

GENERAL OPERATING TERMS

Introductory provisions

By these General Operating Terms, OTP banka Srbija akcionarsko drustvo Novi Sad (hereinafter: the Bank) defines standard conditions relevant for the Bank's operations with its Clients, basic rights, obligations and responsibilities of Clients and the Bank, conditions for establishing business relationships, basics of communication between the Bank and its Clients, conditions for executing transactions between Clients and the Bank, as well as other issues of significance to the Bank's operations.

Basic information about the Bank:

Business name: OTP banka Srbija akcionarsko drustvo Novi Sad
Registered office: Novi Sad, Trg slobode 5
Tax identification number (TIN): 100584604
Company registration number (CRN): 08603537
Account number with the National Bank of Serbia: 908-32501-57
Website of the Bank: www.otpbanka.rs
SWIFT: OTPVRS22
E-mail address: info@otpbanka.rs
Mailing address: Novi Sad, Trg slobode 7
Info phone No.: +381 (0) 21 421 077 and 011 30 11 555

Operating license issued by the National Bank of Yugoslavia by the Decree O. No. 415 dated 05 May 1995. Supervision and monitoring of the Bank's operations is performed by the National Bank of Serbia, Belgrade, Kralja Petra 12 and Nemanjina 17, in accordance with the legislation governing the operation of banks.

Purpose and content of the General Operating Terms

The General Operating Terms ensure the application of good business practices and fair treatment of Clients.

The General Operating Terms apply to the business relationship between the Bank and the Client, based on a contract or other document signed by the Client, or another form of business cooperation where no special contract is concluded in accordance with applicable regulations and acts of the Bank.

In cases of discrepancies between the contracted provisions and the General Operating Terms, the contracted provisions shall be applied.

The Bank is obligated to ensure that the Client becomes familiarized with the General Operating Terms in Serbian by placing them on a prominent position in its business premises where it offers services to Clients and on the website, no later than 15 days before the date of their application. The Bank is obliged to provide the User corresponding explanations and instructions pertaining to the application of General Operating Terms and Conditions related to a certain financial service, and to immediately submit to the Client such terms and conditions in writing or on another permanent data carrier upon the Client's request.

In cases of publication of General Operating Terms in the English language too and possible discrepancies between the General Operating Terms in Serbian and English, the provisions from the Serbian version shall be applied.

The Bank provides its Clients with a wide range of banking services based on the principles of security, trust, good business etiquette and good business practice.

In terms of the previous paragraph, the Bank is engaged in the provision of payment services, lending, authorized overdrafts, issuing letters of credit, guarantees, sureties and other forms of guarantees, discounting securities, custody services, broker-dealer services, factoring, exchange and foreign

exchange services transactions, deposit and other transactions in accordance with the Law on Banks and the Bank's Articles of Association.

The General Operating Terms are comprised of:

- PART 1 containing general provisions jointly applied to the provision of all banking services to all Clients;
- PART 2 containing provisions applied to rendering banking services that are not payment services, divided into provisions related to Clients - private individuals, entrepreneurs and farmers and Clients - legal entities;
- PART 3 containing provisions applied to rendering payment services to all Clients, noting that rendering payment services is defined in detail by the general operating terms governing payment services.

PART 1

1. GENERAL PROVISIONS

The general provisions stated herein are jointly applied to the provision of all banking services to all Clients in terms of these General Operating Terms.

1.1. Client term meaning

A Client of the Bank is an entity (resident or non-resident) that uses or has used banking services of the Bank or has addressed the Bank for the purpose of using banking services and has been identified as such by the Bank.

In terms of these General Operating Terms, a Client of the Bank is:

- 1) a private individual who uses, has used or intends to use these services for purposes that are not intended for his/her business or other commercial activity, *i.e.* a consumer in terms of the law governing payment services;
- 2) an entrepreneur in terms of the law governing companies;
- 3) a farmer as the holder or member of a family agricultural household in terms of the law governing agriculture and rural development;
- 4) a legal entity or other entity registered for the purpose of performing commercial, professional or other activity in accordance with the law and other regulations (company, public enterprise, cooperative, association, fund, endowment, foundation, as well as other permitted forms of organization).

(hereinafter collectively referred to as: Client and individually: Private Individual, Entrepreneur, Farmer or Legal Entity).

Joint debtors, pledgors and guarantors are also deemed as Clients.

1.2. Rights, obligations and responsibilities of the Bank

The Bank shall be free to decide on the selection of Clients, meaning that based on the assessment of the Bank's competent services and decisions of its bodies, in accordance with its procedures, it shall freely select the Client with whom it will enter into business relations; this includes Bank's discretionary right to refuse conclusion of agreement and provision of service to a Client without special explanation, unless otherwise prescribed by applicable regulations. The Bank may enable remote conclusion of the contract, in accordance with applicable regulations.

In accordance with the applicable regulations and its internal acts and under terms and conditions determined by these acts, the Bank can determine and verify the identity of a natural person using means of electronic communication even without the mandatory physical presence of the person whose identity is subject to verification at the Bank (video-identification).

The Bank is entitled to, without the Client's consent, block further utilization of its products and services, as well as to terminate a business relationship

established with the Client, in order to prevent money laundering and terrorism financing in accordance with regulations governing such matter, in the case of account or payment card abuse, as well as due to other justified reasons in line with applicable regulations.

Without special consent of the Client, the Bank is authorized to use the funds located on the Client's accounts with the Bank in the enforcement procedure, *i.e.*, forced collection over the Client in order to act according to decisions of the court or other state authorities, to collect due fees for services which the Bank renders to the Client, due receivables under loans which the Bank approved to the Client or other Bank's due liabilities to the Client, as well as in other cases prescribed by law and other applicable regulations.

The Bank and its officers are obligated to protect the Clients' interests pursuant to applicable regulations and operating rules.

In the event when the contractual relationship between the Bank and Client contains elements of an order, the Bank and its officers are obligated to execute such orders with due care, pursuant to applicable regulations and operating rules.

In order to meet the principle of business transparency and to inform the Clients as fully as possible, the Bank shall display the following acts on its website and in a prominent place in the Bank's branches:

- valid exchange rate list;
- Notice on the value of contracted variable elements that are officially published (*e.g.*, key policy rate, consumer price index, *etc.*); Fee Schedule for fees and expenses;
- General Operating Terms, as well as other information significant for the establishment of a business relationship between the Bank and its Clients.

In order to collect its receivables, the Bank is authorized to realize any payment instrument and/or collateral established by the Client, pledgor, debtor or other person. The Bank is entitled to keep any item which is in possession of the debtor, in accordance with the law, until the due receivable has been collected in its entirety.

With the aim of collecting due receivables of the Bank against the Client, the Bank may use funds that are located on the Client's account/accounts opened with the Bank (by debiting the account without a payment order), securities and other assets given to the Bank for safekeeping, if their enforcement is not exempted by law, decision of the court or decision of other competent authority. When the Client has several accounts opened with the Bank (dinar or foreign currency), the Bank is authorized to, at its own discretion, determine the order in which it will transfer funds to collect its receivables from the Client. In the event that the collection of receivables is performed from foreign currency accounts of a Legal Entity and Entrepreneur, the Bank shall purchase foreign currency according to the Bank's buying exchange rate for foreign currency as at the day of purchase. In the event that the collection of receivables is performed from foreign currency accounts of a Private Individual and Farmer, the Bank shall purchase foreign currency according to the Bank's buying exchange rate for foreign cash as at the day of purchase. In the case of collection of the Bank's foreign currency receivables from the Legal Entity/Entrepreneur's dinar accounts, the Bank's selling exchange rate valid on the day of debiting shall be applied. In the case of collection of the Bank's foreign currency receivables which are booked in a currency different from the currency of the Legal Entity and Entrepreneur's account debited for the collection of these receivables, the Bank's buying and selling exchange rate valid on the day of debiting (buying exchange rate for the conversion of foreign currency into dinars and selling exchange rate for the conversion of dinars into foreign currency) shall be applied. In the case of collection of the Bank's foreign currency receivables from the Private Individual and Farmer's dinar accounts, the Bank's selling exchange rate valid on the day of debiting shall be applied. In the case of collection of the Bank's foreign currency receivables which are booked in a currency different from the currency of the Private Individual and Farmer's account debited for the collection of these receivables, the Bank's buying and selling exchange rate for cash valid on the day of debiting (buying exchange rate for cash for the

conversion of foreign currency into dinars and selling exchange rate for cash for the conversion of dinars into foreign currency) shall be applied. The Bank's exchange rate list is published on the Bank's website and available to Clients in the Bank's branches.

The Bank is entitled to obtain the necessary reports from the Client's indebtedness database during the business relationship with the Client, in order to assess his creditworthiness, upon obtaining consent from the Client. Should the Client fail to pay the fee for obtaining these reports at the request of the Bank, the Bank shall be entitled to use the Client's funds from the preceding paragraph to pay the fee. In the same way, the Bank may, on behalf and for the account of the Client, pay the insurance premium for real estate/movable property on which a mortgage/pledge has been established in favor of the Bank, as well as the fee for estimating their value, if the Client fails to pay the premium or to submit evidence to the Bank that the annual premium has been paid, *i.e.*, if the Client fails to submit a new assessment of the value of real estate/movable property at the request of the Bank.

When a special-purpose placement is approved, the Bank may control the intended use of the funds approved and the implementation of other obligations under the contract by the user of such funds, in the manner and following the procedure established by applicable legal regulations and acts of the Bank.

The Bank shall not be liable for damages resulting from:

- 1) force majeure, riots (demonstrations or public manifestations, terrorist or other forms of violence), war, state of emergency, acts of God, strike and similar circumstances beyond its control;
- 2) actions of competent state bodies in the country and abroad, obstruction of its work which the Bank could not have prevented or avoided, actions of the Client based on oral communication with the Bank or written documentation that does not contain an unconditional obligation of the Bank;
- 3) unclear, wrong or imprecise instructions of the Client, the need for additional verification and interpretation of insufficiently precise orders;
- 4) failure to submit any document that the Bank should have submitted in accordance with the contract (calculation, *etc.*), if it has not been notified of that non-submission without delay.

