

**GENERAL BUSINESS CONDITIONS FOR OPERATIONS WITH PRIVATE INDIVIDUALS
OF UNICREDIT BANK A.D. BANJA LUKA**

- SUPERVISORY BOARD-

Pursuant to Articles 66 Paragraph 1 Item 14 and Article 135 of the Law on Banks of Republic of Srpska (Official Gazette of Republic of Srpska, no. 4/17, 19/18 and 54/19), and on the basis of the Article 31, Paragraph 31.1, Item 31.1.14 of Articles of Association of UniCredit Bank a.d. Banja Luka, number S-9/17 dated 13.10.2017, Supervisory Board of UniCredit Bank a.d. Banja Luka, at their 5th Meeting held on 28.04.2021, adopted the following

GENERAL BUSINESS CONDITIONS FOR OPERATIONS WITH PRIVATE INDIVIDUALS of UniCredit Bank a.d. Banja Luka

I INTRODUCTION

1. Application of General Business Conditions

- 1.1. General Business Conditions for Operations with Private Individuals of UniCredit Bank a.d. Banja Luka (hereinafter: General Business Conditions), shall regulate the following:
 1. Standard terms of operation which are applied by UniCredit Bank a.d. Banjaluka (hereinafter: the Bank) in operations with private individuals – who enter in a relationship with the Bank for the purpose of using the Bank products and services and the guarantor (hereinafter: the Clients),
 2. Conditions for the establishing of a relationship between the Client and the Bank and communication process between them,
 3. Conditions for conducting transactions between the Client and the Bank.
- 1.2. General Business Conditions are applied based on written agreement between the Client and the Bank, and based on other forms of business cooperation between the Client and the Bank where in accordance with regulations and Bank by-laws contract is not concluded (e.g. offer, request or other application form signed by the Client), and represent the integral part of Business relationship between the Client and the Bank. In case of inconsistency of provisions of the concrete contract between the Client and the Bank and provisions of General Banking Conditions, the provisions of the specific contract shall be applied.
- 1.3. In addition to General Business Conditions, for particular products and services the Bank may adopt special conditions for specific product i.e. service using, which also represent the integral part of Business relationship between the Client and the Bank. In case of inconsistency of provisions of special conditions to use specific product or service and provisions of General Business Conditions, the provisions of the special conditions shall be applied.
- 1.4. General Business Conditions are not applied if special agreement between the Client and the Bank or special conditions to use specific product or service regulated the certain issue differently.
- 1.5. In addition to General Business Conditions, special conditions to use specific products and services and particular agreement governing Business relationship between the Client and the Bank, valid legal and subordinate legislation are applied to Business relationship of the Client and the Bank, as generally accepted rules of domestic and international banking practice, business customs and fair treatment of the client. In case that after adoption of General Business Conditions regulations that govern banking business conditions change, the valid regulations shall be applied.
- 1.6. Provisions of General Business Conditions shall prevail in application in relation to certain regulations governing contractual and other relationships, but provided that they are not of imperative nature.
- 1.7. Mutual trust is the basis of all business relationships between the Clients and the Bank.
- 1.8. By General Business Conditions the Bank provides fair relationship to the Clients and application of good business customs and acts with professional due care in relationship with them, in accordance with positive legal regulations applied or impacting banking business in Republika Srpska and valid Bank by-laws.
- 1.9. Bank will make General Business Conditions available by their publishing in Bank's business premises and web page of the Bank, and in that way enable the Client to get introduced with General Business Conditions.

1. Definitions and abbreviations

Client – within the meaning of these General Business Conditions is any private individual who uses or has used or who addressed the bank with the request to use its products and services

User of the Banking Services – Private Individual that enters the relationship with the Bank aimed at usage of services for the purposes not intended for their business or the other commercial activities

Banking Services – are the services provided by the Bank to the Clients – users of these services on basis of the loan agreement, term deposit agreement, agreement on account opening and keeping, agreement on issuing and

using of payment cards, agreement on authorized overdraft on the account, as well as other services provided by the Bank in accordance with regulations;

Business Relationship – is any business or other contractual relationship established or concluded by the Bank with the Client and it is related to Bank activities execution;

Bank's Acts – are documents enacted by the Bank competent bodies according to set procedures and they regulate rights, authorities and obligations of the Clients, all other persons that assume the rights and obligations to the Bank, as well as the Bank itself;

Loan Agreement - has a meaning as established by the law regulating contractual relationships;

Deposit Agreement – has a meaning as established by the law regulating contractual relationships;

Agreement on Account Opening and Keeping – has a meaning as established in the regulations which govern contractual relations and regulations governing payment operations;

Revolving Loan Agreement – is the loan agreement which enables the user to withdraw in a certain period once approved loan amount, several times under the same conditions, whereby the unused loan amount is increased by the amount of repayments of that loan;

Payment Cards – enable cash withdrawal on an ATM and EFT POS terminal and payment through EFT POS terminal, Internet points of sale and Imprinter. Card is equipped with magnetic strip or chip which contains all relevant data about the card (card number, name and surname of the holder, account number, card validity period, PIN code);

DCC (Dynamic Currency Conversion) - When using payment cards of UniCredit Bank a.d. Banja Luka at the points of sale or ATMs abroad, the payment cardholders may optionally be offered, and while performing a transaction, the possibility to choose between two types of payments: withdrawal/purchase in the currency of the country where you are located or a conversion to the counter value in BAM.

EFT POS (Electronic Fund Transfer Point of Sale) – is terminal on the point of sale by which all transactions are performed electronically.

ATM (Automated Teller Machine) – is self-service machine for cash disbursement.

Current Account Overdraft – is the Bank product that enables the Client to use greater amount of funds than the available amount on the account in the given moment. The amount of the overdraft is expressed in defined amount;

Nominal Interest Rate (NIR) – is percentile expressed amount of monetary units paid by the Client to the Bank per loan unit, i.e. paid by the Bank to the client per deposit unit. Interest rate can be fixed or changeable, i.e. variable;

Effective Interest Rate (EIR) – is actual cost of banking service which, in addition to nominal interest rate, includes other costs paid by the Client which are in direct connection with certain banking service using. Specific contents and method of EIR calculation is regulated by the by-laws of the Banking Agency of Republika Srpska;

Repayment i.e. Disbursement Schedule – is a summary table displaying chronologically all cash flows, intended for Client information, and for the purpose of up-to-date monitoring of their obligations under the loan agreement, i.e. their receivables under the deposit agreement;

Due Professional Care – is the increased attention and skill which is reasonably expected in legal transactions from the Bank in operations with the Client, in accordance with professional standards, good business practice, and principle of good faith and honesty;

Representative Example – is an example indicating all elements indispensable for the presentation of conditions under which certain Bank service is being used;

Payment Order – is the unconditional instruction given to the Bank to pay out or pay in certain amount of money from the designated account to the specified account of funds' beneficiary. It can be delivered in person, by the e-bank system or facsimile and it must contain all key elements: name of the ordering customer and their account number, name of the beneficiary of the funds and account number, amount, currency, transaction description, date, stamp and ordering customer's signature;

Account - represents any account opened based on the agreement between the Client and the Bank, either being current or gyro account, and it includes an account opened in an ad hoc relationship for the purpose of execution of single payment transaction;

Account for Time-Deposit Savings – is a passive account through which Bank receives payments and makes time deposits of the Client for a certain time period. They differ by currency, duration, number and method of payments and purpose type;

Corresponding Coverage - stands for sufficient amount of available resources for execution of payment orders from which payment orders are executed;

Available Balance - is the coverage and authorized overdraft on the account;

Complaint – is verbal or written addressing by the Clients to the Bank that includes the data on the Client, as well as the description of disputable relationship between the Client and the Bank which according to the opinion of the Client resulted as a consequence of Bank failing to adhere to the provisions of Laws and Bylaws, the provisions of the concluded agreement, good business practice and/or published General Business Conditions.

II STANDARD CONDITIONS OF BANK'S OPERATIONS

1. Banking products and services

- 1.1. The Bank makes available the entire range of its banking services to Clients, as follows: opening and keeping of accounts, domestic and international payment operations, various types of credits, brokerage services, payment cards, electronic banking services, mobile banking services, SMS service for clients that started using the service prior to entry into force of the General Business Conditions, BAM and FX term deposits, sight deposits, renting of safes, foreign exchange purchase and selling, as well as other banking and financial services in accordance with applicable legal regulations.
- 1.2. Bank made the client segmentation depending on the company of their employment, as well as the amount of personal income. If the Client is employed in the company which has a certain status assigned, the client shall benefit from certain advantages, whereby they may benefit from additional advantages for certain Bank products depending on the amount of personal income. Conditions and method of assignment of any status to the client are defined into detail by Bank's by-laws, and the client will be informed about their belonging to particular segment in the negotiation phase (through personalized information sheet).

2. Banking Secrecy and Personal Data Protection

2.1. Banking secrecy is considered to be the information, fact or knowledge that came to the members of the bodies and boards of the bank, shareholders, bank employees, performing tasks and performing duties under their jurisdiction, as well as persons of the company performing an external audit of the bank and other persons who due to the nature of the business they perform have access to such data, whose disclosure to an unauthorized person may or might be causing adverse consequences for the bank and its clients (hereinafter: secret data).

