

Pursuant to Article 73, paragraph 3, line 4 of the Law on Banks ("RS Official Gazette", No. 107/2005), Article 1, paragraph 2 and Article 3, paragraph 1 of the Decision on the Mode of and Procedure for Enforcing General Operating Terms and Conditions Applied by a Bank in Relations with Clients – Natural Persons ("RS Official Gazette", number 74/2009), Article 1 of the Instruction for Enforcing the Decision on the Mode of and Procedure for Enforcing General Operating Terms and Conditions Applied by a Bank in Relations with Clients – Natural Persons ("RS Official Gazette", number 74/2009), and Article 36, paragraph 3, line 4 of the Articles of Association of Banca Intesa ad Beograd, the Board of Directors of Banca Intesa ad Beograd, renders at its session held on 27.10.2009. the

## **GENERAL OPERATING TERMS AND CONDITIONS OF Banca Intesa ad Beograd**

### **Part One BASIC PROVISIONS**

#### **1. INTRODUCTORY PROVISIONS**

##### **1.1. Content of Bank's General Operating Terms and Conditions**

(1) These General Terms and Conditions determine: standard terms and conditions applicable to all clients of Banca Intesa ad Beograd (hereinafter: the Bank), the conditions for establishment of client/Bank relationship at performing all business transactions, the communication procedure between the client and the Bank, which represent the standard conditions applicable to all clients, and which are incorporated in the Bank's written deed.

(2) An integral part of these general terms and conditions are also all other Bank deeds which determine in a more specific way the standard operating terms and conditions in specific areas, and which have been enacted in order to create the preconditions for a more detailed application of these general terms and conditions.

##### **1.2. Competence for Enactment**

(1) These general terms and conditions, the by-laws from Article 1.1 of these general terms and conditions and the amendments thereof shall be enacted by the Board of Directors.

(2) In cases when necessary for realization of the Bank's internal acts and/or certain Bank products, the Executive Board may between two regular sessions of the Board of Directors enact the by-law from paragraph 1 of this Article.

(3) The Board of Directors shall give consent to the Executive Board's decision from paragraph 2 hereof at the first regular session to follow. The decision of the Executive Board and the consent of the Board of Directors may be attached to general operational terms and conditions as their integral part.

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#### **BANCA INTESA AD BEOGRAD**

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### **1.3. Bank/Client Relationship**

(1) In operating with clients, the Bank shall devote particular attention to the creation of the conditions for detailed, correct and unambiguous information of clients concerning the bank products and the realization of these products, in the spirit of good business customs, good business practice and fair attitude vis-à-vis the client, particularly when the client is a natural person.

(2) For the purposes of meeting the obligations from paragraph 1 hereof, the Bank establishes by these general terms and conditions the minimum terms and conditions under which it shall: receive a deposit from a natural person; approve a loan; open, maintain and close his accounts; as well as the minimum conditions under which it shall issue and deliver for use to such client the payment cards, and does so for each individual type of product.

### **1.4. Structure of Bank's General Operating Terms and Conditions**

In accordance with the provision of Article 1.1, paragraph 1 and Article 1.3, paragraph 2 of these general terms and conditions, these general terms and conditions include two parts, namely:

- Part one – "Basic provisions of General Operating Terms and Conditions", which govern the general elements of the Bank/client relationship within broader areas of the Bank's operation;
- Part two – "Special provisions of General Operating Terms and Conditions", which determine the minimum terms and conditions under which the Bank sells its products in the market, for each individual type of these products or groups of products.

### **1.5. Concept of Bank Client**

Bank client is a legal entity or a natural person that is using or was using the Bank's services, or a person who addressed the Bank in order to use such services and whom the Bank has identified as such.

### **1.6. Entry into Force and Publication of Bank By-Laws**

(1) The Bank's by-law which governs the operating conditions, as well as the amendments thereof set the terms of its entry into force and its applications. The mentioned by-law enters into force as of the date of its enactment, and/or publication or upon expiry of a certain number of days from the date of its adoption, and/or publication. The mentioned by-law may be applied not earlier than 15 days from the date of its making public.

(2) The Bank makes public the by-laws which govern the general operating terms and conditions, as well as the amendments thereof by displaying them on visible places in the Bank's branches, and/or on the Bank's Internet presentation, or in the manner and within the time periods as set in compliance with applicable regulations.

### **1.7. Application of Bank's General Operating Terms and Conditions**

(1) These general conditions apply to the Bank/client relationship arising from:

- Written agreement between the Bank and the client,
- Admission form or other document signed by the client in accordance with the Bank deeds,

- Other forms of business cooperation between the Bank and the client established in line with applicable regulations and the Bank deeds, without establishment of a written contractual relationship.

(2) The Bank is obligated to enable the client to get familiar with these general terms and conditions and with other Bank by-laws serving to apply these general terms and conditions, by notifying the client, upon his/her request, that he/she may be provided with written information about the part of the Bank's general operating terms and conditions which are in connection with the client's request or the client's business relationship with the Bank, and that he/she may seek appropriate explanations and instructions which relate to the application of such terms and conditions.

(3) If a client is a natural person, the Bank is bound to hand over to the client at concluding the agreement an extract from these general terms and conditions from the segment relating to the subject of the contracted relationship.

(4) These general terms and conditions apply to the Bank/client relationship provided that the client was enabled to familiarize with them in the manner from paragraph 2 hereof. By signing the agreement, the client confirms to be familiar with these general terms and conditions and his/her acceptance of the same.

(5) The Bank shall duly and regularly notify the client of all amendments of these general terms and conditions.

### **1.8. Relationship between the Agreement and Bank's General Operating Terms and Conditions**

In the case of mutual discrepancy between a concluded agreement and the Bank's deeds, in the Bank/client relationship, binding are first the provisions of the concluded agreement, followed by the provisions of these general terms and conditions as well as the provisions of other Bank's deeds which define in greater detail certain areas of its operation, and serve for enforcement of these general terms and conditions.

## **2. OBLIGATIONS AND RIGHTS OF THE BANK**

### **2.1. Obligations**

(1) The Bank is obligated to act in its relations with the client with due care, in line with applicable regulations, the Bank's deeds, by ensuring at the same time the application of good business customs, good business practice and a fair attitude vis-à-vis the client.

(2) The Bank does not assume obligations and responsibilities other than those regulated by these general terms and conditions, except in cases when so required by applicable regulations or the Bank's deeds, and/or if contracted in writing between the Bank and the client.

(3) The Bank is obligated to act as per written instructions received from the client, which relate to opening, maintenance and closing of accounts, and other orders and instructions of the client, if compliant with the regulations in force and the Bank's deeds.

### *2.1.1. Obligations Concerning Information provided to Client*

#### *2.1.1.1. Basic Provisions*

(1) The Bank is obligated to inform the client about its activities, products and services in a clear and understandable way. Such informing must not include incorrect notifications and/or those that may create an erroneous idea about the terms and conditions under which the client is using such products and services.

(2) In order to adhere to the principle of transparency in operation and as complete as possible information provided to the client about the Bank's products, as well as about the client's rights and obligations in connection with these products, the Bank is liable to display on a visible place in the Bank's branches the following deeds as well as their amendments:

- The applicable exchange rate list;
- Effective interest rates per products, computed in accordance with relevant regulations;
- The tariff of the fee charged for all products;
- Bank's deeds, and/or extracts there from, which regulate the operating terms and conditions, and other information important for materialization of the business relationship between the Bank and its clients.

(3) The Bank informs the clients, and/or potential clients about its activities, products and services:

- By submitting, handing over and/or making accessible to the client the information and advertising material (brochures, leaflets, electronic messages, etc.) on the counters and on the Internet presentation of the Bank, or in other appropriate way;
- By advertising in mass media;
- By direct written or oral communication (the client communicates verbally at the Bank's counter, via the Bank's business telephone or via its Call Center by speaking with the competent staff member);
- By using other appropriate means of business presentation, announcing and advertising.

