

The issuer of these General Terms and Conditions is OTP banka Srbija a.d. Novi Sad, Bulevar oslobođenja no. 80, 21 000 Novi Sad, company registration number: 08603537; e-mail: office@otpbanka.rs; Internet page www.otpbanka.rs

OTP Banka Srbija a.d Novi Sad, Bulevar oslobođenja no. 80, company registration number: 08603537, in the capacity of the acquiring company and Vojvođanska banka a.d. Novi Sad, Trg slobode 7, company registration number: 08074313, in the capacity of the transferring company, are involved in a process of implementing a status change of merger on the basis of which Vojvođanska banka a.d. Novi Sad will merge with OTP banka Srbija a.d. Novi Sad.

The scheduled date of merger is April 26, 2019.

Starting from the day foreseen for the merger, OTP Banka Srbija a.d. Novi Sad will continue to operate under the name Vojvođanska banka a.d. Novi Sad, with registered office in Novi Sad, Trg slobode 5, company registration number: 08603537, tax identification number: 100584604, giro account: 908-32501-57, S.W.I.F.T.: OTPVRS22. e-mail: office@voban.rs, web page: www.voban.rs (hereinafter: the Bank).

Content and Purpose of General Terms and Conditions

The General Terms and Conditions of the Bank (hereinafter referred to as: General Terms and Conditions) define standard conditions relevant for Bank's operations with its Clients, basic rights, obligations and responsibilities of a Client and the Bank, conditions for establishment of relationship and basics of communication of the Bank and its Clients, terms and conditions for executing transactions between Clients and the Bank, as well as other issues significant for Bank's operations.

To its Clients the Bank provides a wide range of banking services on principles of security, trust, good business customs and good business practices.

In terms of the previous paragraph, the Bank is engaged in the provision of payment services, giving loans, account overdraft, issuing Letters of Credit, guarantees, sureties and other forms of warranties, discounting of securities, deposit transactions and other activities pursuant to the Law on Banks and Articles of Association of the Bank.

The General Terms and Conditions apply to the business relationship between the Bank and Client by virtue of a concluded agreement, application form or other document signed by Client, i.e. other form of business cooperation where a separate agreement is not concluded pursuant to applicable regulations and acts of the Bank.

In case of discrepancies between agreement provisions and General Terms and Conditions, the agreement provisions shall be applied.

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

The General Terms and Conditions ensure application of good business customs, good business practice and fair relationship towards Clients.

The Bank is obligated to ensure that the Client becomes familiarised with the General Terms and Conditions in Serbian by placing them on a prominent position in its business premises where it offers services to Clients and on the website, namely 15 days at the latest before the date of their application, to provide corresponding explanations and instructions pertaining to application of these 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 Client's request.

The General Terms and Conditions are comprised of:

- PART ONE containing general provisions jointly applied to the provision of all banking services to all Clients;
- PART TWO containing provisions applied to rendering banking services that are not payment services, divided into provisions related to Clients – natural persons, entrepreneurs and farmers and Clients – legal entities;
- PART THREE containing provisions applied to rendering payment services to all Clients;
- PART FOUR containing final provisions.

PART ONE

1. GENERAL PROVISIONS

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

1.1. Meaning of Term Client

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 Terms and Conditions, a Client of the Bank is:

- 1) **A natural person** 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. consumer in terms of the Law on Payment Services;
- 2) **Entrepreneur** in terms of the law governing companies;
- 3) **Farmer** as the holder or member of family agricultural household in terms of the law governing agriculture and rural development;
- 4) **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: "Natural Person", "Entrepreneur", "Farmer" or "Legal Entity").

Joint debtors 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, which 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 is entitled to block further utilisation of its products and services, as well as to terminate a business relationship established with a Client, in accordance with regulations governing prevention of money laundering and terrorism financing, as well as due to other justified reasons in line with applicable regulations.

Without special consent of the Client, the Bank is authorised to dispose of 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 interests of Clients pursuant to applicable regulations and rules of operations.

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 rules of operations.

In order to collect its receivables, the Bank is authorised to realise any payment instrument and/or collateral established by the Client, pledger, debtor or other person. The Bank is entitled to keep any item which is in the possession of debtor, in accordance with the law, until collection of matured receivable in its entirety.

With the aim of collecting receivables matured to the Client, the Bank may use funds that are located on Client's account/accounts with the Bank, 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. In the event that collection is performed from foreign currency accounts, the Bank is entitled to purchase foreign currency in order to collect matured receivables according to the Bank's buying exchange rate for foreign currency at the day of purchase, unless a different exchange rate is envisaged by agreement. The buying exchange rate of the Bank for foreign currency is available on the Bank's website.

In the course of a business relationship with Client, the Bank is entitled to collect necessary reports from the database on Client's indebtedness in order to assess Client's creditworthiness. Should the Client fail to pay, upon Bank's request, the fee for obtaining these reports the Bank shall be entitled to use funds of the Client stated in the previous paragraph for the purpose of collecting the fee. In the same manner, the Bank may on behalf and for the account of Client pay insurance premium for real estate/movable assets over which mortgage/pledge was registered in favour of the Bank, as well as the fee for drawing up an appraisal of their value, should the Client fail to pay the premium or does not submit evidence to the Bank on payment of annual premium, i.e. if the Client does not submit, upon Bank's request, a new value appraisal of real estate/movable assets.

In the event when a special purpose placement is approved, the Bank may control authorized use of approved funds and implementation of other obligations stated in the agreement by the beneficiary of funds, in the manner and according to procedure as determined by applicable statutory regulations and acts of the Bank.

The Bank shall not be liable for damage arising as a consequence of:

- 1) Force majeure, riots (demonstrations or public manifestations, terrorist or other form of violence), state of emergency, natural disasters, strike or similar circumstances beyond its control;
- 2) Procedures of competent state authorities in the country and abroad, consequences of disrupting its work, actions of Clients based on verbal communication with the Bank or written documentation not containing Bank's unconditional obligation;
- 3) Unclear, inaccurate or unprecise Client's instructions, necessity for additional verification and interpretation of insufficiently precise orders;
- 4) Non-submission of documents which pursuant to the agreement the Bank should have submitted (calculation and similar) if the Bank was not immediately informed of such non-submission.