2.1.1. Banking secrecy is considered especially:

- information that is known to the bank and relates to personal data, financial condition and transactions, as well as the ownership or business links of the private individuals and legal entities, clients of that or bank and
- data on balance and turnover on individual accounts of private individuals and legal entities opened at the bank.

2.1.2. Banking secrecy shall not be considered:

- public information and data available to interested parties with a justified interest from other sources,
- aggregate data on the basis of which it is not possible to identify personal or business data on the individual persons to whom the data relate,
- data on bank shareholders, the amount of their participation in the share capital of the bank, as well as data on other persons regardless of whether they are bank customers and
- public data from the unique registry of accounts,
- as well as all other exceptions defined by the Banking Law of the Republika Srpska.

2.1.3. Banking secrecy constitutes a business secret.

2.2. Obligation of Keeping Banking Secrecy

2.2.1. Persons with confidential information available and which they obtained in conducting their activities and performing their duties within their scope are obliged to keep those data secret in accordance with the Banking Law of the Republika Srpska and subordinate legal acts brought based on the law as well as other regulations that govern keeping secret data, and they are not allowed to use them for their own personal needs or cannot disclose them to third parties.

2.2.2. Persons referred to in the previous paragraph are required to keep secret data even after the termination of employment with the bank, termination of their engagement in the bank, i.e. termination of status based on which they made access to those data.

2.2.3. Exceptions from banking secret keeping exist if data, subjects or documents are made available based on obligations regulated by applicable legislation of Bosnia and Herzegovina and Republika Srpska, and international agreements.

2.2.4. Having signed the agreement governing the Business relationship with the Bank and/or adequate statement the Client gives explicit approval to the Bank and agrees that their personal data, information, facts or circumstances made available to the Bank at the conclusion of the agreement and/or signing of adequate statement or the Bank learned or obtained them during specific agreement execution, including data, subjects and documents considered banking

secret, collected, input, organized, stored, reprocessed or changed, taken, consulted, used, spread or in any other way made available, distributed, combined, or in any other way processed or transferred:

- To Legal Entities of UniCredit banking group in the country and abroad, and for the purpose of: (i) creating common client basis of specified group, (ii) implementation of Client due diligence measures, (iii) risk management, (iv) Anti-money Laundering and Counter Terrorism Financing, and Financial Sanctions Breaching, and (v) determination whether the Client should be considered tax payer of the United States of America according to provisions of Foreign Account Tax Compliance Act (hereinafter: FATCA) i.e. determination that the Client has FATCA status;
- Internal Revenue Service of the United States of America (hereinafter: IRS) on persons that have FATCA status, and for the purpose of fulfilment of obligations and implementation of activities to which UniCredit banking group committed by signing agreement with the IRS;
- Third parties that based on business cooperation agreements perform for the Bank services and operations that derive from core activity of banking services and products providing or are required or are in connection with Business relationship of the Client and the Bank, and for the purpose of implementation of the agreements between the Client and the Bank.

2.2.5. Having signed the contract governing Business relationship with the Bank and/or appropriate statement, the Client confirms that prior to signing of contract and/or appropriate statement they were informed about the purpose of using of data, information, facts or circumstances specified in the contract and/or appropriate statement and on right to object to such processing.

2.2.6. The Bank can with Client approval, by available means of communication (letter, phone, electronic way, facsimile and fax machine, etc.) presented by the Client to the Bank at contract signing, inform the Client about products and services within its business activity, and which are directed to promotion of products and services in form of fliers, prospects, electronic messages, and all other means of business communication and business presentation.

2. Authorized persons

- 3.1 The Client may authorize other person to conclude the contract with the Bank on their behalf and for their account, in which case the Bank shall determine the identity of the authorized person and conclude the contract under the power of attorney certified by the competent authority and which cannot be older than 6 months.
- 3.2 The owner of the account opened in the name of private individual may authorize one or more other persons (proxies) to dispose with the funds in that account. Authorized persons act in the name and for the account of the account owner, as the person granting the authorization, within the limits and pursuant to the issued due authorization on the Bank's form or the authorization certified by the competent body, and the identity of such person must be established on the basis of identity documents.
- 3.3 The authorized person mentioned in the previous item is not authorized to grant new or to withdraw the existing authorities. The authorized person can have the same authorities as the account owner only in the case of the owner's death, on the basis of valid decision on inheritance and special power of attorney certified by the competent body.
- 3.4 In case of any amendment or supplement of authorization to dispose with the account, such as the change of the Authorized person's name (e.g. because of marriage), change of residence or change of any other fact of importance for the Client's business relationship with the Bank, the Client must notify the Bank of such amendment without delay in writing.
- 3.5 The Bank will request the Client to submit for inspection certified copies and/or originals of documents which provided the above mentioned data (e.g. ID card, passport etc.) and to fill in the new form with their data.
- 3.6 The amendments and supplements of data will be legally binding for the Bank only from the moment of arrival thereof in the form of written notice to the Bank's premises.

3. Negotiating Phase

- 4.1 The Bank is required to inform in the negotiating phase the Client on conditions and all important characteristics of the service it offers in the form of a standard information sheet which is handed as an offer to the user on the representative service sample, in the written form or the electronic form.
- 4.2 The Bank shall provide the client with information on and relevant explanations of the terms referring to the agreement on deposit/loan, authorized overdraft, i.e. on account opening and maintaining and on the agreement on issuing and use of a payment card in a manner that will enable the Client to compare different offers of providers of the same services and assess whether the agreement suits their needs and financial situation.
- 4.3 The Bank shall furnish the Client who intends to enter into an agreement, at their request and free of charge, with the draft agreement concerned

4. Assessment of Client's Creditworthiness

- 5.1 Before giving the offer and entering into a loan agreement, the Bank is required to assess the creditworthiness of the Client, guarantor or the other person that personally ensures the fulfilment of the Client's obligation on the basis of the appropriate documentation and data furnished by them and by consultation of Loan Registers and the other Public Registers, and the databases on their indebtedness, which has been executed with their written consent.
- 5.2 The Bank is free to decide on the selection of its Clients in accordance with applicable regulations and its internal documents, including the discretion right to reject the conclusion of the contract, or providing the service to the Client.

5. Client Identification

- 6.1 Before, during or after the execution of the transaction or establishment of the business relationship with the Client the Bank shall undertake legally prescribed activities and measures for prevention and detection of money laundering and terrorist financing, and activities and measures to determine whether the Client has FATCA status, including activities and identification measures and monitoring of Client's operations by acquiring defined data and documentation.
- 6.2 Client is required to submit necessary documentation to the Bank prior to establishment of any business relationship with the Bank.
- 6.3 Bank is entitled to, in case that submitted documents are not in accordance with the request of the Bank, as well as based on the appraisal of the competent services of the Bank and decisions of its bodies, freely choose Clients with whom it will enter into Business relationships, which includes also the discretionary right of the Bank to reject the establishment of the business relationship, as well as transaction execution, and if the Business relationship with the Client has already been established, the Bank will terminate or cancel it without Client's consent.
- 6.4 Bank ensures that the Client is informed about the type, contents and method of documents submission (original, copy, and alike), document's date of issue, method of verification and other important elements which must be contained in the documents whose submission is mandatory according to the regulations which regulate the prevention and detection of money laundering and terrorist financing and according to Agreement signed by UniCredit banking group with the IRS.
- 6.5 In addition to specified documentation, the Bank reserves the right to request additional documentation and information from the Client as a condition for the establishing of business cooperation.
- 6.6 Bank is entitled to, for the reason of undertaking legally prescribed activities and measures for the prevention and detection of money laundering and terrorism financing, delay or refuse provision of services and/or products and execution of transaction by order or for the account of the Client.
- 6.7 The Bank applies the limitations regarding the business activities related to certain countries, organizations, persons, entities or goods that are stipulated by the rules of UniCredit Group from the field of financial sanctions.

III CONDITIONS FOR THE ESTABLISHMENT OF THE RELATIONSHIP BETWEEN A CLIENT AND THE BANK

1. Business Operations between the Client and the Bank

- 1.1 Operations between the Client and the Bank are performed by conclusion of the corresponding contracts, as well as Bank's provision of the services to the Client without signing a contract, but with signing and/or exchange of corresponding documents, orders and information which make the integral part and trail of service/transaction offered by the Bank, i.e. executed by order or in favour of the Client.
- 1.2 Contract between the client and the Bank shall be composed in written form. Each contracting party shall receive their own copy.
- 1.3 Obligatory elements of the loan agreement, agreement on authorized overdraft on the account, contract on issuing and using of payment card, deposit contract, contract on opening and keeping of the account concluded with the Client are defined by the Banking Law of Republika Srpska and Law on Obligations and will be contained in the draft agreement i.e. specific agreement concluded by the Bank with the Client.
- 1.4 At conclusion of the loan agreement, agreement on authorized overdraft on the account and deposit contract, in addition to the contract the Bank shall hand over to the Client one copy of the loan repayment schedule/deposit disbursement schedule at loan agreements and deposit contracts (save sight deposits) and which contain the

basic details on loan/deposit and which are considered integral parts of the contracts. Other copy of this schedule i.e. review is kept by the Bank in its documentation.