(4) With respect to the business relationship that the client has established or intends to establish with the Bank, the Bank informs the client in the manner from Article 5.1 of these general terms and conditions.

#### *2.1.1.2. Specific Bank's Obligations concerning Provision of Information to the Client – Natural Person*

(1) The Bank is obligated to state precisely and clearly, in advertising the deposit and credit products intended for natural persons (in mass media, etc.), on its premises (brochures, leaflets, and the like), and on its Internet page, the following:

- Type of deposit and/or loan;
- Costs to be borne by the client;
- Level and variability of annual nominal interest rate;
- Effective interest rate;
- Currency in which a deposit is received, and/or in which a loan is approved;

- Period for which a deposit is received and/or a loan approved;
- Criteria for a deposit and/or loan indexation or revaluation.

(2) The client has the right to receive from the Bank free of charge and in writing the information, data and instructions in connection with his/her business relationship with the Bank, formulated in understandable manner.

(3) The provisions of these general terms and conditions relating to the provision of information to clients – natural persons also apply to the agreements concluded with such clients before the coming into force of these general terms and conditions.

#### *2.1.2. Cases of Exclusion of Bank's Liability for Damage Suffered by the Client*

In the Bank/client business relationship, the Bank is not liable for damage which:

- Results from a force majeure event, war, state of emergency, strike, etc., or due to the circumstances on which it had no influence;
- Results as a consequence of the activities undertaken by competent state authorities in the country or abroad, and/or as a consequence of the obstruction of its operations that the Bank could not prevent or avoid;
- Results from the client's business moves made on the basis of oral communication with the Bank or written communication in which unconditional Bank's liability is not mentioned.

#### *2.1.3. Other Bank Obligations*

In relation to the Client, the Bank also has other obligations in accordance with law, these general terms and conditions and its other by-laws, as well as pursuant to the agreement the Bank has concluded with the client.

## **2.2. Rights**

(1) The Bank has the right to:

- Select freely, based on the assessment and decisions of the Bank's competent bodies, the client it will establish the business relationship with, which includes the discretionary right to refuse conclusion of an agreement, and/or rendering of services to the client;
- Block without the user's consent the possibility of using, in part or in whole, of the services and products, for the reason of anti-money laundering and terrorist financing, and/or acting in keeping with international sanctions vis-à-vis certain countries, in accordance with the regulations in force and the Intesa Sanpaolo Group policy;
- Forward the data from the agreement, data about the client and its related persons, data about the documents making up the agreement dossier, as well as other data considered as a banking secret, to the central data base of the Intesa Sanpaolo Group, members of its bodies, its shareholders, Bank employees, external Bank's auditor, other persons who due to the nature of the activity they perform must have access to such data, as well as to third parties with which the Bank has concluded the agreement on the protection of data confidentiality.

(2) The Bank is authorized to dispose, without any special client's agreement or order, of the assets in the client's accounts in the following cases:

- In the procedure of forced collection, for the needs of making payments under final and enforceable decision of the court and other state authorities;
- In other cases stipulated by law and by-laws.

(3) In relations with the client, the Bank also has other rights in compliance with law, these general terms and conditions and other Bank's by-laws, as well as in accordance with the agreement the Bank has concluded with the client.

### **3. OBLIGATIONS AND RIGHTS OF THE CLIENT**

#### **3.1. Obligations**

(1) The Bank's client – a legal entity is obligated to notify the Bank of the status and other changes which are registered with the Business Registers Agency within three days of the date of the receipt of the Ruling on registration of such changes. The client – natural person is obligated to notify the Bank within the stipulated term of the changes of: domicile, place of residence, name and surname, employer, or contact necessary data.

(2) The client is also obligated to notify the Bank of other changes that exert or might exert impact on the client's smooth operation via the Bank, and/or on the Bank's ability to meet its obligations in compliance with law and the Bank's deeds, and shall do so within three days of the date of the change.

(3) The notification of the change from paragraphs 1 and 2 hereof is sent in writing or is directly communicated to the Bank's competent employee. In urgent cases, the notification is given by telephone, without delay, with the obligatory acknowledgement of the given information in one of the mentioned ways.

(4) At establishing the business relationship with the Bank, as well as upon subsequent Bank requests in the course of this business relationship, the client shall be obligated to furnish the Bank with true and credible documentation, data and statements as set forth by law and the Bank's deeds.

(5) The client shall be obligated to give clear and unambiguous orders to the Bank, in writing or in other contracted manner, in line with applicable regulations and the Bank's deeds. Should the client need urgent execution of his/her order, he/she has to specifically notify the Bank thereof simultaneously with the giving of order. In cases where the Bank assesses that it is not able to execute an order within the agreed or usual term, it will forthwith notify the client thereof.

(6) The client covers all the damage resulting from:

- Unclear and ambiguous orders he/she has given to the Bank;
- Non-observance of his/her obligation to notify the Bank in accordance with these general terms and conditions.

(7) The client is obligated to check without delay the accuracy and completeness of the statements of current or other account, as well as of other statements and notifications received from the Bank. If the client has any objection to the same, the client has the right to lodge a complaint within the contracted time period (or within the reasonable time period in case that such period is not contracted). To the contrary, it shall be deemed that the document submitted by the Bank has been accepted. The mode of submission of Bank statements, reports and other documents is regulated by the agreement between the client and the Bank.

(8) In the relationship with the Bank, the client also has other obligations in accordance with law, these general terms and conditions and other Bank by-laws, as well as in conformity with the agreements with the Bank.

### **3.2. Rights**

(1) The client has the right to lodge objection to every Bank's document which determines the client's rights and obligations. The Bank is obligated to analyze the client's objection and to provide its written response to the client within a reasonable time period not longer than 30 days.

(2) The client or his/her authorized person may address the Bank in writing (by mail, electronic mail or by fax) and seek information about:

- Balance and changes in the account;
- Loan balance;
- Level of interest rates and fees for a specific type of transaction;
- Conditions to be met in order to be approved a specific banking product;
- Documents necessary to be submitted to the Bank;
- Other issues related with these general terms and conditions, Bank products or a concrete Bank/client business relationship.

(3) In the relationship with the Bank, the client also has other rights in compliance with law, these general terms and conditions and other Bank by-laws, as well as in accordance with the agreement the client has concluded with the Bank.

## **4. BANK/CLIENT CONTRACTUAL RELATIONSHIP**

### **4.1. Bank's Offer for Conclusion of Contractual Relationship with the Client**

(1) The Bank is upon client's request obligated to make its offer for the conclusion of contractual relationship with such client, in the manner that will not be misleading for the client, and to provide in line with the client's request the information about the conditions for receiving a deposit, loan approval, account opening, maintenance and closing, issuance and use of payment cards, or the information about the utilization of other Bank product.

(2) When informing the client in accordance with paragraph 1 hereof, the Bank is obligated to inform the client about his/her right to receive free of charge upon his/her request the text of the draft agreement, namely:

- Deposit agreement;
- Agreement approving a loan;
- Agreement on client's account opening, maintenance and closing;
- Agreement on payment card issuance and utilization;
- Other agreement on utilization of a specific Bank product, in accordance with the client's request.

(3) The text of the draft agreement with the client – natural person has to incorporate the conditions stipulated in the Special Part of these general terms and conditions for the specific product or the group of products, as well as the deadline by which the client may accept the proposed conditions, and/or submit the written request for conclusion of the agreement.

(4) The Bank informs the client – natural person about the conditions relating to receipt of a deposit and approval of a loan, including the data from Articles 4 and 5 of the Decision on the Mode of and Procedure for Enforcing General Operating Terms and Conditions Applied by a Bank in Relations with Clients – Natural Persons ("RS Official Gazette", number 74/2009 – hereinafter: the Instruction), which the Bank hands over as its offer to the client, along with the text of the draft agreement, if requested by the client.