1.3. Rights, Obligations and Responsibilities of Client

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

A Client is entitled to receive information from the Bank related to 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 Terms and Conditions, good business practice and obligations stated in the agreement.

Prior to concluding an agreement with the Bank the Client is obliged to read provisions of the agreement, as well as the entire accompanying documentation, including General Terms and Conditions, and any other internal parts of the agreement. By signing the agreement, the Client confirms of having read and understood the agreement, its integral parts and accompanying documentation. Additionally, by placing signature on any other delivered document, the Client confirms of having read and understood such document.

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, is obligated to review them and immediately inform the Bank of any disagreement or dispute regarding debt, i.e. receivable. The Bank will investigate any disagreements i.e. disputes, 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 will be deemed that the Client accepted submitted data.

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

The Client shall bear damage for failure to timely submit a written notice to the Bank related to circumstances which impact or may impact Client's business relationship with the Bank, if such obligation is envisaged by provisions of agreement or provisions of General Terms and Conditions.

If requested by the Bank, the Client is obliged to submit documentation/documents in original or certified copy, and if it is the case of foreign documentation/documents, with placed Apostil certificate or other certificate on legalisation in accordance with applicable regulations and international agreements, and certified translation by a certified court interpreter.

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

1.4. Banking Secret

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

A banking secret is a business secret.

A banking secret shall be deemed:

- 1) Details known to the Bank, pertaining to personal data, financial position and transactions, as well as to ownership or Clients' business relationships with the Bank or other banks;
- 2) Details on balance and transactions on individual deposit accounts;
- 3) Other data which become known to the Bank in operations with clients.

A banking secret shall not be deemed:

- 1) Public data and data available to stakeholders with justified interest from other sources;
- 2) Consolidated data based on which identity of individual client is not disclosed;
- 3) Details on Bank's shareholders and level of their share in Bank's share capital, as well as details on other entities with share in the Bank and on such share, irrespective of whether they are clients of the Bank or not;
- 4) Details pertaining to regularity in settlement of 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 consented to it or if envisaged by law or other regulation.

The obligation of keeping business secret shall not exist if data are disclosed based on decision or request of competent court, i.e. other authority or organisation prescribed by regulations, as well as under request of associations founded by banks for the purpose of collecting data on the total amount, type and promptness in clients' fulfilment of liabilities, and to other bodies, authorities and organizations in accordance with the law.

The Bank is entitled to disclose data representing a business secret to the investigating judge, public prosecutor and courts, i.e. other authorities exercising public-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 Client and related entities which become known to it during execution of agreement, as well as 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, third party engaged by the Bank for the purpose of carrying out receivables collection, 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 agreements on business cooperation that are related with the business relationship between the Bank and Client and realisation of Bank's receivables towards the Client, or concluded agreements on data confidentiality.

1.5. Personal Data Protection

The Bank collects and processes personal data of Client – natural person, representative/founder of Client-legal entity, i.e. entrepreneur (name and surname, address, UPIN, number of identity card or passport, date of birth, phone number, e-mail address, as well as other personal data submitted to the Bank) for the purpose and in the manner considered by the Bank as necessary and suitable in performing its activity, and especially for the purpose of preventing, investigating or detecting fraudulent activities or misuses, inspecting submitted and collected data (e.g. data on Client's income, paid contributions and taxes and similar) for the purpose of collecting receivables, fulfilment of Bank's obligations in accordance with regulations, for statistical purposes, for notifying Client on its products and services, submitting advertising material to Client and similar.

The Client has rights in accordance with applicable regulations governing the issue of personal data protection.

Data are processed for the purpose of performing Bank's activity in accordance with the law regulating banks' operations, law regulating the issue of personal data protection, law regulating prevention of money laundering and terrorism financing, decisions of the National Bank Serbia and all other applicable laws and by-laws.

The Bank may forward, i.e. enable access to data considered a business secret, to entities stated in paragraph 8, Item 1.4. of the General Terms and Conditions.

The Client may recall the consent for collection and processing of personal data, in which case the Client is obliged to reimburse justified costs and damage in accordance with regulations governing damage liability. In case of recall, the Bank is entitled to terminate business relationship with Client.

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, user of rights from the 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 Client from tax and other competent authorities.

1.6. Manner of Submission

The Bank provides information to Clients at Bank's counters, on its website, by telephone, by submitting letters and notifications, by placing information at the bank counters and in the Bank's premises intended for Clients.

All information and other letters submitted to the Client by the Bank shall be sent to the last contact address submitted by the Client to the Bank, which also includes submission by e-mail, by electronic or mobile banking services, SMS, fax, in the Bank's branch/counter or otherwise enabling written communication with the Client.

The Bank may also use contact details stated in the previous paragraph for submission of notifications on its products and services, submission of advertising material and similar.

If a notification or other letter was sent by mail, registered or regular mail, it shall be deemed delivered upon expiry of usual time for delivery of shipment. If it is sent by e-mail, by electronic or mobile banking services or SMS, it shall be deemed delivered on the day of sending the electronic message, and if sent by fax it shall be deemed delivered on the day of sending the fax to the Client. If submission is performed in the Bank's branch/counter, the notification or other letter shall be deemed delivered with the expiry of the fifth day following the day when the Client could have taken the notification i.e. other letter in accordance with the Agreement.

The Client is obligated to inform the Bank on each and every change of address for submission and on the change of any other detail which may impact submission. 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 way of the last contact information submitted to the Bank shall be deemed as duly submission.

The Bank shall not be liable for damage 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 letters are sent to the phone number, i.e. address given to the Bank by Client.

