

## ANNEX 1

### SPECIAL BUSINESS CONDITIONS FOR PAYMENT ACCOUNTS AND PAYMENT SERVICES FOR LEGAL ENTITIES AND ENTREPRENEURS

#### INTRODUCTORY PROVISIONS

##### 1.1 Content of the Special Conditions

These Special Conditions for Payment Accounts and Payment Services for Legal Entities and Entrepreneurs are regulated by AikBank A.D. (hereinafter referred to as the Bank), establishing the mutual rights and obligations of the Bank and the users of payment services, i.e., legal entities and entrepreneurs, in connection with the provision of payment services in accordance with the Payment Services Law (hereinafter referred to as the Law), as well as the conditions for opening, maintaining, and closing payment accounts in dinars and foreign currencies, conditions for the use of payment services, information about fees, interest rates, exchange rates, information about the means and methods of communication between the Entrepreneur or Legal Entity (hereinafter referred to as the User) and the Bank, conditions for changes, amendments, and termination of the Framework Agreement, as well as other issues of importance for the provision of payment services by the Bank.

The terms used in these Special Conditions (hereinafter: Special Conditions) have the following meanings.

A **payment transaction** means a deposit, transfer, or withdrawal of funds initiated by the User as the payer or as the payment recipient, or initiated on behalf of the payer, and is carried out regardless of the legal relationship between the payer and the payment recipient;

A **remote payment transaction** is a payment transaction that is initiated via the internet or a device that can be used for remote communication;

A **credit transfer** is a payment service in which the User, as the payer, initiates the execution of one or more payment transactions charged to their payment account with the Bank, including the issuance of a standing order, after which the payment account of the payment recipient is approved for the amount of the payment transaction.

**Direct debit** is a payment service in which the payee, based on the payer's consent, initiates a payment transaction to debit the payer's payment account. The payer can provide this consent to the payee, their payment service provider, or the payee's payment service provider. The IPS payment system refers to the payment system operated by the National Bank of Serbia, used for transferring funds in dinars between participants in the system for the purpose of executing instant approval transfers.

An **instant credit transfer** refers to a domestic payment transaction up to RSD 300,000, classified as urgent, initiated by a payment order in paper form or another payment

instrument at any time of the day, throughout the year. In this transaction, the transfer of funds is executed in real-time or near real-time.

A **payment order** refers to the instruction from the User, either as the payer or the payee, to the Bank requesting the execution of a payment transaction.

The **execution of a money transfer** is a payment service in which the payment service provider receives the payer's funds without opening a payment account for the payer or payee, solely for the purpose of making those funds available to the payee or transferring the funds to the payee's payment service provider, who then makes them available to the payee.

A **payment account** refers to an account used for executing payment transactions, which is maintained by the Bank.

A **payment instrument** refers to any personalized means and/or set of procedures agreed upon between the User and the Bank, which is used for issuing a payment order or for initiating a payment transaction.

**Initiating a payment transaction** refers to taking the actions that are a prerequisite for starting the execution of a payment transaction, including issuing a payment order and carrying out authentication.

**Issuing payment instruments** is a payment service in which the payment service provider, based on an agreement, issues a payment instrument to the payer for initiating and processing the payer's payment transactions with that payment service provider.

**Accepting payment transactions** is a payment service in which, based on an agreement between the payment service provider and the payee, the provider accepts and processes payment transactions, transferring funds to the payee.

The payment service provider that maintains the account is the payment service provider that opens and maintains the payment account for the payer, i.e., the Bank.

The **payment initiation service provider** is the payment service provider that performs the service in which, upon the request of the payment service user, a payment order is issued, debiting the payer's payment account maintained with another payment service provider.

The **account information service provider** is the payment service provider that offers a service provided over the internet, which allows access to information about the payment account and which provides grouped information about one or more payment accounts that the payment service user holds



with another payment service provider or with multiple payment service providers.

**Authentication** refers to the process that allows the payment service provider to verify the identity of the payment service user or the validity of the use of a specific payment instrument, including the use of personalized security elements of the user.

**Reliable user authentication** refers to authentication that uses two or more elements falling into the categories of knowledge (something only the user knows), possession (something only the user possesses), and inherence (something the user is), which are mutually independent. This means that the disclosure of one element does not reduce the reliability of the others, and it is designed to protect the confidentiality of authentication data.

**Personalized security elements** refer to personalized data and characteristics that the payment service provider assigns to the payment service user for the purpose of authentication.

**Sensitive payment data** refers to any data, including personalized security elements, that can be used to carry out fraudulent activities. However, in the case of the payment initiation service provider and the account information service provider, the account holder's name and account number do not constitute sensitive payment data.

**Payment service user** - The user refers to an entrepreneur or legal entity that uses or has used a payment service in the capacity of a payer and/or payee, or has contacted the Bank to use these services.

**Payer** refers to an entrepreneur or legal entity that issues a payment order or gives consent for the execution of a payment transaction based on a payment order issued by the payee, or if there is no payment account, a natural or legal person who issues the payment order.

**Payee** refers to an entrepreneur or legal entity designated as the recipient of the funds that are the subject of the payment transaction.

**Entrepreneur** refers to a natural person who is not a consumer, i.e., a legally capable individual who engages in activities to generate income, in accordance with the law governing commercial companies and other relevant laws.

**Monetary funds** refer to cash, funds in an account, and electronic money.

**Cash** refers to banknotes and coins.

**Business day** refers to a day, or part of a day, during which the Bank operates in a way that allows the execution of a payment transaction for its User as a payment service user.

**Value date** is the reference date or reference time that the Bank uses when calculating interest on funds debited from or credited to a payment account; it also refers to the date of transaction execution, i.e., the date of inflow or outflow of

funds.

The **reference exchange rate** is the rate used for currency conversion, which is made available by the Bank or derived from a publicly available source (e.g., the exchange rate of the National Bank of Serbia).

The **reference interest rate** is the rate used to calculate interest, which is publicly available and determined independently of the unilateral will of the User and the Bank that have concluded the contract (e.g., the reference interest rate of the National Bank of Serbia, the value of EURIBOR, etc.).

The **unique identification code** refers to a combination of letters, numbers, and/or symbols determined by the Bank for the User, which is used in a payment transaction for the unambiguous identification of the User and/or their payment account (e.g., the User's account number, card number, etc.).

A **means of remote communication** refers to any medium that the User and the Bank can use to conclude an Agreement when they are not physically present at the same time.

A **durable medium** refers to any medium that allows the User to store data intended for them, access that data, and reproduce it in an unchanged form for a period that is appropriate to the purpose of storage.

A **domestic payment transaction** refers to a payment transaction in which the payer's payment service provider and the payee's payment service provider offer their services within the territory of the Republic of Serbia.

An **international payment transaction** refers to a payment transaction in which one payment service provider offers the service within the territory of the Republic of Serbia, while the other provides it within the territory of a third country, as well as a payment transaction where the same payment service provider offers the service for one payment service user within the territory of the Republic of Serbia, and for the same or another payment service user within the territory of a third country.

Transactions in dinars between residents and non-residents, as well as transactions in dinars between non-residents, are considered international payment transactions. For the purposes of these General Terms, an international transaction is also considered to be a domestic payment transaction executed in the currency of third countries.

The Bank does not execute international payment transactions related to the purchase, sale, or exchange of virtual currencies.

**Virtual currency** is a type of digital asset that is not issued by and for which the value is not guaranteed by a central bank or any other public authority, and is not necessarily linked to a legal tender.

Payment and does not have the legal status of money or

currency, but physical or legal entities accept it as a means of exchange, and it can be bought, sold, exchanged, transferred, and stored electronically.