(5) The client accepts the terms and conditions from the Bank's offer by presenting the written request for conclusion of the agreement.

#### **4.2. Conclusion of the Bank/Client Agreement**

(1) Written Bank/Client agreement obligatorily incorporates the terms and conditions from the offer accepted by the client.

(2) The contract provisions have to be clear, complete, precise, unambiguous and understandable for the client, while the subject of the client's obligations has to be determined, and/or determinable in the manner that will allow the client to get informed at any time during the validity of the contractual relationship about the type of cases, manner and conditions under which the level of his/her obligation may change.

(3) At concluding the agreement, the Bank delivers to the client together with the agreement the Extract from the Bank's General Operating Terms and Conditions, which encompasses:

- Appropriate parts of the Basic and Special Provisions of these general terms and conditions which relate to the subject of the agreement (if the Agreement with the Client includes all elements entered from certain enclosures referring to particular product that is the subject of the agreement between the Bank and the Client, the Bank shall submit to the Client only the Extract from the relevant Bank's General Operating Terms and Conditions);
- Specific parts of other Bank's by-laws in connection with the subject of the agreement, which govern more specifically the standard operating terms and conditions for the specific Bank product or group of products.

(3) At concluding the deposit and/or loan agreement, the Bank also delivers to the client – natural person the following documents:

- Deposit payment schedule and overview of the essential deposit elements, which includes the basic data about the deposit in accordance with Article 4 of the Decision;
- Loan repayment schedule and overview of the essential elements of the loan repayment which includes the basic data about the loan in accordance with Article 5 of the Decision.

(4) At the time of the conclusion of the agreement, the Bank delivers to the client the documents from paragraph 3 hereof on the forms prescribed by Article 6, paragraphs 2 and 7 of the Instruction.

### **4.3. Amendment of or Supplement to Bank/Client Agreement**

#### *4.3.1. Reasons for Amendment of, and/or Supplement to Bank/Client Agreement*

(1) The Bank/client agreement may be amended or supplemented at the proposal of the Bank in the case where after the agreement conclusion occur changes in the conditions which prevailed at the time of its conclusion, which particularly refers to:

- Criteria for the loan or deposit indexation and/or revaluation, and the periods in which such criteria are adjusted;
- Type and level of nominal interest rates applied by the Bank;
- Method applied in computing the interest rate;
- Rate of interest applied by the Bank in the case of default;
- Type and level of contracted fees and other costs borne by the client;
- Type of security instruments and the possibility for their replacement during the validity of the agreement;
- Early repayment of the loan and the amount of costs in that regard;
- Conditions for activating the security instruments, as well as the consequences in the case of non-settlement of the client's obligations;
- Conditions and procedure for termination of the agreement, as well as the reasons for which the Bank may require from the client to settle its receivable in whole prior to the expiry of the contracted period;
- Other contracted provisions having caused the changes in the conditions.

(2) Changes in the conditions from paragraph 1 hereof shall particularly be understood to mean the changes of the market conditions which in any way significantly influence on the Bank's operation, and in particular on its deposit and lending related operation, and/or on the nominal and effective interest rate level, computation, amount and collection of interest, fees and other costs, as well as on other terms and conditions of the Bank/client agreement. Such changes are, for example:

- Changes in the refinancing terms and conditions for the Bank;
- Increase of the Bank's reserve requirement pursuant to the requests of the National Bank of Serbia;
- Changes in the domestic or foreign money markets;
- Changes in the conditions of financing in line with the requirements of the National Bank of Serbia, the European Central Bank or of any similar institution;
- Entry into force of the regulations having the force of law or by-law;
- Other changes in the market conditions producing in any way a significant impact on the effects of the conditions contracted between the Bank and the client.

(3) In the case of contract between the Bank and a client – natural person, the Bank will in periods not shorter than three months assess whether significant changes in market conditions from paragraph 2 hereof have occurred, as well as the extent of their impact on the contracted terms and conditions. In accordance with the mentioned assessment the Executive Board decides on the need of amending and/or supplementing the agreements concluded with the client – natural person.

(4) Amendments of, and/or supplements to Bank/client concluded agreements are carried out under the conditions and according to the procedure regulated by Articles 4.3.2 and 4.3.3 of these general terms and conditions.

(5) In the procedure of amending and/or supplementing the agreements with clients the Bank will act in accordance with the regulations in force and in the spirit of good business customs and the Bank's Code of Ethics, as well as upon the principles of conscientiousness, fairness and equal value of mutual concessions of the contracting parties and, in that connection, of the sameness and comparability of the conditions that the contracting parties took into consideration at the time of entering into the agreement, with the basic objective to prevent any damage due to the effect of the changed conditions both for the client and the Bank.

#### *4.3.2. Amendment of or supplement to the contracted terms and conditions not determined as variable*

(1) The Bank is obligated to furnish the client – natural person with a proposal for the amendment of and/or supplement to the agreement in the part of the terms and conditions not determined as variable, and to indicate:

- Reasons for the amendment of, and/or supplement to the agreement;
- Mode of and the deadline for the client's giving consent to the proposed amendments and supplements;
- Consequences of the failure to give the mentioned consent, and/or the failure to sign the annex to the agreement;
- Deadline for the conclusion of the annex to the agreement in case the client agrees with the Bank's proposal.

(2) The Bank will send to the client the proposal from paragraph 1 of this Article in the manner which ensures confirmation of the receipt. Along with the proposal, the Bank sends to the client the amendments and/or annex to the agreement.

(3) When a deposit or a loan transaction is concerned, the Bank also submits to the client – natural person the amended deposit payment schedule, and/or amended loan repayment schedule, as well as the overview of the essential deposit, and/or loan repayment elements.

(4) If the client is for justified reasons prevented from giving its opinion about the Bank's proposal from paragraph 1 of this Article, the client shall be obligated to notify the Bank thereof without delay, but within the deadline provided for presenting the opinion, and shall state the reasons therefore. Based on assessed justification of the presented reasons the Bank may extend the time period for the client in which it will give its opinion; provided, however, that such extension does not disrupt the Bank's operating processes.

(5) If the client notifies the Bank that he/she does not accept the Bank's proposal from paragraph 1 of this Article, the Bank may terminate the agreement with the client with a term of notice of at least 30 days and without collection of additional costs, of which it shall be obligated to notify the client in writing. The Bank shall send to the client the notification of the agreement termination in the manner which ensures confirmation of the receipt.

(6) The Bank may also terminate the agreement with the client in the manner from paragraph 6 of this Article in the following cases:

- If the client fails to give within the determined time period his/her opinion about the Bank's proposal from paragraph 1 of this Article, which proposal the client has duly and timely received;
- In the case where the client has consented to the amendments and/or supplements proposed by the Bank but failed to act in the determined time period on the basis of the Bank's invitation for conclusion of the annex to the agreement.

#### *4.3.3. Amendment of, and/or supplement to the contracted terms and conditions determined as variable*

(1) The Bank is obligated to timely notify the client – natural person of the change in the terms and conditions that were contracted as variable, not later than 15 days prior to the commencement of their application.

(2) The notification from paragraph 1 of this Article must be unambiguous, complete and clear for the client, and also has to include the following indications:

- Date as of which the mentioned change is applicable;
- Reasons for the mentioned change.

(3) When a deposit or loan transaction is concerned, the Bank sends to the client apart from the notification from paragraph 1 of this Article, the modified deposit payment and/or loan repayment schedule, as well as an overview of the essential deposit and/or loan repayment elements.

#### **4.4. Termination of the Bank/Client Agreement**

The client and the Bank may terminate the concluded agreement:

- By written consent of the contracting parties;
- Unilaterally – by written statement of one of the contracting parties.