All notifications sent to the Bank by the Client shall be submitted to the address of Bank's registered office or of its organisational units, unless otherwise contracted or prescribed for certain notifications, or if the Client receives from the Bank written information that notifications may be sent otherwise.

1.7. Collateral

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

In order to secure Bank's receivables towards the Client, the following collateral may be contracted: bill of exchange; administrative ban; warranty; special-purpose deposit; mortgage; pledge over movable assets, receivables, securities, intellectual property rights, shares; bank guarantee; cession; insurance of loan with insurance companies or Deposit Insurance Agency; and other collateral accepted by the Bank.

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 provisions of the agreement.

The Bank is entitled to fill in the incomplete bill of exchange given as collateral of Bank's receivable in the amount of matured liabilities with clause "without protest", and enter all mandatory elements pursuant to provisions of the agreement.

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

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

The Client is obliged to provide additional collateral to the Bank, if so required by the Bank, in the event of decrease in market value of the subject of mortgage and/or pledge for more than 15% in relation to the value presented in the value appraisal accepted by the Bank in placement approval, in the event of significant decrease in value of any collateral for which a value appraisal is not requested, in case of alienation or encumbrance of assets to the extent of which the Bank assesses such alienation or encumbrance as significant decrease in the value of Client's assets, as well as in the case that the collateral does not reach the coverage level of receivable prescribed by the Bank and/or prescribed by applicable regulations.

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

The Client may propose 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 by value and collectability. All possible costs related to proposed replacement of collateral shall be borne by the Client.

Upon Bank's request, the Client is obliged to submit to the Bank within 15 days unless otherwise determined by agreement:

- A new market value appraisal of mortgage real estate/pledged movable assets drawn up by a permanent court expert, findings of which are accepted by the Bank, or if the Bank agrees, authority which in accordance with the law regulating tax procedure and tax administration is competent for conducting tax procedure, as well as excerpt from Public Register of Real Estate with photocopy of owner's identity card;
- Report of the Credit Bureau, and if the Client is employed or is a pensioner, evidence of employment and salary or pension in the last three months, issued and certified by his/her employer, i.e. Fund for Pension and Disability Insurance, with Client's statement that data may be used for verifying paid taxes and contributions. If the Client is a tax obligor in terms of law regulating personal income tax, the Client is obligated to also submit to the Bank data on realized annual income and prescribed taxes and contributions paid from such income;
- Other documentation requested by the Bank with the aim of verifying collateral and its value, i.e. Client's credit worthiness.

With the aim of verifying physical state and/or value of real estate/movable assets over which mortgage/pledge is registered, the Client is obliged to enable access to mortgaged real estate/pledged movable assets for the Bank and/or appraiser, as well as to enable insight into the documentation related to established collateral.

To the Bank and/or other persons designated by the Bank the Client is obliged to enable access to movable assets and/or real estate in Client's property, enable insight into documentation, provide requested data and information and/or submit documentation related to Client's business activity.

Upon fulfilment of all obligations stated in agreement, the Bank will within a reasonable timeframe following the day of submission of request by Client, i.e. provider of collateral, deliver all received collateral to the Client, i.e. provider of collateral, that were not used for the purpose of collection of receivables, i.e. give all prescribed statements for removal of recorded collateral from public records. The Client, i.e. collateral provider shall bear costs that may arise with reference to returning of collateral, i.e. its removal from competent register (e.g. tax duties and fees charged by competent authority to certify statement allowing deletion of encumbrance from competent register, i.e. competent register for deletion of encumbrance from public records and similar). The Bank is entitled to destroy bills of exchange received under agreement if the Client fails to submit a written request for returning bills of exchange within the timeframe envisaged by agreement, and if such timeframe is not determined, within 60 days following the day of settlement of all liabilities to the Bank under agreement.

1.8. Assignment of Receivables

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

The Bank may assign its receivables towards a Natural Person solely to one Bank.

In the event of assignment of receivables stated in the previous paragraph, a Natural Person shall keep all contracted rights, as well as the right of filing complaint to another bank which it had towards the Bank, while the other bank may not bring the Client to a more unfavourable 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 risk management by banks shall be applied to assignment of Bank's receivables towards clients Legal Entities, Entrepreneurs and Farmers.

Regulations governing contractual and other applicable regulations shall be applied to assignment of other receivables and to issues not defined by regulations on the protection of financial services consumers, i.e. regulations governing risk management by banks.

The Bank shall inform the Client on assignment of receivables.

1.9. Interests, Fees, Commissions and Costs

1.9.1. Interests

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

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

Variable nominal interest rate is the interest rate, amount of which depends on contracted variable elements, i.e. variable and fixed elements, whereby variable elements are those that are officially published (benchmark interest rate EURIBOR, BELIBOR, LIBOR, deposit facility interest rate, consumer price index and other). The nature of these variable elements must be such that unilateral will of no party to agreement 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 Bank's right to change margin has already been concluded by agreement between the Bank and 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 agreement in each single case.

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

EURIBOR is the daily benchmark interest rate according to which leading European banks provide cash loans in euros on the European interbank market. It is published for certain time periods up to 1 year, determined by the European Banking Federation and published by Reuters each business day in Brussels at 11:00h CET at Reuter's page EURIBOR 01. Should Reuter's service be unavailable for any reason, the Bank is entitled to use another relevant service that publishes the EURIBOR rate.

BELIBOR is the benchmark 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.

LIBOR is the daily basic rate based on interest rates offered by banks for lending to other banks at the London Money Market. It is published by the British Bankers' Association each business day. Depending on maturity of offered assets, LIBOR differs as one-week, two-week, three-week, one-month, three-month, six-month and other. Frequency of changing (updating) this interest rate sets the frequency of changing total nominal interest rate.

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

NBS key policy rate is the highest i.e. lowest interest rate applied by the National Bank of Serbia in the process of implementing repo transactions of sale 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 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.

1.9.2. Fees, Commissions and Costs

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

Fees, commissions and other costs may be fixed and variable and are defined by Agreement.