- 1.5 In the Agreement concluded by the Client and the Bank, financial contractual obligations must be defined, i.e. definable.
- 1.6 Financial contractual obligation is definable in terms of its amount, if it depends on contracted changeable elements, or changeable and fixed, with changeable elements being those which are officially published (reference interest rate, consumer price index, inflation/deflation rates, etc.)
- 1.7 Financial contractual obligation is definable by time, if based on contracted elements it can be defined when it matures.
- 1.8 For banking operations i.e. loans, credit cards, authorized overdraft on the account and deposits, the Bank contracts, calculates, pays and collects interests in accordance with Tariff of Fees for Products and Services in Operations with Private Individuals, agreement and these General Business Conditions.
- 1.9 If the Client does not fulfil their obligation within the contracted term – the Bank shall apply default interest rate against due unsettled liabilities in accordance with the Law on Default Interest Rate Amount.
- 1.10 The Bank may collect its claims from any of the Client's accounts with the Bank, in accordance with the contract and positive legal regulations. If the claim of the Bank is indicated in the foreign currency, and collection will be performed from BAM or other currency F/X selling rate as of the date of closing of the claim will be applied. If the claim of the Bank is indicated in BAM, and collection will be performed from foreign currency, F/X buying rate as of the date of closing of the claim will be applied.

2. Rights and Obligations of Contractual Parties

2.1. Withdrawal from the Agreement with the Bank

- 2.1.1. The Client shall have the right to withdraw from the concluded loan agreement, agreement on authorized account overdraft, agreement on issuing and use of a credit card within 14 days from the date of conclusion of the agreement, without giving any reason for withdrawal.
- 2.1.2. In case of a loan agreement secured by a mortgage and in case of agreements whose subject-matter is the financing of real estate purchase, the Client may withdraw from the agreement provided they have not started to use the loan or financing.
- 2.1.3. Prior to expiry of 14 day term from the day of conclusion the loan agreement, agreement on authorized account overdraft, agreement on issuing and use of credit card, the Client shall submit to the Bank the written notice.
- 2.1.4. The Client is required to have evidence of notification delivery to the Bank.
- 2.1.5. The date of receipt of Client's notification by the Bank shall be considered the date of withdrawal from the agreement.
- 2.1.6. If the Client withdraws from the concluded agreement on loan, authorized overdraft on the account, contract on issuing and use of credit card, they are required to pay the Bank calculated request processing fee which cannot be higher than the fee in case the client did not withdraw from the loan.
- 2.1.7. The Client who withdraws from the concluded loan agreement secured by the mortgage, as well as the agreement whose subject-matter is the purchase or financing of purchase of real estate is required to reimburse the Bank of actual costs incurred in connection with the conclusion of that agreement.
- 2.1.8. If the Client withdraws from the concluded agreement, in addition to which they have been provided with ancillary service as well, client will not be bound anymore by the agreement on ancillary services.

2.2. Early Repayment

- 2.1.1. Client is entitled at any time, completely or partially, to execute their obligations under the loan agreement, in which case they are entitled to the reduction of total costs of loan by the amount of interest and costs for the remaining validity period of that contract (early repayment), however, they are obliged to inform the Bank in advance on the intention of early loan repayment, in writing within the agreed term.
- 2.2.2. Bank is entitled to charge early loan repayment fee, based on the concluded contract, and in conformity with positive legal regulations.
- 2.2.3. The Bank may not require early loan repayment fee in the following cases:
 - if the repayment is executed based on the signed contract on insurance whose purpose is security of repayment,
 - if the repayment is executed during the period for which floating interest rate had been contracted,
 - in case of early repayment of authorized overdraft on the account.

- 2.2.4. Early loan repayment fee shall not exceed the amount of the interest that the Client would have paid during the period between the day of the loan repayment and the day the loan should have been repaid according to the agreement.

2.3. Customer Complaints

- 2.3.1. If the Client, guarantor or any other person who personally ensures the fulfilment of Client's obligations deems that the Bank does not comply with the provisions from Laws and Bylaws, the obligations from the concluded contract, good business practices, Bank's General Business Conditions, they can address the Bank with a written or verbal complaint. The written complaint can be sent to the Bank directly by sending it by mail to the Bank's address, or electronically to the e-mail address of the Bank recitenam@unicreditgroup.ba, in accordance with the Bank's internal procedure of the way of dealing with the Client's complaint. If the Client complains verbally, and is not satisfied with the Bank's response, the Bank is obliged to inform them on the right to submission of the written response.
- 2.3.2. The Bank is required to organize complaints handling activities, to enact in written form the procedures and processes, to respond to the complainant not later than 30 days from the filing of the complaint with the proposal for solution of the disputable relationship if it estimates that the complaint is reasonable, to ensure minimum one employee in the Bank, who will be responsible for implementation of the process upon the complaint of the Client, and keep a regular record of the received and solved complaints, and to report to the Agency thereof.
- 2.3.3. The Bank is obliged to allow the Client to be informed about its general business conditions in the area, to which the complaint is related, in the way that, at the Client's request, it will deliver the same in writing and provide the appropriate explanations and instructions related to the application of the conditions
- 2.3.4. The Bank cannot charge the User any fees or any other expenses for submitting and handling the complaint.
- 2.3.5. In case that the Client is not satisfied with the answer of the Bank to the submitted complaint i.e. with the result of the process related to the complaint applied by the Bank, or the Bank does not submit the response within the stipulated term of 30 days, the Client is entitled to notifying about that and filing the complaint against the work of the Bank to the Banking Agency of Republic of Srpska, or the Ombudsman for Banking System within the term of 6 months from reception of the response i.e. expiry of the term of 30 days if the Bank has not submitted the response.
- 2.3.6. If the Agency, i.e. the Ombudsman for Banking System estimates that the complaint has been permissible, they will require the Bank to declare within the term of 15 days about the assertions from the notice, i.e. complaint.

IV CONDITIONS AND FORM OF COMMUNICATION

1. Written Correspondence

- 1.1. The Bank and the Client may communicate verbally within their business cooperation, but only the written documents have the importance for their formal and legal and material relationships.
- 1.2. Written communication between the Client and the Bank takes place through the address of the Bank, i.e. its corresponding organizational unit and the address presented by the Client to the Bank.
- 1.3. Information sent by the Bank to the last known address, which was submitted to it by the Beneficiary is considered orderly delivered and will be considered to be received by the Client at the moment of sending to the same, as follows:
- If it is sent by fax – at the date when the fax is sent to the Client, which is proved by confirmation of receipt from fax machine,
 - If it is sent by e-mail – at the date when electronic message is sent, which is proved by printed computer confirmation,
 - If it is sent by mail – upon expiry of usual time necessary for arrival of postal item, including sending of postal items to the address of third party authorized to receive correspondence in the Client's name, in accordance with the Client's explicit written statement given to the Bank in that sense,
 - if it is sent via SMS message – on the day when electronic message is sent, which is proved with printed electronic confirmation.
 - If it is sent through the multichannel (mobile/electronic) banking – as at the date when the electronic message was sent, which is proven with the printed computer confirmation.

- 1.4. The Bank shall not bear legal or material liability for damages which can arise for the Client or third parties due to the fact that the Client has not received some Bank's notification or memorandum which was forwarded to the last known address reported to the Bank by the Client.

2. Confirmation of Written Correspondence

- 2.1. Any written correspondence between the Client and the Bank made in person and provided by these General Business Conditions, will be considered to be received by the Bank only after the Client's copy of document is certified with the Bank's seal on the arrival or after written confirmation of receipt is issued by the branch office in which the account is kept

3. Documents received/ sent by the Bank

- 3.1. In the case of delivery of documents to the Bank or sending documents by the Bank in accordance with the Client's order, the Bank will inspect the documents with reasonable care in order to make sure whether they are in accordance with the instructions.
- 3.2. The Bank does not take nor can bear responsibility with regards to validity or completeness of received documents, nor will be liable for harmful consequences which may arise in connection with correct interpretation or translation.
- 3.3. The documents of foreign origin presented to the Bank as proof of identity or authorization will be carefully examined with regards to their fitness in accordance with laws, regulations and internal enactments of the Bank.
- 3.4. In other cases, which are outside the framework established by the provisions of this article, the Bank will not bear responsibility for damage and losses which the Client or third party suffered because of that reason.

V RESPONSIBILITY OF THE CLIENT AND THE BANK

1. The Bank's Responsibility for Damage

- 1.1. In the business relationship between the Bank and the Client, the Bank is not liable for the damage:
 - that occurs due to force majeure, armed conflicts, extraordinary situation, earthquake and other natural disasters, strike and due to other circumstances on which the Bank had no impact,
 - caused as the consequence of actions taken by competent state bodies or as the consequence of obstruction of its operations, which the Bank could not prevent or avoid,
 - Resulting from the Client's business moves made on the basis of a verbal communication with the Bank or written communication which does not state the Bank's unambiguous commitment.