1.2.1 Special rights of the Bank

All Bank financing is subject to supervision in order to monitor compliance with international sanctions of the United Nations (UN), the European Union (EU) and the United States Department of the Treasury (OFAC). Certain contracts are also monitored from the aspect of compliance with the sanctions of the United Kingdom of Great Britain and Northern Ireland (UK).

When establishing a business relationship and during the business relationship, the Bank has the right not to conclude a contract if it determines that the Client is on the official lists of embargoes and sanctions in accordance with local and/or international regulations and if concluding a contract with the Client would pose a reputational risk to the Bank;

For the entire duration of the business relationship, the Client shall:

- not [and shall ensure that no member of the Group does so] directly or indirectly use the placement funds (or lend, give or otherwise make such funds available to any person), in any manner that would result in a violation of the Sanctions by the Bank (including the manner in which these funds are used to finance or facilitate any business or transaction of the Sanctioned Person or persons associated with them or through which these funds would be made available to Sanctioned Persons or from which these persons would benefit),
- ensure that no person who is a Sanctioned Person has any right to funds repaid or transferred by the Client to the Bank in connection with the placement, and that no income or benefit from any activity or transaction with the Sanctioned Person will be used to repay the amount owed to the Bank in connection with the placement, and

- ensure (and will ensure that its parent company) does not make a material change to the general nature of the business of the Client (the Client's parent company) and the Group as a whole, compared to that performed on the date of conclusion of this Contract.

In terms of the above:

- i. «Group» means a group of companies formed by the Client and related to him, as defined by the law of the Republic of Serbia governing companies, including beneficial owners and immediate parent companies.
- ii. "Sanctioned Person" means any private individual or entity designated as a target of Sanctions or otherwise subject to Sanctions (including, without limitation, consequences of the existence of (a) direct or indirect ownership or control by any person designated as a target of Sanctions or (b) establishment in accordance with laws, or citizenship of or residence in any country subject to general Sanctions or Sanctions applicable in the entire territory thereof.
- iii. "Sanctions" shall mean any economic or financial sanctions, trade embargo or similar measures imposed, administered or enforced by the following (or by any agency of any of the following):
 - United Nations;
 - United States of America;
 - United Kingdom of Great Britain and Northern Ireland
 - European Union or any Member State;
 - any authority of the Republic of Serbia or
 - any other authority competent for imposing sanctions

"Sanctioned Legal Entity/Private Individual" means any private individual or entity designated as a target of a sanction or otherwise subject to a sanction, including without limitation the consequences of the existence of (a) direct or indirect ownership or control of any person designated as a target of the sanction; (b) the establishment, in accordance with the law, of either the nationality or residence of, or the location or place of employment in any country or territory subject to sanctions throughout the country or territory (including, without limitation: Burma/Myanmar, Cuba, Iran, North Korea, Sudan, Venezuela and Syria, but subject to changes over time).

1.2.1.1. Illegality related to sanctions

(A) If it becomes illegal in any applicable jurisdiction for the Bank to perform any of its obligations or to finance, pay or maintain its obligations contracted with the Client, or (B) if the Client (or any member of the Group) becomes a Sanctioned Person:

- a) the Bank shall (or, in the case under (B) above, may) notify the Client immediately upon learning thereof;
- b) After the Bank notifies the Client (or in the case under (B) above, if the Bank so specifies in its notice or any subsequent notice) the amount available under the contract shall be cancelled immediately, and
- c) the Client shall (or in the case under (B) above, if the Bank so specifies in its notice or any subsequent notice) pay any amount due under the contract to the Bank, on the day stipulated in the Bank's notice.

1.2.1.2. Consequences of default

Should any case of breach of contract and/or illegality related to Sanctions occur, the Bank may, at its sole discretion, declare a breach of contract by the Client and shall be entitled to unilaterally terminate the contract (including cancellation of tranche withdrawal) and demand early maturity, in which case:

- a. the amount of principal together with all interest, fees, expenses and other amounts payable, shall be deemed immediately due and payable to the Bank;
- b. any placement amount not withdrawn by the Client will not be able to be further withdrawn;
- c. the Bank shall calculate and collect from the Client, and the Client shall pay default interest to the Bank in accordance with the contract;

- d. collateral will be activated immediately and the Bank will be entitled to collect its receivables from the Client or another responsible person in accordance with the contract.

The Bank will notify the Client of contract termination by submitting a written notice.

A contract shall be considered terminated on the day the Client receives a written notice of cancellation, unless the Bank in the notice provides the Client with a subsequent deadline for meeting a certain obligation.

The Bank and the Client are obliged to act in accordance with their obligations under international and bilateral agreements concluded and ratified by the Republic of Serbia.

1.3. Rights, obligations and responsibilities of the Client

A Client may request explanations and instructions from the Bank in terms of the application of these General Operating Terms.

A Client is entitled to receive information from the Bank related to the Client's business relationship with the Bank.

A Client is entitled to submit a complaint to the Bank if the Client deems that the Bank is not adhering to provisions of the law, General Operating Terms, good business practice and obligations stated in the contract.

Prior to concluding a contract with the Bank the Client is entitled to read the contracted provisions, as well as the entire accompanying documentation, including the General Operating Terms, and all other integral parts of the contract. By signing the contract and/or giving consent for the conclusion of the contract pursuant to applicable regulations, the Client confirms to have read and understood the contract, its integral parts and accompanying documentation. Additionally, by affixing his signature and/or giving consent pursuant to applicable regulations, to any other delivered document, the Client confirms to have read and understood such document.

The Client's orders that are issued to the Bank must be clear and unambiguous, given in written and/or other prescribed form or other corresponding manner, in line with the law, other regulations and acts of the Bank.

The Client must pay attention to notifications received from the Bank, review them and immediately inform the Bank of any disagreement or dispute regarding the debt, *i.e.*, receivable. The Bank will investigate any such disagreement and/or dispute, provide relevant information at its disposal and if it determines that the complaint is justified, it will make the necessary adjustments and corrections. Otherwise, it shall be deemed that the Client has accepted the data submitted.

The Client is obliged to immediately inform the Bank of not having received any document within the expected timeframe, and which the Bank should have submitted (calculations and similar) pursuant to the contract. Otherwise, it shall be deemed that the stated document has been submitted to and accepted by the Client.

The Client shall bear the damage caused by failure to submit a timely written notice to the Bank on the circumstances that affect or may affect his business relationship with the Bank, if the obligation of giving such notice is provided by the contract or the General Operating Terms.

When establishing a business relationship with the Bank (if applicable), the Client is obliged to submit to the Bank all documentation prescribed by applicable regulations and acts of the Bank proving his legal personality and operations, documentation related to persons authorized to represent and any other document deemed necessary by the Bank, pursuant to the Bank's regulations and acts. If requested by the Bank, the Client is obliged to submit documentation/documents in the original or a certified copy, and if it is a foreign documentation/document - with an Apostille or other certificate of legalization in accordance with applicable regulations and

international agreements, as well as a certified translation by a certified court translator.

If the Client is a non-resident registered pursuant to laws of a foreign country, the Bank reserves the right to, in addition to the documentation necessary to prove his legal personality under the regulations of that country, with the Client's consent, request a legal advisory opinion on all legal issues arising from the application of foreign law, given that the Client shall bear all related costs that may arise therefrom.

The Client shall be liable for damage due to deficiencies in the documentation submitted to the Bank, in cases of its incompleteness, forgery, necessity for interpretation and errors in document translation, expiry of its validity and the like.

The Client is obliged to comply with the obligations arising from applicable regulations on environmental protection, occupational safety and health, including obligations under accepted international conventions and agreements/protocols in that area, when performing business activities.

The Client is obliged to refrain from any actions involving elements of corruption, from making promises, i.e. not to give, request or receive any gift, service or other benefits, or payment in money or any other valuables, directly or indirectly, through its employees or third parties, or perform any action that could be characterized as receiving or giving a bribe, as per the provisions of regulations governing this area.

1.4. Banking secret

In its operations, the Bank shall adhere to the obligation of keeping banking secrets in line with the law. The Bank will consistently safeguard the secrecy of transactions, services and data related to the Client, in accordance with applicable regulations and international practice.

A banking secret is a business secret.

The following shall be deemed as banking secrets:

- 1) details known to the bank, pertaining to personal data, financial position and transactions, as well as to ownership or business relationships of clients of that or another bank;
- 2) details on balance and transactions on individual deposit accounts;
- 3) other data which become known to the Bank in operations with clients.

The Bank and members of its bodies, shareholders and employees of the Bank, as well as the external auditor of the Bank and other persons who due to the nature of the work they perform have access to the data from the previous paragraph, are obliged to keep this data and may not disclose them or in any way provide access to third parties, or use them contrary to the interests of the Bank and its Clients, or use them in such a manner that they or third parties derive material benefit therefrom, nor may they provide third parties with access to such data. The obligation to keep business secrets of the persons from the preceding paragraph shall not cease even after the termination of the status on the basis of which they gained access to the data from that paragraph.

The following shall not be deemed as banking secrets:

- 1) public data and data available to stakeholders with justified interest from other sources;
- 2) consolidated data based on which the identity of an individual client is not disclosed;
- 3) details on the Bank's shareholders and level of their share in the Bank's share capital, as well as details on other entities holding shares in the Bank and details on such shares, irrespective of whether they are clients of the Bank or not;
- 4) details pertaining to regularity in the settlement of the Client's liabilities towards the Bank.

The Bank may disclose or submit data that are considered a business secret to third parties, *i.e.*, enable access to such data if the Client consents to it or if envisaged by law or other regulation.

The obligation of keeping a banking secret shall not exist if data are disclosed based on a decision or request of the competent court, *i.e.*, other authority or organization prescribed by regulations, as well as upon a request of associations founded by banks for the purpose of collecting data on the total amount, type and promptness in the fulfillment of client liabilities, and to other bodies, authorities and organizations in accordance with the law.

The Bank is entitled to disclose data representing a banking secret to the investigative judge, public prosecutor and courts, *i.e.*, other authorities exercising public and legal authorities solely for the purpose of protecting its rights, in accordance with the law.

