

## GENERAL TERMS AND CONDITIONS FOR PAYMENT OPERATIONS OF LEGAL PERSONS AND ENTREPRENEURS

### I. INTRODUCTORY PROVISIONS

The General Terms and Conditions for Transaction Accounts of Legal Entities and Entrepreneurs (hereinafter: "General Terms"), of ZIRAAT BANK MONTENEGRO AD (hereinafter: "Bank") provides the Users of payment service with information on using of payment services, fees, interest rates and foreign exchange transaction rates, communication with the Bank, security and correctional measures, amendments to and termination of the framework agreement and legal protection. In these General Terms and Conditions, the Bank also determines the conditions for opening, maintaining and closing transaction accounts of legal entities and entrepreneurs. The information on steps before the execution of Payment transactions are contained in the General Terms and Conditions, Detailed terms and Conditions for any additional goods/services agreed on between the Bank and the User, Time Schedule for Execution of Payment Transactions, the Bank's Tariffs for Service Fees and Bank's Exchange Rates.

#### Payment service provider

Pursuant to Payment Transactions Act ("Official Gazette of MNE", No. 62/13 as of 31.12.2013 and "Official Gazette of MNE", No. 6/14 as of 04.02.2014) ZIRAAT BANK MONTENEGRO AD is a provider of payment services with a professional license issued by the Central Bank of Montenegro according to the Decision of the Central Bank of Montenegro No O.br.0101-4014/712 dated 6.4.2015.

Address of the Bank: Ul. Slobode 84

Registration number: 4-0009452/2

Identity number: 03048136

Business account number: 575-1-22

SWIFT: TCZBMEPG

Phone number: +382 20 442 200

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E-mail address: [office@ziraatbank.me](mailto:office@ziraatbank.me)

Website: <http://www.ziraatbank.me>

Controlling authority: Central Bank of Montenegro

#### Scope and Implementation of the Agreement

The General Terms and Conditions define the rights and responsibilities of ZIRAAT BANK MONTENEGRO, the payment service provider (hereinafter: the Bank) to open, service and close the transaction accounts of business organizations and legal entities (hereinafter: the legal entities) and entrepreneurs and to provide payment transactions.

The General Terms and Conditions refer to national and international payment transactions. The General Terms define the conditions of entering into and terminating the Agreement on Opening and Managing of the Transaction Account.

The General Terms herein, the Agreement on Opening and Managing of the Transaction Account, Time Schedule for the Execution of Payment Transactions, Bank's Tariffs for Service Fees and the Bank's Exchange Rates valid on the day of its implementation constitute the Framework Agreement.

The documents are available both in paper form at the organizational units of the Bank and on the web page of the Bank at: <http://www.ziraatbank.me>.

#### The meaning of the expressions

- 1) Enactments of the Bank** – All documents and decisions adopted following the proper procedure by the competent authorities of the Bank available to the user of payment services through particular distribution channels. These documents and decisions govern the rights, authorizations and responsibilities of the user of payment services and other entities undertaking the rights and responsibilities towards the Bank as well as the Bank itself (e.g. Detailed Terms and Conditions, the Decision on Bank's Service Fees, etc.);
- 2) User/User of payment services** – a legal entity or an entrepreneur who concludes a framework agreement on payment services with the Bank (hereinafter: Framework agreement), i.e. an agreement on opening and maintaining an individual transaction account, as well as a legal entity that uses the payment service as a payer and/or payee.
- 3) Entrepreneur** - a natural person who is not a consumer, i.e. an able-bodied natural person who carries out economic activity for his own interest in order to gain profit, in accordance with the law governing the companies

and other laws

- 4) **Payer** –a natural or legal person who holds a payment account and allows a payment order from that payment account, or, where there is no payment account, a natural or legal person who gives a payment order.
- 5) **Payee** means a natural or legal person who is the intended recipient of funds which have been the subject of a payment transaction.
- 6) **Distribution channels** represent all ways and means through which it is possible to access, contract and use the Bank's products and services. In the text of the General Terms and Conditions, the term Distribution channel can mean: the Bank's branch, the Bank's website, etc.;
- 7) **Payment services include:**
  - a) services enabling cash to be placed on a payment account as well as all the operations required for operating a payment account;
  - b) services enabling cash withdrawals from a payment account as well as all the operations required for operating a payment account;
  - c) execution of payment transactions, including transfers of funds on a payment account of the payment service user held with payment service provider or with another payment service provider:
    - execution of direct debits, including one-off direct debits,
    - execution of payment transactions through a payment card or a similar device,
    - execution of credit transfers, including standing orders.
  - d) execution of payment transactions where the funds are covered by a credit line for a payment service user:
    - execution of direct debits, including one-off direct debits,
    - execution of payment transactions through a payment card or a similar device,
    - execution of credit transfers, including standing orders;
  - e) issuing of payment instruments and/or acquiring of payment transactions;
  - f) money remittance;
  - g) payment initiation services;
  - h) account information services.
- 8) **Residents** are the persons from the Article 3, paragraph 1 of the Law on Foreign Current and Capital Operations ("Official Gazette of Montenegro", no. 062/08 from 15.10.2008, 040/11 from 08.08.2011, 062/13 from 31.12.2013, 070/17 from 27.10.2017);
- 9) **Non-Residents** are any persons not defined by the term Residents;
- 10) **Payment order** is an instruction a payer or a payee submits requesting the Bank to execute the payment transaction;
- 11) **Unique Identifier** a string of letters, numbers or symbols designated to the User by the Bank which the User has to produce to clearly state his account for payment services which is used in the payment transaction and/or other user of payment services. the other user of payment services and/or his payment account used in the payment transaction. Unique Account identifier for executing national payment transactions is a numeric code of the account made up according to the BBAN structure. Unique identifier for executing international payment transactions is an alphanumeric code of the account made up according to the IBAN structure. Unique identifier is a number a User has to provide for orderly execution of payment orders;
- 12) **Reference Number** is the number assigned by the Bank to identify the payment transaction.
- 13) **Payment transaction** means the placing, withdrawing or transferring of funds initiated by or on behalf and for the account of the payer or by the payee, regardless of any underlying obligations between the payer and the payee;
- 14) **Remote payment transaction** means a payment transaction initiated via internet or through a device that can be used for distance communication;
- 15) **Acquiring of payment transactions** means a payment service provided by a payment service provider contracting with a payee to accept and process payment transactions, which results in a transfer of funds to the payee
- 16) **National Payment Transaction** any payment transaction the execution of which includes the provider of the payment services of the payer and/or the provider of the payment services of the payee operating in Montenegro;
- 17) **International Payment Transaction** is any payment transaction the execution of which includes one provider of payment services operating in Montenegro and the other in the territory of a third country as well as any payment transaction which includes the same payment service provider providing the payment services for one user in the territory of Montenegro and for the other user in the territory of a third country.
- 18) **money remittance** means a payment service where funds are received from a payer, without any payment accounts being created in the name of the payer or the payee, for the sole purpose of transferring a corresponding amount to a payee or to another payment service provider acting on behalf of the payee, and/or where such funds are received on behalf of and made available to the payee;;
- 19) **funds** mean cash (banknotes and coins), funds in accounts, and electronic money;