The Bank reserves the right to change fees, commissions and costs that are determined as variable in the manner and within timeframes defined in Agreement with Client.

The Bank undertakes to inform the Client on each change of contracted variable fee, as well as costs, within the timeframe and manner as set out by specific contractual relationship.

Costs paid by Client to third parties in utilisation of banking service depend on Tariffs of third parties (e.g. insurance, assets, 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. Default

Should Client fail to settle its liability within contracted deadline – the rules on interest applied in case of debt arrears as prescribed by law regulating contractual relationships shall be applied to matured, but unsettled liability.

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

1.11. Right to Complaint and Out-of-Court Settlement of Disputable Relationship

The Client has the right to file complaint to the Bank, if the Client deems that the Bank is not adhering to provisions of the law, other regulations governing banking services, General Terms and Conditions or good business customs pertaining to those services, or obligations stated in the agreement concluded with Client, within three years following the day of violation of Client's rights or legal interest.

The Client may file a complaint in written form – in Bank's business premises intended for clients, by mail, via Bank's website, i.e. by e-mail.

Prior to initiating court dispute, the Client is entitled to file a complaint to the NBS if unsatisfied with the Bank's answer to complaint or if the answer was not submitted within deadline as prescribed by law, in written form within

six months following the date of receiving Bank's response to complaint or upon expiry of statutory deadline for answering to the complaint.

Should the Client be unsatisfied with Bank's response to the complaint or the answer was not submitted within timeframe prescribed by law, the disputable relationship between the Client as complainant and Bank may be settled by way of out-of-court proceedings – in mediation process.

PART TWO

2. BANKING SERVICES – EXCEPT PAYMENT SERVICES

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

1. Provisions applied to Natural Persons, Entrepreneurs and Farmers
2. Provisions applied to Legal Entities

2.1. PROVISIONING OF BANKING SERVICES THAT ARE NOT PAYMENT SERVICES TO CLIENTS – NATURAL PERSONS, ENTREPRENEURS AND FARMERS

Provisions stated herein are applied to the business relationship between the Bank and Client being a Natural Person, Entrepreneur or Farmer, in terms of rendering banking services provided by the Bank based on loan agreement, deposit agreement, agreement on issuance and utilisation of credit cards, agreement on account overdraft, as well as other services provided by the Bank pursuant to the law, save for payment services.

2.1.1. Informing

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

2.1.2. Notifying

The Bank is obligated to submit a notification on Client's debt balance under loan agreement to the Client without a fee in written form or other permanent data carrier.

In the event of account overdraft, the Bank is obliged to submit to Client the notice – statement on all changes on Client's account, without a fee in written form or other permanent data carrier, at least once a month, and upon Client's request the Bank is obliged to submit such notice immediately with the right to collect such notice in line with the agreement.

In the event of significant unauthorised account 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 other permanent data carrier pursuant to provisions of the law regulating protection of financial services consumers.

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

Within three days upon occurrence of 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, address for submitting letters, and other);

- 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 employer requested by Bank;
- Each fact and circumstance relevant for fulfilment of contractual obligations, and especially with reference to information entered in Client's file, collateral and collateral value, i.e. information relevant for assessing Client's financial position and credit worthiness.

2.1.3. Offer

The Bank will provide information and corresponding explanations to the Client, related to conditions pertaining to deposit agreement, loan and account 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 Client's needs and financial position, but which in no way whatsoever will mislead the Client. The offer shall be submitted on prescribed form, on paper or other permanent data carrier and contain elements prescribed by law.

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

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

If in accordance with the previous paragraph the Client requested the offer of a loan agreement with variable nominal interest rate and/or in foreign currency or with contracting a currency clause – the Bank will inform such Client of the risks of borrowing, together with delivery of offer on corresponding NBS form, namely: of risks of borrowing with variable nominal interest rate and risks of borrowing in foreign currency or with contracting a currency clause, of risks of borrowing with 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 calculation of annuities and overview of loan repayment schedule in case of individual and joint change of nominal interest rate variable element and dinar exchange rate at any point of repayment period, as well as the link to the National Bank of Serbia website with corresponding calculators.

2.1.4. Agreement

Agreements concluded by the Bank with Clients shall be in accordance with provisions of the law regulating protection of financial services consumers. The agreement may not contain provisions by which a Client waives from rights guaranteed by law.

Agreements will not contain a referring norm to business policy when it comes to mandatory elements of agreement set out by law regulating protection of financial services consumers

When variable nominal interest rate is contracted, the Bank is obliged to inform the Client on change of such rate in written form or on other permanent data carrier, namely prior to application of modified rate, i.e. periodically in line with agreement, and to specify the date of application of modified rate in such notification. Together with this notification, the Bank shall also submit the modified loan repayment schedule to Client. The Bank is obliged to make the repayment schedule available to Client for the entire duration of contractual relationship, without fee.

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

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

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 favour of Client, such changes may be applied immediately and without Client's prior consent, with notification in written form or on other 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 Client.

In the contracted manner, the Bank is obliged to timely inform the Client on change of data which are not mandatory elements of agreement, in terms of law regulating 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, whereas variable elements are those which are officially published (benchmark rate, consumer price index and other).

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

2.1.5. Clients' Deposits

Conditions related to receiving deposits, disposal of deposits, as well as rights and obligations of Bank and Client are regulated by Deposit Agreement which contains elements prescribed by law governing protection of financial services consumers and by other applicable regulations.

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

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

With special purpose deposits, the depositor shall waive the right to dispose of funds of deposits, beyond the purpose for which the deposit is placed, under the conditions and timeframes set out by agreement.

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

2.1.6. Placement of Assets

2.1.6.1. Approval of Placements

The Bank approves placements to Clients based on their written consent with submission of 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 Client's credit worthiness and is independent in its assessment, within frameworks of applicable regulations.

The Bank will inform the Client of documentation necessary for decision-making on the application for placement, in written form or electronically.