The Bank is entitled to forward, *i.e.*, enable access to data on the Client and related entities which become known to it during establishing the business relation, contract execution, information from files and documentation submitted by the Client to the Bank, considered a business secret, to the banking group to which the Bank belongs, members of that Group, National Bank of Serbia, persons having access to such data due to the nature of their work, Forum for Prevention of Misuse in Loan Operations of the Serbian Chamber of Commerce, Forum for Prevention of Misuse in Payment Cards of the Serbian Chamber of Commerce, a third party engaged by the Bank for the purpose of carrying out the collection of receivables, recipient of receivables in case of assignment of receivables by the Bank, Fund for Pension and Disability Insurance, and to any other competent authorities and entities to which the Bank is obligated to submit these data according to applicable regulations, *i.e.*, entities with which the Bank has concluded contracts on business cooperation that are related to the business relationship between the Bank and the Client and the realization of Bank's receivables against the Client, or concluded contracts on data confidentiality.

The Client agrees that the Bank may share with the insurance company data on paid insurance premiums, claims under issued policies, as well as all other data related to the contracting and implementation of insurance policies, including data on the Client as insurance policyholder or insured person.

1.5. Personal data protection

Business secret involves the data obtained by the Bank during the course of business and related to the Client and his business relationship with the bank.

For the purpose of conducting its operations, the Bank processes certain personal data. Personal data is any data related with the private individual whose identity is determined or determinable, directly or indirectly, *i.e.*, any data:

- a) which the person and/or the Client - legal entity provide to the Bank, orally or in writing during the communication with the Bank, irrespective of the purpose of this communication, including telephone communication, electronic communication, personally at the Bank's premises or through the Bank's website;
- b) collected at the time of establishing a contractual relationship with the Bank in relation to new services or products;
- c) contained in applications and forms that precede the establishment of a contractual relationship with the Bank;
- d) learned by the Bank on the ground of providing banking, financial and related services to the User - legal entity, as well as services of contracting products and services of the Bank's partners;
- e) gathered automatically during the use of the Bank's products and services;
- f) from publicly available sources such as data from publicly available services;
- g) collected from other controllers based on the appropriate contractual relationship;

- h) forwarded to the Bank by the OTP Group;
- i) arising from processing of any of the foregoing personal data.

With the aim to collect receivables, the Bank may obtain data from parent records of the Fund for Pension and Disability Insurance on whether a Client is insured, the user of rights from pension and disability insurance or is a payer of contributions for pension and disability insurance. For the same purpose, the Bank may collect information on assets and/or income of the Client from tax and other competent authorities.

A prerequisite for any collection of personal data is the existence of an appropriate legal basis in accordance with the Law on Personal Data Protection.

The Bank is obliged to process personal data in a legal, honest and transparent manner. The processing of personal data must be in line with the Law on Personal Data Protection, *i.e.*, other regulations governing personal data processing.

Personal data may be gathered for a predetermined, explicit, justified and legal purpose and may not be subject to further processing in a way that is contrary to such predetermined purpose.

Personal data must be appropriate, relevant and limited to what is necessary in relation to the purpose of the processing, to be accurate and updated if and when necessary. The Bank shall take all reasonable steps to ensure that inaccurate personal data is erased or corrected without delay.

Personal data will be kept in a form that allows the identification of the person only within the period necessary to achieve the purpose of processing. The processing of personal data shall be carried out in a manner that ensures adequate protection of personal data, including protection against unauthorized or illegal processing, as well as against accidental loss, destruction or damage, by applying appropriate technical, organizational and personnel measures.

The Bank will process personal data for the purpose and in the manner that is necessary and purposeful in performing its activities. Such processing is legal if it meets one of the following conditions:

- 1) the data subject has given consent to the processing of his/her personal data for one or more predefined purposes (processing of personal data based on consent);
- 2) processing is necessary for the performance of contract concluded with the data subject or for taking actions, at the request of the data subject, prior to the conclusion of such contract;
- 3) processing is necessary in order to meet the legal obligations assumed by the Bank;
- 4) processing is necessary in order to protect the vital interests of the data subject or another private individual;
- 5) processing is necessary in order to exercise the statutory powers of the Bank;
- 6) processing is necessary in order to realize the legitimate interests of the Bank or a third party, unless those interests are overridden by the interests or fundamental rights and freedoms of the data subject, which require the protection of personal data, especially if the data subject is a minor.

If the Bank collects personal data directly from the data subject, the person will be informed in accordance with the Law on Personal Data Protection.

The data subject may be informed of his rights under the Law on Personal Data Protection and exercise them in accordance with the Privacy Protection Policy available on the Bank's website.

Personal data will be kept during the contractual relationship, *i.e.*, as long as there is the consent of the data subject, and within the period for which the Bank is legally obliged to keep certain personal data, in which case

active processing of such data for other purposes will not be possible, and the same may only be kept for the purpose prescribed by law.

Personal data processed by the Bank may not be ceded to third persons on the basis:

- 1) consent of the data subject;
- 2) implementation of a contract in which the data subject is one of the parties;
- 3) legal provisions.

Personal data may be submitted to state and other bodies to which the Bank is authorized or obliged to submit personal data on the basis of the laws governing such submission. Personal data may also be submitted to persons with whom the Bank has a contractual relationship, service providers and engaged persons of the Bank who, due to the nature of the work they perform, have access to personal data, as well as to the banking group to which the Bank belongs, and whose registered seat is located in a country party to the Convention of the Council of Europe for the Protection of Individuals with regard to Automatic Processing of Personal Data. All persons who, due to the nature of their work with or for the Bank have access to personal data are obliged to keep such personal data as banking or business secrets in accordance with the Law on Banks and other regulations governing data secrecy. Contracts with such persons are in line with the requirements of the Law on Personal Data Protection.

1.6. Manner of submission

The Bank provides information to the Client in the Bank's branches, on the Bank's website, by telephone, direct oral and written communication, delivery of letters and notifications, display of information at the Bank's counters and premises intended for clients, as well as electronic forms of communication, including communication via electronic platforms that include information and telecommunication technologies used for the purpose of providing the Bank's services to Clients electronically, (electronic and mobile banking), by e-mail and other electronic forms of communication (*e.g.* Viber, Whatsapp *etc.*), and through another communication channel allowing for User identification in accordance with the law, as well as advertising through public media.

All notices and other documents delivered by the Bank to the Client shall be sent to the last contact address provided by the Client to the Bank, which also includes delivery by e-mail or to the address of the registered office s and/or mailing address and e-mail address registered with the competent authority in accordance with applicable regulations, as well as through electronic platforms that include information and telecommunication technologies used for the purpose of providing services of the Bank to Clients electronically, (electronic and mobile banking), by SMS, fax, in the Bank's branches or in another way that enables written communication with the Client. For delivery and notification of the Client, the Bank shall use only communication channels and data provided by the Client to the Bank during the establishment of the contractual relationship or changed in the prescribed manner during the contractual relationship, and which the Bank has registered in its information system.

If a notification or other document was sent by mail, registered or regular mail, it shall be deemed delivered upon the expiry of the usual time for shipment delivery. If it is sent by e-mail or SMS, it shall be considered delivered on the day when the e-mail or SMS was sent, and if it is sent by fax, it shall be considered delivered on the day when the fax was sent to the Client. If the delivery is made at the Bank's branch, the notice or other document shall be deemed delivered on the fifth day from the day the Client could have received the notice, *i.e.*, another written notice in accordance with the contract. If a Notice or another document is submitted via electronic platforms (electronic and mobile banking) that include information and telecommunications technologies used for the purpose of providing the Bank's services to the Clients electronically, it shall be considered that the same was received by the Client on the day it was placed on the electronic platform server so as to make it visible to the Client. If the delivery is made through a courier service, it shall be

considered that the Client has received the notice or other document after the expiry of the usual time necessary for courier delivery, which is proven by a confirmation of the courier service.

The Bank is not obliged to address written correspondence to residence/domicile addresses abroad, nor SMS messages to mobile phone numbers of foreign operators, but only to those located in the Republic of Serbia.

The Client is obligated to inform the Bank on each and every change of address for delivery and on the change of any other detail which may impact such delivery. Should the Client fail to inform the Bank of the stated change, sending to the last address submitted by the Client, *i.e.*, delivery by using the last contact information submitted to the Bank shall be deemed as proper delivery.

The Bank shall not be liable for damages in the event that a third party comes into possession of data sent by fax, SMS, e-mail and other corresponding manner, if notifications and other documents have been sent to the phone number, *i.e.*, address provided to the Bank by the Client.

All notifications submitted by the Client to the Bank shall be delivered to the address of the Bank's registered office or its organizational units, unless otherwise agreed or prescribed otherwise for certain notifications or the Client has not received written information from the Bank that they may be submitted in a different manner. Any written correspondence between the Client and the Bank made personally or via courier and stipulated in these General Operating Terms shall be considered received by the Bank only after the Client's copy of the document is certified by the Bank's stamp on arrival or after the issuance of a written certificate of receipt by the Bank.

1.7. Collateral

The Bank shall accept collateral based on the assessment of the Client's creditworthiness, *i.e.*, depending on the type, maturity and amount of receivables being secured.

In order to secure the Bank's receivables against the Client, the following collateral may be contracted: bill of exchange; garnishment; surety; special-purpose deposit; mortgage; pledge over movable assets, receivables, securities, intellectual property rights, shares; bank guarantee; cession; loan insurance with insurance companies and other collateral accepted by the Bank in line with its internal acts on the assessment of collateral.

Real estate being the subject of mortgage, *i.e.*, movable assets being the subject of pledge, must be insured with an insurance company acceptable to the Bank, and the insurance policy assigned to the Bank, all in accordance with the contracted provisions.

The Bank is entitled to fill in the incomplete bill of exchange given as collateral for the Bank's receivables with the amount of due liabilities with the "no protest" and "no report" clause and to enter all obligatory elements in accordance with the contracted provisions.

Collateral shall be determined by a contract between the Bank and the Client for each specific case. The Client is obliged to establish contracted collateral in favor of the Bank prior to contract implementation, unless otherwise agreed.