- 20) authentication** means a procedure which allows the payment service provider to verify the identity of a payment service user or the validity of the use of a specific payment instrument, including the use of the user's personalised security credentials;
- 21) Business day** a day the Bank is open for business and can execute a payment transaction;
- 22) Date of Receipt** is a date when the Bank receives the payment order and begins to execute the payment transaction, according to the Time Schedule;
- 23) Date of Execution** is a date when the Bank debits the account of the Payer;
- 24) Payment Account** an account being managed by a provider of payment services in the name of one or more users of payment services used for executing payment transactions.
- 25) Personalized secure element** the data on a payment card and the adjoined card data enabling the issuer of the card to identify the natural person authorized by the issuer to use the card, namely the name and surname of the payment card user, number of the card, control number stated on the card, expiry date, PIN and the signature of the user on the card;
- 26) Transaction Account** a type of payment account which is opened and managed in the name of one or more user of payment services for the execution of payment transactions and other purposes;
- 27) Reference exchange rates exchange rates** used as a basis for conversion of currencies quoted by the Bank or another publicly available source;
- 28) Payment instrument** is any personalized mean and/or a group of actions agreed between the User and the Bank and which the User applies to initiate payment orders;
- 29) Receipt of Payment instruments** a payment service where the Bank enables the User to execute any payment transaction that a payer initiates by using a payment instrument;
- 30) Payment card** a payment instrument enabling the card holder to pay for goods and services via card acceptance device or at a distance and/or to withdraw cash or use other services in a cashpoint machine or other self-service device;
- 31) credit transfer** means a payment service for crediting a payee's payment account with a payment transaction or a series of payment transactions from a payer's payment account by the payment service provider which holds the payer's payment account, based on a payment order given by the payer;
- 32) direct debit** means a payment service for debiting a payer's payment account, where a payment transaction is initiated by the payee on the basis of the payer's consent given to the payee, to the payee's payment service provider or to the payer's own payment service provider
- 33) payment initiation service** means a payment service to initiate a payment order at the request of the payment service user with respect to a payment account held at another payment service provider;;
- 34) account information service** means an online payment service to provide consolidated information on one or more payment accounts held by the payment service user with either another payment service provider or with more than one payment service providers;
- 35) Time Schedule** is the act of the Bank defining the schedules, manner and conditions of payment transaction schedule;
- 36) Detailed General Terms** are the terms and conditions stated by the Bank for a specific product or a service (e.g. a payment card, internet payment, etc.)
- 37) Fees** are the fees and expenses paid by the User to the payment service provider for the services associated with the payment account or in connection with those services, if any;
- 38) Passive interest rate** is the interest rate at which the provider of payment services pays interest to the User of payment services on funds in the payment account;
- 39) A standing order** is an instruction given by the payer to the payment service provider that maintains the payment account for him, to execute credit transfers at regular intervals or on predetermined dates;
- 40) An overdraft agreement** is a special agreement by which the payment service provider makes available to the User funds that exceed the available amount of funds on the User's payment account;
- 41) Silent overdraft** is the amount of funds that the payment service provider tacitly makes available to the User, which exceeds the available balance of funds on the User's payment account or the amount of the agreed overdraft;
- 42) Services related to a payment account** are services related to the opening, maintenance and termination of a payment account, including payment services and payment transactions based on checks and bills of exchange in accordance with the Geneva Convention on the Uniform Law on Checks of March 19, 1931 and the Geneva Convention on the uniform law on drawn and promissory notes of June 7, 1930 and similar checks and bills of exchange governed by the law of countries that are not parties to those conventions, paper receipts, traveler's checks and postal money orders as defined by the Universal Postal Union, as well as agreed and tacit overreach;
- 43) Transferring of payment account is:**
- a) transfer of information from one payment service provider to another about all or individual standing orders for credit transfers, recurring direct debits and recurring incoming credit transfers executed on the payment account,