The Bank is obliged to immediately inform the Client on whether documentation submitted with a specific loan application is complete, in written form or electronically. Deadline for decision-making in respect of duly Client's application for loan approval, within the credit process conducted solely within the Bank, is as follows:

- for unsecured retail credit products up to 10 business days;
- for secured retail credit products up to 45 business days;
- for credit products to entrepreneurs and farmers up to 25 business days.

Deadlines stated in the previous paragraph will begin upon the day when the Bank informed the Client of submitted complete documentation.

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 summon the Client to submit additional documentation.

Prior to conclusion of the Agreement on Placement the Bank will assess Client's credit worthiness based on information obtained from the Client and based on insight in the database on indebtedness of such Client conducted with signed consent of person to whom that information pertains. Should the Bank and Client agree to increase Client's credit worthiness, the Bank will reassess Client's credit worthiness.

In the event that Client's application for placement is rejected based on insight into the database, the Bank will inform the Client immediately in writing on information stated in that database, without a fee.

By virtue of a decision on approval and conditions of placement of the Bank's competent body, an agreement shall be concluded with Client in written form. The agreement on a specific placement shall determine terms and conditions of utilisation of approved placement.

Bank's business books are credible evidence on placement realisation.

The purpose of utilisation of placement to natural persons shall be governed by decisions of Bank's bodies, i.e. by agreement with Client.

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

Terms and conditions for realisation of agreement stated in Item 2.2.4.2. of PART TWO of the General Terms and Conditions, as well as provisions of Items 2.2.4.3, 2.2.4.4. and 2.2.4.6. of PART TWO of the General Terms and Conditions, shall accordingly be applied to Clients – Entrepreneurs and Farmers.

2.1.6.2. Rights related to Revolving Loan

A Client may terminate the revolving loan agreement in the usual manner, without fee and at any moment, unless if a notice period is contracted which may not exceed one month.

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

Due to justified reasons (unauthorised use of loan, significant deterioration in credit worthiness and other), if contracted, the Bank may withhold to the Client the right to withdraw funds, whereas the Bank is obliged to inform the Client for reasons of withholding in written form or on other permanent data carrier, namely, if possible, immediately or within the following three days, except when provision of such notifications is prohibited by other regulations.

2.1.6.3. Early Repayment

The Client is entitled to fulfil its obligations stated in the loan agreement at any moment, fully or partially, in which case the Client is entitled to a reduction of the total loan price for the amount of interest and costs for the remaining duration of agreement (early repayment), with prior submitted early repayment request to the Bank.

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

2.1.6.4. Right to Application of Same Exchange Rate Type and Interest Calculation Method

When approving loan / placement of deposit indexed in foreign currency, the Bank shall apply the official medium exchange rate applied in loan repayment / deposit payment.

If the Client is obligated to place special-purpose deposit with contracted interest rate for the purpose of obtaining a loan, the Bank shall apply the same method of interest calculation on that deposit, which is also applied on calculation of interest on the amount of approved loan.

2.1.7. Safety Deposit Boxes

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

Mutual rights and obligations of Bank and Client are regulated by agreement which is concluded in written form.

According to own requirements a Client may uninterruptedly use the safety deposit box and place, i.e. withdraw items from the safety deposit box each business day within business hours of the branch in which the safety deposit box is located, with staying no more than 15 minutes and in previous agreement with authorised person in the Bank. The Bank may approve to Client to stay more than 15 minutes in the premises in which the safety deposit box is located, with announcement of at least one business day in advance.

Each safety deposit box is opened with two keys, out of which one is in Client's possession, and the other is in Bank's possession. Keys are different and the safety deposit box can be opened only by using both keys.

Documents, jewellery, artistic items and other items may be kept in the safety deposit box, if placement of stated items in the safety deposit box is not prohibited by applicable regulations or provisions of agreement.

The Client is obligated:

- Not to place items of weapons, items subject to explosion and arson, items subject to breakdown and decomposition, items traffic of which and keeping is prohibited by law, as well as all other items and products that may jeopardise safety of the Bank or other safety deposit boxes;
- Prior to visiting the safety deposit box, to previously prove identity by corresponding document and confirm by signature the time spent in the premises where safety deposit boxes are located;
- To immediately notify the Bank if the Client loses or damages the key from the safety deposit box and pay a fee for forcible opening of the safety deposit box and replacement of the lock;
- To regularly pay fees envisaged by agreement to the Bank;
- To compensate any damage to the Bank as a result of using the safety deposit box contrary to provisions of the agreement.

Natural Person / Farmer may authorise a maximum of two persons in written form to use the safety deposit box without his/her presence, while Client Entrepreneur may authorise a maximum of four persons in written form to use the safety deposit box without his/her presence. The authorisation shall be given on a Bank's special form, in the presence of Client and person being authorized, or based on written authorization certified before a competent authority. The given authorization shall cease to be valid by recall given by Client or by Client's death. Recall of authorization shall be performed in writing. Cessation of authorization shall have no effect upon the Bank, until the Bank is informed in writing thereof.

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

The Bank shall guarantee secrecy and security of the safety deposit box to the Client.

Access to the safety deposit box may be allowed only to the Client or authorized person.

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

Conditions for termination of agreement shall be set out by agreement.

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

Upon terminating the agreement, the Bank may summon the Client to empty the safety deposit box and hand over the key, and if the Client fails to do so, the Bank may request opening of the safety deposit box by way of court, to determine its contents and place found items in a court deposit or entrust such items to the Bank for keeping.

In case of opening of the safety deposit box by way of court, the Client is obligated to compensate all costs to the Bank, as a result of opening the safety deposit box.

The Bank has priority in collecting fees and other costs envisaged by agreement, as well as costs as a result of opening the safety deposit box by way of court, from the pecuniary amount found in the safety deposit box, as well as from the price obtained by selling other valuables that were found in the safety deposit box.

