify an unauthorized or incorrectly executed payment transaction even after the 13-month period.



When a payment initiation service provider is involved in the execution of the payment transaction, the user of payment services provides notice of the correction of the payment order to the account-holding payment service provider, who is obliged to make the correction.

In the event of the execution of an unauthorized payment transaction, the Bank will promptly refund the amount of the unauthorized payment transaction to the user, no later than the end of the next working day after the Bank becomes aware of the transaction or is notified of it, unless the Bank has reasonable grounds to suspect fraud, in which case it must inform the Central Bank in writing. The balance of the debited payment account will correspond to the state it would have been in if the unauthorized payment transaction had not been executed, with the value date of the debit to the payer's payment account not being later than the date on which the account was debited for the amount of the unauthorized payment transaction. This applies even if the unauthorized payment transaction was executed through a payment initiation service provider.

If the payment initiation service provider is responsible for the unauthorized payment transaction, they are obliged to promptly compensate the account-holding payment service provider, upon their request, for all losses arising from the refund or losses based on amounts paid to the payer, including the amount of the unauthorized payment transaction.

The client is responsible for unauthorized payment transactions up to a maximum of EUR 50 if the execution of such payment transactions is the result of using a lost or stolen payment instrument or the result of other misuse of the payment instrument.

The client is not responsible for an unauthorized payment transaction even up to the aforementioned amount:

- if he could not detect the loss, theft or misuse of the payment instrument before executing the unauthorized payment transaction;
- if unauthorized payment transactions are the result of the action or omission of an employee, agent or branch of the Bank or a person to whom the Bank's activities are outsourced;
- if the Bank has not provided the appropriate means to notify about the loss, theft or misuse of the payment instrument;
- if the payer's payment service provider does not require reliable authentication of the client;
- if the payee's payment service provider does not apply the required reliable client authentication

The client is not responsible for the amount of unauthorized payment transactions made after he informed the Bank about them, unless he acted with intentional fraud.

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 25

The payer has the right to a refund of funds from their payment service provider for an authorized payment transaction initiated by or through the payee, provided that:

1. the exact amount of the payment transaction was not specified at the time of authorization,
2. the amount of the payment transaction exceeds the amount that the payer could reasonably expect, considering their previous spending habits, the terms of the framework agreement, and the relevant circumstances of the specific case.

Upon the payment service provider's request, the payer is required to provide evidence of meeting the conditions stated above. The refund of funds in accordance with the above is made in the full amount of the executed payment transaction, provided that the value date of the payer's payment account credit is not later than the date of debiting that account for the amount requested by the payer.

In the case of direct debits, the payer and their payment service provider may agree in the framework agreement that the payer has the right to a refund of funds from their payment service provider even if the conditions mentioned above are not met.

The payer cannot claim the right to a refund if the higher amount of the payment transaction is due to currency conversion based on the application of the reference exchange rate agreed with their payment service provider.

The payer and their payment service provider may agree in the framework agreement that the payer does not have the right to a refund of funds, provided that:

1. the payer has consented to the execution of the payment transaction directly with their payment service provider;
2. where applicable, the payment service provider or the payee has provided the payer with information about the future payment transaction, at least four weeks before the due date, in the agreed manner.

The payment service provider and the payer who is not a consumer may regulate the right to a refund of funds differently from the above.

The payer has the right to submit a request for a refund of funds in accordance with Article 38 of the Law on Payment Services, no later than eight weeks from the value date of the debit.

Within ten working days of receiving the request for a refund of funds, the payment service provider is obliged to:

1. refund the full amount of the payment transaction, or
2. provide an explanation for rejecting the refund of funds, stating that if the payer does not accept the explanation given, they may submit a proposal for out-of-court settlement of disputes in payment transactions in accordance with the Payment System Law.

## Article 26

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 27

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 28

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

#### RESPONSIBILITY OF PAYMENT SERVICE PROVIDERS REGARDING THE EXECUTION OF PAYMENT TRANSACTIONS

#### Article 29

If the payment order is executed in accordance with a unique identifier, it is considered that the payment order has been executed correctly in relation to the payee identified by the unique identifier. The bank is not liable for any unexecuted or incorrectly executed payment transaction if the payment service user provides an incorrect unique identifier.

#### Article 30

The payer's bank is responsible to the payer for the proper execution of the payment transaction initiated by the payer, except in cases defined by the Law on Payment Services. The payer's payment service provider, who is responsible for executing the payment transaction, is obliged to, upon request of the payer, without delay, return the amount of the unexecuted or incorrectly executed payment transaction. In the case of debiting the payer's payment account, the account must be restored to the state it was in before the execution of that payment transaction, ensuring that the value date of the debit entry on the payer's payment account is not later than the date on which the account was debited for the amount of the unexecuted or incorrectly executed payment transaction.