- b) transfer of available funds from a payment account with one payment service provider to a payment account with another payment service provider, or
- c) transfer of information and transfer of available funds in accordance with subsection a) and b) of this point, with or without cancellation of the previous payment account;

**44) Legal stay in Montenegro** is the stay of a natural person in Montenegro in accordance with the regulations regulating the residence and residence of citizens, i.e. the stay of foreigners in accordance with the law regulating the rights of foreigners, including a foreigner residing in Montenegro in accordance with laws governing the international and temporary protection of foreigners or on the basis of an international agreement;

**45) The competent authority** is the authority appointed by the member state as competent.

## **II. PAYMENT SERVICES PROVIDED BY THE BANK**

### **Opening of the Account**

Legal relationship between the Bank and the User begins on the day of signing of the Agreement on Opening and Managing the Transaction Account (hereinafter: The Agreement).

The contract is concluded for an indefinite period of time and it shall be signed by the authorized persons of the Bank and the User, i.e. the attorneys of the User based on the power of attorney certified by a notary or a competent body. The Bank shall open the Account for the User upon the Application for Opening of the Transaction Account and the associated documents submitted in accordance with the competent regulations.

The Bank shall have the right to require any additional documents from the User.

The Transaction Account shall be opened in domestic currency and the currencies stated in the exchange rate list of the Bank.

The Bank undertakes to grant or deny the Application in the shortest period possible upon the receipt of the Application and complete documentation therewith, unless the Bank decides to require additional documentation and the period might extend.

The Bank is not required to further explain the reasons for denying the Application.

## **III. DOCUMENTATION AND DATA REQUIRED FOR THE OPENING OF THE ACCOUNT**

### **Residents**

The request for opening a transaction account for the execution of national or international payment transactions submitted by a legal entity or a resident entrepreneur contains the following information:

- name of the legal entity or entrepreneur;
- place - headquarters, address and phone number;
- activity - subject of business of a legal entity or entrepreneur;
- registration number of a legal entity or registration number and unique registration number of an entrepreneur;
- signature of a person authorized to represent a legal entity or entrepreneur.

With the request to open a transaction account, the User submits the following documentation:

- 1) Decision on registration - entry in the Central Register of Business Entities (CRPS), i.e. act on registration with another competent authority, if registration is prescribed for it;
- 2) Act of the competent authority on establishment, if registration is not prescribed for it;
- 3) Extract from the law, if it is founded directly on the basis of the law, i.e. if the registration is not done with the Central Register of Business Entities (CRPS) or the competent body.
- 4) Notification of the competent authority on the classification by activities, which is submitted in the event that the information on the classification by activities is not an integral part of the decision, act or extract ;
- 5) Act on completed registration with the competent tax authority containing the applicant's tax number, if such registration is prescribed, which is submitted in the event that this information is not an integral part of the decision, act or statement ;
- 6) Completed card of deposited signatures of persons authorized to sign payment orders;
- 7) Act on the appointment of a person authorized to represent the applicant, if that person is not specified in the act of registration, that is, in the law or other regulation on the basis of which the establishment of that person is carried out;
- 8) Certification of the signature of the applicant's authorized person - OP form;
- 9) Statute, if its adoption is provided for by law;
- 10) Photocopies of the identification document of all natural persons listed in the registration data (CRPS) - founders and authorized persons, as well as persons authorized to sign the Carton of deposited signatures.

### **Non-residents**

With the request for opening a transaction account, the non-resident user submits the following documentation:

- 1) Extract from the register in which the non-resident legal entity is registered in the country where it has its registered seat or, if it is established in a country where it is not registered in such a register - another valid document on establishment in accordance with the regulations of the country of seat, on the basis of which the legal form of this nonresident and the date of its establishment can be determined. The above-mentioned document is submitted in the original or as a copy certified by the competent authority and translated into the Montenegrin language, not older than three months;
- 2) Certification of the signature of the authorized person of the applicant;
- 3) Completed card of deposited signatures of persons authorized to sign payment orders, which was signed by the authorized person from the decision on the registration of a legal entity - non-resident in the country of the seat and the person to whom the authorized person has transferred the right to sign, i.e. from another valid founding document, certified with the stamp used to certify payment orders.

In the case when the transaction account of the User - resident, applicant, in accordance with the regulations, is exempted from forced collection, the User submits, in addition to the mentioned documentation, documentation on the basis of which it proves that the account is exempt from forced collection.

The User is obliged to inform the Bank without delay about all changes that have occurred in the documentation attached to the Application for opening an account with the Bank, upon the occurrence of the change, and to attach the relevant documentation.

The user bears all responsibility for any errors or damages caused by incorrect data in the Bank's records, caused by untimely notification of the changes in the documentation.

It will be considered that the data have been changed only when the Bank becomes aware of them and when they are officially recorded.

The User proves the change of the person authorized for representation by a decision on the entry of the change in the appropriate register. If the User is not entered in the register, the change of the person authorized for representation is proven by the decision of the founder or the User.

#### **Managing the Account**

The Bank shall execute the payment transactions related to the account of a User as payments, payouts or transferring funds to the level of total available balance in the Account.

Only authorized persons of the User shall have access to the available balance in the Account.

The User shall have an unrestricted access to the available balance in the Account, except in the cases of vis major or when the regulations require otherwise.