In the event that, during the business relationship, any collateral ceases to be collectible, *i.e.*, valid for any reason, the Client shall be obliged to provide additional collateral to the Bank if so required by the Bank.

The Client is obliged to provide the Bank with additional collateral, if for any reason any of the collateral loses legal validity or becomes inadequate or insufficient collateral for the Bank or cannot be utilized and/or no longer provide sufficient collateral for collection of the Bank's receivables or a collection procedure is initiated over them by another creditor.

If the Bank uses any bill of exchange, the Client shall be obliged to submit new bills of exchange in the number of used copies upon the Bank's first request.

The Client may propose a replacement of one or more contracted collateral to the Bank. The Bank will accept the stated proposal if it assesses that offered collateral corresponds to existing collateral in terms of value and collectability. All possible costs related to the proposed replacement of collateral shall be borne by the Client.

Upon the fulfillment of all obligations stated in the contract, the Bank will, within a reasonable timeframe following the day of submission of a request by the Client, *i.e.*, the provider of collateral, deliver all received collateral to the Client, *i.e.*, the provider of collateral, that have not been used for the purpose of collection of receivables, that is, give all prescribed statements for the removal of recorded collateral from public records. The Client, *i.e.*, the provider of collateral shall bear any costs that may arise in relation to returning of collateral, *i.e.*, its removal from the competent register (*e.g.*, tax duties and fees charged by a competent authority to certify the statement allowing the deletion of encumbrance from the competent register, *i.e.* competent register for the deletion of encumbrance from public records and similar). The Bank is entitled to destroy bills of exchange received under the contract if the Client fails to submit a written request for returning bills of exchange within the timeframe envisaged by the contract, and if such timeframe is not envisaged, within 60 days following the day of settlement of all liabilities towards the Bank under the contract. For clients-Natural persons, Farmers and Entrepreneurs, this term starts on the date of receipt of notice that obligations under the contract have been settled. The Client shall also bear any possible costs of withdrawing blockades from the enforced collection.

1.8. Assignment of receivables

The Bank is entitled to sell its receivables against a Client, *i.e.*, assign receivables to a third party (recipient of receivables) or to engage a third party to collect its receivables against the Client in accordance with the law, other regulations and acts of the Bank.

The Bank may assign its receivables against a Private Individual solely to one bank.

In the event of the assignment of receivables stated in the previous paragraph, the Private Individual shall keep all contracted rights, as well as the right of filing a complaint to another bank which he had in his relationship with the Bank, while the other bank may not put the Client in a less favorable position than the position the client would have had if such receivable had not been transferred, and for this reason the Client may not be exposed to additional costs.

Provisions of regulations governing Bank risk management by banks shall be applied to the assignment of the Bank's receivables against clients - Legal Entities, Entrepreneurs and Farmers.

Regulations governing contracts and torts and other applicable regulations shall be applied to assignments of other receivables and to issues not defined by regulations on the protection of financial services consumers, *i.e.*, regulations governing Bank risk management.

The Bank shall inform the Client on the assignment of receivables.

1.9. Interest, fees, commissions and costs

1.9.1. Interest

The Bank contracts, calculates, pays and collects interest on deposit, credit and other banking transactions, which is determined in corresponding contracts with Clients, pursuant to the Bank's acts and statutory regulations.

Nominal interest rates may be contracted as fixed and as variable interest rates.

Variable nominal interest rate is the interest rate whose amount depends on contracted variable elements, *i.e.*, variable and fixed elements, whereby variable elements are those that are officially published (key policy rate EURIBOR, BELIBOR, deposit facility interest rate, consumer price index, *etc.*). The nature of these variable elements must be such that the unilateral will of no party to the contract may have an impact on them. In its business premises in which it offers services to Clients and on its website the Bank will post a notice related to fluctuations in values of these contracted variable elements on a daily basis.

If the Bank's right to change margin has already been concluded by a contract between the Bank and the Client, the Bank shall not use such right and margin shall be deemed as fixed.

Method for calculation, manner and timeframes for interest calculation, deadlines and manner of payment/placing at disposal of calculated interest shall be determined by contract in each case.

For the purpose of application of the General Operating Terms, the following terms are defined:

EURIBOR is the annual rate managed by the European Money Market Institute (EMMI) used for trading in Euros between credit institutions of the European Union and EFTA countries on the unsecured money market, and which is published on consumer financial systems (Reuters, Bloomberg) at 11 AM Central European Time (hereinafter: CET). If the Reuters and Bloomberg services are not available for any reason, the Bank has the right to use another relevant service that publishes the EURIBOR rate.

BELIBOR is the reference interest rate for assets denominated in dinars that are offered by Panel banks in the Serbian interbank market. It is calculated as the arithmetic mean of quotations remaining after eliminating the highest and lowest rate, with two decimal places.

BEONIA is the average weighted interest rate based on overnight borrowings on the interbank money market in the Republic of Serbia.

Euro short-term interest rate (€STR - The euro short-term rate) which reflects the interest rate that represents the cost of borrowing in euros from banks in the euro zone and refers to unsecured overnight loans. €STR is published every working day and is based on real transactions that were concluded on the previous working day (day T) with maturity on day T+1, which are considered executed according to market conditions and which objectively reflect market interest rates.

NBS key policy rate is the highest or lowest interest rate applied by the National Bank of Serbia in the process of implementing repo sales transactions *i.e.*, purchase of securities, which the National Bank publishes and changes, while intervals of change are neither set nor determinable. The level of this interest rate is determined by the Decision on Determining the Key Policy Rate of the National Bank of Serbia.

Deposit facility interest rate is the lowest interest rate applied by the National Bank of Serbia in implementing operations on the money market. It is published and changed by the National Bank of Serbia, while intervals of change are neither set nor determinable.

SONIA (Daily Sterling overnight index average rate) represents the value of the rate at which interest is paid on sterling short-term assets of a large volume in circumstances where credit risk, liquidity risk and other risks are at a minimal level.

SARON (Swiss Average Rate Overnight) is a reference interest rate that reflects the terms of overnight loans, with collateral, on the most liquid part of the money market in Swiss francs. Calculated and published by the Swiss Stock Exchange (SIX)

SOFR (Secured Overnight Financing Rate) is a secured overnight reference interest rate based on actual transactions in the overnight repo market, calculated by the Federal Reserve Bank of New York.

1.9.2. Fees, commissions and costs

The Bank calculates and collects fees, commissions and costs for services rendered to the Bank's Clients.

Costs paid by Client to third parties in using a banking service depend on the fee schedules of third parties (*e.g.*, property insurance, life insurance, administrative costs and insurance premium of the National Mortgage Insurance Corporation, preparation of pledge appraisal reports, mortgage registration costs, public notary fees, fee for Credit Bureau report, bills of exchange and similar).

1.10. Arrears

Should the Client fail to settle his liability within the agreed deadline - the rules on interest applied in cases of debt arrears as prescribed by the law governing contracts and torts shall be applied to such due and outstanding liability.

Interest for the period of arrears shall be calculated on all liabilities that are not paid upon maturity according to provisions of the contract, starting from the maturity date until the final collection of liabilities.

1.11. Right to objection

The Client has the right to object to the Bank, if the Client deems that the Bank is not adhering to provisions of the law, other regulations governing banking services, these General Operating Terms or good business practice pertaining to those services, or obligations stated in the contract.

Objections to the work of the Bank or objections related to a violation of rights or legal interests of the Client may be submitted by a Private Individual, Farmer and Entrepreneur to the Bank within 3 years, from the day of violation of his/her right or legal interest, while a Legal Entity may do so within the same term provided the objection is related to payment services or electronic money in the sense of the law that regulates payment services.

The objection related to Bank services other than payment services may be submitted by the legal entity within 60 days from the day when it learned that a violation of his right or legal interest had been committed, and no later than within 3 years from the day when that violation was committed.

The objection is to be submitted in writing and as follows:

- in business premises/in Bank branches, as well as in every other business premises in which the Bank provides services to Users, by filling in a complaint form or in free form,
- to the mailing address: Trg slobode 7, 21000 Novi Sad, with the reference "for the Complaint Management Department",
- to the e-mail address: prigovori@otpbanka.rs,
- through the Bank's website: www.otpbanka.rs.

Regarding financial services negotiated through remote means of communication, the Bank is obliged to:

- Allow the Client to submit an objection in the same way, *i.e.*, by using the same means of remote communication as those used for the conclusion of the contract to which the objection refers;
- when the objection is submitted orally using the telephone, to record that objection by entering it in the appropriate Client data record, the content of the objections, as well as the date and time of receipt of the objection.

An objection must contain information about the Client as well as information from which the relationship with the Bank to which the objection is referred can be unambiguously determined, and the reasons for submitting the objection.

If the Client files an objection upon the expiry of the above deadlines, the Bank shall notify the Client that the objection has been filed after the expiry of the prescribed deadline and that the Bank is not obliged to take it into consideration.

In its business premises where it offers services to its Clients, the Bank is obliged to provide notices on the terms of submitting objections, about the Bank's response to objections, as well as possibility and terms of submitting complaints regarding the Bank's operations to the National Bank of Serbia.

The Bank is obliged to, in the event of submission of a written objection of a Client, issue a certificate of receipt of the objection, specifying the place and time of receipt, as well as the Bank employee that received the objection. If the Client has submitted the objection through the Bank website, by e-mail, or verbally – by telephone, regarding financial services negotiated by use of means of remote communication, the Bank shall be obliged to confirm by e-mail or another appropriate mean of electronic communication, the receipt of the objection regarding the Bank's operations which such Client has submitted.

The Bank is obliged to examine the submitted objection and to submit a written response to the Client no later than 15 (fifteen) days upon the receipt of the objection in writing, by mail or in the form of an electronic document, e-mail or in another appropriate form electronically, that allows determining the date and time of receipt and its content - If the Client has submitted the objection through the Bank's website, email or if the Bank has enabled the objection to be submitted in another appropriate manner in electronic form, or if the Client has expressly agreed to this method of submission in electronic form.