In the event of Client's death, authorizations as well as possible powers of attorney for utilization of the safety deposit box shall cease to be valid at the moment of sending a written notice to the Bank with corresponding evidence of Client's death. Upon receipt of such notice, the Bank will allow access to the safety deposit box solely in accordance with applicable regulations. In the event that the Bank otherwise becomes aware of Client's death, it reserves the right to refuse access to authorized persons to the safety deposit box even prior to submission of corresponding notification.

2.1.8. Other Banking Services

In addition to provisions regulating mutual rights and obligations, the agreements on other banking services 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 Terms and Conditions shall accordingly be applied to Natural Persons, Farmers and Entrepreneurs.

2.2. PROVISIONING OF BANKING SERVICES THAT ARE NOT PAYMENT SERVICES TO CLIENTS – LEGAL ENTITIES

Provisions of the present Item shall be applied to the business relationship between the Bank and Client – Legal Entity (hereinafter within Item 2.2. referred to as: Client), in terms of rendering banking services which are not payment services.

2.2.1. Notifying

The Client is obliged to inform the Bank of status and other change which is registered with a competent register or other authorities and organisations, and to undertake legal actions necessary for harmonisation of data with this change – within 3 days upon receipt of decision on registering such change.

The Client is obliged to also inform the Bank of any other changes which may affect business cooperation with the Bank within 3 days upon occurrence of such change.

2.2.2. Interests, Fees, Commissions and Other Costs

Interests, fees and commissions are calculated in accordance with the Bank's act regulating tariff of interests, fees and commissions, unless otherwise contracted.

In the event that the Bank suffers any cost arising out of fulfilment of agreement, and this cost is not covered by fee or commission, the Bank will issue a calculation of such cost to the Client.

The Client is obliged to pay all taxes if they are envisaged by law.

In accordance with applicable regulations, the Bank is entitled to contract payment of contractual penalty in the event that the Client fails to fulfil or is in default in fulfilling non-financial obligation.

2.2.3. Deposit

A deposit is created by placing dinar i.e. foreign exchange assets of Client with the Bank by virtue of a deposit agreement or agreement on bank current account or other account, by virtue of which the Bank's statutory or contractual obligation for return of funds arises.

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

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

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

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

With special purpose deposits, the depositor shall waive the right to dispose of funds of deposits, beyond the purpose for which the deposit is placed, under the conditions and timeframes set out by agreement.

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

Depending on 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 Assets

The Bank approves loans, account overdrafts, issues Letters of Credit, guarantees, letters of intent, sureties and other forms of warranties, performs discounting of securities, and otherwise places assets to creditworthy Clients by virtue of agreements 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 application, with enclosed documentation pursuant to established 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 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, subsidised 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' credit worthiness and is free in the assessment of Clients' credit worthiness.

2.2.4.2. Terms and Conditions for Realising Agreements

Current account opening in the Bank, establishment of collateral in line with provisions of agreement and submission of all documents and information requested by the Bank for the purpose of creating a credit file and/or collection of Client-related data, data on Client's assets, guarantors, collateral and other facts relevant for a specific agreement, as well as duly fulfilment of Client's obligations towards the Bank by virtue of all other legal affairs concluded between the Client and Bank, are a precondition for agreement realisation (transfer of loan funds, issuance of guarantees, L/Cs, sureties and similar), unless otherwise contracted or the Bank refuses to disburse funds and if any of these conditions are not fulfilled.

Bank's business books are credible evidence on placement realisation.

The Client may use funds of approved loan within the availability period defined by agreement.

In the event of matured but unsettled liabilities towards the Bank under any grounds whatsoever, the Bank is entitled to prevent the Client from disposing of funds under product/service in use (e.g. to prevent disposal of funds under framework lines, borrowings under currency account, loans and similar).

The Bank may allow the Client to use funds in the event that the Client settles its matured liabilities towards the Bank or fulfils some other condition set by the Bank.

2.2.4.3. Submission of Documentation Necessary for the Creation of Credit File

For the purpose of creating Client's credit file, the Client is obliged to submit to the Bank all documentation requested in accordance with provisions of the regulation on classification of balance sheet assets and off-balance sheet items, with up-to-date and accurate data that are relevant for assumption of credit risk and management of such risk, namely:

- All documents and evidence on 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 a form and contents acceptable to the Bank (excerpts from public records and similar);
- Evidence of market value of assets being the subject of contracted collateral: findings and opinion of certified court expert or legal entity founded for expertise activities in accordance with the law, findings of which are accepted by the Bank, or if the Bank accepts so, decision of competent tax authority on determining the value of real estate or movable assets,
- Valid decision of its competent body on giving consent to agreement, on consent of disposal of assets in the form of encumbrance on real estate and/or movable assets by way of mortgage and/or pledge, i.e. consent from the body of pledger to encumbrance of its assets by way of pledge over immovable i.e. movable assets, i.e. consent from the body of guarantor in respect of warranty, particularly taking into account provisions of the law governing companies with reference to disposal of major assets.
- Power of attorney or authorizations for assuming bill of exchange obligation and warranties if such obligations are not assumed by the representative of Client and/or guarantor according to authorizations registered in the public register;
- Act of competent state authority (such as the Privatization Agency, Share Fund and other) on debiting and encumbering assets of Client and/or pledger or guarantor for obligations stated in the agreement, if such act is requested by applicable regulations.