The authorized persons and the manner of handling the funds in the Account are stated in the Signature Specimen Form.

The User shall submit a written request for any change of the authorized persons in the Signature Specimen Form.

The change of the person authorized to represent the User and the change of the authorized person in the Signature Specimen Form does not change the authorization for additional payment services (e.g. E- banking) on which the User previously agreed with the Bank, so the User shall keep the record of any changes of authorization of additional payment services agreed on.

The Power of Attorney, i.e. the revoking of Power of Attorney that has not been made up at the Bank shall be certified by a competent domestic or foreign authority, in keeping with the positive regulations.

The Bank shall have the right to deny the one-time power of attorney older than three months. The Bank shall not be held responsible for the consequences incurred if the attorney does not act in accordance with the provisions of this Article.

The Bank is not required to inform the User on actions and non-compliances of the attorney.

#### **IV. EXECUTING PAYMENT TRANSACTIONS**

##### **Receiving Payment Orders and Verifying Authenticity of Payment Transactions**

The Bank shall accept and process accurately filled out payment orders of the User in accordance with the General Terms.

An order in paper form is submitted in person, at the branch offices and sub-branches of the Bank (hereinafter: Bank's branch offices).

The orders may be initiated electronically or via the application for internet payments, as well as by Master debit card.

The Bank accepts payment orders subject to the deadlines stated in the Time Schedule of Execution of Payment Orders (hereinafter: the Time Schedule) available to the User at the Bank's business premises and on the web page of the Bank <http://www.ziraatbank.me>.

If the Bank receives the order within the period specified in the Time Schedule, it shall be considered to have been received on that business day.

If the order comes in after the period specified in the Time Schedule, it shall be considered to have been received on the following business day.

Payment orders may be submitted with the date of their execution determined beforehand.

Payment orders previously determined to be executed on a specific business day shall be considered accepted on the date specified on them, so that the payment transaction on that day is considered authorized.

Following the receipt of the Payment order, the Bank shall start the verification of authenticity of the payment transaction. The verification of authenticity of payment transactions shall be conducted by:

- Verifying the signature and the stamp on the Orders of the User in paper form. To verify the signature and the seal the Bank shall formally inspect and compare the Signature Specimen Form and the stamps in its records to the signature and stamp used to certify the Orders;
- Verifying digital certificates and authorization of the users of internet payment applications;
- Verifying PIN, or the control number written on the card, when paying by a payment card at the retail outlet or a cashpoint machine.

#### **Time of Receipt of Payment Order**

The time of receipt of payment order depends on the form in which it is submitted to the Bank:

- For Orders received in paper form, the time of submission by the User is considered the time of receipt;
- For Orders received via internet payment applications, the time of receipt is upon the User's electronic signing and sending the Order;
- For Orders initiated by payment cards the time of receipt is when the user of the card authorizes the payment order by using PIN at the cashpoint machine or a signature/PIN at POS terminal or, in case of purchase on the Internet, the moment when the User enters Personalized Secure Element that a retail outlet requires.

#### **Consent for Executing Payment Transactions**

If authenticity was successfully verified, a payment transaction is considered authorized, i.e. it is considered that the User has given his consent for executing the payment transaction.

Consent to execute a payment transaction or a series of payment transactions shall be given in the form agreed between the payer and the payment service provider, and it may also be given via payee or the payment initiation service provider; in the absence of consent, a payment transaction shall be considered to be unauthorised.

If the transaction has not been authorized, it shall not be considered received.

#### **Mandatory Elements and Execution of Payment Orders**

The information required for payment transactions are contained in the General Terms, Detailed terms and Conditions for any additional goods/services agreed on between the Bank and the User, Time Schedule for Execution of Payment Transactions, the Bank's Tariffs for Payment Service Fees and Bank's Exchange Rates valid on the day of application.

The Bank shall execute a payment order if the following conditions are met:

- The Order has been submitted on the proper slip in paper form is legible, without corrections;
- The Order contains all the mandatory elements, defined and required by regulations necessary to orderly execute payment transactions;
- The User has provided the coverage for the execution of the Order in the required currency and the coverage for the Bank's fee;
- The Consent for Executing the Order was given in keeping with the Agreement;
- There are no legal restrictions for the execution of Order.

Depending on the obligation relationship between the payer and the payee, the Bank may require additional data from the User (credit/payee reference number, Agreement number, etc.) and documents in accordance with the regulations and internal enactments of the Bank. The User shall also be held responsible for accurate and complete data when he requires from the Bank to fill out the Order following his instructions.

If the Order has been executed in accordance with the Unique Identifier, the Bank shall consider it accurately executed towards the payee who is defined by the Unique identifier.

The Bank shall not be held responsible for unexecuted or inaccurately executed payment transaction if the User stated the Unique Identifier of the payee inaccurately.

If the User initiates the Order for executing the National Payment Transaction without the available funds in the account to cover it, the Bank shall begin the execution when the funds are provided. In such case, the time of receipt of the Order is the day when the User provides the funds for the execution of the Order.

If the execution of the Order requires buying or selling a foreign currency, the Bank shall convert the currencies at the reference rates from the Bank's exchange rate list, if not agreed otherwise. To withdraw cash, the User shall

inform the branch office where he intends to withdraw funds three (3) days before, if the amount to be withdrawn exceeds 50,000.00€ per transaction.