The things specified in this item will be valid also in case that the Bank due to legitimate reasons ceases or limits its operations on particular days or during the particular period of time.
- 1.2. Bank shall take measures which are required in order to minimize or limit any influence that would cause damage for the Client.

2. Client's Responsibility

- 2.1. The Client is responsible for all losses which may be caused by the fact that the Bank has not been informed about some deficiency in connection with legal, i.e. business capacity and legal authority of the Client, i.e. other authorized persons, and changes regarding the identification of their FATCA status.
- 2.2. The Client is liable in terms of compensation of all costs and losses which may be caused as the consequence of falsifying, incompleteness, legal deficiencies or incorrect interpretation and/or translation of documents that they delivered to the Bank in transactions carried out with the Bank.
- 2.3. Instructions of any kind delivered to the Bank by the Client must be clear and explicit.

VI TERMINATION OF CONTRACTUAL RELATIONSHIP

1. Methods for Terminating of Contractual Relationship

- 1.1. The contractual relationship between the Client and the Bank may be terminated for the following reasons:
 - fulfilment of the agreed obligations,
 - expiry of the period for which the contract is concluded,
 - due to the death of the Client,
 - by unilateral or by mutual termination or cancellation.

2. Procedure for Termination or Cancellation of Contractual Relationship

- 2.1. Unless otherwise agreed i.e. provided by the relevant laws and other regulations both the Client and the Bank can at their own discretion at any time terminate or cancel the mutual Business relationship, but each party is required to return to the other party what they owe to such other party.
- 2.2. As of Agreement termination or cancellation date the entire loan amount becomes due automatically together with accrued interest and other subsidiary claims.
- 2.3. The Bank reserves the right that in case of any breach of non-pecuniary contractual obligations by the Client, it can terminate or cancel the contract or apply rules on contractual penalties in accordance with the Law of Obligations, which shall be fully defined in the Agreement.
- 2.4. In case when it is agreed between the Bank and the Client, the Bank can at any moment, terminate or cancel the business relations, especially in the following cases:
 - if the Client failed to fulfil or disorderly fulfils any of the obligations to the Bank or other creditor; or
 - If the given security instrument for regular repayment of the debt due for card is legally invalid or incorrect or untrue; or
 - If the Client upon the request of the Bank fails to provide additional security instrument for fulfilment of their obligations based on the Agreement; or
 - If circumstances or situations occur, which according to the Bank's estimation could endanger the capability of the Client, to fulfil or to be fulfilling any of the obligations on basis of the Agreement, or
 - If the Client failed to report the change of the employer, or
 - If the client who has FATCA status recalls the approval for processing and transfer of data as defined in the part "Banking Secrecy and Personal Data Protection" in these General Business Conditions.
- 2.5. The Bank will deliver written notice of agreement termination or cancellation to the Client at the address from the agreement or address subsequently submitted by the Client in writing.
- 2.6. The Agreement will be deemed terminated or cancelled on the day of receipt of written notice of termination by the Client or the Agreement will be deemed terminated or cancelled if the Client did not receive notice because they have changed the address / residence, and they failed to inform the Bank about the change timely, or if the Client avoid receiving, i.e. if the Bank failed to provide notice of termination by registered mail to the address defined in the agreement, in which case the day of termination shall be considered a day when the service delivery has confirmed that they have attempted service of notice of termination.

VII BANKING SERVICES

1. Client Account Maintenance

- 1.1. The Bank opens to the Client a BAM account, foreign currency account, account for the trade with securities, and purpose account for takeover of shareholding companies.
- 1.2. The Bank enters an agreement with the Client in written form which regulates the rights and obligations of the Client and the Bank.
- 1.3. At the time of submission of the request for account opening, the Bank shall require from the Client to submit the documentation stipulated by the valid regulations and enactments of the Bank. The Client is required to deliver all necessary documentation. The Client shall be liable for authenticity and accuracy of any/all information delivered to the Bank.
- 1.4. The Client may authorize another person to conclude a contract with the Bank on their behalf and for their account, in which case the Bank shall determine the identity of authorized persons and sign the contracts under the power of attorney certified by the competent authority and which cannot be older than 6 months.
- 1.5. The Authorized person may not be authorized to further transfer the power of attorney or to shut down, i.e. close the account without a special power of attorney issued by the Client.
- 1.6. Account opening of a juvenile person is performed based on the personal request of the guardian. In case a bank account is opened in the name of an adult person under custody, the custody must be proven by means of an official decision of the competent court or the authority in charge of custody. The custody decision must include the clause declaring it final and legally binding.
- 1.7. The given power of attorney shall cease:
 - in case of death of the Client or the authorized person,
 - by appointing of the guardian to the account owner, who issued the power of (even if they are in the community with another person),
 - at deadline expiration during which power of attorney has been valid,
 - revocation of power of attorney/ cancellation of power of attorney.
- 1.8. In case of revocation of the power of attorney given by the account owner, the revocation will be valid exclusively from the date of its presentation to the Bank i.e. when the account owner amends and supplements or revokes the given power of attorney in the Bank's premises.

- 1.9. Following the information about the Client's death, the Bank shall block all accounts until the delivery of the act of the court about the conducted probate proceedings.
- 1.10. The Bank is authorized to dispose with the funds in the account without the explicit Client's consent or order in the following cases:
 - in the process of enforced collection, for payments pursuant to valid and enforceable decisions of the court or other competent body,
 - as well as in other cases provided by law and secondary legislation.
- 1.11. The Bank is entitled without the Client's consent to block the usage possibility of services and/or products, partially or entirely, on account of prevention of money laundering and terrorist financing, in compliance with applicable regulations or by order of the competent body.
- 1.12. The Client must immediately upon receipt examine the statement of their account, and check its accuracy and completeness. Should there be any deviations, they are required to immediately inform the Bank, and within three working days at the latest.
- 1.13. Price of banking services: all services provided by the Bank to the Client and those used by the Client, the Bank will charge in conformity with the agreement and valid Tariffs of Fees for Products and Services in Operations of the Bank with Private Individuals.
- 1.14. In case that the Client does not use their account opened with the Bank in the duration of 12 (twelve) months, i.e. there were no changes on Client's account, the Bank is entitled to consider such account inactive and close it. The Bank will issue in the media the notification about the closing of inactive accounts, and if within 15 (fifteen) days the Client does not declare and deliver further instruction, the Bank is entitled to close such account.

2. Orders

- 2.7. All payment orders, as well as any/all orders must be legibly written in one of the languages in the official use in the RS/BiH and contain all required details indispensable for the realization of that order. Those details are as follows: name of the ordering party and the beneficiary of the funds, their exact addresses and account numbers, bank code, payment amount, currency in which the payment is carried out, purpose of payment, urgency of the order and who assumes the costs resulting at the realization of the given payment order. The order must unambiguously indicate its content.
- 2.2. The Client must submit payment order to the Bank in the written form or electronically.
- 2.3. Receipt of the orders of the domestic payment operations has been designated in the following way:
 - payment orders within the Bank (internal orders), which were handed over during the working hours predicted for the work of the Bank's organizational unit, and by 19:00 at latest (i.e. until the end of the working hours of the branch office) shall be executed on the same banking day,
 - payment orders via Giro-clearing received by 13:30 hours shall be executed on the same banking day, and the execution of other orders shall be performed on the following banking day in the first session to Central Bank of BH,
 - payment orders via RTGS-a received by 15:30 shall be executed on the same banking day.
- 2.4. Saturday and Sunday are non-working days for the Central Bank of BiH and payment orders via GC and RTGS system cannot be realized on these days. Organizational units of the Bank in which the receipt of the internal payment operations' orders is organized on Saturdays have the possibility execute the following transactions of the internal payment operations for private individuals:
 - receipt and execution of internal payment orders
 - payments in favour of legal entities which have accounts opened with the bank
 - receipt of payment orders in favour of transactional accounts in other branches and other banks, however for the execution on the first next banking day.
- 2.5. Cashless payment orders can be submitted to any organizational unit, regardless of the place where the client's transactional account is kept. The Bank is required to carry out all orders received within the specified time during the banking day if there is coverage on the Client's account for their executing, and according to the order of payment priorities defined in the Law on Financial Operations. Orders received after the specified time will be carried out on the next banking day, and up to the amount of coverage on the Client's account and according to the order of legal priorities.
- 2.6. Cash orders of payment from the transactional account of the Client are received for execution only up to the amount of coverage on the Client's account provided that there are no outstanding cashless orders pending execution. Otherwise the receipt of these orders will be declined.

- 2.7. If the Bank refuses to carry out the payment order, it has to inform the client about the rejection immediately. The Bank shall not bear responsibility for damages if it acted with greater degree of attention during the realization of the order.
- 2.8. The Client is required to fill in the forms of the Bank entirely when necessary, in order to immediately provide acting upon the order contained in the form. The Bank is entitled not to carry out the orders if such orders had been given on the templates which were not made or approved by the Bank. In case of incorrect or incomplete information delivered by the Client to the Bank, the Bank shall bear no responsibility for any loss or damage resulting from such performance or non-performance.
- 2.9. Should the Client request urgent execution of order, they must inform the Bank especially thereof, delivering the order at the same time.
- 2.10. The Bank will refuse to carry out the order of the Client that is contrary to the valid provision.