The Bank may provide the reply in writing, by mail or as printout of electronic document (copy of electronic document on paper), while the Client after receiving that document may require to receive the original specimen of the electronic document or its certified copy in the sense of the law that regulates electronic documents.

If the Bank is unable to provide a response within 15 days, for reasons beyond its will, the deadline can be extended by a maximum of 15 days, of which the Bank shall notify the Client in writing, within 15 days upon the receipt of the objection. The said notice must contain the reasons for which it is not possible to provide a response within the deadline as well as the deadline within which the response shall be delivered.

In case that the Bank estimates the objection as well-founded, it shall inform the Client on whether the reasons for submitting the objection have been remedied, i.e., the deadline for their remedy and measures to be applied for their remedy.

The Bank shall not calculate and charge fees to the Client, as well as any other expenses related with responding to objections to the Bank's operations.

1.12. Right to complaint and possibility of out-of-court settlement of litigation

The Client who is a Natural Person, Farmer and Entrepreneur, has the right to complaint and the possibility of out-of-court settlement of the disputed relationship, whereas the Legal Entity has such right only as a user of payment services or holder of electronic money in terms of the law governing payment services.

As per the previous paragraph, provisions on the right to complaint and the possibility of out-of-court settlement of the dispute from item 1.12.1 and items 1.12.2 does not apply to clients Legal entities except as users of payment services and holders of electronic money within the meaning of the law that regulates payment services.

Client - legal entity that uses the services provided by the Bank on the basis of credit, deposit, safe deposit box and contracts related to foreign exchange, foreign exchange – foreign currency and exchange operations, foreign exchange transactions, guarantees, avals and other forms of warranties, as well as other services provided by the Bank in accordance with the law, except for payment services as per the law which regulates payment services, is not entitled to complaint and the possibility of out-of-court settlement of the disputed relationship.

1.12.1. Right of complaint

In case the Client who submitted the objection to the Bank is not satisfied with the response provided by the Bank, or if the Bank fails to respond to the filed objection within the abovementioned deadlines, the Client may, prior to the initiation of litigation, submit a written complaint to the National Bank of Serbia, Sector for the Protection of Users of Financial Services, to Nemanjina 17, 11000 Belgrade or PO Box 712, or by filling out a form at the NBS home page <https://www.nbs.rs/> within 6 (six) months from the day of receipt of the Bank's response or from the expiry of the term for providing this response.

The Bank is obliged to, at the request of the National Bank of Serbia, react to the Client's allegations within the deadline period determined by the National Bank of Serbia, which cannot be longer than 8 days from the date of the receipt of the request, as well as to provide evidence confirming the said allegations.

The National Bank of Serbia shall inform the complainant of the finding per the complaint within 3 months from the date of receipt of the complaint, while in more complex cases, such a period can be extended for a maximum of 3 months, of which the National Bank of Serbia is obliged to inform the complainant in writing before the expiration of the initial deadline.

1.12.2. Extra-judicial resolution of the disputed relationship

In the case the Client who submitted objection to the Bank is not satisfied with the response received from the Bank, or the response has not been provided to him within the required term, the disputed relationship may be resolved at the written initiative/proposal of the User as well as at the written initiative/proposal of the Bank, by extra-judicial proceedings - mediation procedure before the Intermediary at the National Bank of Serbia or before the selected licensed intermediary from the Register of Authorized Intermediaries of the Ministry of Justice of the Republic of Serbia. The Client may submit a proposal for mediation to the National Bank of Serbia for the purpose of an extra-judicial resolution of the disputed relationship (this proposal may be submitted by the Bank as well). This proposal for mediation must be submitted to the National Bank of Serbia in writing, by mail or by filling form on homepage of the NBS <https://www.nbs.rs/>. This proposal must include a deadline for its acceptance, which may not be less than 5 days nor longer than 15 days from the date of submission of the proposal to the other party in the litigation.

The procedure of mediation at the National Bank of Serbia may be initiated by the conclusion of an agreement on adherence to mediation, whereby the party in litigation and the National Bank of Serbia confirm the choice of a mediator and regulate their mutual rights and obligations in accordance with mediation principles, as well as other issues of importance for implementing the mediation procedure.

Once the mediation procedure has been initiated, the User may no longer file an complaint, unless this mediation is terminated by suspension or withdrawal, and if the complaint has already been filed, the National Bank of Serbia shall suspend the processing of the complaint until the termination of the mediation or cancel the processing if the mediation is terminated by agreement.

The mediation procedure before the National Bank of Serbia shall be confidential, urgent and free of charge, being understood that the Bank and Client shall bear any possible expenses that may arise in relation to that procedure. Each party may withdraw from further participation in the mediation procedure at any stage thereof.

The mediation procedure may be terminated by an agreement between the parties, by suspension or withdrawal. Initiating and conducting the mediation procedure between the Bank and the Client shall not exclude or affect the exercise of the right to judicial protection, in accordance with the law.

PART 2

2. BANKING SERVICES - EXCEPT PAYMENT SERVICES

Provisions stated in this part of the General Operating Terms shall apply to the business relationship between the Bank and the Client in terms of rendering banking services that are not payment services, and are divided into two chapters:

- 2.1. Provisions applied to Private Individuals, Entrepreneurs and Farmers,
- 2.2. Provisions applied to Legal Entities.

2.1. RENDERING OF BANKING SERVICES THAT ARE NOT PAYMENT SERVICES TO CLIENTS (PRIVATE INDIVIDUALS, ENTREPRENEURS AND FARMERS)

Provisions stated herein shall apply to the business relationship between the Bank and a Private Individual, Entrepreneur or Farmer (hereinafter within Chapter 2.1.: the Client), in terms of rendering banking services provided by the Bank based on loan contracts, deposit contracts, contracts on issuance and use of credit cards, contracts on authorized overdraft, as well as other services provided by the Bank pursuant to the law, save for payment services.

2.1.1. Informing

The Client is entitled to receive information, data and instructions from the Bank without a fee, in written form or on another permanent data carrier, which are related to the Client's contractual relationship with the Bank, in the manner and within the timeframes determined by contract.

2.1.2. Notifying

The Bank is obliged to submit to the Client, once every six months and free of charge, in writing or on another permanent data carrier, a notice on the status of his debt under the loan contract.

In the event of an authorized overdraft, the Bank is obliged to submit to the Client a notice - statement on all changes on the Client's account, free of charge and in written form or on another permanent data carrier, at least once a month, and upon the Client's request the Bank is obliged to submit such notice immediately with the right to collect a fee for such notice in line with the contract. The information that this notice should contain is prescribed by the law that regulates the protection of users of financial services.

In the event of a significant unauthorized overdraft which lasts longer than a month - the Bank is obligated to immediately inform the Client on the amount of overdraft, interest rate to be applied on the amount of overdraft, on other possible costs and penalties, in written form or on another permanent data carrier pursuant to provisions of the law regulating the protection of users of financial services.

Significant unauthorized overdraft represents each amount exceeding RSD 1,000.00 used by the Client outside the contractual relationship with the Bank.

Within three days upon the occurrence of a change the Client is obliged to inform the Bank, in written form or in person with submitting evidence on changes, of the following:

- each change of personal data (name, surname, citizenship, address of residence, mailing address, etc.);
- change of workplace, in case of which the Client is obliged to submit to the Bank the name, address and telephone number of the new employer, as well as other information related to the employer and requested by the Bank;
- each fact and circumstance relevant for the fulfillment of contractual obligations, and especially with reference to information entered in the Client's file, collateral and collateral value, *i.e.*, information relevant for assessing the Client's financial position and creditworthiness.

Entrepreneurs and Farmers are obliged to inform the Bank of any change in the business data of the Entrepreneur and the Farmer registered with the competent registry or other bodies and organizations, as well as to take the actions necessary to harmonize these data with the data submitted to the Bank, within 3 days from the day of receipt of the decision on registration of that change.

Entrepreneurs and Farmers are obliged to inform the Bank of all other changes that may affect the business cooperation with the Bank within 3 days from the date of such change.

2.1.3. Offer

The Bank will provide information and corresponding explanations to the Client, related to conditions pertaining to the contract on deposit, loan and authorized overdraft for which the Client expressed interest (offer) in a manner enabling the Client to compare offers of different banking service providers and assess whether these conditions correspond to the Client's needs and financial position, but which will in no way whatsoever mislead the Client. The offer shall be submitted on a prescribed form, on paper or another permanent data carrier and contain elements prescribed by law.

The Client is also entitled to receive from the Bank a Draft Contract for the product of his interest.

The Bank shall deliver to the Client the offer stated in the previous paragraph in dinars with a fixed nominal interest rate, and if the Bank has no such product - offer in dinars with a variable nominal interest rate, unless the Client requests that a service is offered in RSD counter value of a foreign currency, *i.e.*, foreign currency in accordance with regulations governing foreign exchange operations.

If in accordance with the previous paragraph the Client requests an offer of a loan contract with variable nominal interest rate and/or in foreign currency or with contracting a currency clause - the Bank will, together with the delivery of the offer on corresponding NBS form, inform such Client of the risks of borrowing, namely: risks of borrowing with variable nominal interest rate and risks of borrowing in foreign currency or with contracting a currency clause, risks of borrowing with a variable nominal interest rate (when borrowing in dinars), risks of borrowing in foreign currency or with contracting currency clause.

On its website, the Bank shall enable the calculation of annuities and overview of loan repayment schedule in case of individual and joint change of the variable element of the nominal interest rate and dinar exchange rate at any point of the repayment period, as well as a link to the National Bank of Serbia website with corresponding calculators.

2.1.4. Contract

Contracts concluded by the Bank with Clients shall be in accordance with provisions of the law regulating the protection of financial services consumers. Contracts may not contain provisions by which the Client waives his rights guaranteed by such law.

Contracts shall not contain a referring norm to the business policy when it comes to mandatory contractual elements set out by the law regulating the protection of financial services consumers.