#### **Other Reasons to Debit the Account of the User**

The Bank shall execute the Orders debiting the User in any currency on the basis of the forced collection order in accordance with the Enforcement and Security of Claims Act ("Official Gazette of Montenegro", No.036/11 dated 27.07.2011, 028/14 dated 04.07.2014, 020/15 dated 24.04.2015, 022/17 dated 03.04.2017, 076/17 dated 17.11.2017, 025/19 from 04/30/2019).

The Bank shall execute the Order of the payee debiting the User, a debtor, on the basis of authorization, as well as on the basis of the bill of exchange which contains all legally required elements if the holder submits the signed bill of exchange to the Bank with the Order of the Payee. To execute national and international payment transactions, the Bank shall have the right to execute the Order of the Payee debiting the User on behalf of the Bank.

The User agrees that the Bank may correct the mistake from payment operations without prior consent of the user and adjust the book entries, debits or authorization of the account of the User.

The Bank shall inform the User on the adjustments via statement of fund balance and changes of funds. Any additional information on such adjustments the Bank shall deliver upon the written request of the User.

#### **Revoking Payment Orders**

Before the execution of the Order, the User may by written request revoke the Orders submitted at the Bank's business premises, by fax or e-mail. If the payment transaction was initiated by the Payee, the User shall not be able to revoke the payment order.

To revoke the payment order, the User shall produce the core elements of the Order, the amount, the currency, date of initiation of the Order and the number of the account of the payee. If the Order was submitted electronically, via internet payment applications, it can be revoked by using the same service if it had not been executed previously.

The Order is irrevocable as of the moment it has been executed, i.e. when the account of the User has been debited. In case of international transactions, the Order shall not be executed if the coverage for the amount of payment transaction and the Bank's service fee are not provided in one business day in the manner as defined by the Time Schedule for Execution of Payment Transactions. In such case it shall be decided that the Order has been revoked by the User.

The Bank shall not be responsible to inform the User on the revoked Orders.

#### **Authorization of payment transactions**

A payment transaction is considered authorized only if the Client has given his consent for the execution of the payment transaction. Consent is issued by undertaking one or more actions at the same time.

In order to avoid any doubt, it is considered that the consent has been given subsequently, when the payer - after the payment transaction has already been executed - takes over the documents (certificates, certified payment orders, etc.) related to that payment transaction. The client consents to the execution of the payment transaction by signing and taking over a copy of the payment order with the processing reference at the Bank's counters, by accepting the reference of the payment order issued through one of the Bank's internet banking services, by signing at the POS terminals.

The client consents to the execution of the payment transaction depending on the channel of receiving the payment order and the payment instrument, namely:

- a) in the Bank's branches: by handing over the correct payment order, signing and taking over a copy of the payment order with a processing reference at the Bank's counters and handing over the amount of cash needed to execute the payment order;
- b) by card: by handing over the card, inserting the card into the ATM and entering the PIN, with the possibility of using the Bank's DCC service for foreign card users, inserting the card into the POS device and entering the PIN, or by signing the confirmation receipt of the POS terminal that does not have a PIN module, by touching screen of the contactless reader by card and by entering the PIN during contactless payments for amounts defined by the rules of global payment systems, by presenting the card, i.e. by using the card itself on an electronic device that supports NFC technology, i.e. in transactions performed on the Internet (e-commerce payments) by entering the number card, expiration date and CVV/CVC code, as well as OTP, if the online point of sale requires it, because it has an activated 3-D Secure Standard, or MOTO/CNP transaction, by entering the CVV/CVC code;
- c) at the payee: by signing the order.

When, according to positive legal regulations, certain additional documents or data are required for the execution of a payment order in addition to a duly completed payment order, the Bank will execute the payment order, if those documents and data have been submitted, i.e. presented in the prescribed form otherwise the Bank is released from

responsibility for extending the deadline for execution of the payment order.

#### **Responsibility of the payment service provider for unauthorized payment transactions**

In case of execution of an unauthorized payment transaction, the payment service provider of the payer is obliged to return the amount of the unauthorized payment transaction to the payer without delay - at the latest by the end of the next working day after learning about the transaction or after being informed about it, unless the payment service provider of the payer has justified reasons to suspect on fraud and if he informs the Central Bank about this reason in writing.

If the payment account of the payer is debited for the amount of the unauthorized payment transaction, the payment service provider of the payer is obliged, within the time limit referred to in paragraph 1 of this article, to restore the balance of the debited payment account to the state in which it would have been if the unauthorized payment transaction had not been executed, whereby the validity date of the approval of the payer's payment account must not be later than the date on which that account is debited for the amount of the unauthorized payment transaction. If the payment transaction was initiated through the payment initiation service provider, the payment service provider managing the account is obliged to return the amount of the unauthorized payment transaction without delay, and no later than the end of the next working day, and to return the balance of the debited payment account to the state in which it would have been if no unauthorized payment transaction was performed.

If the payment initiation service provider is responsible for an unauthorized payment transaction, it is obliged to compensate the payment service provider that manages the account, at its request, without delay for all losses resulting from refunds or losses based on the refund amounts paid to the payer, including the amount of the unauthorized payment transaction.

In the case of executing an unauthorized payment transaction, the payer has the right to the difference up to full compensation for damages according to the general rules on liability for damages.

#### **Responsibility of the payer for unauthorized payment transactions**

If the execution of unauthorized payment transactions is a consequence of the use of a lost or stolen payment instrument or the misuse of a payment instrument, the payer may be obliged to bear the losses associated with those unauthorized payment transactions up to a maximum of 50 euros.