3. NOSTRO and LORO Payment Orders

- 3.1. Banks execute remittances (payment orders) based on instructions of their clients. Remittances are used to pay for goods, services, to perform various transfers, etc.
- 3.2. The clients deliver the orders for payment in abroad in the written, i.e. electronic form via e-banking on the application for foreign payments, which should contain the following data: name of the ordering party and the beneficiary of the funds, their exact addresses and account numbers, swift of the beneficiary's bank, swift of the correspondent bank if necessary, amount of payment, currency in which the payment is made, purpose of the payment, urgency of the order and who shall assume the costs incurred at realization of the given payment order. The corresponding documents from which the purpose and foundation of payment can be determined (copy of the invoice, pro-forma, agreement and documents defined by the applicable legal regulations) need to be submitted in addition to this order. Should the order be sent via e-banking necessary documentation needs to be sent by facsimile or scanned on the e-mail. In addition to previously mentioned the Client needs to provide funds on their account for payment
- 3.3. Orders are received in the branch offices and at the counters of the Bank.
- 3.4. Final deadline for the receipt of payment is predicted depending on the payment currency as follows:
Orders received by the International Payment Operations and Documentary Business in the Head Office of the Bank shall be processed on the same day as follows:
 - if it is standard processing in question with the value date T+2 orders are received by 15:00 hrs
 - if it is processing with the value date T+1 orders are received by 13:00 hrs
 - if it is processing with the value date T+0 orders are received by 13:00 hrs

In exceptional cases, according to the Bank's estimate, orders delivered after the specified time period, can be carried out on the same day upon the client's request.

4. Purchase and Sale of Foreign Currencies

- 4.1. The Bank carries out the orders for purchase and sale of foreign currencies in accordance with the Law on the Foreign Exchange Transactions of the RS.
- 4.2. Cash conversion of foreign currencies is carried out with application of the appropriate foreign exchange rates for purchase/sale of cash contained in the applicable exchange rate of currencies of the Bank.
- 4.3. Conversions on Client's account are carried out with application of the appropriate foreign exchange rates for purchase/sale of foreign currency contained in the applicable exchange rate of currencies of the Bank.
- 4.4. The applicable exchange rates of currencies will be clearly posted in the Bank's premises.

5. Deposits

- 5.1. Deposits can be made fixed term deposits in the national currency and foreign currencies and in the national currency with the foreign currency clause.
- 5.2. Deposit interest rate can be contracted as fixed or as floating, in conformity with and in a way specified by law.
- 5.3. The amount of the nominal interest rate depends on the type of deposit, the currency in which the deposit has been made fixed, the amount and the deposit time period. The Bank can apply interest rate ranges for the same type of the deposit, currency and the deposit time period, depending on the deposited amount. Conditions of making the term deposits by type of savings are defined by the Product Catalogue and applicable interest rates on deposits.
- 5.4. Deposit interest rates are expressed on the annual level. Calculation of interest on term-deposits is carried out monthly, on the last day in the month applying the proportional method on basis of real number of days in the month in relation to the year consisting of 360 days; for favorite savings, the calculation is performed according to the conformance method.

- 5.5. Calculation of interest on arranged deposits which serve as security under loan, overdraft, guarantee or card, is carried out by using proportional method on basis of real number of days in the month in relation to the year consisting of 360 days.
- 5.6. The Bank can agree with the Client about the application of different method of interest accrual in the way determined by law, which is defined by the agreement with the Client.
- 5.7. The Bank calculates and indicates effective interest rate in accordance with valid provisions.
- 5.8. The Bank insures the deposit with the Deposit Insurance Agency in accordance with the Law on Deposit Insurance.
- 5.9. The Client may dispose with term deposit funds upon the expiry of the term deposit period. The amount of the interest rate that is recognized to the Client in case of termination of the term deposit is defined by the Product Catalogue and applicable interest rates on deposits, and the agreement concluded by the Bank with the Client.
- 5.10. Should the Client wish to dispose with their term deposit funds, prior to the expiry of the period fixed by the Agreement, the Client is required to inform the Bank in writing about the intention and the amount of the deposit withdrawal within the time-limit defined by the agreement.

6. Credit Arrangements

- 6.1. The Bank makes placement of credit arrangements under the conditions set out in the Bank Product Catalogue.
- 6.2. The Bank grants placements in domestic currency and in domestic currency with foreign exchange clause.
- 6.3. The Bank shall place to the Client funds in the form of loan, authorized overdraft on the account and loan on basis of credit cards.
- 6.4. Prior to concluding the loan agreement, the meaning and consequences arising from that legal transaction, as well as the rights and obligations of the contracting parties are presented to the parties of the concerned agreement (client, guarantor or another person who personally secures the fulfilment of obligations of the borrower) in the negotiating phase.
- 6.5. Prior to concluding the loan agreement, the Client is required to deliver the copy of the agreement on the provision of guarantee to the Bank, concluded in written form by and between the Client and the guarantor, for whose contents the Bank shall bear no responsibility. The Client shall deliver this agreement to the Bank if a guarantor as personal instrument securing the agreement has been envisaged for a particular product.
- 6.6. Depending on the type and amount of placement and risk assessment for particular placement, the Bank shall determine security instruments individually for every placement. In case that for the settlement of a particular receivable several security instruments have been provided by the Client or third parties, the Bank is authorized to make the selection on the occasion of collection in terms of order and method of liabilities settlement from the security instruments, save in the case when the order has been specified by some of the applicable laws.
- 6.7. Interest rates on credit arrangements are determined on annual level.
- 6.8. Interest rates on credit arrangements may be fixed and variable. Variable interest rate is defined by the loan agreement in the way defined by the law, and it consists of the reference interest rate and margin of the Bank and it may be linked to Euribor or some other reference interest rate.
- 6.9. If variable interest rate has been agreed, the Bank will make public and available to its clients details on movement of values of agreed changeable elements referred to in the previous paragraph in its branch offices and on the Bank's web page.
- 6.10. The Bank calculates and indicates effective interest rate for all types of loans, in accordance with valid provisions.
- 6.11. Interest on credit arrangements and other receivables of the Bank is calculated by proportional method on basis of real number of days in the month in relation to the year consisted of 360 days.
- 6.12. Interest on loans is calculated per month.
- 6.13. The default interest is calculated applying the proportional method of calculation, on the daily level and in case that the Client – Borrower fails to pay matured claims due to the Bank. The amount of the default interest is determined as a rule by positive – legal regulations.

7. Cards

7.1. General Provisions

- 7.1.1. Payment card is owned by the Bank, it is made out to the name of the Client - Cardholder and is not transferable to other person.
- 7.1.2. Payment card can be used as payment instrument in the country and abroad.
- 7.1.3. Payment card (hereinafter: "the card") can be debit, revolving credit and deferred payment card.
- 7.1.4. Debit card is a card linked to the current/FX account of the cardholder and it implies that in the moment of payment or withdrawal of cash there should be enough funds on the account.

- 7.1.5. Deferred payment card is linked to cardholder's current account, while revolving credit card of the cardholder is linked to the repayment account of revolving credit card.
- 7.1.6. The Holder of these cards is required to provide appropriate coverage on the account at the date of maturity of liabilities. The Holder of revolving card and deferred payment card is allowed to make spending up to the limit set by the Bank based on the assessment of the Cardholder's creditworthiness.