The **Transactions Schedule** for receiving and executing payment transactions refers to a specific Act of the Bank that defines the deadlines, methods, and conditions for executing payment transactions.

The **list of representative services** refers to a list of at least ten and no more than twenty representative services prescribed by the National Bank of Serbia, related to the payment account for which payment service users pay fees, and which are offered by at least one payment service provider in the Republic of Serbia.

The **overview of services and fees related to the payment account** refers to a document that contains a list of services from the representative services list offered by the payment service provider, along with information about the individual fee for each such service.

The **home country** refers to the country where the legal entity's headquarters is located.

**Registered seat** refers to the place registered as the legal entity's head office, and if the legal entity does not have a registered head office in accordance with the regulations of its country, it refers to the place from which its operations are managed.

**Permitted and prohibited overdrafts** have the meaning defined by the law governing the protection of financial services users.

**Host country** refers to a country that is not the home country, but where a legal entity provides services through a branch or another entity, or where it directly provides services.

The **passive interest rate** refers to the rate at which interest is paid to the payment service user for the funds held in the payment account (hereinafter: interest).

**Switching of a payment account** refers to a service provided by the payment service provider to a payment service user who opens or holds an existing payment account with a new payment service provider, in the same currency.

## 2 Payment Accounts

### 1.1. Account Opening

1.1.1. The Bank opens a specific account based on an agreement for the opening and maintenance of a certain type of account, in accordance with the provisions of that agreement and these Special Terms. Before the User commits to an offer or a Framework Agreement on the payment account, the Bank will provide the User with the necessary information to compare different offers in order to make an informed decision on concluding the contract, particularly information about the Bank as the payment service provider, terms of use of

payment services, all fees, interest rates, and exchange rates, the method of communication between the parties, protective and corrective measures, the process for amending or terminating the framework agreement, and legal protection, provided on paper or another durable medium. If the Framework Agreement is concluded at the request of the payment service user using a means of remote communication that does not allow the Bank to fulfil the obligation outlined in the previous paragraph of this article, the Bank will fulfil this obligation immediately after concluding the Framework Agreement.

The Bank is obligated to provide the payment service user with an overview of services and fees, free of charge, on a durable medium, in a manner that ensures proof of delivery, along with other information stipulated by the Payment Services Law, within a reasonable period before concluding the Framework Agreement on payment services related to the payment account.

The overview of services and fees is available to the User at the Bank's business premises at the counter locations and on the Bank's website. Upon the User's request, the Bank will provide the overview of services and fees free of charge, either on paper or another durable medium.

The Bank is considered to have fulfilled its obligation to inform the User by providing a copy of the draft Framework Agreement on the payment account.

The agreement for opening and maintaining a payment account is concluded as a Framework Agreement for opening and maintaining a payment account, which governs the execution of future individual payment transactions as well as the conditions for opening, maintaining, and closing the payment account.

For the purpose of opening an account, the User is required to provide the Bank with: a request for opening the account, along with all other documentation and data defined by legal regulations and the Bank's internal acts.

The Framework Agreement on the payment account (hereinafter: Framework Agreement/Agreement), which governs the mutual rights and obligations of the Bank and the Payment Service User regarding the opening and maintenance of the payment account, consists of the following documents:

- Request for opening an account,
- General Terms and Conditions of AikBank a.d. Beograd (hereinafter: GTC),
- Special Terms and Conditions for payment accounts and payment services for legal entities and entrepreneurs of AikBank a.d. Beograd (hereinafter: Special Terms),
- Special Terms and Conditions for business debit cards for legal entities and entrepreneurs.



- Price List for Bank services applicable to legal entities and entrepreneurs (hereinafter: Excerpt from the Price List),
- Schedule for the receipt and execution of payment transactions for legal entities and entrepreneurs, which is an annex to these Special Terms (hereinafter: Transactions Schedule).

### 2.1.2. *Types of payment accounts that the User can open with the Bank.*

A payment account can be a current account or another type of payment account. The Bank concludes the relevant agreements with the Users based on the submitted request.

By the agreement, the User authorizes the Bank to open all necessary foreign currency accounts, including designated and transit accounts, on their behalf and for their account, in order to execute foreign exchange transactions. The Bank is also authorized to register these accounts with all relevant authorities and to provide the User with the necessary account statements in accordance with its procedures and applicable regulations.

The User is obligated to provide the Bank with the documentation required by the Bank in accordance with applicable regulations, the General Terms and Conditions of Business, and these Special Terms when opening a payment account.

If the service of opening and maintaining a payment account is offered in a package with other products or services that are not related to the payment account, the Bank will inform the User about the possibility of opening the payment account separately from those products or services and provide information regarding the costs and fees associated with each of the other products and services offered in the package.

The Bank and the User, based on the request for opening and maintaining the account and the proper documentation for opening the account, conclude a framework agreement on payment services.

The User may conduct transactions through the account after signing the agreement, or immediately upon receiving information about the account opening and account number. The Bank reserves the right to refuse the request for opening an account without providing a specific explanation.

The framework agreement is concluded by authorized representatives of the Bank and representatives authorized to act on behalf of the User. The framework agreement may also be concluded through a proxy of the account holder, exclusively based on a power of attorney certified by a notary or another competent authority. The authorized representative of the User, registered in the register of the competent authority, designates the authorized persons for managing the

The User, registered in the register of the competent authority, is responsible for informing the authorized persons about their rights and obligations in using the granted authority to manage the funds in the account. The authorized representative of the User, registered in the register of the competent authority, is liable to the Bank for any potential damages resulting from the exceeding of authorization by unauthorized persons.

## 2.2. **Monitoring and recording transactions**

The Bank maintains dinar and foreign currency accounts, depending on the type of account, in accordance with the terms of the Agreement for opening and maintaining that type of account.

The User is obligated to notify the Bank of any status-related or other changes that are registered in the Business Entity Register, or with any other relevant authority or organization, and to take the necessary steps to update their information, no later than three days from the receipt of the decision on the registration (entry) of the change.

## 2.3. **Management of funds in the account**

The Bank provides payment services to the payment service user, including services for depositing and withdrawing cash, transferring funds, executing payment transactions, executing money remittances, and other payment services within the available account balance, in accordance with the provisions of the agreement on opening and maintaining a specific type of account, these Special Conditions, and applicable legal regulations.

The available balance in the account consists of the positive balance and the agreed-upon authorized overdraft on the account, which can be accessed by the User and their authorized persons, who can dispose of it only up to the limits of the authorization granted to them.

The disposal of funds is unlimited within the available balance, except in cases of force majeure or when regulations require otherwise.

In order to dispose of the funds on the User's account, the signatures of the authorized persons for managing those funds are deposited with the Bank, and these will be used to verify payment order forms.

## 2.4. Authorized overdraft

The Bank may approve and make available to the payment

service user an agreed amount of funds on their current account in the form of an authorized overdraft, for a specified period of time.

The Bank will notify the user, in the agreed manner or through an account statement, about the amount and maturity of the authorized overdraft, interest, fees, as well as provide other information as specified by applicable regulations or the contract.

Before concluding the contract for the authorized overdraft, the Bank is required to assess the creditworthiness of the User – the entrepreneur, based on the data provided by the user upon the Bank's request in accordance with the regulations specifying the necessary documentation, as well as based on the review of the user's debt records (Credit Bureau) with the user's signed consent.

If the request for an authorized overdraft is rejected based on the review of the User's debt records (Credit Bureau database), the bank is required to immediately notify the user (entrepreneur) in writing, free of charge, about the data from that database.