##### *4.4.1. Termination of Bank/Client agreement by mutual consent*

The Bank and the client may terminate the contractual relationship on the basis of consent and in writing, by concluding an annex to the existing agreement or a separate contract or agreement by which they will irrevocably agree on the termination and regulate their mutual relations in connection with the agreement being terminated, in the manner that there will be no disputable relations between the contracting parties.

##### *4.4.2. Termination of the agreement by client's statement*

(1) The client may unilaterally terminate the agreement concluded with the Bank in the case of disagreeing with the amendments of and/or supplements to the agreement proposed by the Bank in the part of the terms and conditions determined as variable. In this case, the client has the right and the obligation to notify the Bank within 15 days of the date of the receipt of the Bank's written information on the changes in the contracted terms and conditions, of non-acceptance of the proposed change and of unilateral termination of the agreement.

(2) Apart from the termination of the agreement from paragraph 1 of this Article, the client also has the right to unilateral termination in other cases determined by the agreement entered into by and between the Bank and the client.

(3) In the case of unilateral termination of the agreement upon the client's request, all client's liabilities to the Bank under that agreement fall due for payment, with a 30-day maturity from the date of the receipt of the Bank's notification thereof, and the mentioned maturity term is at the same time the period of notice of the agreement.

(4) Upon receiving the statement of unilateral termination of the business relationship, the Bank is obligated to notify the client in writing, in the manner which ensures confirmation of the receipt, of the following:

- Type and the amount of the client's liabilities under the agreement being terminated as of the date of accounting (with a note that the amount of liabilities will be increased by accounting until the date of their payment, and that the client can get the information about the definite accounting in the Bank, and also with the data necessary for contacting the competent organizational unit of the Bank);
- Time period in which the client is bound to settle its liabilities under the terminated agreement, determined in accordance with paragraph 3 hereof, without collection of additional costs;
- Right of the Bank to activate, if the client fails to settle its liabilities within the time period from the preceding sub-paragraph, the security instruments delivered to the Bank or constituted in favor of the Bank, in accordance with the agreement and at its own discretion.

(5) By settlement of the liabilities in the manner from paragraph 4 of this Article, the Bank does not waive its right to compensation of possible damage, in accordance with law.

(6) After the termination of the Bank/Client relationship, the Bank places at the client's disposal its remaining assets with the Bank, which are in connection with the terminated contractual relationship (cash assets, security instruments, etc.), provided that the client settles in whole all its liabilities to the Bank.

#### *4.4.3. Termination of the agreement by Bank's statement*

(1) The Bank may unilaterally terminate the agreement concluded with the client:

- If the client furnishes the Bank with incorrect data, and/or false statements and documents;
- If the client fails to meet any obligation assumed by the agreement concluded with the Bank, unless it subsequently fulfills such obligation within 15 days upon learning about the breach of the agreement, and/or receipt of the Bank's written warning about the breach of the agreement;
- If the client fails to meet the obligation vis-à-vis the Bank based on its request for submission or constitution of additional security instruments within the time period determined by the Bank;
- If assets are used for purposes other than those for which the Bank approved the loan to the client;
- If the client is for longer than 60 days late in the meeting of its obligations to the Bank under any other business relationship;
- If circumstances have occurred or if it is certain, according to reasonable assessment of the Bank, that circumstances will occur which may have a negative impact on the client's ability to regularly meet its contracted obligations;

- If the client fails to act in accordance with Article 3.1., paragraph 1 to 3 of these general terms and conditions;
- When so determined by the regulations and procedures governing anti-money laundering and terrorist financing, and acting in compliance with international sanctions vis-à-vis specific countries;
- In the case of material deterioration of credit worthiness of the client who appears in the role of debtor vis-à-vis the Bank;
- When a specific contractual relationship significantly increases the reputational risk in the Bank's operation;
- If by its acting on the Bank's business premises the client hampers the staff in their work and hinders the Bank's business process;
- In other cases determined by law or the Bank/client agreement.

(2) In addition to the cases from paragraph 1 of this Article, the Bank may also unilaterally terminate the agreement with the client in the cases referred to in Article 4.3.2, paragraphs 6 and 7 of these general terms and conditions.

(3) When unilateral termination of the agreement is declared by the Bank in connection with the cases from paragraphs 1 and 2 of this Article, all client's liabilities under the agreement being terminated become due and payable, with a 30-day settlement period from the date of the receipt of the Bank's notification thereof.

(4) The Bank is obligated to notify the client in writing of unilateral termination of the agreement in the manner which ensures confirmation of the receipt. In the text notifying termination of the agreement the Bank is obligated to:

- State the type and the amount of the client's liabilities as of the date of making the accounting (with a note that the amount of liabilities will be increased by accounting until the date of their payment, and that the client can get the information about the definite accounting in the Bank, and with indication of the data necessary for contacting the competent organizational part of the Bank);
- State that the client is obligated to settle its obligations under the agreement within 30 days of the date of the receipt of the notification (without collection of additional costs, if the agreement is terminated in the cases referred to in Article 4.3.2., paragraphs 6 and 7 of these general terms and conditions);
- Warn the client about the Bank's right to activate, in case the client fails to meet its obligations in the time period from the preceding sub-paragraph, the security instruments delivered to the Bank or constituted in favor of the Bank, in accordance with the agreement and at its own discretion.

(5) The provisions of Article 4.4.2., paragraphs 5 and 6 of these general terms and conditions are also analogously applied to the cases of the termination of agreements referred to in this Article.

#### **4.5. Application of Law and Settlement of Disputes**

(1) Agreements and other legal relations between the client and the Bank are interpreted by application of the laws and other regulations of the Republic of Serbia, unless otherwise contracted.

(2) Substantive and procedural law of the Republic of Serbia is applied to settlement of the Bank/client disputable relationship, unless otherwise contracted.

(3) For settlement of possible disputes between the client and the Bank is competent the court according to the Bank's registered office, unless otherwise contracted.

## **5. SERVICE OF NOTICES**

### **5.1. Service of notices to the client by the Bank**

(1) In connection with the business relationship that the client has established or intends to establish with the Bank, the Bank services notifications, statements and other data and documents to the client in writing, at the address of the client's registered office, domicile and/or place of residence, and/or by electronic mail, SMS or fax messages, or in other appropriate way which fully satisfies all the conditions necessary for providing complete and clear information, as well as for safeguarding the confidentiality and secrecy of data.

(2) Service of notices from paragraph 1 hereof is performed at the address or the telephone number submitted by the client to the Bank, in accordance with the last submitted data.

(3) The Bank has the right to use the data in its possession about the client, which relate to the client's address, telephone, fax and fax numbers, e-mail address and other data presented by the client to the Bank, for the needs of sending information to the client about its activities, products and services, as well as about the data concerning operation with the client.

(4) Should the client fail to timely notify the Bank of the change of address of the domicile, place of residence or registered office, and of other data influencing or which may influence on regular and timely service of notices, the service of notices at the address presented by the client to the Bank will be deemed timely and duly made, and any Bank's obligation to the client which arises from or is in connection with the performed service of notices will be deemed performed:

- As of the date of the delivery of notices at the post office (for sending as registered shipment), and/or to the company registered for service of notices;
- As of the date of the service in another manner at the Bank's own discretion.

(5) If the mail serviced on the client returns due to wrong address or due to other wrong piece of information determined by the client, the Bank may discontinue further sending of written shipments and notifications to the client until the client notifies the Bank of the change of the data necessary for regular and timely service of notices.

### **5.2. Service of notices by the client to the Bank**

(1) The client services notices to the address of registered offices of the Bank or its organizational parts, in accordance with: the Bank's deeds submitted or accessible to the client, the advertisements made, advertising material, the data displayed on the Internet presentation of the Bank, etc.