7.2. Meaning of Basic Terms

- 7.2.1. Cardholder – (hereinafter: "Holder") is a private individual who accepted these General Conditions and to whom the Bank issues the card, and who uses the card for payment of goods and services and cash disbursement in the country and abroad, and whose name is printed out on the card.
- 7.2.2. Request - application – is the form filled in by the potential user for the purpose of the card issuing.
- 7.2.3. Deferred payment card and revolving credit card – MasterCard and Visa card - issued by the Bank on one card account to original, and at their request to additional cardholder. Debit card – MasterCard and Visa – card issued by the Bank on one current/FX account at the request of the account holder, to him as the original user and proxy (-ies) on account as additional user(s). The user of this card can use it in the country and abroad for payment of goods and services or withdrawal of cash, up to the amount of funds on the card account for debit cards, i.e. the amount of the approved limit for credit card and cards with deferred payment. Each payment by debit card shall imply automatic decrease of available amount of funds on the card account, i.e. decrease of available amount for spending from the approved limit for credit cards and deferred payment cards.
- 7.2.4. Card account (the account to which the card is linked) – is the current account/FX account/repayment account opened by the Bank to the Holder, on which all financial transactions that arise when using the original or additional cards are kept.
- 7.2.5. Additional card – is one or several additional cards that are issued along with the original card on one card account, and are issued to be used by additional holder.
- 7.2.6. PIN (Personal Identification Number) – personal secret identification number of the cardholder. It serves for the identification of the cardholder at the ATM and/or EFT POS and it is known exclusively by the cardholder.
- 7.2.7. Statement – monthly statement sent to the cardholder about the transactions and balance of the card account, delivered by the Bank at the home address, by e-mail or taken personally by the holder at the Bank.
- 7.2.8. ATM (Automated Teller Machine) – self-service device for disbursement of cash.
- 7.2.9. Point of sale – legal entity or private individual who carries out the registered activity and accepts MasterCard, Visa and/or Visa Electron cards as cashless means of payment for goods and services.
- 7.2.10. EFT POS (Electronic Fund Transfer Point of Sale) – terminal at the point of sale through which transactions are carried out electronically.
- 7.2.11. Amount of the funds on the card account – represents the maximum amount which the holder of the debit card can dispose of when using the card.
- 7.2.12. Approved limit of spending – represents the framework of spending for payment of goods and services and withdrawal of cash permitted to original and additional users of the revolving credit card and deferred payment card in between two periods of expenses settlement. Approved limit is used equally by all holders of the cards issued on that account.
- 7.2.13. Guarantors - are private individuals who by signing the agreement commit themselves as joint and severe liability guarantors that in case that the original and/or additional holder of the credit card fails to repay the loan – debt with fees, interests and commissions approved under transactions of the credit card, and according to the card use terms, will fulfil the obligation of the main debtor.
- 7.2.14. Transaction – means any payment of goods/services or withdrawal of cash made when using the card.
- 7.2.15. Re-issuing (renewal) – means issuing of a new card upon the expiry of the validity term of the issued card.
- 7.2.16. Replacement – means issuing of a new card instead of the damaged, lost, misplaced or stolen cards, and in other cases, at the written request of the cardholder.
- 7.2.17. Contactless card – is the payment card which in addition to magnetic field, standard chip has also a special antenna that enables contactless payments on terminals which support contactless payment method. Cash loan on deferred payment card – is the loan approved to the holder of deferred payment card.
- 7.2.18. Payment in instalments – is interest free repayment in instalments which is implemented by the credit card holders on EFT POS terminal of the merchant.

7.3. Card Issuing

- 7.3.1. Request – application form for the issuing of the card can be submitted by any adult person resident and on resident with permanent or temporary residence in BiH. Debit card is issued to current/FX account holder. Deferred payment card and revolving credit card can be issued to any adult with permanent residence in

Bosnia and Herzegovina with the condition that they provide evidence that they can certainly and in time settle all expenses and liabilities made by using the card. The applicant for the deferred payment card must have current account opened at the Bank.

- 7.3.2. The decision on card issuing shall be passed by the Bank without the obligation to explain its decision to the person submitting the request – application form.
- 7.3.3. The person submitting the request – application form allows the Bank to check all mentioned data, as well as to gather additional information about the person submitting the request – application form.
- 7.3.4. The cardholder may request the issuing of several additional cards along with his card, in accordance with the Business Policy of the Bank.
- 7.3.5. These General Conditions refer to the original and additional cards, and the holder of the original card is exclusively responsible for the using of his and additional cards.
- 7.3.6. PIN (personal identification number) is delivered to the holder of the new card to the home address specified by the client when applying for card in the way that enables that only the Cardholder has access to PIN until delivery of the payment card. The payment card is handed over to the client at the branch office of the Bank, or through the delivery of the card to the client's address, which the client states when submitting the card request. The delivery of the re-issued card is handed over at the home address only in cases when the client, based on the clear, understandable and precise offer by the Bank, confirms the same through the multi-channels (electronic/mobile banking), and by the e-mail or SMS that is registered in the Bank's system as the corresponding contact information of the client. The Bank shall bear the risk related to the delivery of the payment card and PIN to the Card User. It is in the interest of the cardholder to keep the assigned PIN secret, in order to protect the card against the misuse. It is especially important not to write PIN on the card or any other document which is kept with the card. Otherwise, the Cardholder bears possible financial consequences in case of misuse of the card.
- 7.3.7. In case that the Bank cancels one of the card brands there could be a possibility to have new card of the same type issued on the same account (debit/credit) but of new/different brand. The card created in the new brand as the successor of previously created card of the old brand takes over the PIN of the old brand card provided that the client has had only one brand of the old card previously.
- 7.3.8. The cardholder is required to take over the card personally, and to sign the card upon receiving. In case that the Holder failed to take over the card within at least 3 months, the Bank has the right to block and annul the card.
- 7.3.9. The Holder can empower/authorize other person to perform the activities on cards instead of the Holder (card taking over, submission of request for card making, submission of request for renewed PIN, and alike), whereby the Bank bears no responsibility for possible loss incurred by the Holder due to aforementioned.
- 7.3.10. The card is issued with the validity term of four years (for debit cards) i.e. three years (for credit cards and deferred payment cards) and it expires on the last day of the month indicated on the card.
- 7.3.11. The card, whose use has not been cancelled in accordance with these General Conditions, shall be automatically renewed by issuing of the new card with new validity term. The renewed card is issued to the Cardholder 15 days prior to the expiry of the previous card at the earliest. The card is valid until the last day of the month specified on the Card, and renewed Card shall be valid from the day following its activation. Should the user revoke the card after it had already been issued, the Bank is entitled to collect application fee in accordance with the Decision on Tariffs of Fees for Products and Services in Operations with Private Individuals, as well as the fee for the issuing of the credit card and deferred payment card.

7.4. Using of the Card

- 7.4.1. Payment card can be used on electronic devices (ATMs and EFT POS terminals), Internet points of sale or imprinter devices.
- 7.4.2. The Cardholder whose name is printed on the card is the only one who can use the card.
- 7.4.3. The Cardholder can use the card only within the available balance (for debit cards) i.e. approved limit (for revolving credit cards and deferred payment cards).
- 7.4.4. The Cardholder must not leave the card as pledge or payment security instrument.
- 7.4.5. The Cardholder is bound to adjust the using of the card with the amount of funds on the card account for debit cards, i.e. amount of the approved limit for revolving credit card and deferred payment card. The Cardholder determines the available amount of funds for card using by timely payment of funds to the specified account.
- 7.4.6. Using of card, which has been made correctly and in conformity with standards, may be prevented in electronic readers due to physical, thermal or magnetic deforming of the card. The Bank shall not bear any responsibility for such cases.

7.5. Using of the Card for Goods and Services Payment

- 7.5.1. Payment cards can be used as cashless means of payment in the country and abroad on all points of sale marked with the sign "VISA", "MasterCard" and "Visa Electron". The card must not be used for forbidden purposes which include purchase of goods and services whose turnover has been prohibited and limited by the applicable law, regulations of public order and good business practices.
- 7.5.2. The Cardholder is required, when paying goods/services, at the possible request at the point of sale, to show the identification document.
- 7.5.3. The Cardholder uses the card on the EFT POS with identification by PIN, while when using credit card and deferred payment card they identify themselves by signature, except when regulations in the country of transaction origin order confirmation by PIN as well. For contactless transactions limit for payments not requiring PIN confirmation is defined by the card company. The confirmation of the Cardholder's personal identity is proven by personal identification document.
- 7.5.4. The Cardholder is required to sign the slip/bill in the same manner in which they have signed the card, and to keep one copy of the slip/bill for their record.
- 7.5.5. It is the obligation of the point of sale to issue one copy of the slip/bill to the cardholder. The Cardholder is required to keep the copy of the slip for their needs after terminating the transaction during which the card had been physically used.
- 7.5.6. The Bank will not be held accountable for the quality of goods and services purchased i.e. paid by the card. Complaints regarding the goods and services shall be solved by the Cardholder with the point of sale. Regardless of the complaint the Cardholder is required to settle total cost made by the card.

7.6. Using of the Card for Cash Disbursement

- 7.6.1. Card can be used to draw cash at the ATMs and counters of the banks in the country and abroad which accept VISA, Visa Electron and MasterCard card up to the daily limit for cash disbursement, and within the approved limit of spending. The Bank shall inform the Holder at card issuance about the amount of spending limit.
- 7.6.2. Through cash-in ATM, debit card can be used to pay in cash to the current account up to the amount of approved daily limit.
- 7.6.3. When withdrawing the cash at the ATM, the cardholder is identified by entering their PIN. Number of unsuccessful attempts to enter the PIN is limited to three. In case of third incorrect attempt to input the PIN, in case of debit card the ATM will return the card and the Cardholder is required to address the Bank for the reset of number of incorrectly introduced PIN, and in case of credit card the ATM shall keep the card.
- 7.6.4. The cash is drawn by the card exclusively in the national currency of the country in which the transaction is realized.
- 7.6.5. Withdrawal of cash on the ATMs and counters of authorized banks in the country and abroad entails fees for which the cardholder is debited along with the amount of transaction, except for the withdrawal of cash by Visa Electron and MasterCard debit card on the ATMs of UniCredit Group.