The mandatory elements of the contract for the authorized overdraft for the user – entrepreneur are defined by the law regulating the protection of financial services users.

When concluding a contract for an authorized overdraft, the Bank provides the user – entrepreneur with one copy of the overview of the mandatory elements of the authorized overdraft, which contains basic information about the overdraft. The Bank retains the second copy of this overview in its documentation.

After concluding the contract for the authorized overdraft with the User – entrepreneur, the Bank is obliged to provide the provider of the collateral with a copy of that contract along with an overview of the mandatory elements of the authorized overdraft, unless the user is simultaneously the provider of the collateral. In the case of an authorized overdraft on the account, the Bank is obliged to provide the user – entrepreneur with a monthly notification – statement, free of charge, in written form or on another durable medium, regarding all changes on their account. Upon the user's request, the Bank must provide this notification without delay, with the right to charge for such notification in accordance with the Bank's valid Price List. This notification must obligatorily contain the following information: account number, the period to which the statement refers, the date of the change, a description of the change, as well as the amount and type of the change (credit or debit of the account), the previous and new balances.

account balance, as well as the statement sending date, applied nominal interest rate, and all incurred charges

## 3. Conditions for Providing Payment Services

### 3.1. Basic Conditions Under Which the Bank Provides Payment Services

The Bank provides payment services in accordance with the provisions of the law that apply to domestic payment transactions carried out in dinars, as well as international payment transactions regardless of the currency of payment, and in accordance with the provisions of the Foreign Exchange Operations Law and its subordinate regulations when it comes to international payment transactions. The mutual rights and obligations of the Bank and the User regarding the provision of payment and other services related to the payment account are governed by the Agreement, this Appendix to the General Terms and Conditions, and the General Terms and Conditions of business.

### 3.2. Types and Description of the Basic Characteristics of Payment Services and Payment Accounts

Payment services include:

- 1) Services that enable the deposit of cash into a payment account, as well as all services required for opening, maintaining, and closing that account
- 2) Services that allow the withdrawal of cash from a payment account, as well as all services necessary for opening, maintaining, and closing that account.
- 3) Services for transferring funds from a payment account or to a payment account of the user, as well as services for executing payment transactions from funds that have been approved to the user as credit:
  - transfer of approval
  - direct debit, including
  - one-time direct debit,
  - using a payment card or similar means
- 4) Services for issuing payment instruments and/or accepting payment transactions.
- 5) services for changing a payment account.

6) service for executing a money transfer

A booked deposit into the User's account made due to a Bank's error can be reversed without the need for a special instruction and consent from the User, in accordance with the applicable regulations.

The reimbursement of funds from the previous paragraph takes priority over the execution of all other payment transactions from the payment account to which the funds were mistakenly transferred.

The user and/or the authorized person(s) of the user may dispose of the funds from the account up to the available balance. The User – Entrepreneur has the right to withdraw funds from their account immediately after the recorded inflow of funds, without incurring any special charges. If the funds on the Bank's account are approved on a day that is not a business day for the Bank, it is considered that the Bank has received the funds on the next business day.

Exceptionally, from paragraph 2 of this section, if the User – Entrepreneur withdraws cash funds exceeding 600,000 dinars, they are required to announce the intended withdrawal in advance. The Bank may then disburse these funds no later than the next business day, free of charge. This provision also applies to foreign currency funds, whose amount in dinar equivalent, based on the official middle exchange rate of the NBS, exceeds RSD 600,000. Furthermore, the Bank may direct the User – Entrepreneur to the nearest branch that holds the currency the User – Entrepreneur wishes to withdraw, in order to comply with the aforementioned deadline.

Direct debit is a payment service in which the payment recipient initiates a payment transaction to debit the payer's payment account based on the payer's consent. The payer may give this consent to the payment recipient, their own payment service provider, or the payment service provider of the payment recipient.

Approval transfer is a payment service in which the user, as the payer, initiates one or more payment transactions with the Bank, including the issuance of a standing order, after which the payment recipient's account is authorized for the amount of the payment transaction.

Depending on the special conditions set by the Bank, the Bank may accept standing payment orders from the User. The Bank will not be liable for delayed payments under these standing orders if:

- (1) The balance on the User's account is insufficient and/or
- (2) If the instructions are unclear and/or
- (3) If the third-party invoice or similar documents are unclear and/or
- (4) If they are not delivered to the Bank in a timely manner

and/or

- (5) In other cases that are beyond the control and influence of the Bank (force majeure, war, state of emergency, strike, and other circumstances beyond the bank's control).

The Bank may execute cash and cashless payment instruments even if they do not contain all the elements required by applicable regulations and subordinate legislation, provided that it determines that the elements specified in the order are sufficient for its execution and that such execution is permitted by applicable regulations.

The Bank executes payment orders after a detailed assessment of the credibility of the order issued by the User (conducting a check on the availability of funds to execute the order, verifying the signature and seal of the order issuer if a seal is used, as well as checking whether the payment order contains information about the issuer and recipient of the order and their banks, the purpose of the payment, the purpose of the deposit or withdrawal, and any accompanying documentation provided in accordance with relevant regulations, etc.).

The Bank will always require clear and explicit instructions (orders) from the User for making payments, both domestically and internationally, in writing, along with an indication of the purpose of the transfer.

Any amendments, confirmations, or repetitions of instructions must be clearly marked. The Bank will not be responsible for changes, confirmations, or repetitions that are not properly and explicitly marked as such. Additions to the instructions must be submitted to the Bank using the agreed method of communication with the User.

During the course of the business relationship, the Bank is authorized, at its discretion, to execute the User's instructions through a network of correspondent banks. The Bank will not be held liable for the proper execution of the given instructions and/or any potential withholding of funds, and/or non-execution of the payment transaction, except in cases of gross negligence or intent on its part.

The Bank may use the services of a third party (in executing received orders) if it deems it useful and advisable based on its best judgment and in accordance with the regulations in force in Serbia.

### 3.3. Additional Services Related to the Account

The User may enter into an agreement with the Bank for one or more additional services related to their account, provided they meet the specific conditions set for each individual additional service, including the following:

- Electronic banking service
- Direct debit
- Stranding order
- Debit card
- Credit card
- Allowed overdraft on the payment account
- POS terminal/E-commerce
- Other additional services that the Bank may introduce later.

### 3.4. Payment Account Switching Service

The Bank allows the User who opens or has an existing payment account with another bank to switch their payment account in the same currency.

The change of the payment account is carried out exclusively based on the authorization received from the User, with or without closing the payment account opened at the previous bank. In the case of a joint payment account, the change of the payment account begins upon receiving the authorization of all account holders.

The authorization is drafted in writing, based on which the User gives consent to the previous and new payment service providers to take all or specific actions in relation to the account change.

With the authorization, the User can specify standing orders, direct debit consents, approval transfer receipts, and other payment services whose execution is transferred to the new payment account, provided that the new service provider offers those services.

With the authorization, the User determines the start date for executing standing orders and direct debits from the new payment account, which cannot be shorter than 6 (six) business days from the date the Bank received the documentation from the previous service provider

The new payment service provider is obliged, within 2 (two) business days from receiving the authorization for the change of the payment account, to submit a request for the delivery of all relevant information to the previous service provider in accordance with the authorization, under which the previous service provider must act in the manner and within the timeframes specified by the Payment Services Law.

The previous payment service provider will close the account if the User has no outstanding obligations on that account and if actions have been taken in accordance with applicable regulations. If the conditions for closing the account are not met, the previous service provider will immediately notify the User.

The previous payment service provider may not block the payment instrument before the date specified in the authorization to ensure that the provision of payment services to the User is not interrupted during the change of the payment account.