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

The payer's payment service provider is required to take measures to trace the flow of funds of the payment transaction and inform the payer about it, upon request of the payer and independently of its liability, without delay and free of charge, in the event of an unexecuted or incorrectly executed payment transaction initiated by the payer.

The payer's payment service provider, who is responsible for the unexecuted or incorrectly executed payment transaction, is liable to the payer for any fees and interest charges due to the payer in connection with the unexecuted or incorrectly executed payment transaction, including the execution of the payment transaction with delay.

#### Article 31

In the case of a payment transaction initiated by or through the payee, except in cases defined by the Payment System Law, the payee's payment service provider is responsible to the payee for:

1. Proper transmission of the payment order to the payer's payment service provider within the timeframes agreed between the payee and its payment service provider, and in the case of direct debit, within a timeframe that allows for settlement on the agreed due date of the payer's monetary obligation.
2. Compliance with Article 47 of the Law on Payment Services.

The payment service provider of the payee responsible for the non-execution or incorrect execution of the payment transaction in accordance with paragraph 1 point 1 of this article shall, without delay, re-transmit the payment order to the payer's payment service provider. In case of a delay in transmitting the payment order, the payee's payment service provider must approve the payee's payment account with a value date no later than the date that would have been determined for that amount as the value date if the transaction had been executed on time.

If the payee's payment service provider is responsible in accordance with paragraph 1 of this article, they must ensure that the amount of the payment transaction is available to the payee immediately after that amount is approved on the payee's payment account, with the value date for the approved amount on the payee's payment account not being later than the date that would have been determined for that amount as the value date if the transaction had been duly executed.

If the payee's payment service provider proves that they properly transmitted the payment order to the payee's payment service provider and acted in accordance with Article 47 of the Law on Payment Services, the payment service provider of the payer is responsible for executing the payment transaction, and thus responsible to the payer. In that case, the payment service provider of the payer responsible for executing the payment transaction must, upon request of the payer, without delay, return the amount of the non-executed or incorrectly executed payment transaction, and in the case of debiting the payment account, return the payment account to the state that corresponds to the state of that account before the execution of that payment transaction, with the value date for the approval of the payer's payment account not being later than the date on which that account was debited for the amount of the non-executed or incorrectly executed payment transaction.

The payee's payment service provider responsible for the non-executed or incorrectly executed payment transaction initiated by or through the payee shall, upon request of the payee and independently of their responsibility, without delay and without charge, take measures to determine the flow of funds of the payment transaction and inform the payee thereof.

The payee's payment service provider responsible for the non-executed or incorrectly executed payment transaction is responsible to the payee for the fees and interest charges accruing to the payee in connection with the non-executed or incorrectly executed payment transaction.

### Article 32

If the payer initiates a payment order through a payment initiation service provider, the account-holding payment service provider is required to, in accordance with Articles 34 and 48 of the Law on Payment Services, compensate the payer for the amount of the non-executed or incorrectly executed payment transaction and return the payment account to the state corresponding to the state of that account before the execution of that payment transaction.

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, they are obliged to compensate, upon request of the account-holding payment service provider, without delay, all amounts paid to the payer and any other incurred damages.

### Article 33

The payer has the right to a refund of funds from their payment service provider for an authorized payment transaction that has been executed, initiated by or through the payee, provided that:

1. the exact amount of the payment transaction was not specified at the time of authorization,



2. the amount of the payment transaction exceeds what the payer could reasonably expect, considering their past spending habits, the terms of the framework agreement, and the relevant circumstances of the specific case.

Upon request from the payment service provider, the payer is obliged to provide evidence of meeting the conditions set out in paragraph 1 of this article. The payer does not have the right to a refund of funds under the provisions of this article, provided that:

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

#### Article 34

The payer has the right to submit a request for the refund of funds in accordance with the preceding article, no later than eight weeks from the debit value date.

Within ten working days from the date of receiving the request for the refund of funds, the payment service provider is obliged to:

1. refund the full amount of the payment transaction, or
2. provide justification for refusing the refund of funds, and if the payer does not accept the explanation, inform them that they have the option to submit a proposal for out-of-court dispute resolution in payment transactions.

### INTEREST AND FEES

#### Article 35

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;
- delivery at the Bank's counter,
- 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 36

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.

## PAYMENT ACCOUNT TRANSFER

### Article 37

Payment service providers are obliged to provide a payment account transfer service in the same currency to every User that opens or already holds a payment account with a payment service provider located in the territory of Montenegro.