2.2.4.4. Notifying the Bank on Circumstances of Significance for Fulfilment of Agreement

The Client is obligated to:

- If the Client is subject to statutory obligation of submitting financial statements, to submit such statements to the Bank within 15 days from expiry of statutory timeframe for delivery to competent authorities, including periodical statements if requested by the Bank, within 15 days upon Bank's request;
- Within 8 days upon receipt of the first notice to inform the Bank in writing on each court, administrative or any other proceedings initiated or conducted against the Client over the amount of 20% of liabilities towards the Bank under agreement;
- Inform the Bank on each change which affects or may affect Client's smooth operations, i.e. duly fulfilment of Client's contractual obligations towards the Bank, within 3 days upon occurrence of such change;
- In the event of decrease in the value of collateral or in the event that any collateral and/or payment instrument ceases to be collectible for any reason whatsoever, to inform the Bank of such circumstance within 8 days following the day of becoming aware of such circumstance;
- Inform the Bank in writing of the intention to change the organisational form, i.e. legal form; as well as of the intention of relating with other legal entities and the intention of performing status change, within 3 days upon reaching the decision initiating one of the stated procedures;
- Inform the Bank in writing on acquiring shares and/or share in another legal entity, on debt with another legal entity, on assuming bill of exchange obligation, on assuming warranty obligation, on pledging assets, if the value of stated legal actions exceeds 20% of Client's liabilities towards the Bank under agreement, within 15 days upon completion of stated activities;
- If the Client performs double-entry bookkeeping, upon each request of the Bank to immediately submit the gross balance, drawn up on the day as requested by the Bank;
- Inform the Bank of any change in ownership structure exceeding 5% of Client's founding capital, i.e. of any change affecting the status of majority owner, within 3 days upon occurrence of such change;
- Submit confirmations of other banks to the Bank quarterly, on realised payment transactions via its dinar and foreign currency account if so requested by the Bank.

2.2.4.5. Early Repayment

The Client is entitled to return 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 contracted timeframe, and if no timeframe has been contracted, within five business days in advance, with payment of fee in the amount as set out by acts of the Bank and/or agreement.

2.2.4.6. Right of Bank to Early Collection

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

In such case, the Client is obligated to return to the Bank the outstanding principal debt, interests matured up to the date of early collection, as well as commissions, fees and costs (including all costs of forced collection) that occurred up to the date of early collection.

Special case of partial early collection arises:

- If in accordance with applicable regulations the Bank is obligated to reduce its exposure towards the Client, or
- If in accordance with applicable regulations and/or acts of the Bank, the established collateral does not reach the prescribed coverage level of receivables.

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

Bank's business books are evidence on the amount of Bank's receivables in terms of previous provisions of the present Article.

With framework lines, revolving loans and overdraft loans, the Bank is entitled to unilaterally terminate use of undrawn amount of framework line, i.e. loan, at any moment, unconditionally and without announcement.

If guarantees, L/Cs, binding letters of intent, warranties are issued upon Client's request, or other obligations are assumed upon Client's request under which a receivable did not mature for payment, in the event that the Client fails to act pursuant to provisions of agreement signed with the Bank or pursuant to provisions of agreement for the execution of which the Bank assumed obligation towards third parties, the Bank may request from the Client to place with the Bank the amount covering all Bank's obligations that may arise from the business arrangements in question.

2.2.4.7. Special Provisions related to Bank Guarantees and Letters of Credit (L/Cs)

The Bank shall not be liable for losses/damage 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 and neither for general or special terms and conditions indicated in a document or documents/conditions added thereto;
- Description, quantity, weight, quality, state, packaging, delivery, value or existence of goods, services or other performances described in any document or for good faith or actions or omissions, solvency, execution or reputation of sender, carrier, freight forwarder, recipient or insurer of goods or of any other entity;
- Consequences as a result of delay and/or loss in transit of any message, letter, demand for payment or document, nor for delay and other errors that occur in transmission by using any form of telecommunication;
- Consequences as a result of its discontinued operations due to force majeure, riots, civil unrest, wars, acts of terrorism, or any strikes or suspension of operations or other consequences beyond its control. Upon restarting its operations, the Bank will neither pay fee nor negotiate under a Letter of Credit, validity period of which expired during disruption 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 itself took initiative in selecting that other bank.

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

- For all commissions, fees and actual costs of other banks which according to Bank's order carry out instructions of Client (Ordering Party);
- For payment of all fees for which it is stated in the L/C / guarantee of being borne by the Beneficiary if such fees cannot be collected or deducted from receivables;
- To indemnify the Bank for all obligations and responsibilities imposed by foreign laws and customs.

The Bank is not obligated to:

- Accept presentation of document under L/C / guarantee outside its business hours;
- Transfer a L/C, except in the extent and manner in which it exclusively agrees.

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

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

In addition to regulations of the Republic of Serbia, the Bank applies special conditions and rules in its operations, namely: The Uniform Customs & Practice for Documentary Credits by 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 collections operations.

2.2.4.8. Bill of Exchange Discounting, Bill of Exchange Security, Letters of Intent

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

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

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

Upon Client's written request, the Bank issues letters of intent, with submission of necessary documentation from which it is possible to determine the grounds for issuing 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 Client's business conduct in relation to third parties.

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

2.2.5. Safety Deposit Boxes

By a Safety Deposit Agreement the Bank undertakes to place a safety deposit box to the Client to use for a certain period of time, and Client undertakes to pay a certain fee to the Bank for such service.

The Client is obliged to pay all fees and costs determined by agreement and act regulating tariffs for Bank's products and services, as well as interests and actual costs that may arise.

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

According to own requirements the Client may uninterruptedly use the safety deposit box and place, i.e. withdraw items from the safety deposit box each business day within business hours of the branch in which the safety deposit box is located, with staying no more than 15 minutes and in previous agreement with authorised person in the Bank. The Bank may approve to Client to stay more than 15 minutes in the premises in which the safety deposit box is located, with announcement of at least one business day in advance.

Each safety deposit box is opened with two keys, out of which one is in Client's possession, and the other is in Bank's possession. Keys are different and the safety deposit box can be opened only by using both keys.

Documents, jewellery, artistic items and other items may be kept in the safety deposit box, if placement of stated items in the safety deposit box is not prohibited by applicable regulations or provisions of agreement.

The Client is obligated:

- Not to place items of weapons, items subject to explosion and arson, items subject to breakdown and decomposition, items traffic of which and keeping is prohibited by law, as well as all other items and products that may jeopardise safety of the Bank or other safety deposit boxes;
- Prior to visiting the safety deposit box, to previously prove identity by corresponding document and confirm by signature the time spent in the premises where safety deposit boxes are located;
- To immediately notify the Bank if the Client loses or damages the key from the safety deposit box and pay a fee for forcible opening of the safety deposit box and replacement of the lock;
- To regularly pay fees envisaged by agreement to the Bank;
- To compensate any damage to the Bank as a result of using the safety deposit box contrary to provisions of the agreement.