7.7. Debiting/Crediting of Card account and Transactions' Checking

- 7.7.1. The Bank will keep the card account ("account") for the original cardholder and it will debit the same for all transactions carried out with the card of the original or any additional user, as well as credit it for all payments that will be carried out to the account. All transactions originating abroad will be converted to the currency of the account to which the card has been linked, namely: if the card is linked to the BAM account by the applicable exchange rate of the Bank, i.e. official mean rate of the BH Central Bank for conversions of EUR to BAM and BAM to EUR. If the card is linked to a foreign currency account for all expenses incurred in the country or abroad, the foreign currency account is charged exclusively in the currency of the account with which the card is linked, regardless of the currency of payment. For the costs incurred by the card in Bosnia and Herzegovina, the conversion of the amount of the transaction from the BAM currency into the currency of the account is performed using the buying exchange rate of the Bank for foreign exchange, which is valid on the day the transaction was created. For costs incurred by a card abroad (in the case where the transaction currency is the same as the account currency), no conversion is performed. For costs incurred by a card abroad (in the case where the currency of the transaction is different from the currency of the account), and the transaction currency is on the Bank's exchange rate list, the transaction amount is converted from the transaction currency in BAM at the selling exchange rate of the Bank for foreign exchange on the transaction date, and then from BAM in the currency of the account at the buying exchange rate of the Bank for foreign exchange on the transaction date. For costs incurred by a card abroad (in the case where the currency of the transaction is different from the currency of the account), and the transaction currency is not on the Bank's

exchange rate list, the transaction amount is converted from the transaction currency to EUR at MasterCard exchange rate on the transaction date or the following day (<https://www.mastercard.com/global/currency-conversion/index.html>), then from EUR to BAM by the official mean rate of the BIH Central Bank for foreign exchange on the transaction date, and from BAM to the currency of the account at the buying rate of the Bank for foreign exchange on the transaction date.

- 7.7.2. The Cardholder can carry out payments to their own account without limitations in the amount and deadlines for payments for debit cards i.e. up to the amount of the limit and over the amount of the minimum required limit within the deadlines for payments for credit cards. Payments to the card account can be made by third persons as well.
- 7.7.3. Payments will be considered available from the moment of their posting on the account of the original cardholder, for debit cards, and on the following day after the carried out payment for credit cards. The same will be used for coverage of all liabilities of the cardholder originating on that card account.
- 7.7.4. The Bank calculates interest against the funds on the card account according to the interest rates and within the deadlines specified by the enactments of the business policy of the Bank. The Bank reserves the right to change the amount of interest rates, whereof cardholders shall be notified in time.
- 7.7.5. Card account of the Cardholder is debited by the appropriate amounts of concluded transactions and additional costs and fees established by the acts of the business policy of the Bank. The Bank reserves the right to change the amount of the additional costs and fees whereof cardholders shall be notified in time.
- 7.7.6. When using payment cards of UniCredit Bank a.d. Banja Luka at the points of sale or ATMs abroad, the payment cardholders may optionally be offered, and while performing a transaction, the possibility to choose between two types of payments: withdrawal/purchase in the currency of the country where you are located or a conversion to the counter value in BAM. This service is called DCC (Dynamic Currency Conversion). For clients who use cards linked to accounts in BAM and who want to know how much they will be charged in the counter value in BAM immediately, choosing the DCC is an advantage. When you enter your PIN or sign a receipt, you consent to a conversion to the counter value in BAM, and the amount of margin and/or fee applied for the currency conversion into BAM counter value, as charged by a foreign bank for the DCC service, will be displayed on the screen.
Some foreign banks charge higher fees and margins for the currency conversion service, so it is usually more favourable for users of cards issued by UniCredit Bank a.d. Banja Luka not to select the DCC service when they are abroad, but to effect a transaction in the original currency. Then the foreign currency conversion into BAM counter value will not be performed by a foreign bank according to its exchange rate, but by UniCredit Bank a.d. Banja Luka according to the rules described in the General Business Conditions for Operations with Private Individuals.
- 7.7.7. The Cardholder may use the card within the available limit for debit card, i.e. approved limit for revolving credit card and deferred payment card, under the condition that they have provided funds in the envisaged amount and term on their account.
- 7.7.8. The debiting of the card account of the Cardholder is carried out as at the date of debiting of the appropriate accounts of the Bank.
- 7.7.9. At the beginning of the month the Bank will prepare and deliver statement (report on newly originated costs) of the card account for original and additional cardholders by mail or in another agreed way. The costs imply all transactions and fees originating from the use of original and/or additional cards in the country and abroad for the past period. In case of revolving credit cards, the Bank will notify the cardholder about the amount by which it will debit his/her account on the 15th day of the month. For deferred payment cards, the Bank informs the Holder about the amount by which it will debit his/her account on the 20th day of the month.
- 7.7.10. The Cardholder authorizes the Bank to debit his/her account for the costs made in the country and abroad.
- 7.7.11. Liabilities originating from the use of the card in the country and abroad are paid by the cardholder in the currency of account to which the card has been linked.
- 7.7.12. The Cardholder authorizes the Bank in case of outstanding liability on payment cards, to collect the costs from all their available accounts opened in the Bank and other payment security instruments, without prior announcement.
- 7.7.13. The Cardholder is required to check the changes and to control the balance on their account according to the saved slips from the acceptor and statements received from the Bank.

7.8. Complaints based on the card operations

- 7.8.1. The Cardholder is required to keep the copies of slips/bills for the needs of possible complaint.
- 7.8.2. The Cardholder shall, for all complaints regarding the card use, contact his registry branch, with delivery of documentation on costs made. The deadline for the submission of the complaint is 60 days from the date of

transaction, to which the complaint is related. Regardless of the complaint the Cardholder is required to settle the total cost made by the Card.

- 7.8.3. The complaints of the holders resulting by using the card contrary to these regulations shall be considered unsubstantiated.
- 7.8.4. , After completion of the procedure, in the case of the justified complaint, the client's account will be credited by the amount of the disputed transaction.

7.9. Safe Keeping of Cards and Card Details

- 7.9.1. The Cardholder is required to keep the card equally as other means of payment and separately from the PIN, and to regularly check its presence.
- 7.9.2. The Cardholder is required to protect the data on the card (number, CVV2, etc.), and to keep the PIN secret and to demand that all actions with the card on the point of sale are carried out in his presence.
- 7.9.3. The Cardholder shall bear the financial loss caused by careless using of the card.

7.10. Stolen/lost card

- 7.10.1. The Cardholder is required to report the theft or loss of the card from 0 to 24 h to Bank help desk at the phone no. 051/246-604 i.e. contact phone number 0800 051 051 which is published on the Bank's web page, and confirm the report coming personally to the branch and signing the statement on card loss.
- 7.10.2. The Cardholder shall bear all material and penal responsibility for unauthorized and malicious use of the card.
- 7.10.3. After report of the theft or loss of the card the responsibility of the Cardholder for the costs incurred by unauthorized use shall cease.
- 7.10.4. The Bank is required to declare the specific card invalid in an adequate manner.
- 7.10.5. The card that has been found after being reported stolen/lost must not be used, but the user is required to inform the Bank about it and to return the cut card immediately to the Bank.
- 7.10.6. Upon submission of the written report about the loss or theft of the card, the user can apply for the issuing of the new card.

7.11. Cancellation of Card Use

- 7.11.1. The Bank is entitled to deny the right of use of the card and declare the card invalid without explanation if the Cardholder does not comply with these General Conditions, whereof it shall notify the user in writing.
- 7.11.2. The Cardholder may cancel the use of the card at own discretion, and they will do so by signing the request for cancellation in the Bank branch.
- 7.11.3. All transactions concluded up to the date of return of the card, regardless of the date of maturity, as well as all possible costs (foreign currency translations, fees), shall be borne by the cardholder.
- 7.11.4. The card the use of which has been cancelled upon a request of whosoever must be returned to the Bank at once and destroyed by horizontal cutting in half, below the magnetic stripe.

7.12. Disabling (blocking) of the card use

7.12.1. The Bank is entitled to disable (block) the card use to the user, and decrease/cancel the spending limit in the following cases:

- a) if there is the suspicion of the unauthorized use, or the card use with the fraudulent intention, i.e. the suspicion of the card misuse,
- b) if the Bank determines, or has the suspicion of the possibility of the breach of the Law on Anti-money Laundering and Counter Terrorism Financing, i.e. if the Card User, at the Bank's request, does not submit the requested data and documentation needed for the card issuance and usage, and continuance of the established contractual relationship according to the positive legal acts and the by-laws, and the general acts of the Bank,
- c) if there are the unsettled due liabilities per any facility of the Card User in the Bank,
- d) based on the decision/order of the competent management bodies.

7.12.2. In the case of suspicion of the unauthorized usage or the fraudulent usage of the card i.e. the suspicion of the card misuse, the Bank will decrease/terminate the spending limit, and inform the Card User by phone about the reason of the limit decrease/termination. The Bank will block the card and replace the same by the new one upon the telephone request.

7.12.3. If the card has been blocked for the reasons stated in the items b-d, it will inform the client about it by phone or in writing. After the reasons for the card blockage cease to exist, the Bank will independently unblock the same, without the User's request, and the card will continue being valid in accordance with the provisions of the General Business Conditions.

7.12.4 The Bank is not obliged to inform the Card User about the intended blockage and the card blockage reasons, if the notification is opposite the objectively justified safety reasons or opposite the law.

7.13. Final Provisions

7.13.1. By signing the Request – Application Form the cardholder confirms they have learned and that they agree with all the provisions of these General Conditions.