(2) Depending on the nature of an operation, and in accordance with applicable regulations and the agreements with the client, the Bank may seek that the client shall submit to the Bank certain documents and notifications:

- In their original form or as a photocopy, with or without certification by the municipality or the court that the photocopy is true to the original;

- With the translation into the Serbian language, certified by authorized sworn-to court translator (in the case of documents and notifications in foreign language);
- With the "APOSTILLE" legalization or with other legalization certificate, depending on the country of origin of the presented document (in the case of foreign document).

## **6. GENERAL TERMS AND CONDITIONS FOR PERFORMING BANKING OPERATIONS**

### **6.1. Accounts**

(1) The Bank concludes with clients the agreements on opening and maintenance of accounts in the dinar or foreign currency.

(2) When opening an account, the client is obligated to submit the documents required by the Bank in accordance with applicable regulations and its deeds.

(3) The fees that the Bank collects from clients are according to the tariff determined by the Bank's deeds.

### **6.2. Deposits**

(1) Deposit is the money, in the local or foreign currency, which a client – depositor deposits in the Bank on corresponding deposit account, with or without a specific purpose, and the Bank commits by the deposit agreement to return the cash assets of the deposit, augmented by interest, in the time period and under the terms and conditions established by the agreement.

(2) Cash deposit may be an instrument of security for the Bank's receivables against the client, in which case the client transfers the cash assets to the Bank's account in the manner and under the terms and conditions established by the agreement on the credit product.

(3) A deposit may be a demand (sight) and a fixed-term deposit, while fixed-term deposits may be short- and long-term, with and without a specific purpose, with and without a notice period.

(4) The conditions for receiving a deposit, and the rights and obligations if the Bank and the client are regulated by contract.

(5) The Bank pays interest to the client who deposits assets with the Bank if payment of interest is stipulated by the Bank's deeds. The interest payable by the Bank is at the level determined by the Bank's deeds and the contract on the basis of which the clients deposits assets with the Bank.

(6) The Bank may determine the minimum amount of a fixed-term deposit, the rate of interest, fixed-term periods, and other conditions of the deposit.

### **6.3. Asset Placement**

#### *6.3.1. Terms and conditions under which the Bank places assets*

(1) The Bank places assets through approval of loans, placements in securities, issue of guarantees, sureties, other forms of warranty, opening of letters of credit, and other operations.

(2) Placements approved by the Bank to clients may be, depending on the repayment term, short-term (up to 12 months) and long-term (over 12 months), for specific and non-specific purposes.

(3) The Bank approves a placement to the client who meets the credit worthiness conditions, stipulated by the Bank's deeds, in conformity with the regulations in force.

(4) Based on the competent Bank's body decision on a placement approval and the conditions therefore, the contract is concluded in writing with the client, which contract defines the terms and conditions for utilization of the approved placement.

(5) In the case of credit placements, the Bank has the right to suspend further utilization of approved or extended global loan, up to the amount of assets in utilization, in accordance with the Bank's internal acts and operating conditions in the financial market, of which the Bank will timely notify the client in writing.

### 6.3.2. *Instruments of payment and of security for recovery of Bank's receivables*

(1) Depending on the type and the amount of a placement, and on the risk assessed per specific placement, the Bank will contract with the client the delivery and/or constitution of one or several, acceptable for the Bank, instruments of payment and of security for recovery of the Bank's receivables, such as:

- Standing order for recovery of the receivables under a placement, by debiting the client's current or other number;
- Garnishment of the client's salary, certified by the employer;
- Blank promissory notes, signed by the client, and also certified in the case of a legal entity, with the authorization for filling out and presentation of the note for collection;
- Joint guarantee of a legal entity or a natural person;
- Contractual authorizations;
- Cash (guarantee) deposit, made with the Bank on a fixed-term basis by the client or a third party (legal entity or natural person);
- Pledge over movable property and rights, in accordance with applicable regulations governing the lien on movable property and titles entered in the register;
- Mortgage on real property, in accordance with relevant applicable regulations;
- Assignment of receivables which is regulated by appropriate contract;
- Guarantees of foreign or domestic banks, and bills guaranteed by banks, acceptable for the Bank;
- Insurance of the Bank's placement with insurance companies acceptable for the Bank;
- Guarantees, warranties and insurances of the funds and companies incorporated in the Republic of Serbia;
- Other instruments sought by the Bank from the client, in accordance with the risk assessment as per specific placement.

(2) Movable and real property subject of a pledge must be insured with an insurance company acceptable for the Bank, and insurance policy must be assigned in favor of the Bank. The Bank enables the client to have insight into the list of insurance companies acceptable for the Bank, while in the case of other companies the bank assesses their acceptability in connection with concrete operation.

#### *6.3.3. Addition to or replacement of instruments of payment and of security for collection*

(1) The Bank has the right to seek from the client to supplement or replace in a determined time period the instruments of payment and of security for collection of receivables presented to the Bank or constituted in favor of the Bank as per concrete agreement, if in the course of the Bank/client contractual relationship the presented instruments become inadequate, i.e. insufficient to secure collection of the Bank's receivables, or the client credit worthiness became inadequate, according to the Bank's assessment.

(2) Should the client not act in the specified period according to the Bank's request from paragraph 1 of this Article, the Bank has the right to declare the subject receivable due and make forced collection of such receivable, and also to activate on this ground each individual or all instruments presented to the Bank.

#### *6.3.4. Assignment of Bank's Receivables against Clients*

The Bank may assign to third parties its receivables against clients, of which it shall notify the debtor in accordance with law.

#### *6.3.5. Collection of due Bank's claims from other client's assets*

In order to collect due receivables arising from the contractual relationship with the client, the Bank may use all client's dinar assets maintained as sight deposit in the dinar accounts with the Bank, as well as the dinar equivalent of assets in foreign exchange with the Bank, securities and other assets placed in custody with the Bank, if their execution is not exempted by law, a court decision or a decision of another competent authority.

#### *6.3.6. Control of whether loan assets are used for the purpose for which were approved by the Bank*

The Bank has the right to control if the assets it has approved to the client are used for the specific purpose, and the client's regularity in the meeting of other obligations from the contract, in the manner and in compliance with the procedure established by the regulations in force and the Bank deeds.

#### *6.3.7. Client's right to early loan repayment*

If not contracted otherwise, the client has the right to repay the loan in whole even prior to its maturity, on condition that it notifies the Bank in writing of such intention within the contracted time period ahead of the early repayment, and pays the fee at the level set in accordance with the Bank's deed regulating the tariffs of the fees the Bank charges to clients, and the Bank will compute and accrue interest between the date of the last accounting and the date of early repayment.

### **6.4. Payment cards**

#### *6.4.1. Bank terms and conditions for payment cards*

(1) The Bank issues payment cards to its clients under the terms set out in the Bank deeds and applicable regulations.

(2) Payment cards issued by the Bank are ownership of the Bank.

(3) Payment cards issued by the Bank may be debit and credit, national or international cards.

(4) Fees for issuance and use of payment cards are set out in accordance with the Bank deed regulating the tariffs of the fees charged by the Bank to the clients.

#### *6.4.2. Bank and client obligations and rights*

(1) Data about the payment card transactions are kept and used by the Bank in compliance with the law. By signing the application for a payment card issuance, the client agrees that the Bank shall handle process and maintain personal data which the client provided in its application by automatic data processing or traditional media.

(2) Payment card is non-transferable and may be used by the client only, with the exception of Gift payment card which does not bear the name of the beneficiary and may be given as a gift to a third party. All payment cards may be used at any POS and ATMs in the country and abroad, unless otherwise provided in the corresponding deeds of the Bank.

(3) For security reasons, the client is obliged to keep and handle the card carefully and responsibly.

