

Effective from 31.05.2021.

Pursuant to Article 73, paragraph 1, item 5 of the Law on Banks (Official Gazette of RS Nos 107/2005, 91/2010 and 14/2015) and Article 33, paragraph 2, point 5 of the Articles of Association of Banca Intesa a.d. Beograd, the Board of Directors of Banca Intesa a.d. Beograd hereby adopts the following

**GENERAL OPERATING TERMS AND CONDITIONS OF  
BANCA INTESA AD BEOGRAD  
FOR OTHER PRODUCTS AND SERVICES**

## **INTRODUCTORY PROVISIONS**

### **Content of Bank's General Operating Terms and Conditions for Credit Transactions**

(1) These General Terms and Conditions define for the products and services which do not have separate general operating terms and conditions: standard terms and conditions applicable to all clients of Banca Intesa ad Beograd (hereinafter referred to as: the Bank), the conditions for establishment of client/Bank relationship for all business transaction, the communication procedure between the client and the Bank and other operating terms and conditions of the Bank applied to client operations which are standard conditions applicable to all clients and incorporated in written acts of the Bank.

The General Operating Terms and Conditions of the Bank (hereinafter referred to as: the General Terms and Conditions) shall also mean standard conditions for specific products and services of the Bank, as well as acts defining the fees and other costs the Bank charges to its clients.

### **Competence for adoption**

(1) General Operating Terms and Conditions of the Bank and their amendments shall be adopted by the Board of Directors.

The Executive Board may adopt the general act from point 1.1, paragraph 2 between two regular meetings of the Board of Directors. The Board of Directors shall approve the decision of Executive Board at the next regular meeting.

### **Entry into Force and Publication of the General Terms and Conditions**

(1) The General Terms and Conditions may be applied 15 days, at the earliest, from the date of their publication, by displaying them at visible location in Bank's branches, i.e. on the website of the Bank, including the possibility of displaying acts in electronic form on public screens at Bank's branches.

### **Application of the General Operating Terms and Conditions of the Bank**

(1) The General Terms and Conditions apply to Bank/client relationship arising from:

- a) written agreement between the Bank and the client,
- b) admission form or other document signed by the client,

- c) other types of business cooperation between the Bank and the client established in accordance with applicable regulations, without establishment of a written contractual relationship.

The Bank is obliged to provide the client with relevant explanations and instructions related to application of the General Terms and Conditions in terms of particular financial service, and to, at the request of the client, provide him/her the conditions without delay in writing or on any other durable medium.

The General Terms and Conditions shall directly apply to all rights and obligations from the contractual relation between the Bank and the client which are not regulated by the agreement. If a client is an individual, the General Terms and Conditions may directly apply to contractual elements not prescribed as compulsory.

Durable medium within the meaning of the General Terms and Conditions, means any instrument that enables the client to store data related to him/her, to access such data and to reproduce it in an unmodified form within the period corresponding to the purpose of storage.

### **Relations between the Agreement and the General Terms and Conditions**

(1) In case of any discrepancy between the concluded agreement and the General Terms and Conditions, relations between the Bank and the Client shall be primarily governed by the provisions of the concluded agreement, and then by the provisions of the General Terms and Conditions.

### **Definition of the Term Bank Client**

(1) Bank client is a legal entity or an individual which uses or has been using the services of the Bank or a person which contacted the Bank in order to use such services and which is identified by the Bank as such.

The following clients are considered individuals within the meaning of paragraph 1 of this point:

- a) an individual which uses, has used or intends to use these services for purposes other than its business or other commercial activities;
- b) an entrepreneur, within the meaning of the law regulating business companies;
- c) a farmer, as a holder or member of family agricultural household within the meaning of the law regulating agriculture and rural development;

(hereinafter referred to as: individual).

Unless otherwise provided by these General Terms and Conditions, the word "client" shall be used to describe both a legal entity and individual – Bank Client.

### **Bank/Client Relationship**

(1) In operating with clients, the Bank shall pay special attention to providing detailed, accurate and unambiguous information to clients related to Bank's products, in accordance with regulations and good business customs, good business practice and fair attitude to client, especially if a client is an individual.

Implementation of the General Terms and Conditions shall be ensured through the written agreement concluded between the Bank and client.

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**OBLIGATIONS AND RIGHTS OF THE BANK**

(1) The Bank is obliged to act with due care, in accordance with applicable regulations and its acts in business relations with the client, ensuring application of good business customs, good business practice and fair attitude to the client, as well as compliance of these terms and conditions with the regulations.

The Bank does not assume obligations and responsibilities other than those regulated by the General Terms and Conditions, except if it is provided by applicable regulations or acts of the Bank, i.e. if agreed in writing between the client and the Bank.

The Bank is obliged to act at written orders and instructions of the client, if they are in compliance with applicable regulations and the General Terms and Conditions.