7.13.2. By signing the Request – Application Form the cardholder declares that they have learned the Bank's tariffs for the services in operations carried out by the Bank, and that they agree to their application, with all their amendments.

7.13.3. The Bank reserves the right to amend these regulations with prior notice to the Cardholder. In case that they disagree with the amendments, the Cardholder may cancel the further use of the card within 50 days before the expiry of the card validity period. If they do not do so within the mentioned period of time, it will be considered that they agree to the amendments to the regulations.

8. Electronic services

Direct channels - are means of remote communications which enable the use of banking and other financial and non-financial services through electronic manner of communication, without concurrent physical presence of the (End-) User and Bank employee at the same place. They encompass the network of self-service devices (ATM, day- night vault, info stand and other types of devices) that the Bank places at the User's disposal during the contractual relationship. Direct channels include also SMS service for the clients that started using the service prior to entry into force of the General Business Conditions, Internet and mobile banking, and other contracted direct channels, offering information and/or the possibility of executing financial and non-financial transactions as well as arranging banking and non-banking products and services. The list, scope and method of using direct channels are specified in the contracts and/or user instructions for individual direct channels. Data that the Bank forwards to the User or authorized person through direct channels are equally valid within the relationship of the Bank and (End-) User, as paper print outs delivered by the Bank by mail and can replace them. At the User's request the Bank will verify the printout of those data on paper.

And everything else related to electronic services is defined in detail by the General Conditions of Use of the Direct Channels of UniCredit Bank a.d. Banja Luka

9. Safe deposit boxes

- 9.1. Safe-deposit box is rented to a period indicated in the agreement on safe-deposit box renting.. The right to use the safe deposit box shall cease upon the expiry of the agreed term or upon the expiry of the cancellation/notice period to the User of the safe-deposit box and their Proxy. The Proxy's right to use the safe deposit box shall cease according to the revocation of the power of attorney or the death of the User of the safe deposit box.
- 9.2. The amount of fee, in accordance with the size of the safe-deposit box and time period for which it is intended to be used, is determined by Tariffs for Services of the Bank and contracted by the Agreement with the Client.
- 9.3. Valuable items and document may be deposited in the safe-deposit boxes, except for flammable, explosive and items of similar characteristics, items susceptible to failure and decaying, and items, whose holding of possession is forbidden by regulations, and those items and substances which can be harmful for human health. If the customer would wish to keep items which are packed and sealed in the safe-deposit box, the act of packing and sealing must take place in the Bank premises in the presence of Bank's employee authorized to work with safe-deposit boxes.
- 9.4. The Bank can cancel the Agreement on safe-deposit box renting prior to the expiry of the agreed term, if the Client – User of the safe-deposit box uses the safe-deposit box contrary to conditions specified herewith. Client – User of the safe-deposit box is liable for any damage incurred due to unauthorized use of safe-deposit box, even in the case when they were not aware of the dangerous features of the item.
- 9.5. The Client – User of the safe-deposit box cannot lease the safe-deposit box which they have rented.
- 9.6. The keys of the safe-deposit box are possessed exclusively by the Client – User of the safe-deposit box. The Client – User of the safe-deposit box is required to carefully keep the taken-over key. The possible loss of the key needs to be reported in writing as soon as possible to the Bank which will make the appropriate change of the lock and the key. All costs and damages which can arise due to untimely reporting of the loss of key, as well as the damages due to violent opening of the safe-deposit box and change of lock and key, shall be borne by

the Client – User of the safe-deposit box. Until the moment of the change of the corresponding lock and key, should the Client-User of the safe-deposit box so wish, the Bank has the right to give the Client - User of the safe-deposit box a duplicate key for a particular period (for the duration of the safe-deposit box renting agreement). The Client- User of the safe-deposit box in doing so undertakes to bear all possible consequences in case of misuse of the lost key by the third party.

- 9.7. Upon the expiry of the agreement period, the Client – user of the safe-deposit box is required to return the taken keys in proper condition, about which they will be informed one month prior to the expiry of the Agreement (by sending the letter to the address recorded in the system, i.e. to the mail address if the client has submitted the same to the Bank). If the Client- User of the safe-deposit box or their legal successor, even with written notice of the Bank about returning the key, fails to return the keys or extend the Lease Agreement, the Bank shall send the notice as at the date of the Agreement expiry, and 8 days after sending the notice, it will send the written notification about the forcible opening of the safe deposit box (in writing, to the address recorded in the Bank's system). The Bank will commence the forcible opening of the safe deposit box along with the presence of the Court, if the Client – User of the safe deposit box or their legal successor fail to return the keys or extend the Agreement one month after sending the notification about the forcible opening of the safe deposit box. The contents of the safe-deposit box, if they have sales value, will be sold with due care of a good businessman in the existing conditions, and the costs of forcible opening of the safe, change of lock and production of key, any other possible expense as well as unpaid fee for the safe-deposit box will be settled from the received cash. The rest of the cash will be made available to the Client – User of the safe-deposit box or person to which it belongs to by law. The right of the Bank to forced opening of the safe-deposit box at the expense of the Client- User of the safe-deposit box and to settlement of expenses and claims based on unpaid fees shall remain also in all other cases, cases of inability to return the key, and force majeure.
- 9.8. The access to the safe-deposit box is granted only to the Client – User of the safe-deposit box in person or person they authorize.. The Client – User of the safe-deposit box is required to inform the Bank in writing about the changes with respect to their rights of disposal, change of name and address.
- 9.9. The authorization to access the safe-deposit box shall be issued by the Client – User of the safe-deposit box on the defined bank form. The authorization may be issued by legal means or by competent bodies for verification of the signature, but it must explicitly refer to the right of access to the safe, given the specifics and confidentiality of the relationship in relation to safe-deposit box renting. With respect to the access to the safe, the authorization cannot have limitation (e.g. exclusion of only particular items), therefore such authorization will be rejected by the Bank as invalid. Only the Client – User of the safe-deposit box can personally authorize another person to dispose with the safe-deposit box.
- 9.10. Persons who have the access to safe-deposit box must deposit their signature on the Specimen signature card of the safe-deposit box users. Deposited signatures shall be valid until revoked in writing.
- 9.11. The Bank shall provide necessary security regarding protection and use of the safe-deposit box, as part of conditions for operations with safe-deposit boxes, but it does not assume the special guarantee. Given that the Bank does not get familiarized with the contents of the safe-deposit box in detail, except for the check up that those are not items that cannot be deposited in the safe-deposit box, the Bank shall not assume any responsibility that the content of the safe will not be damaged by humidity, rust, and alike.
- 9.12. Following the information about the death of the Client – User of the safe-deposit box, the Bank will allow the access to the safe only based on the act issued by the competent court.

10. Standing orders

- 10.1. Standing order is the service according to which the Client authorizes the Bank to perform on their behalf and for their account regular periodical (daily, weekly, monthly, quarterly...) payments in equal or different amounts in accordance with agreed payment conditions.
- 10.2. Direct debit (agreement with the known recipient) is the type of standing order based on which payments are made to the known recipient with whom the Bank has a concluded agreement.
- 10.3. Standard standing order (agreement with an unknown recipient) is the type of standing order based on which the Bank carries out payments on behalf and for the account of the Client to an unknown recipient, i.e. to any account specified by the Client.
- 10.4. Payment through a standard standing order may be carried out by way of fixed amount or by automatic direct debiting of an account.
- 10.5. Standing order for collection of liabilities originated from transactions with credit cards within the Bank: contracted relationship between the holder of the credit card and the Bank, according to which the Client authorizes the Bank to perform regular monthly payments for credit card in their name and on their behalf.

- 10.6. Standing order for the payment of loan instalment within the Bank: contracted relationship between the owner of the account (customer) and the Bank whereby the Client authorizes the Bank to perform regular monthly payments of the loan instalment in their name and on their behalf
- 10.7. The Bank carries out the Client's payment orders and instructions and orders for undertaking the obligations until available funds exist in the Client's account. The Bank will not be responsible for the overdue payment under these standing orders if the balance on Client's account is not sufficient and if the instructions are not clear and in other cases which are beyond the Bank's control.
- 10.8. In case that there are no sufficient funds available at the client's account for the execution of the standing order to another account within the Bank, the standing order will continue to be executed until it is collected. If the funds are transferred by the standing order to the account in another bank, the standing order will continue to be executed until it is collected and until the first following date for the execution of the standing order at the latest. After that the standing order will be considered outstanding. As to the direct debit, the standing order is carried out only on a particular day defined by the Agreement with the Client.

VIII CLOSING PROVISIONS

1. The Bank and the client will make an effort to settle amicably any/all disputes arising from or in connection with their relationship in the spirit of good business practices, and in case of court proceedings, the court of the Bank's registered seat shall have jurisdiction.
General Business Conditions shall enter into force as of the date of their adoption by the Bank Supervisory Board, and will be applied upon the expiry of the fifteenth day from the date of their release on the Bank web page.
2. As of effective date of the General Business Conditions, the General Business Conditions for Natural Persons of UniCredit Bank a.d. Banjaluka no.: NO-85/18 dated 27.04.2018 shall cease to be valid.