(4) The Client is fully liable for unauthorized use of the payment card issued on his name, including any additional cards.

(5) The Bank shall not be responsible for quality of goods and services paid by the client with a card and shall not be liable for possible disputes arising from poor quality and quantity of the goods. The client directly complains at POS, and shall be liable to settle its obligations towards the Bank relating to the use of payment card irrespective of the dispute with POS. The Bank does not assume any material liability for any damage caused by way of e-commerce, Internet, postal order or telephone sales.

#### *6.4.3. Complaints*

(1) Settlement of complaints in connection with the transactions with payment cards is the responsibility of the Bank. Any complaint should be filed in writing at the counter of the Bank's branch office, by filling out a corresponding form.

(2) The deadline for filing complaints is 30 days from the date of the transaction, and/or the date of the receipt of the Statement of changes in the account.

(3) The cost of ungrounded complaint will be charged by the Bank to the client in keeping with applicable decision regulating tariffs for the fees charged for Bank services, applicable in its operations.

#### *6.4.4. Acting in the case of damage, theft or loss of payment card*

(1) The client notifies the Bank in writing in the case of destruction and/or damage of the card, at the counter of the Bank's branch, by filling out the corresponding form.

(2) The client bears all the risk of possibly unauthorized use of payment card (non-signed card, disclosure of PIN, sharing the card with another persons, etc.).

(3) The client promptly reports to the Bank the loss or theft of payment card, by phone of the Clients' service and authorizations: + 381 11 3010 160, to enable blocking of the card and preventing its abuse. The reporting by telephone must be confirmed in writing by the client within three days of the date of advice to the Bank, and shall be done in the nearest branch by using the appropriate form. The client may also report the loss of payment card in person at any of the Bank branches.

(4) The Bank shall circulate the loss or any other abuse of the payment card as of the date of the receipt of the report to that effect, and invalidate the card through electronic protection systems. The Bank will not be materially liable for damage caused by the loss or theft of payment card as long as such event is not reported to the Bank.

(5) If the client will find the card after having reported its loss, he/she must not use it but promptly return the same to the Bank.

#### *6.4.5. Credit card limit*

(1) The Bank evaluates and decides on the client's application for a credit card limit in keeping with its by-laws.

(2) The Bank has the right to revise automatically the approved amount of the limit on a credit card, by applying the criteria and procedure under its bylaws.

(3) The Bank has the right to suspend further use of the approved limit on a credit card up to the amount exceeding the by then used up approved limit, in compliance with the Bank bylaws and operating conditions on the financial market, of which the client shall be timely advised by the Bank in the manner defined under the present general terms and conditions.

#### *6.4.6. Termination of payment card utilization*

(1) The use of a payment card may be terminated upon the initiative of the client (cancellation) or by deprivation of the right of use by the Bank (ban on use).

(2) The client who no longer wishes to transact with a card, is obligated to call off the use of the card and return the same to the Bank in the manner and within the time limit set out in the contract with the Bank.

(3) The cancellation of use is possible no later than 60 day before the expiry of the card validity.

(4) Unless the client shall cancel the use of the card within the timeline referred to in paragraph 3 hereof, while using the card in compliance with the present general terms and conditions, the Bank will automatically renew the membership and issue a new card. The validity period of the payment card is indicated on the card itself.

(5) If the client fails to comply with these general terms and conditions, and/or the contract, or acts contrary to law, the Bank may rescind the payment card contract without period of notice and prohibit further use of all issued payment cards or have them blocked.

(6) The client is bound to return the card upon request of the Bank.

(7) In the case of cancellation or prohibition of use of the card, the client is obliged to return the card to the Bank and settle all his/her obligations incurred in card transactions, including the additional cards, incurred up to the date of the return of the card to the Bank. The Bank informs the sales network (POS) about the prohibition of use of the card. Based on such information the staff at POS is authorized to retain the card from the client.

(8) The Bank is entitled to recover the amount of unsettled liabilities incurred in the payment card transactions from other accounts held by the client with the Bank.

## 6.5. Payment transactions

### 6.5.1. *Basic terms and conditions for Bank's payment operations*

(1) The Bank performs payment operations in the dinar and foreign currency, nationally and internationally.

(2) Mutual rights and obligations of the Bank and the client in payment transactions are governed by an agreement on account opening and maintenance with the Bank, and the Bank deeds.

(3) The Bank may change the terms and conditions for applicability of the provisions of the agreement on account opening and maintenance with the Bank, in line with the changes of regulations and the Bank deeds.

### 6.5.2. *Payments to client's account*

(1) The Bank is irrevocably authorized to accept payments to the account of the client, in keeping with law.

(2) Depending on the type of account, payments may be allocated to:

- Dinar accounts – in cash in the dinar (at the Bank counters) or by transfer from other accounts with the Bank or by order of other participants in payment operations whose accounts are maintained with the Bank, other banks or the Treasury administration;
- FX accounts – in cash foreign currency (at the Bank counters), or in foreign exchange (inflow on account of loro remittances, payments from a nonresident account with the Bank or other banks, collection of a loro check or transfer from foreign exchange account maintained with another bank).

(3) In the case when a payment is wrongly posted in favor of the account of the client, the Bank may reverse such posting without special order and agreement of the client.

### 6.5.3. *Disposition of funds in the client's account*

(1) The owner of the account and an authorized person may dispose of the funds in the account up to the balance available.

(2) Disposition of funds can take place:

- In the dinars – in cash or non-cash transfer of funds;
- In foreign exchange – internal or external transfer of foreign exchange, in compliance with law;
- In cash foreign money – pay-outs in cash, in compliance with law.

(3) The Bank will request from the client clear and explicit instructions (orders) for making payments in the country or abroad, in writing and with indication of the transfer purpose.

(4) The Bank will not be liable for damage caused to the client or a third party, which results from unclear or otherwise insufficiently precise instructions.

(5) The Bank will not execute a payment order unless it shall contain the data about the issuer and recipient of the order and their banks, the amount, as well as other prescribed data, and/or if there is a mismatch of the data which make the execution of the order impossible.

(6) The Bank may also execute the instruments of cash and non-cash payment transactions when the same do not contain the prescribed elements, if it decides that the elements stated in the order are sufficient for its execution.

(7) The Bank executes the payment orders after detailed inspection of the credibility of the order of the client (control of availability of the funds for the execution of the order, signature and seal of the principal, checking if the payment order contains the data about the issuer and recipient of the order and about their banks, purpose of incoming or outgoing payments, and checking of the enclosed supporting documents submitted in keeping with relevant regulations, etc.).

(8) The Bank is not responsible for a loss and/or damage caused by delay or wrong routing of the order, and/or for acting or omission to act by the client or a third party.

#### *6.5.4. Authorized overdraft in the clients' account*

(1) The Bank may approve or extend the authorized overdraft in the client's account, based on the request of the owner of such account, and in line with the terms set out in the Bank deeds.

(2) The Bank has the right to automatically change the approved amount of authorized overdraft in the client's account by of account by the client, applying the criteria and procedure in compliance with its deeds.

(3) The Bank has the right to suspend further use of approved or extended authorized overdraft in the amount exceeding the by then used-up authorized overdraft, in keeping with the deeds of the Bank and the operating conditions on the financial market, of which the Bank shall promptly advise the client, as defined in the present general terms and conditions.

## **6.6. E-banking**

### *6.6.1. Definition of e-banking*

The services of e-banking imply the possibility of getting information, and/or performing transactions electronically and refer to all e-products and services of the Bank which the client uses in keeping with the Clients' instructions. The transactions imply the payment transactions and other commercial transactions, including the possibility of applying for specific Bank services.

### *6.6.2. Terms and Conditions for e-banking performance by the Bank*

(1) The beneficiary of electronic banking has access to Clients instructions, as the document which explains to the client how to use each of these services.