The payer is not obliged to bear losses even up to the amount from paragraph 1 of this article, if:

- could not detect the loss, theft or misuse of the payment instrument before the execution of unauthorized payment transaction;
- unauthorized payment transactions are the result of the action or omission of an employee, agent or branch of the payment service provider or the entity to whom the activities of the payment service provider are outsourced;
- the payment service provider did not provide the appropriate means to deliver the notification about the loss, theft or misuse of the payment instrument, in accordance with Article 33 paragraph 1 point 3 of the Law on Payment Transactions;
- the payer's payment service provider does not require secure authentication of the client;
- the payee's payment service provider does not apply the required reliable client authentication.

The payee or the payment service provider of the payee who does not apply the required reliable authentication of the client, is obliged to compensate the payer's payment service provider for the damage it suffered as a result.

As an exception to the previous paragraph, the Payer bears all losses associated with unauthorized payment transactions, if the payer acted with the intent to defraud or intentionally or with gross negligence failed to fulfill one or more obligations from the previous paragraph

The payer is not liable for the amount of unauthorized payment transactions made after notifying the payment service provider in a defined manner, unless he acted with the intent to defraud.

#### **Denying the Execution of Payment Orders**

The Bank may deny the execution of the payment order if all the criteria specified in the Mandatory elements and Execution of Payment Orders have not been met.

The Bank shall directly inform the User on the denial and the reasons of denial of execution of the Payment order as well as the procedure of redressing the defects that resulted in the denial of the Order via one of communication channels such as telephone, fax, e-mail, unless other regulations forbid it.

Denied Orders shall not be considered as received.

#### **Payment of cash to a payment account**

If the user of payment services deposits cash into his payment account with the payment service provider, the payment service provider is obliged to make the funds available to the user of payment services immediately after receiving the



funds, with the value date on the day of receipt of the funds.

#### **Additional Payment Services**

The User may agree with the Bank to use additional payment services related to the Account such as:

- Internet payments;
- Payment card services;
- Other services as defined by the enactments of the Bank.

The terms of using additional payment services shall be defined by the Detailed Terms and/or by concluding separate agreements for such services.

#### **Interests, Fees and Rates**

A positive account balance is considered the sight deposit with the Bank. The Bank does not calculate the interest on the account funds.

The Bank shall calculate the Service Fees according to the Tariffs for the Service Fees for Payment Operations.

Applicable Service Fees of the Bank are available at the Bank's branch offices and the Web page at:

<http://www.ziraatbank.me>.

The Fee shall be paid in domestic currency. In the case that it is necessary to convert currencies, the Bank shall apply its selling rates quoted at the Exchange Rates List applicable on the day of charging such fees.

For the National Payment Transactions the Bank shall calculate and charge the fees daily, following the end of the business day.

Exceptionally, fixed fees for services of managing of the account and internet payment shall be charged monthly. SHA, OUR or BEN payment instructions are the ways the bank calculates and charges the payment operation service to the User, payee's payment service provider or the payer.

- a) SHA (share) – shared Bank's fees;
- b) OUR – all service fees charged to the ordering party – the payer;
- c) BEN (beneficiary) – all service fees charged to the payee;

Service fee for International payment transactions shall be charged before the execution of such transactions. The User shall provide coverage in the Account funds to pay the calculated service fee. The Bank may charge the fee both from the International Payment transactions account and the National Payment transactions account.

#### **V. CLOSURE OF ACCOUNT**

The Bank closes the User's transaction account upon his written request.

The Bank will close all accounts of legal entities and entrepreneurs that have ceased to exist based on the law or other regulation, based on the request of the legal successor or other authorized person.

The Bank will close the User's account even without a submitted request, if it becomes aware that the law or regulation on the basis of which the User was established has ceased to exist, also in situations where the Bank becomes aware that the User has ceased to exist after the end of the bankruptcy procedure, i.e. liquidation and in other cases prescribed by law.

Before closing the account, the bank will obtain the necessary documents for the cancellation of the account, namely:

- Legal basis,
- Decision on the deletion of the User from the register of the competent authority, or act on the termination of the User's work, etc.

The Bank closes the transaction accounts of users whose status has changed:

- based on the User's request or
- based on the request of his legal successor.

All other necessary actions related to account closure are undertaken in accordance with the Bank's regulations and acts related to account closure.

#### **Personal Data Protection - Bank Secrecy**

Any information and data collected over the period of establishing business relationship with the User, the data on balance and transactions are considered the bank secrecy. The Bank is allowed to disclose the data considered the bank secrecy to the User, competent authorities and other institutions at the written request pursuant to Act on Banks or explicit written consent of the User.

The Bank shall ensure personal data protection for any individual regardless of their citizenship, place of residence, race, color, sex, language, religion, political and other belief, ethnicity, social background and status, education and other personal characteristics.

The User agrees that the Bank may undertake any actions prior to the conclusion of the agreement and actions in the process of meeting the agreement obligations and that the Bank may entitle the competent domestic or foreign

Processor of personal data to handle such processing by a written agreement in accordance with law.

The Bank shall ensure the necessary technical, staffing and organization measures of personal data protection against the loss, destruction, unauthorized access, changes, disclosure and abuse.

## **VI. COMMUNICATION PROCEDURE WITH THE BANK AND INFORMING USERS**

The Bank shall communicate verbally and in writing with User in Montenegrin.

The Framework Agreement and other enactments of the Bank shall be written in Montenegrin, in Latin alphabet.