In order to transfer the payment account, the User submits a request to the receiving bank. When transferring a payment account, the bank at which the User opens or holds a payment account that they want to transfer is obliged to:

1) provide to the receiving bank information about all or individual standing orders for credit transfers, recurring direct debits and recurring incoming credit transfers executed on the payment account, and/or

2) transfer available funds from the payment account that the User has at the transferring bank to the payment account that the User opens or holds with the receiving bank, with or without terminating the payment account with the transferring bank.

When transferring a payment account, the number of the payment account that the User had with the transferring bank is not transferred to the payment account that the User opens or holds with the receiving bank.

The transferring bank and the payment service provider the receiving bank are obliged to provide to the User the access to all available data on existing standing orders and direct debits with those payment service providers, free of charge.

The payment service provider - the transferor must not charge a fee to the User or the payment service provider - the recipient for providing data related to the transfer of payment accounts.

### Article 38

The bank is obliged to make available to the following information about transferring the payment account:

1) the obligations and responsibilities of the transferring bank and the receiving bank, at each individual stage of the payment account transfer procedure;

2) deadlines for the execution of each individual action in the process of transferring payment account;

3) fees charged in the transfer procedure, if they are being charged;

4) information on what data the User should provide, and

5) the right to out-of-court settlement of disputes in accordance with the Law.

The information referred to in paragraph 1 of this Article must be available to the User free of charge, in paper form or on another permanent medium in all the Bank's premises to which Users have access; must always be available in electronic form on its website and must be provided to the Users at their request.



**INFORMING THE USER  
INFORMING ABOUT BALANCE AND TURNOVER IN THE ACCOUNT**

**Article 39**

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.

The bank provides the user with minimal information about payment transactions in the statement, including:

1. Reference number enabling the payee to identify the payment transaction and, where applicable, information related to the payer and other information transmitted with the payment transaction.
2. The amount of the payment transaction in the currency in which the payee's account is debited.
3. The total amount of all fees for that payment transaction and, where applicable, the amount of each individual fee and interest payable by the payee.
4. If the payment transaction involves currency conversion, the exchange rate used by the payee's payment service provider and the amount of the payment transaction before currency conversion.
5. Value date of the payee's account credit.

By framework agreement, it may be agreed that the information from point 2 of this Article be provided or made available periodically, at least once a month, and in a manner that allows the payee to store and reproduce the information in an unchanged form.

The payment service provider is obliged, upon the payee's request, to provide the information from point 2 of this Article in paper form or on another durable medium at least once a month free of charge.

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.

**Article 40**

The bank is obliged to make available to the User a report on all fees and interest for the performed services related to the payment account, free of charge and at least once a year. The report on fees and interest will be delivered to the User's registered email address. The bank is obliged to submit a report on fees in paper form upon the User's request.

**CLAIMS**

**Article 41**

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 42**

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 43**

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 Tariffs for national and international payment transactions.

#### **Article 44**

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 45**

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 46**

By using the service to receive the statement or notification about the account by mail, phone, 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 or e-mail the User specified for submission of notices, statements and similar.

#### **Article 47**

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 48**

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 49**

A request 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.

## Article 50

The bank is authorized to deny the payment service provider and the account information service provider access to the payment account based on proven and objectively justified reasons related to unauthorized access to that provider's payment account or its access for fraudulent purposes, including unauthorized initiation of a payment transaction or initiation of a payment transaction for fraudulent purposes. The bank will inform the payer of the intention and reasons for denying access to the payment account, unless such notification is contrary to objectively justified security reasons or regulations.

The bank will immediately restore access to the payment account once the reasons for denying access cease.

In the event described in paragraph 1, the payment service provider responsible for the account must, without delay, notify the Central Bank of the incident involving the account information service provider or the payment initiation service provider, specifying relevant data about the incident and the reasons for denying access to the payment account.

Based on the notification from the preceding paragraph, the Central Bank acts in accordance with the authorities prescribed by laws regulating the operations of specific payment service providers.

## AGREEMENT CHANGES, AGREEMENT CANCELLATION, CANCELLING/CLOSING THE ACCOUNT

### Article 51

The bank and the customer enter into a contract for an indefinite period, which terminates by termination or dissolution, in accordance with the agreed terms and relevant regulations.

### Article 52

The bank is obligated to propose amendments to the Agreement to the Customer by providing them through a durable medium, to the contacts the Customer has provided/notified to the Bank, at least two months before the proposed date of the amendments' implementation. The payment service user may accept or reject the amendments until the proposed date of their entry into force.

If the Customer does not agree with the proposed amendments, they can terminate the Agreement without notice or compensation. The Customer must submit a written statement of termination of the Agreement to the Bank at one of the Bank's branches or to the Bank's address, no later than the proposed date of the entry into force of the proposed amendments.