(2) The client opts for the type and level of service of e-banking he/she will use by signing an admission form or another appropriate form to the Bank.

(3) The Bank will not be liable if the beneficiary cannot use the service due to interferences in telecommunication channels or other circumstances beyond the control of the Bank.

(4) E-banking services are accessible via:

- Internet;
- Telephone;
- SMS;

- E-mail;
- ATMs.

(5) The Bank executes payment orders issued via e-banking, as stipulated in its deeds and in compliance with law.

(6) Telephone conversations relating to the use of e-banking are taped (recorded) and may serve as proof of issued orders and of performed transactions. Voice records so compiled may be used by the Bank exclusively for settlement of clients' complaints and in court litigations.

(7) For upgrading the security of electronic transactions, the Bank may provide the user of e-banking services with a security device, for one or more services.

(8) The user is obliged to use the security device as prescribed in the Beneficiary's instructions, and protect it against damage and unauthorized utilization.

(9) The beneficiary may complain about the transaction carried via e-banking not later than 15 days after the date of execution of the transaction.

#### *6.6.3. Obligations and rights of the Bank and the client*

(1) For every e-banking service the Bank is obliged to enable the beneficiary to inspect the information and the process of execution of the transaction to the extent and as stipulated in the admission form and Beneficiaries' instructions.

(2) The Bank has the right, based on the registered data about the client (telephone number, cell phone number or e-mail address available to the Bank), to identify the client via WAP protocol, e-mail or SMS and other available means and in such a way furnish the data about accounts, payment cards and other products and services of the Bank, which he/she uses, in the scope and manner defined in the Beneficiaries' instructions.

(3) The Bank reserves the right to change the scope and substance of individual services of e-banking, and advise accordingly the beneficiary via Internet, mail or e-mail, SMS, voice recording machine or another channel of communication.

(4) The beneficiary is obliged to keep secret all passwords used for access to e-banking services. Possible damage caused by non-compliance with this provision shall be borne by the beneficiary.

(5) The Bank stores all messages concerning transactions, which the client furnishes via any available channels (including: logs from web server, e-mail, SMS, voice record of a telephone conversation).

(6) The beneficiary is obliged to monitor, by inspecting movements in his account, the outcome of the financial transactions carried out via any of e-banking services.

(7) The Bank is not liable in the case when the system of payment transactions rejects the order.

#### *6.6.4. Blocking and suspension of use of e-banking services*

(1) At the request of the beneficiary, the Bank may block the possibility of using e-banking services in part or in whole.

(2) The Bank is entitled, without the agreement of the beneficiary, to block the possibility of use of e-banking services, in part or in whole, if:

- The Bank suspects that a client or a third party abuse such services;
- Beneficiary fails to abide by the contractual provisions;
- User fails to use the service within the anticipated time period.

(3) The Bank is obliged to notify the beneficiary about the blockade of the use of services referred to in paragraph 2 of this Article.

(4) The Bank will also suspend the use of e-banking services at the request of the service beneficiary, which may be filed with any Bank branch, in writing or in the manner stipulated in the instructions for each individual service.

## **6.7. Other banking business**

(1) The Bank is also involved in exchange transactions, POS terminals, securities transactions, brokerage/dealing, custody, factoring, insurance agency and other businesses within its registered activities.

(2) Terms and conditions for performing the above-mentioned business are stipulated in a greater detail in the Bank deeds approved to facilitate implementation of the present general terms and conditions.

## **7. INTEREST AND FEES**

### **7.1. Interest**

#### *7.1.1. Interest rate formation*

(1) The Bank in its banking business contracts, computes, pays and collects interest in compliance with its decision on interest rates.

(2) The interest rates on loans and deposits are expressed on annual, monthly and daily levels.

(3) Interest rate computation is made by applying the compounded or proportionate method.

#### *7.1.2. Fixed and variable interest rate*

The Bank stipulates the interest rate type under the contract with the client; it may be fixed or variable.

#### *7.1.3. Effective interest rate*

(1) Effective interest rate (hereinafter referred to as: EIR) represents a single price of a Bank deposit or credit product and/or service, which covers the costs, interest rates and other fees borne by the client – a natural person and which the Bank computes and publishes in compliance with the Decision and the present general terms and conditions.

(2) EIR represents a discursive interest rate, which is calculated at annual level, by applying the compounded method of computation. In calculating EIR on credits, a corrective factor is used for discounted cash inflows and outflows of deposit provided as a collateral on such credits.

(3) In calculating EIR on loans approved against deposits, the cash assets of such deposit are also included (deposit cash flows).

(4) At discounting, i.e. restating to the present value of all future receipts and outlays of cash assets under the loan and/or deposit agreement – the calendar days in a month and 365, and/or 366 days in a year are applied.

(5) EIR is expressed in percentage terms with two digits, by rounding up the second digit and is valid on the date of computation.

(6) The Bank will notify the client in writing of the elements included in EIR with the qualification whether fixed or variable and if variable the period in which the Bank may change them, the mode of change and reasons for change.

(7) The Bank is obliged to post EIR for all the products in its branches at a visible place.

#### *7.1.4. Changes of contracted interest rate*

The Bank reserves the right to change the contracted interest rate, in compliance with the contract concluded with the client and Articles 4.3 and 4.4 of the present general terms and conditions. The Bank will notify the client in writing of the change in interest rate before its application date, in the manner stipulated in the present general terms and conditions.

#### *7.1.5. Default interest rate*

(1) The Bank charges legal default interest on due but outstanding receivables from the maturity date, provided it shall be entitled to contract that such a rate shall be charged at the rate stipulated in the Bank deeds or by contract, if higher than legal default interest rate.

(2) If the client fails to pay the calculated rate within the contracted time frame, the Bank will calculate, on the amount of unpaid interest the interest rate on due outstanding receivables, starting from the first day after the lapse of the period for which the calculation was made.

### **7.2. Fees**

(1) The Bank calculates and collects the fee for its services rendered to Bank clients.

(2) The contract between the Bank and the client stipulates the amount of the fee, mode and terms of collection of the fee, in compliance with the Bank's deed regulating tariffs for the fees the Bank collects from clients.

(3) The Bank reserves the right to change the contracted fees, in compliance with the contract concluded with the client and Articles 4.3, and 4.4 of the present general terms and conditions. The Bank shall inform the client in writing about the changed fee before its application, in the manner stipulated in these general terms and conditions.

## **8. ANTI-MONEY LAUNDERING AND TERRORIST FINANCING**

(1) The Bank has the right to seek from the client the data needed for the meeting of its obligations in anti-money laundering and terrorist financing, prescribed by the law and Bank's deeds, and the deeds of the Parent bank – Intesa Sanpaolo S.p.A. Turin, Italy and the Intesa Sanpaolo Group.

(2) The Bank has the right to defer or reject establishment of business relations with the client, rescind such business relation or defer or reject to effect a transaction at the order or for account of the client, if so required by the rules of anti-money laundering and terrorist financing, mandated by the law and deeds referred to in paragraph 1 of this Article.

## **9. PROTECTION OF PERSONAL DATA**

(1) The Bank collects and processes the personal data in database formed for and being in the function of its operations.

(2) The protection of personal data is ensured by the Bank to every natural person, irrespective of citizenship and place of residence, race, age, gender, language, religion, political or other belief, national adherence, social origin and status, material position, birth, education, social position or any other personal properties.

(3) The Bank performs its obligations responsibly and completely, as stipulated in the law and bylaws of the Bank in connection with:

- Gathering and processing of personal data;
- Rights of persons whose data are collected and processed, and protection of such rights;
- Constraints on the protection of personal data;
- Provision of such data;
- Handling the particularly sensitive data;
- Formation of data bases and their recording;
- Taking of the mentioned data out of the Bank;
- Performance of its obligations to the Commissioner of publicly relevant data and the protection of personal data.