When variable nominal interest rate is contracted, the Bank is obliged to inform the Client of the change in such rate in written form or on another permanent data carrier, namely prior to application of the modified rate, *i.e.*, periodically in line with the contract, and to specify the date of application of the modified rate in such notification. Together with this notification, the Bank shall also submit the modified loan repayment schedule *i.e.* repayment schedule referring to the period of application of modified interest rate to the Client. The Bank is obliged to make the repayment schedule available to the Client for the entire duration of the contractual relationship, free of charge.

The obligations referred to in the previous paragraph shall also exist in the event of modification of variable elements affecting the level of other liabilities.

If the Bank intends to amend any of the mandatory contractual elements, it is obliged to obtain the Client's written consent prior to the application of such amendment. If the Client does not consent to this amendment, the Bank may not for this reason unilaterally amend the conditions stated in the contract, nor may it unilaterally terminate/cancel the contract.

Notwithstanding the previous paragraph, if the amount of fixed interest rate or fixed element of variable interest rate, *i.e.*, amount of fees and other costs is changed in favor of the Client, such changes may be applied immediately and without the Client's prior consent, with notification in written form or on another permanent data carrier, and the Bank shall state in such notification the date of application of these changes. The modified loan repayment schedule, *i.e.*, deposit payment schedule shall be submitted together with the notification to the Client.

In the contracted manner, the Bank is obliged to timely inform the Client on any change of data which are not mandatory contractual elements, in terms of the law regulating the protection of financial services consumers.

The contracted financial liability will be deemed determinable in terms of its amount if it depends on contracted variable elements, *i.e.*, variable and fixed, whereby variable elements are those that are officially published (key policy rate, consumer price index, *etc.*).

The contracted financial liability shall be deemed time-determinable if its maturity can be determined based on contracted elements.

The Agreement with the Client may also be concluded as remote agreement which is an agreement whereby the Bank engages to provide financial services subject to this Agreement to the Client with reference to which information and conclusion is provided only by use of one or several means of remote communication, within an organized offer for providing these services, in accordance with the law that regulates the protection of users of financial services related to remote conclusion of contract.

Means of remote communication designates any means that may be used for direct notification, submission of information in the preliminary contractual stages, providing and/or accepting offers, negotiations and conclusion of contracts without physical presence of the Bank and Client (*e.g.*. Contact Centre, internet, e-mail, phone).

2.1.5. Clients' deposits

Conditions related to receiving deposits, using deposits, as well as rights and obligations of the Bank and the Client are regulated by a contract on deposit which contains elements prescribed by the law governing the protection of financial services consumers and by other applicable regulations.

A deposit may be a sight deposit and term deposit, with or without purpose.

With sight deposits, the Client is entitled to use the deposited funds at any time, while with term deposits the Client may not use the deposited funds prior to the expiry of the contracted deadline, unless contracted otherwise.

With special-purpose deposits, the Client shall waive the right to use the deposited funds, beyond the purpose for which the deposit is placed, under the contracted conditions and timeframes.

The Client is a tax obligor for interest income in accordance with applicable regulations.

2.1.6. Placement of funds

The Bank approves loans and authorized overdrafts to creditworthy Clients, on the basis of contracts concluded in accordance with applicable regulations and acts of the Bank.

2.1.6.1. Approval of placements

The Bank approves placements to Clients based on their written consent with the submission of the necessary documentation, pursuant to determined procedures and acts of the Bank, with consistent application of banking standards and good business practice.

The Bank approves short-term and long-term placements to creditworthy Clients of the Bank.

By its acts, the Bank determines conditions of Clients' creditworthiness and shall be independent in its assessment, within the frameworks of applicable regulations.

The list of documentation that the Client is obliged to submit to the Bank with the loan application is prescribed by the Bank and it contains all the documentation necessary for the Bank to make a decision on approving the use of the given loan to the Client in accordance with the Bank's internal acts and credit criteria (hereinafter: the Documentation List). The Documentation List is available to Clients on the Bank's website and/or the Bank's branches. The Client is obliged to submit to the Bank, in addition to the loan application, proper and complete documentation from the Documentation List. By proper documentation, the Bank means that the documentation from the Documentation List is submitted in the appropriate form, as follows: in the legally prescribed form, if applicable, submitted in the original or a certified copy by a notary public and issued by the competent authority/organization/institution or legal entity, *etc.* By complete documentation, the Bank means that all documentation that is exhaustively listed in the Documentation List for a specific loan has been submitted.

After the Client submits the loan application together with complete and proper documentation to the Bank, the Bank shall notify the Client in writing or electronically of whether the submitted documentation is proper and complete.

The deadline for deciding on a proper loan application submitted by the Client, in the part of the credit process that takes place exclusively within the Bank, shall be as follows:

- for secured retail credit products up to 45 business days;
- for loan products to entrepreneurs and farmers up to 25 business days.

The deadlines from the previous paragraph start from the day when the Bank informs the Client that complete documentation has been submitted, and the same shall apply in regular business conditions, except in cases of extraordinary circumstances or force majeure.

If the necessity for additional documentation arises in the course of processing the application for placement for which the Bank informed the Client that submitted documentation was complete, the Bank will ask the Client to submit additional documentation.

The Bank will assess the creditworthiness of the Client on the basis of data it receives from the Client and on the basis of inspecting the database on the indebtedness of that Client made with the signed consent of the person to whom these data refer. If the Bank and the Client agree to increase the Client's credit indebtedness, the Bank will reassess the Client's creditworthiness.

In the event that the Client's request for placement is rejected on the basis of inspecting the database of the Credit Bureau of the Association of Serbian Banks, the Bank shall immediately notify the Client in writing of the data from that database free of charge.

Based on the decision of the competent body of the Bank on the approval and conditions of placement, a contract shall be concluded with the Client in writing. The contract on specific placement shall determine the conditions for using such approved placement.

The Bank's business books are credible proof of the placement implementation.

The purpose of using placements to private individuals is regulated by decisions of the Bank's bodies, *i.e.*, contracted with the Client.

Collateral for the collection of receivables shall be determined by the contract between the Bank and the Client for each specific case.

Terms and conditions for contract implementation stated in Item 2.2.4.2. of PART 2 of the General Operating Terms, as well as provisions of Items 2.2.4.3, 2.2.4.4. of PART 2 of the General Operating Terms, shall accordingly be applied to Clients – Entrepreneurs and Farmers.

2.1.6.2. Rights related to revolving loans

A Client may terminate a revolving loan contract in the usual manner, free of charge and at any time, unless if a notice period is contracted, whereby such period may not exceed one month.

The Bank may terminate a revolving loan contract, if contracted, by notifying the Client on termination in written form or on another permanent data carrier, no later than two months in advance.

Due to justified reasons (unauthorized use of the loan, significant deterioration in creditworthiness and other), if contracted, the Bank may deny the Client the right to withdraw funds, whereby the Bank is obliged to inform the Client of the reasons of such denial in written form or on another permanent data carrier, if possible immediately or within the following three days, except when giving such notifications is prohibited by other regulations.

2.1.6.3. Early repayment

The Client has the right to at any time, in whole or in part, settle its liabilities under the loan contract, in which case he shall have be entitled to reduce the total loan price by the amount of interest and costs for the remaining term of the contract (early repayment) with a request for early repayment previously submitted to the Bank.

The Bank may contract an early repayment fee, under conditions set out by the law regulating the protection of financial services consumers and the contract.

2.1.6.4. Right to application of same exchange rate type and interest calculation method

When approving a loan/payment of a deposit indexed in a foreign currency, the Bank applies the official middle exchange rate, which is also applied when repaying a loan/withdrawing a deposit.

If the Client has the obligation to make a special-purpose deposit with an agreed interest rate in order to obtain a loan, the Bank shall apply the same method of calculating interest on that deposit as applied to the calculation of interest on the amount of the approved loan.

2.1.7. Safe deposit boxes

A safe deposit box represents a separate space in the Bank, numbered and secured from the possibility of its unauthorized opening.

Mutual rights and obligations of the Bank and the Client are regulated by a contract which is concluded in writing.

In line with his needs, the Client can freely use the safe deposit box and deposit or withdraw items from the safe deposit box every working day within the working hours of the branch where the safe deposit box is located, within no longer than 15 minutes and with prior agreement with an authorized person in the Bank. The Bank may allow the Client to stay in the premises where the safe deposit box is located for more than 15 minutes by announcing at least one working day in advance.

Each safe deposit box is opened with two keys, one of which is in possession of the Client, and the other in possession of the Bank. The keys are different and the safe deposit box can only be opened using both keys.

Documents, jewelry, works of art and other items may be kept in the safe deposit box, provided that placing the said items in the safe deposit box is not prohibited by applicable regulations or provisions of the contract.

The client is obliged:

- not to place weapons, items subject to explosion and arson, items subject to breakdown and decomposition, items whose trading and keeping is prohibited by law, as well as all other items and products that may jeopardize the safety of the Bank or other safe deposit boxes;
- prior to visiting the safe deposit box, to previously prove his identity using a corresponding document and confirm by his signature the time spent in the premises where safe deposit boxes are located;
- to immediately notify the Bank if the Client loses or damages the safe deposit box key and pay a fee for forcible opening of the safe deposit box and lock replacement;
- to regularly pay fees prescribed by contract to the Bank;
- to compensate any damage to the Bank resulting from using the safe deposit box contrary to the contracted provisions.

Access to the safe deposit box may be granted only to the Client or an authorized person.

A Private Individual/Farmer may authorize in writing a maximum of two persons to use the safe deposit box without his presence. Such authorization shall be given on a special form of the Bank, in the presence of the Client and the person being authorized or on the basis of a written authorization certified before the competent authority. Given authorization ceases to be valid by revocation by the Client or upon his death. Revocation of authorization is done in writing. Termination of authorization shall have no effect upon the Bank, until the Bank is notified in writing thereof.

The Bank is obliged to undertake all necessary actions ensuring that the safe deposit box is in order, constant supervision over the safe deposit box and conditions for safe and secure use of the safe deposit box by the Client.

Notwithstanding the previous paragraph, the Bank will allow access to the safe deposit box based on the order of the court or other competent authority, in line with applicable regulations.

Conditions for contract termination shall be set forth by the contract.