The Bank is obliged to provide or make easily accessible to the User, upon request and free of charge, information about existing standing orders and direct debits that the User has with the Bank.

The Bank is obliged to immediately compensate the User for any damage caused during the change of the payment account due to its failure to act in accordance with this section of the Annex, except in cases of force

The Bank will make information regarding the change of the payment account easily accessible to the User free of charge, in paper form or another durable medium, in all business premises of the Bank, as well as on the Bank's website. The Bank is obliged to provide the User, upon request and free of charge, with information related to the change of the payment account, in accordance with applicable regulations.

The Bank may charge the User a fee for the services related to the change of the payment account, in accordance with the Bank's Price List for services.

### 3.5. Unique Identification Code

The Bank issues a unique identification code (account number) to the User upon the conclusion of the Agreement, which the User is obligated to provide for the correct issuance or execution of a payment order and which serves for the identification of the account holder (e.g., account number).

By correctly stating the unique identification code (account number) of the payment recipient in the payment order, it is considered that the payment order has been correctly executed in relation to the payment recipient.

The Bank is not responsible for an unexecuted or incorrectly executed payment transaction if the user provides a payment order with an incorrect unique identification code of the payment recipient (account number).

In the case described in the previous paragraph, at the user's request, the Bank is obligated to immediately take all reasonable measures to ensure the amount of the payment transaction is returned to the user. The payment service provider of the payment recipient is obliged to cooperate with the payer's bank and provide all necessary information to facilitate the return of the payment transaction amount. If, in

this case, it is not possible to return the funds to the payer, the Bank is required to immediately provide the payer with all available information necessary for the payer to exercise their right to a refund (e.g., information about the recipient's payment service provider and/or the payment recipient), including information that the payment service provider of the payment recipient must provide to the payer's payment service provider in accordance with this provision.

In the case of an unexecuted payment transaction due to an incorrect unique identification code, the Bank is obligated to immediately, upon becoming aware, return the amount of the unexecuted payment transaction to the user.

### **3.6. Form and manner of giving and revoking consent for the issuance of a payment order or the execution of payment transactions**

The National Bank of Serbia prescribes the form, content, and manner of using payment order forms for the execution of payment transactions in dinars. The Bank may independently establish additional elements on the payment order for the execution of payment transactions, such as barcodes, optical character recognition (OCR), etc.

Whenever the National Bank of Serbia prescribes a payment order form, the payer (User) is obliged to use it, regardless of the provisions of these Special Terms and Conditions, including the obligation to provide all the data requested by the National Bank of Serbia.

The payment order must be complete, with all orders/data in the order visible and unambiguous, as required by these Special Terms and Conditions. Corrections to the order are not permitted unless explicitly accepted by the Bank. The User is solely responsible for the accuracy and completeness of the data entered on the payment order. The Bank is not liable for damages if the payment order could not be executed or was delayed due to justified reasons (which may be required by specific regulations) for additional checks of the correctness of basic and supplementary data or unclear instructions.

In the case of transfer orders and INSTANT transfer payment orders, it is mandatory to enter the letter 'X' in the execution method field as 'urgent.'

The Bank will reject the execution of a payment order that is not filled out and issued in accordance with the regulations of the National Bank of Serbia.

The Bank will execute the payment order of the User, requesting the execution of a payment transaction for the transfer of funds:

1. If the payment order is submitted using the prescribed

paper form – exceptionally, on another durable medium previously approved by the Bank (the required scope of data is, as a rule, determined by mandatory regulations, and the Bank is authorized to increase the scope of data in the payment order or to require the entry of specific additional information);

2. If the payment order is submitted in two copies using the prescribed paper form; a transfer order may be submitted in a single copy at the request of the payment service user and with the consent of the Bank, in which case the Bank, as the payment service provider, is obliged to issue a confirmation of receipt of the payment order to the payment service user, free of charge;
3. If the payment order is correctly completed – which implies a legible and complete entry of data on the prescribed form;
4. If the User has provided sufficient funds for the execution of the order, which includes the amount of fees calculated and charged in accordance with the applicable Price List;
5. If the User has given consent for the execution of the payment order (which meets the conditions from the previous items); and if there are no legal obstacles to its execution (pursuant to other applicable regulations); the User may give consent for the execution of the payment transaction also via the payee or via a payment initiation service provider;
6. If the order is submitted via electronic services in accordance with the Agreement, the General Terms and Conditions of Business, and the Annex to the General Terms and Conditions for Electronic and Mobile Banking for Legal Entities and Entrepreneurs.

When specific regulations require certain documents or additional information for the execution of a payment order, the Bank shall execute the payment order only if such documents or information are submitted or presented in the prescribed and contractually agreed form.

Consent may be revoked by withdrawing the authorization for the execution of a payment transaction or a series of payment transactions by submitting a Statement of Withdrawal of Consent (through the communication channel selected by the Payment Service User in the Request for Opening and Maintaining a Payment Account – e.g., by email, at a bank branch, etc.), and only until the moment the Payer's payment service provider receives the payment order, or, in cases where the transaction is initiated by the Payee or a Payment Initiation Service Provider (PISP), after the issuance of the payment order or the giving of consent for its execution to the Payee.

If the User and the Bank have agreed that the execution of the

payment order is to commence on a specific date, or at the end of a specified period, or on the date when the User makes funds available to the Bank, the payment order may be revoked until the end of the business day preceding the date set for the execution. After this period, the User may revoke the consent for the execution of a domestic payment transaction only with the consent of the Payee, based on an agreement with their payment service provider or another involved provider.

In the case of international payments, the withdrawal of consent is not possible once the deadline has passed.

The Bank may refuse to execute a payment order if the conditions set out in this article are not met, or if so determined by applicable regulations, or if the Bank has reasonable doubts regarding the authenticity of the payment order or any of its elements.

The Bank where the User holds an account may not refuse to execute the payment order, including orders submitted through a PISP, when all conditions under the payment services agreement are met—except in the aforementioned cases.

The Bank shall notify the User of any refusal to execute the payment order or initiate the payment transaction (orally, by phone, or via the agreed communication channel – e.g. email, SMS, etc.), stating the reasons for the refusal and, when possible, the procedure for correcting the issue that caused the refusal, on the same business day the order was submitted—unless such notification is prohibited by law.

### **3.7 Time of Receipt of the Payment Order and Execution Deadline**

The time of receipt of the payment order is the moment the Bank receives the User's payment order, within the time frame independently determined by the Bank for receiving payment orders.

The Bank defines the cut-off time within the business day for accepting payment orders, such that orders received after that time are considered received on the next business day. The User's payment account may not be debited before the receipt of the payment order.

The time of receipt and execution of payment transactions is defined in the Transactions Schedule, which forms an integral part of these special terms and the Framework Agreement.

Business days of the Bank include every working day except Saturdays, Sundays, public holidays, and non-working days in accordance with the applicable legislation of the Republic of Serbia. For the receipt of paper-based payment orders initiating an instant credit transfer, Saturday is also considered a business day.

If the User and the Bank agree that the execution of the payment order shall commence on a specific day, or at the end of a certain period, or on the day when the Payer makes funds available to their payment service provider, the payment order is considered received on that agreed day; however, if that day is not a Bank business day, the order is considered received on the next business day.

## **4. Information on Fees, Interest Rates, and Currency Exchange Rates**

### *4.1.1 Type and Amount of Fees Charged by the Bank*

At the time of signing the Request, the User was informed of the Bank's Price List, i.e., was duly notified of the types and amounts of fees charged by the Bank by being provided with the Price List.