The Client may authorise a maximum of four persons in written form to use the safety deposit box without Client's presence. The authorisation shall be given on a Bank's special form, in the presence of Client and person being authorized, or based on written authorization certified before a competent authority. The given authorization shall cease to be valid by recall given by Client or by cessation of Client as a legal entity. Recall of authorization shall be performed in writing. Cessation of authorization shall have no effect upon the Bank, until the Bank is informed in writing thereof.

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

The Bank shall guarantee secrecy and security of the safety deposit box to the Client.

Access to the safety deposit box may be allowed only to the Client or authorized person.

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

Should the Client fail to pay to the Bank at least one instalment fee on maturity, the Bank may terminate the agreement after expiry of one month upon having warned the Client on collection by registered mail.

The Bank may also terminate the agreement in other cases envisaged by agreement.

Upon terminating the agreement, the Bank may summon the Client to empty the safety deposit box and hand over the key, and if the Client fails to do so, the Bank may request opening of the safety deposit box by way of court, to determine its contents and place found items in a court deposit or entrust such items to the Bank for keeping.

In case of opening of the safety deposit box by way of court, the Client is obligated to compensate all costs to the Bank, as a result of opening the safety deposit box.

The Bank has priority in collecting fees and other costs envisaged by agreement, as well as costs as a result of opening the safety deposit box by way of court, from the pecuniary amount found in the safety deposit box, as well as from the price obtained by selling other valuables that were found in the safety deposit box.

In the event of cessation of Client as a legal entity, upon receipt of such notice and corresponding evidence, the Bank will allow access to the safety deposit box by virtue of corresponding act of competent authority. In the event that the Bank otherwise becomes aware of this circumstance, it reserves the right to refuse access to authorized persons to the safety deposit box even prior to submission of corresponding notification.

PART THREE

3.1. Payment Services

Payment services include:

- 1) Services enabling payment and/or disbursement of cash to a payment account, as well as all services necessary for opening, maintaining and closing that account;
- 2) Services of transferring funds from payment account, i.e. to payment account, as well as services of executing payment transactions where funds are ensured by loan approved to Client, namely by credit transfer, direct debit, including one-time direct debit and use of payment card or similar means;
- 3) Services of issuing payment instruments and/or accepting these instruments, services of executing cash remittances, services of executing payment transaction for which the payer gives consent by way of telecommunication, digital or information-technology device, all in line with regulations governing payment services.

By Payment Services Agreement the Bank undertakes to provide certain payment services, i.e. payment service to Client, and the Client undertakes to pay contracted fee to the Bank for such service.

The Payment Services Agreement is concluded as a Framework Agreement on Payment Services (hereinafter referred to as: Framework Agreement) or as Agreement on One-Time Payment Transaction.

Execution of future single payment transactions and use of payment account in Bank is regulated by Framework Agreement.

The Agreement on One-Time Payment Transaction regulates terms and conditions and manner of executing payment transactions requested from the Bank by Client who does not have a payment account in the Bank or if the Client has a payment account, such account is not used for execution of one-time payment transaction, as well as mutual rights, obligations and responsibilities of Bank and Client related to execution of one-off payment transactions.

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

1. General Terms and Conditions for Payment Accounts and Performance of Payment Services for Natural Persons;
2. General Terms and Conditions for Payment Accounts and Performance of Payment Services for Entrepreneurs;
3. General Terms and Conditions for Payment Accounts and Performance of Payment Services for Legal Entities;
4. General Terms and Conditions for Utilisation of Direct Channels for Natural Persons;
5. General Terms and Conditions for Utilisation of Direct Channels for Legal Entities and Entrepreneurs;
6. General Terms and Conditions for Issuance and Utilisation of VISA Business Credit Card with Interest-Free Period for Legal Entities;
7. General Terms and Conditions for Issuance and Utilisation of VISA Business Credit Card with Interest-Free Period for Entrepreneurs;
8. General Terms and Conditions for Issuance and Utilisation of Credit Cards for Natural Persons;
9. General Terms and Conditions for Issuance and Utilisation of Debit Card for Legal Entities;
10. General Terms and Conditions for Issuance and Utilisation of Debit Card for Entrepreneurs;
11. General Terms and Conditions for Issuance and Utilisation of Debit Cards for Natural Persons;
12. General Terms and Conditions for One-Time Payment Transactions.

In the event of discrepancy between provisions of above stated general terms and conditions for payment services and these General Terms and Conditions, the provisions of general terms and conditions for payment services shall be applied.

PART FOUR

4.1 Final Provisions

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

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

The General Terms and Conditions 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.

Should the Client disagree with amendments of and supplements to the General Terms and Conditions, within 15 days following the date of publication thereof, the Client is entitled to inform the Bank in writing on terminating business cooperation and agreements concluded with the Bank, whereby the Client is obligated to previously settle all its liabilities towards the Bank.

If guarantees, L/Cs, binding letters of intent, warranties are issued upon Client's request, or other obligations are assumed towards third parties upon Client's request under which a receivable did not mature for payment, the Client may terminate the agreement if the Client previously places with the Bank the amount covering all Bank's obligations that may arise from the business arrangements in question.

These General Terms and Conditions shall come into force as of the date of their adoption by the Bank's Board of Directors, and shall be applied from 26.04.2019.

The present General Terms and Conditions shall supersede the General Terms and Conditions adopted at the Meeting of the Bank's Board of Directors number 24390/15 as of 13.08.2015, applied as of 01.01.2015, with all subsequently adopted amendments and supplements.

OTP BANKA SRBIJA A.D. NOVI SAD

President of the Board of Directors

Date of posting on the bulletin board, website and business premises of Bank: 21.02.2019