If the Customer does not inform the Bank by the proposed date of the entry into force of the proposed amendments that they do not agree with the amendments, it is considered that the proposed amendments have been accepted.

In the event that the Customer rejects the proposed amendments, the Agreement will be terminated. It is considered that the Bank has been informed of the non-acceptance of the amendments to the Agreement if written notice of the Customer's non-acceptance is received no later than the proposed date of the entry into force of the proposed amendments.

The termination of the Agreement takes effect if the Customer pays the Bank a fee for the payment services provided until the date of termination of the Agreement, as well as other obligations to the Bank arising from the Agreement.

### Article 53

The Customer agrees that amendments to the agreement relating to changes in interest rates or exchange rates resulting from the reference interest rate or reference exchange rate may be applied without delay and without prior notice to the Customer by the Bank.

The Customer also agrees that amendments to the agreement relating to changes in fees may be applied without delay and without prior notice to the Customer by the Bank if they are more favourable to the Customer.

### Article 54

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 55

The bank may unilaterally terminate the Framework Agreement on a payment account with basic services, if at least one of the following conditions is met:

- 1) The User intentionally used this account for illegal purposes;
- 2) no transaction has been performed on the account for more than 24 consecutive months;
- 3) The User obtained the right to this account based on incorrect information;
- 4) The User no longer has a legal residence in Montenegro, and
- 5) The User subsequently opened another payment account that allows them to use payment services.

If the Bank terminates the Framework Agreement on the payment account with basic services in accordance with paragraph 1 points 2, 4 and 5 of this Article, the Bank is obliged to notify the User, no later than two months before the termination of the Agreement takes effect, in writing, free of charge, about the reasons for the termination of the Agreement, unless stating the reasons would be contrary to the goals of national security or public interest.

If the Bank terminates the Framework Agreement on the payment account with basic services in accordance with paragraph 1 points 1 and 3 of this Article, the termination of that Agreement produces a legal effect by delivering a notice about the termination of that Agreement to the User.

### Article 56

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 57

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.

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 58

Exceptionally, the Bank may not charge a fee to the user of payment services for the termination of a framework contract concluded for a fixed period of time for a period longer than 6 months or for an indefinite period, provided that the user of payment services cancels the contract after the expiration of 6 months.

In case of cancellation of the Agreement by the Bank, the Bank will not charge a fee for closing the account.

#### Article 59

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 60

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 Tariffs for national and international payment transactions.

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 61

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 62

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 63

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 64

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 65

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 66**

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.

### **USER INFORMING**

#### **Article 67**

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 68**

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.

The payment initiation service provider is obliged to, in addition to the information from the previous provision, provide or make available to the payer, before initiating the payment, in a clear and comprehensive manner, the following information:

1. the name of the payment initiation service provider, its exact address, and, if necessary, the address of its agent or branch;
2. other contact information essential for communication with the payment initiation service provider, including email address; and
3. contact details of the competent authority and information necessary for communication with that competent authority.

#### **Article 69**

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.

#### **Article 70**

The Bank will, within a reasonable period of time before concluding the Framework Agreement on the payment account with the User, deliver to the User, in paper form or another permanent medium, an informative document on the fees for the most representative services associated with the payment account, which contains a list of

services from the list of the most representative services that the Bank also offers as well as information on individual fees and interest for each service.

In paper form or other permanent media, the Bank will make available to the User a glossary of payment services that must include terms and definitions of services from the list of the most representative services, as well as other definitions if they exist.

The glossary of payment services and the Information document on fees are available on the official website of Adriatic bank.

## FINAL PROVISIONS

### Article 71

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, two months before the intended implementation of the changes.

### Article 72

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 73

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](mailto:kvalitet@adriaticbank.com) which can also be accessed from the Bank's website, or by post to the Bank's address. The Bank will respond to the complaint within 8 days at the latest.

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 to the address Bulevar Svetog Petra Cetinjskog no. 6, 81000 Podgorica.

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

In all disputes arising from the provision of services, general terms, or applicable regulations, a proposal for alternative dispute resolution may be submitted in accordance with the law regulating alternative dispute resolution for consumer disputes.

Information about the body competent for alternative dispute resolution is displayed on the official website of the Bank, as well as at the Bank's premises.

The right of the User to initiate alternative dispute resolution proceedings in accordance with special laws regulating alternative dispute resolution and arbitration, as well as in accordance with the law regulating consumer protection, does not affect their right to initiate judicial proceedings, in accordance with the law.

### Article 74

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, and in case of a dispute, the court in Podgorica has jurisdiction.

#### Article 75

The General Terms and Conditions will be applicable starting April 8, 2024.

In Podgorica, January 31, 2024.

CHAIRMAN OF THE MANAGEMENT BOARD

Enesa Bekteši