The Bank undertakes, before executing each payment service/single payment transaction/concluding a framework agreement, to provide the User of payment services with a draft of the framework agreement, general conditions or a copy of the **payment order** containing all the necessary information.

The Bank is obliged to provide the User of payment services with the following preliminary information before executing a payment transaction:

- that the User of payment services should submit a unique identification number and/or data specification for the proper execution of the payment order;
- deadline, fees, exchange rate and other information related to that transaction.

After receiving the payment order and its execution, the Bank undertakes to deliver to the User of payment services a copy of the completed payment order with the entered reference, the amount of the payment transaction in the requested currency, fees, and/or the exchange rate (if the nature of transaction requires it), and the date of receipt/processing order.

The Framework Agreement, General Conditions, Term Plan for receiving and executing payment transactions, as well as the Decision on Fee Tariff are written in easy-to-understand words and in a simple and comprehensive form.

For each individual payment transaction made directly by the payer, the Bank is obliged, at the payer's request, to provide information on the maximum execution period and on all fees borne by the payer, as well as on the amount of each. (hereinafter: Extract).

The Bank shall inform the User on:

- the National payment transactions via the Statement of account balance and transactions (hereinafter: the Statement) delivering to the User at least: date of executed transactions, previous account balance, daily volume of transactions, balance as of the end of the business day, the total number of credit/debit orders, name and address of the payer/payee, the amount of credit/debit, payment details, reference number of the payment, the fee calculated per single payment transaction, total unpaid commission for a specific day, unexecuted orders;
- international payment transactions via the Statement informing the User minimally on: the date of payment transaction executions, previous account balance, reference number of the payment, total fee calculated per single payment transaction;

The Statement is delivered daily, as stated in the Application for the Opening of transaction account in written form or electronically via e-mail. The User shall collect the statements on payment transactions regularly. The Bank shall have met its obligation by delivering the Statement to the User in the agreed manner. The Bank shall not be held accountable for any contingent damages incurred to User due to untimely acceptance of Bank's statements in line with these Terms.

If the payment transaction includes currency calculation, the Bank shall apply the exchange rates available on the Internet page of the Bank and at the branch offices of the Bank. The rates shall be delivered to the User via the form for calculating the fee of the Bank, before the initiation of the Order.

## **VII. SECURITY AND CORRECTIVE MEASURES**

### **Complaints and the Responsibility of the Bank for Unexecuted and Erroneous Payment Transactions**

The User may complain to the Bank about the provided payment service or the execution of the Order.

The User shall submit the complaint upon the knowledge of it, in writing, in person or via postal mail at the address ZIRAAT BANK MONTENEGRO, Podgorica 81000, Ulica Slobode 84 or on email: [reklamacije@ziraatbank.me](mailto:reklamacije@ziraatbank.me) 15 days from giving consent to execute the Order at the latest.

The complaint shall contain the relevant information and refer to the event in detail along with the documents demonstrating the grounds for complaint.

If the event has been referred to incompletely or it does not demonstrate the grounds for complaint, the Bank may request from the User to provide additional information. If the User does not provide additional information within **8** days as of the Bank's request, the Bank shall consider that he has waived the complaint.

In the process of handling the complaint, the Bank shall inspect the payment transaction to check if it was executed in line with these Terms.

The Bank shall respond to the complaint within **15** days upon receiving the complaint in writing in the form the complaint was delivered to the Bank.

If the payment transaction has not been executed or has been executed erroneously, the Bank shall act upon the complaint and the corresponding legal provisions to immediately execute the transaction or return the amount of funds from unexecuted or erroneously executed Order, as increased by the accrued interest and the fee paid. The Bank shall not be held accountable for not executing or erroneously executing the Order in the following instances:

- If the Order has not been executed or has been erroneously executed as a consequence of exceptional and unforeseen circumstances that the Bank could not have predicted and avoided notwithstanding its due care and attention;
- The exceptional and unforeseen circumstances in payment operations are specifically but not exclusively the following: a) natural events – earthquakes, floods, storms, fires, etc. b) political events– wars, riots, terrorist acts, strikes, c) any event causing disruptions in telecommunications, disruptions in functioning or malfunctions in payment operations of the Central Bank of Montenegro, SWIFT, or any other event not caused by the Bank;
- If executing the Order is a consequence of fraudulent behavior of the User;
- If the Order was not executed or was untimely executed due to other regulations binding for the Bank;
- If the User does not complain in the period defined by the General Terms.

#### **Rights and responsibilities of the Bank in case of suspected abuse**

The Bank reserves the right not to establish or unilaterally cancel an already established business relationship and/or refuse to execute a transaction and/or temporarily disable the disposal of funds on the User's transaction account in the following cases:

- If there is a well-founded suspicion of misuse of the payment instrument;
- If there was unauthorized use of a payment instrument or use of a payment instrument with the intention of abuse;
- When the user, a natural or legal person in the user's ownership structure or a participant in the transaction is on the list of international restrictive measures and/or international sanctions lists of OFAC, the European or UN sanctions list or the Bank's own internal sanctions list;
- In other cases prescribed by law, by-laws and/or internal acts of the Bank.