(4) The Bank provides safeguards against loss, destruction, breach of confidentiality, unauthorized access, change, publication and any other abuse of the personal data stored in the Bank's databases.

## **10. BANKING SECRET**

(1) Banking secret is the business secret.

(2) The banking secret is deemed to be:

- Data known to the Bank and relating to personal data, financial position and transactions of the client and ownership or business connections of the client of this or another bank;
- Data about the balance and transactions in individual deposit accounts;
- Other data the Bank gathers in its transactions with the clients.

(3) 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 their job have access to the data referred to in paragraph 2 of this Article are obliged to keep such data and may not disclose them to third parties, use them contrary to the interest of the Bank and its clients, use the same in the manner enabling themselves or third parties to earn material benefit, or enable the third parties' access to such data.

(4) The obligation of confidentiality for the persons referred to in paragraph 3 of this Article shall not cease with the termination of their status that enabled access to data mentioned in the same paragraph.

(5) The following data shall not be deemed to represent the banking secret:

- Public data and information accessible to the stakeholders with justifiable interest from other sources;
- Consolidated data on the basis of which individual identity of the client is not revealed;
- Data about the shareholders of the Bank and the level of their stake in the share capital of the Bank, and the data about other persons holdings in the Bank and the amount of such holdings, irrespective of whether they are the clients of the Bank;
- Data about regularity in settling the obligations by the client towards the Bank.

(6) The obligation of confidentiality of banking data shall be nonexistent if the data have to be disclosed to: judicial and executive authorities, and other bodies and organizations, in compliance with the powers under the law and other regulations, and to the association established by banks with the view to collecting data about the amounts, type and expediency of settling the obligations by the clients of banks.

(7) The client agrees, when establishing the business relationship with the Bank that it may disclose the data about the client, classified as banking secret, to third parties under the conditions stipulated in the Bank's deeds.

(8) The Bank shall be entitled, further to the contract concluded and the regulations in force, to forward the data about the contracts, data about the client and his related persons, data about the documents furnished and other data which are considered as banking secret to the central database of the Intesa Sanpaolo Group, members of their bodies, shareholders, staff of the Bank, external auditors of the Bank, as well as other persons who must have access to such data because of the nature of their job, and to third parties with whom the Bank has a contract for protection of data confidentiality.

(9) The client agrees that the Bank may obtain from other banks whose services he used, a report with the data on his past performance.

## **11. ETHIC AND ENVIRONMENTAL PRINCIPLES**

(1) In applying these general terms and conditions, and other by-laws and special deeds, the Bank adheres to ethical principles and environmental norms, in compliance with the regulations in force and its deeds.

(2) When reviewing the applications of the clients, the Bank will apply as a criterion the assessment of environmental (ecological) risks, and the assessment of social benefits and/or harmfulness of the client's activity that is funded.

## **12. FINAL PROVISIONS**

(1) Enforcement of the present general terms and conditions will be regulated by the Bank's by-laws and special deeds, in compliance with the prevailing regulations and these general terms and conditions.

(2) As of the date of effectiveness of these general terms and conditions the previous General operating terms and conditions, approved by the Board of Directors at its session of 27.02.2009, shall cease to be valid.

(3) The present general terms and conditions shall enter into force on the date of promulgation, and shall apply on expiry of the fifteenth day from the date of their posting in the Ban's branches.

**Chairman of the Board of Directors**  
*Signature*

***General Operating Terms and Conditions of the Bank were posted in the Bank's branches on October 28, 2009, and shall apply starting from October 31, 2009.***

Part Two  
SPECIAL PROVISIONS OF GENERAL OPERATING TERMS AND CONDITIONS

The following enclosures specify the minimum terms and conditions under which the Bank is placing certain groups of its products in the market:

**1) General terms and conditions for taking natural person's deposit:**

- 1/01 Dinar sight deposits
- 1/02 Specific-purpose deposits for shares and guarantees
- 1/03 Dinar term deposits
- 1/04 Dinar term deposits – Scale Savings
- 1/05 Foreign currency sight deposits
- 1/06 Foreign currency term deposits
- 1/07 Foreign currency deposits – Annuity Savings
- 1/08 Foreign currency deposits – Children Savings
- 1/09 Foreign currency deposits – Intesa Uno
- 1/10 Foreign currency deposits – savings with maturity on 31/122009
- 1/11 Specific-purpose Dinar deposits for Gift Cards
- 1/12 Specific-purpose foreign currency sight deposits per loans
- 1/13 Specific-purpose foreign currency term deposits per payment cards
- 1/14 Specific-purpose foreign currency sight deposits per payment cards
- 1/15 Specific-purpose foreign currency term deposits per loans
- 1/16 Dinar term deposits – entrepreneur
- 1/17 Dinar term deposits with FX index clause – entrepreneur
- 1/18 Foreign currency term deposits – entrepreneur
- 1/19 Foreign currency specific-purpose deposits – entrepreneur
- 1/20 Dinar specific-purpose deposits without FX index clause – entrepreneur
- 1/21 Dinar specific-purpose deposits with FX index clause – entrepreneur

**2) General terms and conditions for loan approval to natural person:**

- 2/01 Housing loans / Loans for adaptation and reconstruction of a housing facility
- 2/02 Consumer loans

- 2/03 Consumer auto loans
- 2/04 Cash loans
- 2/05 ALDA – Loans for entrepreneurs development
- 2/06 BIZ Loan
- 2/07 BIZ Invest
- 2/08 BIZ Credit Line
- 2/09 BIZ Minus
- 2/10 BIZ Turnover
- 2/11 BIZ Revolving
- 2/12 Long-term loans for investments – co-financed by the Development Fund
- 2/13 Loans for female entrepreneurs
- 2/14 Short-term loans with the subvention of the interest by the Development Fund
- 2/15 Laki BIZ and Gold Laki BIZ
- 2/16 Farmer Turnover
- 2/17 Farmer Invest
- 2/18 Farmer with 100% deposit
- 2/19 Short-term loans with the subvention of the interest by the Ministry
- 2/20 Long-term loans with participation of the Ministry

**3) General terms and conditions for account opening, maintenance and closing, and for approval of authorized overdraft in natural person's current account:**

- 3/01 Intesa Hit current account (class 55)
- 3/02 Basic current account (class 33)
- 3/03 Specific-purpose current account for farmers (type 008)
- 3/04 Dinar account – entrepreneur
- 3/05 Foreign currency account – entrepreneur
- 3/06 Dinar account for securities trading – entrepreneur

**4) General terms and conditions for issuance and utilization of payment cards, and for limit approval per natural person's credit card:**

- 4/01 Visa Electron and Visa Electron Affinity Paralympic
- 4/02 Visa Electron and Affinity ETC
- 4/03 Visa Classic Affinity Paralympic

- 4/04 Visa Business Gold
- 4/05 Visa Business Electron
- 4/06 MC2
- 4/07 MasterCard Standard within current account bundle
- 4/08 MasterCard Standard / Visa Classic
- 4/09 MasterCard Standard Affinity PKB
- 4/10 MasterCard Gold within current account bundle
- 4/11 MasterCard Gold / Visa Gold
- 4/12 MasterCard Gold Affinity PKB
- 4/13 MasterCard Business
- 4/14 MasterCard Business Affinity PKB
- 4/15 Maestro Card
- 4/16 Maestro Prepaid
- 4/17 Maestro Gift Card
- 4/18 Dina debit card
- 4/19 Dina credit card
- 4/20 Banca Intesa Internet card
- 4/21 American Express Medical Chamber
- 4/22 American Express Green
- 4/23 American Express Gold
- 4/24 American Express Blue / American Express Blue for refinancing
- 4/25 American Express Blue within Intesa Hit bundle