Should the contract be terminated due to unsettled liabilities upon maturity, the Bank may terminate the contract after warning the Client of collection by registered mail.

Upon terminating the contract, the Bank may request the Client to empty the safe deposit box and hand over the key, and should the Client fail to do so, the Bank may request the opening of the safe deposit box through court, determine its contents and place the items found in a court deposit or entrust such items to the Bank for keeping.

In the case of opening the safe deposit box through court, the Client is obligated to compensate all costs to the Bank resulting from opening the safe deposit box.

The Bank shall have priority in the collection of fees and other costs stipulated by the contract, as well as costs resulting from opening the safe deposit box through court, from the amount found in the safe deposit box and from the price obtained by selling other valuables found in the safe deposit box.

In the event of the Client's death, authorizations as well as possible powers of attorney for using the safe deposit box shall cease to be valid at the time of sending a written notice to the Bank with corresponding evidence of Client's death. Upon the receipt of such notice, the Bank will allow access to the safe deposit box solely in accordance with applicable regulations. In the

event that the Bank otherwise becomes aware of the Client's death, it reserves the right to refuse access of authorized persons to the safe deposit box even prior to the submission of the corresponding notice.

2.1.8. Other banking services

In addition to provisions regulating mutual rights and obligations, contracts on other banking services shall contain the type and amount of all fees and other costs to be borne by the Client.

Provisions of Items 2.2.4.7. and 2.2.4.8. of these General Operating Terms shall accordingly be applied to Private Individuals, Farmers and Entrepreneurs.

2.1.9. Court jurisdiction

The Bank and the Client shall endeavor to amicably solve all disputable issues arising out of the business relationship, and should they fail to do so, the dispute shall be solved before the court with jurisdiction, in accordance with the law.

2.2. RENDERING OF BANKING SERVICES THAT ARE NOT PAYMENT SERVICES TO CLIENTS - LEGAL ENTITIES

Provisions of the present Item shall apply to the business relationship between the Bank and the Client - Legal Entity (hereinafter within Chapter 2.2.: the Client) in terms of rendering banking services that are not payment services.

2.2.1. Notifying

The Client is obliged to inform the Bank of any change in the business data of the Client registered with the competent registry or other bodies and organizations, as well as to take the actions necessary to harmonize these data with the data submitted to the Bank, within 3 days from the day of receipt of the decision on registration of that change.

The Client is obliged to inform the Bank of all other changes that may affect the business cooperation with the Bank within 3 days from the date of such change.

2.2.2 Interest, fees, commissions and other costs

Interest, fees and commissions are calculated in accordance with the Bank's acts governing the type and amount of interest rate, as well as the type and amount of fees and commissions, which the Bank calculates and charges to Clients in connection with the banking services rendered, unless otherwise agreed.

In the event that the Bank incurs any costs in connection with the performance of the contract, and these costs are not covered by a fee or commission, the Bank will issue a bill to the Client for this cost.

The Client is obliged to pay all taxes if stipulated by law.

In accordance with applicable regulations, the Bank is entitled to contract payment of a contractual penalty in the event that the Client fails to settle or is in arrears in settling a non-financial liability.

2.2.3. Deposits

A deposit is created by placing dinar and/or foreign exchange funds of Clients with the Bank by virtue of a contract on deposit or contract on bank current account or other account, pursuant to which the Bank's statutory or contractual obligation to make a refund shall arise.

Conditions related to receiving deposits, as well as rights and obligations of the Bank and the Client shall be regulated by contract.

A deposit may be a sight deposit, term deposit and overnight deposit.

Term deposits may be short-term and long-term, with or without purpose, with or without a notice period.

With sight deposits, the depositor is entitled to use the deposited funds at any time, while with term deposits the depositor may not use the deposited funds prior to expiry of the contracted deadline, unless contracted otherwise.

With special-purpose deposits, the depositor shall waive the right to use the deposited funds, beyond the purpose for which the deposit is placed, under the contracted conditions and timeframes.

Overnight depositing of excess liquid funds of the Bank's depositor is performed by overnight deposits, in line with the contracted provisions.

Depending on the Client's status, type, purpose, amount of deposit and deposit period, the Bank may contract different deposit conditions.

By its internal acts, the Bank prescribes minimum amounts of term deposit, interest rates, deposit period and other conditions.

2.2.4. Placement of funds

The Bank approves loans, authorized overdrafts, issues letters of credit, guarantees, letters of intent, sureties and other forms of warranties, performs discounting of securities, and other placements to creditworthy Clients by virtue of contracts concluded in accordance with applicable regulations and acts of the Bank.

2.2.4.1. Approval of placements

The Bank approves placements to Clients based on their written consent with enclosed documentation pursuant to determined procedures and acts of the Bank, with consistent application of banking standards and good business practice.

The Bank approves short-term and long-term placements, balance sheet and off-balance sheet placements, special purpose and non-special purpose placements, placements in dinars, foreign currency or with currency clause.

The Bank may approve framework amounts of placements and the possibility of revolving.

Upon the Client's request, the Bank may also approve multipurpose lines that include balance sheet and off-balance sheet placements.

In addition, the Bank may also approve syndicated loans, loans from funds of international financial institutions, subsidized loans pursuant to regulations of the Government of the Republic of Serbia and other types of loans.

By its internal acts the Bank sets out conditions related to Clients' creditworthiness and shall be entitled to freely assess the Clients' creditworthiness.

2.2.4.2. Terms and conditions for contract implementation

Opening a current account with the Bank, establishing collateral in accordance with the provisions of the contract and submitting all documents and notices required by the Bank in order to form a credit file and/or collect information on the Client, his assets, guarantors, collateral and other facts relevant to the contract, as well as orderly fulfillment of the Client's obligations towards the Bank arising from all other legal transactions concluded between the Client and the Bank are prerequisites for contract implementation (transfer of loan funds, issuance of guarantees, letters of credit, sureties, etc.), unless otherwise agreed or the Bank agrees to disburse the funds even though certain prerequisites have not been met.

The Bank's business books are credible proof of the placement implementation.

The Client may use the approved loan funds within the contracted availability period.

In the event of due outstanding liabilities towards the Bank on any grounds whatsoever, the Bank is entitled to prevent the Client from using the funds under a product/service in use (e.g., to prevent the use of funds under overall lines, overdrafts, loans and the like).

The Bank may allow the Client to use the funds when the Client settles his due liabilities towards the Bank or meets another condition set by the Bank.

2.2.4.3. Assessment of creditworthiness and submission of documentation necessary for the creation of a credit file

For the purpose of assessing the Client's creditworthiness and creating a credit file, the Client is obliged to submit to the Bank all documentation requested, namely:

- all documents and evidence on the Client's status and registration, as requested according to applicable regulations.
- evidence of ownership over assets and/or rights being the subject of contracted collateral in forms and contents acceptable to the Bank (excerpts from public records, etc.).
- evidence of market value of assets being the subject of contracted collateral: for real estate: finding and opinion of an authorized court expert or a legal entity established for expertise in accordance with the law and whose finding is accepted by the Bank or, if the Bank accepts, a decision of the competent tax authority on determining the value of real estate, and for movable property: finding and opinion of an authorized court expert or a legal entity established for expertise in accordance with the law, whose finding is accepted by the Bank or an invoice for newly purchased movable property, if accepted by the Bank;
- a valid decision of its competent authority on giving consent to the contract, consent to the use of property in the form of an encumbrance of real estate and/or movable property by mortgage and/or pledge, or consent of the pledgor's body to encumber his property by a pledge on immovable or movable property, or consent of the guarantor's body regarding the surety, especially bearing in mind provisions of the law that regulates companies regarding the use of high-value property,
- power of attorney or authorization for assuming bill of exchange obligations and sureties if such obligations are not assumed by the Client's and/or guarantor's representative according to authorizations registered in the public register,
- act of competent state authority (such as the Privatization Agency, Share Fund, etc.) on debiting and encumbering the Client's and/or pledgor's or guarantor's property for obligations stated in the contract, if such act is requested by applicable regulations.

The Bank is also entitled to request from the Client additional documentation which the Bank deems necessary for the proper assessment of creditworthiness, and the Client is obliged to submit it for the purpose of making a decision on placement.

2.2.4.4. Conditions of significance for contract fulfillment

The Client is obliged to:

- if the Client is subject to a statutory obligation of submitting financial statements, submit such statements to the Bank in the contracted manner,
- notify the Bank in writing of any court, administrative or any other proceedings initiated or conducted against the Client that affect or could affect the smooth operation of the Client, or the proper fulfillment of the Client's contractual obligations towards the Bank,
- notify the Bank in writing of any intention to make a change or of a change that affects or could affect the smooth operation of the Client as well as the proper fulfillment of the Client's contractual obligations towards the Bank, including but not limited to changing the form of organization or change of legal form, change of ownership structure, intention to connect with other legal entities and intention to make a

status change, provided that he is obliged to ask the Bank to provide consent for the implementation of those changes for which the contract defines that the Client is obliged to obtain prior consent of the Bank,

- notify the Bank in the event of a decrease in the value of collateral or in the event that any of the collateral and/or payment instruments ceases to be collectible for any reason,
- notify the Bank in writing of the acquisition of shares and/or stakes in another legal entity, of borrowing from another legal entity, of undertaking a bill of exchange obligation, of undertaking a surety obligation, of pledging property, that affect or could affect the Client's smooth operation and/or the proper fulfillment of the Client's contractual obligations towards the Bank, provided that he is obliged to ask the Bank to provide consent for the implementation of the above changes for which the contract defines that the Client is obliged to obtain prior consent of the Bank,
- upon each request of the Bank, submit without delay the gross balance sheet prepared on the day of the Bank's request,
- submit to the Bank quarterly certificates of other banks on realized turnover through its dinar and foreign currency accounts if the Bank so requests,
- upon the request of the Bank and during the term of the contract, submit other data that the Bank considers may be relevant for contract fulfillment.

The Bank shall, by virtue of a contract or the request itself, prescribe the deadlines and conditions for the submission of documents, information and data depending on a specific case.