#### **VIII. AMENDING THE FRAMEWORK AGREEMENT**

The Contracting Parties agree that the Bank has the right to propose amendments to all documents that make up the Framework Agreement in one of the following ways:

- In written form
- Using other long-lasting media (CDs and DVDs, USB flash drives, memory cards or computer hard drives, e-mail, online banking and the Bank's website <http://www.ziraat.me> which is accessible to the user of payment services via link provided with SMS. The Bank shall clearly specify the link of the Bank's website where the proposed amendments to the Framework Agreement and information from Article 19 of the Payment Transactions Act can be seen, as well as notification that if the User of payment services does not have the technical ability for insight at the specific link, the user of payments services may contact the Bank at a specific phone number or e-mail to obtain information on how else they can get acquainted with the proposed amendments to the Framework Agreement and information from Article 19 of the Law on Payment Operations, and that they can do this by coming to any branch of the Bank during working hours (08:00 - 15:30) and that future amendments to the Framework Agreement will be available at least 2 (two) months before implementation.

If the User does not inform the Bank that he opposes to the proposed amendments by the proposed date of their implementation in writing, it shall be considered that he agrees to them. If the amendments refer to exchange rates, the User agrees that the Bank shall implement such amendments forthwith, without prior notice referred to in the paragraph above. The Bank may alter interest and exchange rates that are more favorable for the User of payment services without notifying him beforehand.

If the User does not agree to the proposed amendments, he may cancel the agreement without the cancellation period and without paying the service fee to the Bank. The user shall deliver the notice of cancellation to the Bank in writing at the address of the branch office of the Bank one day prior to the day when the amendment shall go into effect at the latest. If the User does not deliver to the Bank the notice that he does not agree to the amendments, it shall be considered that he has accepted such amendments.

#### **IX. VALIDITY AND TERMINATION OF THE AGREEMENT**

The Framework Agreement is concluded for an indefinite period of time and shall be terminated by cancellation, termination, upon the decision of the court or other competent authority, law and other corresponding regulations and

if the business activities of the User stop.

The User may terminate the Framework Agreement at any moment by sending a request in writing to the Bank. The Bank shall not be obliged to comply with the request of the User if the User has any unfulfilled matured obligations towards the Bank while the Agreement is still valid. The User agrees that the Bank may terminate the Agreement by a written request with immediate effect that shall begin as of the day of delivery of the request in person at the business premises of the Bank or on the day of submitting the termination request in the registered mail at the post office in the following instances:

1. If the User breaks the provisions of the Agreement on Opening and Managing of the transaction account, Agreement on Additional Single Service or these General Terms;
2. If the User submits to the Bank erroneous or inaccurate personal or other data necessary for providing orderly and legal payment service at the time of conclusion of the Agreement on opening and managing the transaction account or the Agreement on Additional Single Service;
3. If the User acts opposite to the regulations, the Act on the Prevention of Money Laundering and Terrorist Financing, usual behavior or ethical norms or compromises the Bank's name by its operations;
4. In other instances agreed on in the Agreement on Opening and Managing the Transaction Account, the Agreement on Additional Single Service and relevant regulations.

If the User concluded several Agreements on Opening and Managing the Transaction Account with the Bank, terminating one of the accounts shall not entail termination of other accounts, unless the termination ensued due to the instances stated in points 1,2,3 and 4 of the previous paragraph.

Terminating the Agreement on Additional Single Service shall not entail termination of the Agreement on Opening and Managing the Transaction Account.

Termination of the Agreement on Opening and Managing the Transaction Account shall also terminate all agreements on additional single services related to the said transaction account.

The User agrees that the Bank shall define the procedure of Closing the Transaction Account after the termination of the Agreement.

The Bank charges a fee for account cancellation in accordance with the Bank's Fee Tariffs, except in the case of cancellation of a framework agreement that was in force for more than six months before termination, when it may not charge a fee to the user of payment services for termination of the agreement.

If the Agreement is terminated the User shall settle with the Bank all obligations related to the transaction account and Agreements on Additional single services accrued by the day of termination of the Framework Agreement, i.e. the Agreement on Additional single service. The funds found in the transaction account after the termination of the Agreement shall be available to the User after the termination of the Agreement.

#### **X. DISPUTE RESOLUTION – LEGAL PROTECTION**

If the User believes that the Bank does not comply with the provisions of the Law regulating payment transactions, which relate to information obligations or provisions relating to rights and obligations in connection with the provision and use of payment services, he may submit a complaint to the Bank. The Bank is obliged to provide the User with an answer to the complaint, no later than 15 days from the date of receipt of the complaint, through one of the communication channels envisaged in these general terms and conditions.

If the Bank does not submit an answer to the objection within the period specified in this paragraph, for the reasons beyond its control, it is obliged to provide the User with a notification explaining the reason for the delay in the answer to the objection and the deadline for delivery within 15 days from the day of receipt of the objection. of the requested response, which must not be longer than 30 days, from the day of receipt of the complaint.

A user who is not satisfied with the Bank's act, action or failure to act can submit a complaint to the Central Bank of Montenegro, whose headquarters are in Podgorica, Bulevar sv. Petar Cetinjski, No. 6.

The User and/or the Bank may access alternative dispute resolution in accordance with special laws regulating alternative dispute resolution and arbitration.

#### **Court jurisdiction and applicable law**

If the parties to the Agreement do not settle the disputes that may arise from the Agreement by mutual consent and therefore institute legal actions before the court, the venue of subject-matter jurisdiction shall be agreed according to the Bank's headquarters.

In the event of a dispute, Montenegrin law shall be applied.

#### **XI. FINAL PROVISIONS**

The Bank shall inform the Users on the changes of these conditions and their availability at the Bank's business premises of the Bank and on the web page of the Bank at: <http://www.ziraatbank.me>.

These General Terms and Conditions enter into force as of the day of publication on the Bank's official website and shall be applied starting from 08.04.2023.