*Obligations of the Bank Concerning Product and Services Advertising and  
Providing Information to Client*

*General provisions*

(1) The Bank is obliged to inform the client on its products and services in clear and understandable way, and such notices shall not contain any incorrect information, i.e. information which may be misleading regarding the terms and conditions under which the client can use such products and services.

In order to comply with the principle of transparent operations and to provide as complete as possible information to the client on products and services of the Bank, as well as on rights and obligations of clients in terms of these products and services, the Bank shall without delay display on visible place in the Bank's branches, i.e. on the Bank's website, the following acts, as amended from time to time:

- a) the applicable exchange rate list;
- b) notification on exchange operations in Serbia and English language for individuals;
- c) effective interest rates by products, calculated in accordance with relevant regulations;
- d) the tariff of fees for all products;
- e) acts of the Bank, i.e. excerpts from relevant acts regulating Bank's products and services terms and conditions, as well as any other information necessary to establish business relations between the Bank and its clients.

The Bank informs clients and potential clients on its products and services:

- f) by submitting, serving, i.e. making available to the client the information and advertising material (brochures, leaflets, electronic messages, etc) in Bank's business premises and website, or in any other appropriate way;
- g) by advertising in mass media;
- h) through direct written or oral communication (direct communication with the client is performed in the Bank's business premises, via the Bank's official phone or the Bank's call centre by speaking to the competent employee);
- i) by any other appropriate means of business presentation, advertising and communication.

Informing of clients according with line a), c) and d) from previous paragraph, Bank will do with acceptance of client according with part 12 of this General Terms and Conditions.

The Bank notifies the client on business relationship the client has established or intends to establish with the Bank in the manner provided in Article 5.1 of the General Terms and Conditions.

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(1) The Client has the right to receive understandable and clear information, data and instructions related to business relationship with the Bank, free of charge, in writing or on any other durable media, in the manner and within terms provided by the agreement.

The Bank shall also apply all other detailed conditions of products and services advertising, prescribed by the NBS.

*Cases of Exclusion of Liability of the Bank for Damages Suffered by the Client*

(1) The bank is not liable for damage arising from the business relationship between the Bank and the client:

- a) if it results from force majeure event, war, state of emergency, strike and other circumstances beyond reasonable control of the Bank;
- b) if it arises from acts of competent state authorities domestically or abroad, i.e. as a result of disruption of operations which the Bank could not prevent or avoid;
- c) if it arises from client's business moves made based on oral communication with the Bank or written communication which does not stipulate unconditional liability of the Bank.

*Other obligations of the Bank*

(1) The Bank also has other obligations related to its relationship with the client which are provided by law, the General Terms and Conditions and the agreement concluded with the client.

### **Rights of the Bank**

(1) The Bank has the right to:

- a) based on assessment of competent units of the Bank and decisions of its bodies, select, at its own discretion, clients with which it will establish business relations, which includes discretionary right to refuse to conclude the agreement and/or provide services to the client;
- b) block, in part or in whole and without client's consent, possible use of the services and products, due to reasons provided by anti-money laundering and terrorism financing regulations and/or acting in accordance with international sanctions against particular country, in accordance with applicable regulations and Intesa Sanpaolo Group policy;
- c) forward the contractual data, data on client and its related parties, data on documents comprising the agreement file, including those considered a banking secret, to central data base of Intesa Sanpaolo Group, members of its bodies, all shareholders, employees of the Bank, external auditor of the Bank, other persons on a need-to-know basis, as well as third parties with which the Bank concluded confidentiality agreements.

The Bank is authorized to dispose with funds placed on client's accounts without special written consent or orders from the client in the following cases:

- d) in enforced collection procedure, for collection under final and executive decisions of court and other state authorities;
- e) in other prescribed cases.

The Bank also has other rights related to its relationship with the client which are provided by law, the General Terms and conditions and agreement concluded with the client.

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**Obligations of the Client**

(1) Bank's Client – a legal entity or individual which carrying out business activity, which is not registered with the Business Registers Agency, but with other agencies and organizations, shall notify the Bank on any status changes or any other changes within 3 (three) days from the date it receives the decision on registration of such change. Client – individual is obliged to notify the Bank within 15 (fifteen) dayson changes of the following information: permanent or temporary residence, name and surname, employer, contact information and other personal information it provided to the Bank.

Client of the Bank - entrepreneur, farmer or legal entity is also obliged to notify the Bank within 3 (three) days from the date changes have been made on any other changes which affect or could affect client's smooth performance of operations with the Bank and/or on Bank's ability to meet its obligations provided by regulations, the General Terms and conditions and the agreement concluded with the client while the Client - individual is obliged to inform the Bank within 15 (fifteen) days from the date changes have been made, about other changes that affect or could affect the smooth operation of the client's business through the Bank, or the possibility for the Bank to fulfill its obligations in accordance with regulations, General Terms and concluded agreements with the client.