In the event that an incoming international payment transaction is received by the Bank with the SHA or BEN cost option, the amount credited to the User's account will correspond to the amount indicated in the SWIFT message (i.e., the amount received by the Bank), reduced by the fees charged by all correspondent banks.

In the case of any changes to the payment instructions for international transfers, or in the event of a refund resulting from incorrect beneficiary data (such as the name, account or IBAN number, or SWIFT code of the beneficiary's bank), the amount credited to the User's account will be the amount received according to the SWIFT message, reduced by the correspondent banks' fees.

The User is obliged to pay the fees specified in the Agreement. Fees shall be collected by direct debit from the User's account.

The User expressly and irrevocably authorizes the Bank, without any further consent or instruction, to debit any and all accounts the User holds with the Bank to collect any outstanding and due fees related to the use of any contracted services, in accordance with the Bank's Price List, provided there are no legal obstacles to such execution. If there are insufficient funds in the required currency, the User agrees that the Bank may perform a currency conversion from other currencies available in the User's accounts and apply such converted funds to settle the Bank's claims against the User.

The Bank reserves the right to amend the amounts of fees and other charges, or to introduce new ones, and will notify the User accordingly, in accordance with Article 10.1 of these Special Terms and Conditions.

The type and amount of the fees for services rendered by the Bank to the User—including those associated with the method and frequency of information delivery or availability in accordance with applicable law—shall be determined in the agreement between the Bank and the User and in accordance

with the current Price List.

The amounts of third-party charges are determined and amended pursuant to valid decisions on pricing issued by the relevant authorities and organizations whose services are utilized by the User in connection with the financial service.

The Bank shall notify the User of any fee changes prior to implementation, through a notice that includes the effective date of the revised fees, communicated in the manner set out in Article 10.1 of these Special Terms and Conditions.

#### **4.1.2. Currency Exchange Rate – Payment Transaction Currency**

A payment transaction is executed in the currency agreed upon between the payment service user and their payment service provider, in accordance with the regulations governing foreign exchange operations.

The Bank executes a payment order in the currency indicated in the payment order.

Execution of a payment order may require the purchase and/or sale of domestic or foreign currency (i.e., currency conversion); for such conversions, the Bank will apply the buying or selling exchange rate from its daily foreign exchange rate list.

When converting domestic currency into foreign currency (i.e., purchasing foreign currency), the Bank will apply its foreign exchange selling rate, while for conversion from foreign currency into domestic currency (i.e., selling foreign currency), the Bank will apply its foreign exchange buying rate.

The Bank reserves the right to apply a more favourable exchange rate than the official daily rate, which may be agreed upon mutually between the Bank and the User (either verbally or via email).

Currency conversion cannot be carried out without the User's consent.

The Bank's exchange rate list is available at all branch locations and on the Bank's website.

#### **4.1.3. Interest**

The Bank does not calculate or pay interest on payment accounts unless otherwise specified in a specific agreement concluded with the User.

If interest calculation is agreed upon, the interest on the funds in payment accounts may be fixed or variable, as defined in the Agreement. The variable nominal interest rate consists of a variable element – an officially published reference interest rate as of the date of the contract – and a fixed element, which is the Bank's margin.

Reference interest rates are published and available to the

User daily at Bank branches and on the Bank's website.

For designated accounts opened for specific purposes, the Bank does not calculate or pay interest unless otherwise provided in an agreement concluded with the User or required under applicable regulations.

During the term of the agreement, the Bank determines the nominal interest rate by adjusting the variable element in line with the value of the officially published reference rate.

If interest calculation on funds held in current accounts is agreed upon, the Bank applies the compound interest method (conform method), unless another calculation method is defined in the specific Agreement. The daily account balance is used as the basis for interest calculation, unless otherwise agreed.

Changes to the interest rate may be applied immediately and without prior notice to the User:

1. If they are based on changes to the agreed reference interest rate.
2. If the interest rate is changed in favour of the User.

The Bank will notify the User in writing, without delay, of changes to the interest rate referred to above, via the daily account statement, unless different timelines and methods of notification are specified in the Agreement.

#### **4.2. Information on the Method and Means of Communication Between the User and the Bank**

All communication between the Bank and the User concerning the rights and obligations arising from the Agreement shall be conducted in the Serbian language. This does not exclude the use of other languages at the User's request, in accordance with good banking practice.

The means of communication between the User and the Bank may vary depending on the type of communication and may include:

- Verbal communication – by visiting a branch or calling the Bank's Contact Center;
- Written communication – notifications, correspondence, and other written documentation;
- Electronic communication – via the Bank's website, chat, email, e-banking and mobile banking apps and features within them depending on technical capabilities (in-app messages, push notifications), and the use of applications and social media platforms such as Viber, WhatsApp, Facebook, etc., SMS messages, or other platforms that enable direct communication with the User, as well as any other

applications made available by the Bank based on its technical capabilities.

Information and notifications will be delivered using the agreed-upon communication channel. All relevant information related to the execution of payment transactions, as well as the Bank's contact details, can be found on the Bank's website.

The User has the right to receive all pre-contractual information in the form of a draft Agreement, in a manner that allows the User to understand the terms relating to the provision of payment services, compare offers from different payment service providers, and assess whether the terms and services meet their needs.

The User is also entitled to receive one copy of the Agreement, in written form or on another durable medium, and may request, at any time during the contractual relationship, a copy of the Agreement and the information provided during the pre-contractual phase, free of charge.

Upon the User's request, the Bank must, prior to executing an individual payment transaction initiated under the Agreement, provide precise information on the execution time for the payment transaction and the fees to be charged. If the Bank charges a bundled fee, the Bank must also provide a breakdown of each individual fee comprising the total.

Users initiating transactions at a branch are required to sign a Statement of Acknowledgement, confirming that the Bank has provided the requested information.

The Bank is obliged to, at the User's request and free of charge, provide a monthly account statement on a paper or another durable medium, containing the following information:

1. A reference number or other identifier enabling the User to identify the payment transaction and information relating to the payee;
2. The amount of the payment transaction in the currency in which the User's payment account was debited or in the currency specified in the payment order;
3. The amount of any fees charged to the User for the execution of the individual payment transaction, including those related to the method and frequency of delivering or making the information available in accordance with the applicable law; if the Bank charges a bundled fee, the type and amount of each individual fee must also be disclosed;
4. If a currency exchange was performed – the reference exchange rate used and the amount of the payment transaction after the currency exchange;

5. The value date of the account debit, or the date of receipt of the payment order.

The Bank provides a Fee Report (INK) to Users who are entrepreneurs or legal entities, upon their request.

The Fee Report also includes information on the applied interest rates and the total amount of interest charged and/or paid during the reporting period, if applicable, for services related to the payment account.

#### **4.3. Information on Protective and Other Measures Related to the Execution of Payment Transactions**

##### *4.3.1. Payment Transactions Where the Transaction Amount Is Not Known in Advance*

If a payment transaction is initiated using a payment card by or through the payee, and the exact amount of the transaction is not known at the time the User gives consent for its execution, the payer's payment service provider may not block funds on the payer's payment account unless the payer has given consent for the exact amount that may be blocked.

The User's Bank is obligated to release the blocked funds on the User's payment account **without delay** upon receiving information about the exact amount of the payment transaction, and **at the latest immediately after** receiving the payment order.

##### *4.3.2. Liability of the Bank and the User for the Initiation of Payment Transactions and for Unexecuted, Incorrectly Executed or Unauthorized Payment Transactions*

In the case of an unauthorized, unexecuted, or incorrectly executed payment transaction, and without prejudice to the obligations set out in Articles 3.5, 4.3.3 and 4.3.4 of these Special Conditions, the Bank is required, regardless of its liability for the proper execution of the payment transaction, to immediately, upon the request of its payment service user, take appropriate measures to trace the funds involved in the payment transaction and promptly inform the User of the outcome of such measures.