2.2.4.5. Early repayment

The Client is entitled to repay the loan, partially or in its entirety prior to maturity, unless otherwise contracted, under the condition that the Client informs the Bank of such intention within the contracted timeframe, and if no timeframe has been contracted, within five business days in advance, with the payment of a fee in the amount as set out by acts of the Bank and/or the contract.

2.2.4.6. Bank's right to early collection

The Bank is entitled to an early collection of loan and of all receivables arising by virtue of a contract, should the Client fail to meet any obligation stated in the contract and the General Operating Terms, including also the obligation to establish a new or replace the existing collateral upon the Bank's request.

In such a case, the Client is obligated to return to the Bank the outstanding principal debt, interest accrued up to the early collection date, as well as commissions, fees and costs (including all costs of enforced collection) incurred until the early collection date.

Special case of partial early collection arises:

- if the Bank is obliged to reduce its exposure towards the Client in accordance with applicable regulations, or
- if the established collateral does not reach the prescribed receivables coverage level in accordance with applicable regulations.
- In case of exceeding the contractual placement amount (e.g. due to exchange differences etc.)

Upon the occurrence of any condition stated in the previous paragraph, the Client shall be obligated to execute partial early repayment of the funds in use, in the amount requested by the Bank.

Evidence of the amount of the Bank's receivables in terms of the previous provisions of this Article are the business books of the Bank.

In cases of overall lines, revolving and overdraft loans, the Bank is entitled to unilaterally terminate the utilization of the undrawn overall line/loan amount, at any time, unconditionally and without announcement.

If guarantees, letters of credit, binding letters of intent, sureties have been issued upon the Client's order, or other obligations under which the receivable is not due have been assumed upon the Client's order, the Bank may, in the case the Client does not act in accordance with the contract signed with the Bank or in accordance with the provisions of the contract for the performance of which the Bank has undertaken an obligation towards a third party, require the Client to deposit with the Bank an amount that covers all obligations of the Bank that may arise from the transactions in question.

2.2.4.7. Special provisions related to bank guarantees and letters of credit

The Bank shall not be liable for losses/damages that may arise due to incorrect instructions from the Client.

The Bank shall not assume any obligation or accountability for:

- errors in translation or interpretation of technical terms and the Bank may transfer provisions of L/C without their translation;
- form, completeness, accuracy, authenticity, forgery or legal effect of any document whatsoever nor for general or special terms and conditions indicated in a document or documents/conditions attached thereto;
- description, quantity, weight, quality, state, packaging, delivery, value or existence of goods, services or other performances described in any document or in good faith or actions or omissions, solvency, execution or reputation of the sender, carrier, freight forwarder, recipient or insurer of goods or of any other entity;
- consequences resulting from delay and/or loss in transit of any message, letter, demand for payment or document, nor for the delay and other errors that occur in transmission by using any form of telecommunication;
- consequences resulting from discontinued operations of the Bank due to force majeure, riots, civil unrest, wars, acts of terrorism, or any strikes or suspension of operations or other causes beyond its control. After the resumption of its operations, the Bank will not honor or negotiate under a letter of credit whose validity period has expired during the termination of its operations.

If the Bank uses services of another bank in order to carry out instructions of the Client (Ordering Party) it shall do so for the account and the risk of that Client. The Bank shall neither be liable nor accountable if such instructions transferred to another bank are not carried out, even if it took initiative in selecting that other bank itself.

The Client (Ordering Party) will be liable and accountable:

- for payments of all commissions, fees and actual costs of other banks executing the Client's (Ordering Party's) instructions as ordered by the Bank,
- for the payment of all fees for which it is stated in the letter of credit/guarantee that the same shall be borne by the User
- to indemnify the Bank for all obligations and responsibilities imposed by foreign laws and customs.

The Bank is not obligated to:

- accept the presentation of any document under a letter of credit/guarantee outside its business hours;
- transfer a letter of credit, except to the extent and in the manner exclusively accepted by the Bank.

Banks perform operations with documents, not with goods, services or performances to which the documents pertain.

The Bank is obliged to review all documents envisaged by a guarantee/letter of credit and submitted under a guarantee/letter of credit, including a demand for payment under such guarantee, with due care and in a reasonable timeframe, in order to establish whether their form complies with the terms and conditions stated in the guarantee/letter of credit.

In addition to regulations of the Republic of Serbia, in the performance of its operations, the Bank shall also apply special conditions and rules, as

follows: The Uniform Customs & Practice for Documentary Credits of the International Chamber of Commerce in Paris (ICC) in the applicable version for operations with documentary credits, the ICC Uniform Rules for Demand Guarantees in the applicable version for guarantee operations, and the ICC Uniform Rules for Collections in the applicable version for collection operations.

2.2.4.8. Bill of exchange discounting, bill of exchange security, letters of intent

By virtue of a decision of the Bank's competent body, the Bank performs discounting of bills of exchange issued by creditworthy clients. Bills of exchange must be issued by virtue of a sale and purchase relationship, concluded contract or invoice. The Bank discounts bills endorsed to the Bank by full endorsement of holders of bills of exchange, whereby the maturity of bills of exchange and other conditions for approving bill discounting shall be defined by decision of the Bank's competent body.

The Bank secures/guarantees bills of exchange under the same criteria, conditions, procedure and manner envisaged for the issuance of guarantees. By way of exception, the Bank may also guarantee blank bills of exchange to its clients pursuant to a decision of the competent body on placement approval.

In addition to approving off-balance-sheet placements, the Bank provides other financial services to its clients as defined by separate Policies, Decisions and other internal acts of the Bank.

Upon the Client's written request, the Bank issues letters of intent, with the submission of necessary documentation from which it is possible to determine the grounds for issuing such letter of intent.

The Bank issues the following types of letters of intent:

- Letter of intent without binding elements to the Bank;
- Letter of intent with binding elements to the Bank.

Letter of intent without binding elements means that the Bank shall not assume any material or other obligation or responsibility for engaging in activities in relation to which the non-binding letter of intent has been issued.

If the Bank assumes any responsibility or obligation to issue a guarantee or approve a loan, or any other balance sheet or off-balance sheet placement in the event of the fulfillment of envisaged conditions, a letter of intent with binding elements shall be issued based on the previous and positive decision of the Bank's competent decision-making body.

2.2.5. Court jurisdiction

The Bank and the Client shall endeavor to amicably solve all disputable issues arising out of the business relationship, and should they fail to do so, the dispute shall be solved before the competent court in the Republic of Serbia according to the Bank's registered office and by applying the law of the Republic of Serbia, unless otherwise contracted.

PART 3

3.1. PAYMENT SERVICES

Payment services include:

- 1) services that enable the deposit and/or disbursement of cash to/from a payment account, as well as all the services needed for the opening, maintaining and closing of that account;
- 2) services of transferring funds from/to a payment account, as well as services of executing payment transactions where funds are ensured by loan approved to the Client, namely by transfer of approvals, direct debit, including single direct debit and use of payment cards or similar means;
- 3) services of issuing payment instruments and/or accepting these instruments, services of executing cash remittances, services of executing payment transactions for which the payer gives consent by

way of a telecommunication, digital or information technology device, all in line with regulations governing payment services.

By concluding a Contract on Payment Services, the Bank undertakes to provide certain payment services or a payment service to the Client, and the Client undertakes to pay a contracted fee to the Bank for such service.

The Contract on Payment Services is concluded as a framework agreement on payment services (hereinafter: the Framework Agreement) or as a contract on a single payment transaction.

The Framework Agreement regulates the execution of future individual payment transactions and the use of a payment account with the Bank.

Contracts on single payment transactions regulate the conditions and manner of execution of payment transactions required from the Bank by a Client who does not have a payment account with the Bank or, if he does, he does not use it to execute such single payment transaction, as well as mutual rights, obligations and responsibilities of the Bank and the Client in relation to the execution of single payment transactions.

Execution of payment services is comprehensively defined by general terms and conditions for payment services which constitute an integral part of the Framework Agreement, namely:

- General Terms and Conditions for Payment Services for Private Individuals,
- General Terms and Conditions for Payment Services for Legal Entities and Entrepreneurs,
- Special Terms and Conditions of Use of Direct Channels for Private Individuals,
- Special Terms and Conditions of Use of Direct Channels for Legal Entities and Entrepreneurs,
- General Terms and Conditions for Issuance and Use of Credit Cards for Private Individuals,
- General Terms and Conditions for Issuance and Use of Credit Cards for Legal Entities and Entrepreneurs,
- General Terms and Conditions for Acceptance of Payment Instruments at Merchant Points of Sale,
- General Terms and Conditions for Single Payment Transactions.

In cases of discrepancies between the provisions of the above General/Special terms and conditions for payment services and the General/Special Operating Terms, the provisions of the general terms and conditions for payment services shall be applied.

Closing provisions

The Bank operates in accordance with applicable regulations of the Republic of Serbia.

All issues related to the implementation of the General Operating Terms will be regulated by acts of the Bank, in accordance with applicable statutory and other regulations.

If under imperative provisions of applicable regulations, an issue regulated under General Operating Terms is resolved otherwise, the provisions of relevant regulations shall apply.

The General Operating Terms shall be placed in business premises of the Bank intended for Clients at a prominent position and on the Bank's website, no later than 15 days prior to their application.

If the Client does not agree with the modifications and amendments to the General Operating Terms he shall be entitled to notify the Bank in writing within 15 days from the day of their publication that he wishes to terminate the business cooperation and contracts concluded with the Bank, whereby he shall be obliged to settle all his obligations towards the Bank in advance. If guarantees, letters of credit, binding letters of intent, sureties have been issued upon the Client's order, or other obligations towards third parties under which the receivable is not due have been assumed upon the Client's order, the Client may terminate the contract if he previously deposits with

the Bank an amount that covers all obligations of the Bank that may arise from the transactions in question.

The provisions of these General Operating Terms shall enter into force on the date of their adoption by the Board of Directors of the Bank and shall apply as of July 15th, 2023.

Upon the application of these General Operating Terms, the General Operating Terms adopted at the session of the Board of Directors No. 25/21-6 held on October 29th, 2021 in effect as of November 15th, 2021 shall cease to be valid.

President of the Board of Directors