The Bank may not charge the payer any fee for actions taken in accordance with paragraph 1 of this Article.

The payment service user has the right to request compensation from the Bank or, where applicable, from the payment initiation service provider, for any damage resulting from the execution of an unauthorized payment transaction, or the non-execution, incorrect execution, or delayed execution of a payment transaction for which the respective provider is responsible, in accordance with the Law.

If the payment service user claims that they did not authorize a payment transaction, or that a transaction was not executed or

was executed incorrectly, the Bank must prove, for the part of the service it provides, that the transaction was authenticated, properly recorded, and booked, and that no technical failure or other deficiency affected its execution.

If the transaction was initiated through a payment initiation service provider, then that provider must prove that the transaction was authenticated and properly recorded for the part of the service it is responsible for, and that no technical failure or other deficiency affected the execution.

A payment transaction is deemed authenticated, for the purposes of paragraphs 4 and 5 of this Article, if the payment service provider has applied appropriate procedures to verify and confirm the use of a specific payment instrument, including its personalized security features.

If the payer claims that they did not authorize the payment transaction executed using a payment instrument or initiated through a payment initiation service provider, the records of the payment service provider concerning the use of the instrument or the initiation of the transaction shall not in themselves constitute sufficient proof that the payer authorized the transaction, or that they acted fraudulently or with intent or gross negligence.

The Bank, and correspondingly the payment initiation service provider, are required to provide evidence reasonably demonstrating that the User acted fraudulently or with intent or gross negligence, in the event of such claims.

#### 4.3.3. Bank's Liability for Unauthorized Payment Transactions

The Bank is liable for the execution of any payment transaction for which the User has not provided consent (hereinafter: unauthorized payment transaction).

In the event of an unauthorized payment transaction, the Bank is obligated to, immediately upon becoming aware of the transaction, and no later than the next business day after it has been discovered or reported, refund the amount of that transaction to the User, unless the Bank suspects fraud or abuse by the User. In such case, the Bank must, within ten days of becoming aware of the unauthorized payment transaction, act as follows:

1. Provide the User with a justification for refusing the refund and report the suspected fraud or abuse to the competent authority; or
2. Refund the amount of the transaction to the User if, after further review, it determines that the User did not act fraudulently or abusively.

The Bank is required to return the User's payment account to

the state it would have been in had the unauthorized payment transaction not occurred, so that the value date of the credit to the User's account is no later than the date the account was debited for that transaction.

The Bank is also required to refund all fees it charged the User in connection with the transaction and to pay any interest that the User would have been entitled to had the unauthorized transaction not occurred.

If the payment transaction was initiated through a payment initiation service provider, the provisions of this Article apply to the Bank as the account servicing payment service provider.

#### 4.3.4. User's Liability for Unauthorized Payment Transactions

The User shall bear losses arising from the execution of unauthorized payment transactions up to the amount of RSD 3,000, if such transactions were carried out using:

1. a lost or stolen payment instrument; or
2. a payment instrument that has been misused.

Notwithstanding paragraph 1 of this Article, the User shall bear **all losses** resulting from unauthorized payment transactions if they were carried out due to fraudulent conduct by the User or failure to fulfil the User's obligations to use the payment instrument in accordance with the prescribed or agreed terms for the issuance and use of that instrument, as stipulated in these Special Conditions, due to intent or gross negligence on the part of the User.

The User shall not bear losses under this Article in the following cases:

1. if the loss, theft, or misuse of the payment instrument could not have been detected by the User prior to the execution of the unauthorized transaction, except in the case referred to in paragraph 2 above;
2. if the unauthorized transaction resulted from an act or omission of an employee, agent, or branch of the payment service provider or other entity to whom the activities of the payment service provider were outsourced, except as provided in paragraph 2 above;
3. if the Bank did not provide the User with a reliable and free-of-charge way to notify it at any time of the loss, theft, or misuse of the payment instrument, except where the losses were the result of fraudulent conduct by the User;
4. if the Bank did not require strong customer authentication, except where the losses were the result of fraudulent conduct by the User.

If the Bank requires strong customer authentication, and the payee or the payee's payment service provider fails to apply the required strong authentication, they shall be liable to compensate the Bank for any resulting damages.

The User shall not be liable for losses resulting from unauthorized payment transactions executed after the User has notified the Bank—immediately upon becoming aware—of the loss, theft, or misuse of the payment instrument, except where the losses were the result of fraudulent conduct by the User.

Exceptionally, the National Bank of Serbia may prescribe that the User bears losses from unauthorized payment transactions up to an amount lower than RSD 3,000, particularly taking into account the nature of the personalized security features of the payment instrument and the circumstances under which the instrument was lost, stolen, or misused.

#### *4.3.5. Liability for Non-Executed or Improperly Executed Payment Transactions or Delays in Payment Transactions Initiated by the User (Payer)*

If the payment transaction was directly initiated by the User, the Bank is liable to the User for its proper execution up to the payment service provider of the payee.

If the Bank is liable for the non-execution or improper execution of a payment transaction, it must, immediately upon becoming aware of it, refund the amount of the non-executed or improperly executed transaction to the User or restore the User's account to the state it would have been in had the transaction not occurred, unless the User has requested proper execution of the payment transaction.

In such a case, the Bank must ensure that the value date for crediting the User's account relating to the improperly executed payment transaction is no later than the date on which the account was debited for the said transaction.

If the Bank provides the User, and if necessary, the payee's payment service provider, with proof that the payee's account was credited with the transaction amount, the payee's payment service provider is liable to the payee for the non-execution or improper execution of the transaction.

The payee's payment service provider must ensure that the value date for crediting the payee's account is no later than the business day on which the funds would have been credited had the transaction been properly executed.

If the payment transaction was executed later than the statutory time limit, the payee's payment service provider must,

upon request from the Bank acting on behalf of the User, ensure that the value date of crediting the payee's account is no later than the business day on which it would have been credited had the transaction been executed in a timely manner.

If the Bank is responsible for the non-execution or improper execution of the payment transaction or for delays in its execution, it must also refund all fees charged to the User and any interest the User is entitled to due to the non-execution or improper execution of the transaction.

If the transaction was initiated by the User through a payment initiation service provider, the Bank is considered the User's payment service provider within the meaning of paragraphs 1 through 4 and paragraph 6 of this Article.

In such a case, the payment initiation service provider must prove that the Bank received the payment order in accordance with Article 3.7 of this Annex, and that the payment transaction was authenticated and properly recorded and was not affected by any technical failure or other issue relating to the non-execution or improper execution of the transaction or the delay. The provider must submit this evidence without delay upon request from the Bank.

#### *4.3.6. Liability for Non-Executed or Improperly Executed Payment Transactions or Delays in Payment Transactions Initiated by the Payee or the User (Payer) through the Payee*

If the payment transaction was initiated by the payee or the User through the payee, the payee's payment service provider is liable to the payee for correctly transmitting the payment order to the Bank as the User's payment service provider.

If the payee's payment service provider failed to transmit, or transmitted the payment order incorrectly, it must, immediately upon becoming aware, send or re-send the order to the Bank.

If the payment order was transmitted to the Bank after the deadline agreed between the payee and their payment service provider, that provider must ensure the value date of crediting the payee's account is no later than the date it would have been credited had the transaction been executed on time.

If the payment transaction amount was credited to the account of the payee's payment service provider, then that provider is responsible for proper execution of the transaction to the payee.

If liable under paragraph 4, the payee's payment service provider must ensure the payee's account is credited with a value date no later than the date it would have been credited if the transaction had been properly executed.

If the payee's payment service provider proves to the payee, and if necessary to the Bank, that it is not responsible under paragraphs 1 to 4, the Bank becomes liable to the User for the



non-execution or improper execution of the payment transaction.

In such cases, the provisions of Article 4.3.5, paragraphs 2 and 3, of these Special Terms shall apply accordingly.

The Bank shall not be liable under the previous paragraph if it proves that the payee's payment service provider received the payment amount and that the transaction was only slightly delayed. In that case, the payee's payment service provider must ensure the funds are credited to the payee's account with a value date no later than the date it would have been credited had the transaction been timely executed.

Any payment service provider liable under this Article must refund to its payment service user all fees it charged and pay any interest the User is entitled to due to the non-execution or improper execution of the transaction.

#### *4.3.7. Notification or Request as a Condition for Refund or Proper Execution of a Payment Transaction*

The Bank is obliged to ensure a refund or proper execution of the payment transaction if the User notifies the Bank about the unauthorized, non-executed, or improperly executed transaction, or requests proper execution, immediately upon becoming aware of the transaction, provided the notification or request is submitted no later than 13 months from the date of debit.

If the Bank failed to provide the User with information about the transaction, it remains liable for the unauthorized, non-executed, or improperly executed transaction and must provide the User with a refund even after the 13-month period, provided the User reported the issue immediately upon becoming aware of it.

If a payment initiation service provider was involved in executing the transaction mentioned in paragraph 1 of this Article, the User must request the refund from the Bank that maintains their account.

#### *4.3.8. Rights and Obligations of Payment Service Providers in Cases of Fraud or Misuse, and in Certain Cases of Improper Execution of Payment Transactions*

If the Bank receives a request for the refund of funds, along with data, information, and documentation indicating that the payment transaction is likely the result of fraud or misuse, the payment service provider of the payee is obliged to withhold crediting the funds to the payee's account or to block the payee's access to those funds for a period of three (3) business days from the day of receipt of such data, information, and documentation.

If, during this three-day period, the payee's payment service provider subsequently receives additional data, information, and documentation from the Bank, including a relevant report to the competent authority, which together remove any reasonable doubt that the transaction was fraudulent or the result of misuse, the payee's payment service provider must:

1. Immediately return the funds to the User if the payee, within 15 business days from the date of being informed by their provider of the submitted data, information, documentation, and report, fails to prove or make probable the legal origin of the funds, or refuses to provide appropriate evidence;
2. Enable the payee to access the funds after the expiry of 30 business days from the deadline referred to in paragraph 1 of this Article, if the payee proves or makes probable the legal origin of the funds within the deadline mentioned under item 1, and if the competent authority has not issued and submitted a decision prohibiting the disposal of those funds.

The payee's payment service provider shall be liable to the payer for any loss resulting from a payment transaction as described in paragraph 1 of this Article if it allowed the payee to dispose of the funds contrary to paragraphs 1 and 2 and it is subsequently established that the payee committed or participated in the fraud or misuse.

The Bank shall have the following rights and obligations in specific cases of improper execution of domestic payment transactions:

1. If the payer's payment service provider transfers an amount greater than that specified in the payment order or mistakenly executes the same payment order multiple times, the payee's provider must, based on evidence from the payer's provider responsible for the error, promptly return the overpaid funds;
2. If the amount transferred is less than the amount specified in the payment order, the payer's provider may, on the same business day, transfer the shortfall to the payee's provider without a request from the payment service user for correct execution of the transaction;
3. If the funds are transferred to a recipient other than the one designated in the payment order, the payer's provider may, on the same business day, correctly execute the transaction even without a user request, and the payment service provider who mistakenly received the funds must, based on the payer's provider's evidence, promptly return the funds.

Refunds as outlined in paragraph 2, item 1, and paragraph 4,

items 1 and 3 of this Article, take priority over the execution of any other payment transactions from the account where the funds were received.

#### *4.3.9. Refund of the Amount of an Authorized and Properly Executed Payment Transaction to the User*

The Bank shall, at the request of the User, refund the full amount of an authorized and properly executed payment transaction (hereinafter: Refund Request), initiated by the payee or by the User through the payee, if the following conditions are met:

1. The User gave authorization for the execution of the payment transaction without the exact amount being specified at the time of authorization;
2. The amount of the payment transaction exceeds the amount the User could reasonably have expected, taking into account their previous payment transactions, the terms of the Agreement, and the specific circumstances of the case.

The Bank may request that the User provide evidence regarding the facts related to the fulfilment of the conditions from paragraph 1 of this Article. The User may not rely on the condition in item 2 of this paragraph if the higher amount of the payment transaction resulted from currency exchange at the reference exchange rate.

The User may submit a Refund Request within 56 (fifty-six) days from the date the account was debited, and the Bank must refund the full amount of the payment transaction or notify the User of the reasons for rejecting the request within 10 (ten) business days from the date of receipt of such request. The value date for crediting the User's account may not be later than the date the account was debited for the relevant payment transaction.

If the Bank rejects the User's Refund Request, it must inform the User in the rejection notice of the reasons for the refusal and the procedure for exercising the User's rights and interests, including out-of-court dispute resolution mechanisms, as well as the procedures that may be initiated in the event of a violation of the provisions of the Law on Payment Services and the authority responsible for such proceedings.

In the case of a direct debit initiating a domestic payment transaction executed in dinars or a payment transaction executed in euros within the Single Euro Payments Area (SEPA), the User has the right to a refund of the amount of the authorized payment transaction executed by means of such direct debit even if the conditions set out in paragraph 1 of this Article are not fulfilled.

The User shall not be entitled to a refund of the amount of the payment transaction from paragraph 1 of this Article if the following conditions are met:

1. The User directly gave consent to the Bank for the execution of the payment transaction; and
2. The Bank or the payee provided the User, in the agreed manner, with information about the forthcoming payment transaction at least 28 (twenty-eight) days prior to the due date.

The provisions of this Article shall not apply to payment transactions based on bills of exchange.

#### **5. Execution of Payment Transactions Based on Bills of Exchange**

A payment transaction based on a bill of exchange is a payment transaction where the payee initiates a transaction to debit the User's payment account based on a bill of exchange and a payment order requesting the transfer of funds from the User's account to the payee's account.

The bill of exchange from paragraph 1 of this Article, including an electronic bill of exchange, is issued in accordance with the law governing bills of exchange and represents the issuer's irrevocable consent granted to their payment service provider to execute the payment transaction initiated by the holder of the bill of exchange as described.

If the bill of exchange from paragraph 1 is registered in the Registry of Bills of Exchange and Authorizations maintained by the National Bank of Serbia, in accordance with the regulations governing enforced collection from funds in payment accounts, the payee may, in line with these regulations, initiate a payment transaction to debit the payer's current account held with any payment service provider.

#### **6. Confirmation of Funds Availability**

The Bank maintaining the User's account shall, immediately upon receiving a request from a payment service provider that issued the payment instrument based on a payment card, respond whether the required amount is available on the User's payment account to execute the card-based payment transaction, provided the following conditions are met:

1. The User's payment account is accessible via the internet at the time the request is received;
2. The User has given explicit consent to the Bank to respond to such requests from a specific payment service provider in order to confirm the availability of funds for the given card-based payment transaction;

3. The consent under item 2) was granted prior to the first such request.

The payment service provider that issued the card-based payment instrument may submit such a request only if the following conditions are met:

1. The payer has given explicit consent for such a request to be sent;
2. The payer has initiated a payment transaction using the card-based payment instrument for the amount specified in paragraph 1 of this Article;
3. The payment service provider authenticates itself before the account-holding Bank for each individual request and communicates and exchanges messages and data with it in a secure manner.

The response from the Bank under paragraph 1 may only contain "yes" or "no," without disclosing the account balance, and may not be stored or used for any other purpose than the execution of the payment transaction.

The Bank maintaining the User's account may not block the use of funds on the User's account based on the response under paragraph 1.

At the User's request, the Bank must inform them about which payment service provider submitted the request and the response given.

The provisions of paragraphs 1 through 5 of this Article do not apply to card-based payment instruments where electronic money is stored on the card.

## **7. Provision of Account Information to an Account Information Service Provider**

An account information service provider is a payment service provider offering an online service that provides aggregated information about one or more payment accounts held by the User with another or multiple payment service providers.

The Bank may provide data referred to in the previous paragraph to the account information service provider only with the User's explicit consent, given through dedicated software solutions established for the secure exchange of such data.

If the User has given explicit consent to use the account information service in order to exercise their right to access such services, the Bank is required to ensure the following:

1. Secure communication and data exchange with the account information service provider in accordance with the Law;
2. Non-discriminatory handling of data requests received from the account information service

provider, unless justified by objective reasons.

## **8. Limited Access of Payment Service Providers to Payment Accounts**

The payment service provider maintaining the account (the Bank) may deny access to the payment account to an account information service provider or a payment initiation service provider if there are justified and evidence-based reasons concerning unauthorized or fraudulent access to the payment account, or unauthorized or fraudulent initiation of a payment transaction by those payment service providers.

In such cases, the payment service provider maintaining the account (the Bank) is obliged, in accordance with the Framework Agreement, to notify the User that access to the payment account has been denied and state the reasons for such denial. If prior notice is not possible, the Bank must inform the User immediately after denying access.

By exception, the payment service provider maintaining the account (the Bank) shall not notify the User as described in paragraph 2 of this Article if providing such notice is prohibited by regulation or if there are objectively justified security reasons.

The Bank shall re-enable access to the payment account once the reasons for denial no longer exist.

If the Bank denies access to the payment account in accordance with paragraph 1 of this Article, it is obliged to immediately inform the National Bank of Serbia, providing all relevant details and reasons for the denial.

## **9. Authentication**

The Bank is required to apply strong customer authentication in the following cases:

1. When the User accesses their payment account via the internet;
2. When the User initiates an electronic payment transaction;
3. When the User performs any action via remote communication means that may pose a fraud or misuse risk in relation to the execution of the payment transaction.

If the payer initiates an electronic payment transaction remotely, as referred to in item 2), the Bank must apply strong customer authentication that includes dynamic linking of the transaction to a specific amount and payee.

The Bank must establish appropriate security measures to ensure the confidentiality and integrity of the User's personalized security credentials in all cases referred to in

paragraph 1.

The provisions of paragraphs 2 and 3 also apply to payment transactions initiated through a payment initiation service provider.

The provisions of paragraphs 1 and 3 also apply to account information service providers.

The Bank maintaining the User's account must enable the payment initiation service provider and the account information service provider to comply with the authentication procedures made available to the User by the Bank, in accordance with paragraphs 1 and 3, and paragraph 2 in the case of payment initiation services.

## **10. Conditions for Amendments and Termination of the Agreement**

### **10.1. Amendments to the Agreement**

All amendments to the Agreement must be made exclusively in written form and duly signed by authorized representatives of both contracting parties, except for amendments that are in favour of the User and which may, by law, be applied immediately without the User's prior consent.

If the Bank proposes amendments to the Agreement, it must provide the User with the proposal in written form no later than two months before the proposed effective date for entrepreneurs, and no later than 15 days before the effective date for legal entities. The User may accept or reject the proposed amendments before the effective date.

By exception to the previous paragraph, if the Bank proposes a fee change in favour of the User, or introduces a free new service or new functionality of an existing service, such change may be applied immediately without prior delivery of the amendment proposal concerning that change.

It shall be deemed that the User agrees to the proposed amendments if they do not inform the Bank before the effective date that they disagree with the changes, and the Bank must clearly inform the User of this when delivering the proposed changes.

Simultaneously with delivering the proposed amendments, the Bank is obliged to inform the User of their right to terminate the framework agreement at any time before the effective date of the proposed changes without paying any fees or incurring any other costs, and to indicate the date from which the termination would take effect.

### **10.2. Conditions for Unilateral Termination / Nullity of Contract Provisions**

The User has the right to terminate the Agreement at any time with a notice period of 30 (thirty) days. The Bank may charge a

fee for closing the account of a legal entity, in accordance with the Bank's Price List.

The User also has the right to terminate the Agreement in other cases defined by the Law on Obligations or other applicable legislation, by submitting a request to close the account in a form determined by the Bank. In such cases, the Bank is obliged to immediately, or upon settlement of any obligations on the account, enable the User to withdraw the entire balance in cash without any fee or to transfer the funds to another bank by non-cash means, and to close the account in accordance with applicable regulations.

The Bank has the right to terminate the Agreement with a notice period of two (2) months for entrepreneurs, or eight (8) days for legal entities, as well as in other cases defined by the Law on Obligations or other applicable legislation, by sending a written notice to the other contracting party.

In the event of termination, the User is obliged to pay the Bank only for payment services rendered up to the date of termination. If such a fee was paid in advance, the Bank is obliged to return a proportional amount of the paid fee to the User.

The User may request that the provisions of the Agreement which are contrary to the information provided during the pre-contractual phase in accordance with the Law on Payment Services, or which relate to mandatory elements of the Agreement not previously disclosed, be declared null and void.

In addition to the aforementioned cases, the Bank may also unilaterally terminate the Agreement and close the User's accounts in the following cases:

- If it is determined that the User appears on official terrorist or other negative lists, in accordance with domestic and international regulations on money laundering and terrorist financing prevention;
- If the User fails to provide, within the given or reasonable time limit, information about themselves, their beneficial owners, business activities, source of funds, or the nature/purpose of the business relationship or the transaction performed via the Bank, upon request by the Bank;
- If the User's account remains inactive for 12 (twelve) consecutive months, meaning no payments or withdrawals are recorded, excluding entries for interest, fees, or charges, as well as other entries made by the Bank.

The Bank may also temporarily block the execution of transactions ordered by or for the benefit of the User if, upon the Bank's request, the User fails to provide the requested



information regarding their identity, beneficial owners, business activity, source of funds, or the nature/purpose of the business relationship or transaction. In such cases, the Bank shall not be liable for any damage suffered by the User due to non-execution of transactions.

#### **11. Confidentiality and Personal Data Protection in Relation to Payment Services**

The Bank processes personal data of the User in accordance with the Law on Personal Data Protection of the Republic of Serbia and the General Terms and Conditions of AikBank a.d.

The User's personal data is processed for the purpose of fulfilling the contractual relationship between the User and the Bank, for the Bank's legal obligations, and for marketing purposes if the User has provided explicit consent.

Detailed information about personal data processing, the data controller, the Data Protection Officer, and the rights of data subjects is available in the General Terms and Conditions of AikBank a.d. and the Privacy Notice, which is regularly updated and available on the Bank's website and in branches.

The Bank and participants in the payment system may collect, process, and exchange data relating to the User of payment services, including personal data, transaction details, account balances and changes, for the purpose of preventing, investigating, or detecting fraudulent activity or misuse related to payment services.

#### **12. Entry into Force**

This Annex 1 to the General Terms and Conditions of Business enters into force on the day of adoption and shall apply as of 6 May 2025.