Notification on change from paragraph 1 and 2 of this Article is submitted in writing or directly communicated to competent employee of the Bank. In urgent cases notification is given by phone, without delay, and with obligatory confirmation of the information submitted in the manner provided by Article 5.2 of the General Terms and Conditions.

At the moment the business relation with the Bank is established and at any subsequent request of the Bank during the business relationship, the client shall submit true and authentic documents, data and statements provided by law and the General Terms and Conditions.

Client shall submit clear and unambiguous orders to the Bank in writing or in any other agreed form, and in accordance with applicable regulations. If a client needs urgent execution of order, he/she must provide specific notice to the Bank at the time the order is issued. If the Bank assesses that it is not able to execute an order within agreed or usual term, it shall immediately notify the client thereof.

The client covers all damages arising from:

- a) unclear or ambiguous orders issued to the Bank;
- b) failure to comply with its obligation to notify the Bank in accordance with the General Terms and Conditions.

The Client shall immediately check accuracy and completeness of reports and notices received from the Bank. If the client has any objection to the same, it is entitled to file a complaint within agreed time period (or reasonable time period, if no period is agreed), and otherwise the document submitted by the Bank shall be deemed accepted. A method of delivery of the reports and other documents of the Bank shall be defined in the agreement between the Client and the Bank or in any other appropriate way which expresses will of the client regarding the submission.

The client also has other obligations related to its relationship with the Bank which are provided by law, the General Terms and Conditions and the agreement concluded with the Bank.

**Rights of the Client***General principles*

- (1) The client has the right to:
    - a) be treated as equal to the Bank;
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- b) be protected from discrimination;
- c) be informed ;
- d) defined or definable contractual obligations;
- e) protection of rights and interests.

*Right to be informed*

(1) The client has the right to request from the Bank, orally or in writing (through regular mail, email or fax) and receive, free of charge, in writing or any other durable media, understandable and clear information, data and instructions regarding its business relation with the Bank, in the manner and within the terms specified in the agreement, which particularly applies to the information on:

- a) balance and changes in the account;
- b) interest rates and fees for particular transaction;
- c) conditions for approval of particular banking product;
- d) documents necessary to be submitted to the Bank;
- e) other issues related to the General Terms and Conditions, Bank's products and specific business relation between the client and the Bank.

(2) The client has the right to request, at any time during the term of agreement, copy of the agreement and to change channel of communication with the Bank, except if it is contrary to the provisions of the agreement or incompatible with product/service type.

The client also has other rights related to its relationship with the Bank which are provided by law, the General Terms and Conditions and the agreement concluded with the Bank.

## **CONTRACTUAL RELATIONSHIP BETWEEN THE BANK AND THE CLIENT**

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

*General provisions*

(1) The Bank shall, at request of the client, provide all information and appropriate explanations on conditions of the agreement on provision of banking services, as well as offer for conclusion of contractual relationship, in the manner that will not be misleading to the client, as well as to provide all requested information on conditions of product use.

*Specific provisions on the Bank's offer for conclusions of contractual relationship with the client - individual*

- (1) The Bank is obliged to:
- a) provide the offer for conclusion of the agreement to the client, in the manner which allows the client to compare offers from different banks and assess if the agreement suits its needs and financial situation;
  - b) offer service to the client in dinars, except if the client requests the service to be offered in dinar counter value of foreign currency, i.e. in foreign currency, in accordance with regulations on foreign exchange operations.

The Bank is obliged to inform the client in writing on risks it assumes when services are provided in dinar counter-value of foreign currency, i.e. in foreign currency.

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The Bank shall notify the client which intends to conclude the agreement with the Bank that it can receive, at the request, draft version of the agreement – as a proposal for its conclusion.

The client accepts the conditions from the Bank's offer by submitting written request for conclusion of the agreement.

## **1.1. Conclusion of the Agreement between the Bank and the Client**

### *General provisions*

(1) An agreement between the Bank and the client shall be prepared in writing or on any other durable medium and includes conditions from the offer the client accepted. The agreement shall stipulate the number of counterparts each party shall receive.

Provisions of the agreement must be clear, complete, precise, unambiguous and understandable for the client, and the subject of client's obligations must be defined, i.e. definable in such manner that the client may at any time be informed on circumstances, manner and conditions under/in which its obligations/other agreed conditions may be changed.

#### *1.1.1. Specific provisions on contractual relationship between the Bank and the client - individual*

##### *Definability of pecuniary contractual obligations*

(1) In a contractual relationship between the Bank and the client – individual, pecuniary contractual obligation is definable in terms of its amount if it depends on agreed variable elements, i.e. variable and fixed elements, where variable elements are those that are officially published (e.g. reference interest rate, consumer price index, etc.). Pecuniary contractual obligations is definable in terms of time, if its maturity may be determined based on the agreed contractual elements.

(2) Elements referred to in the previous paragraph must be of such nature that they cannot be affected by unilateral will of any party.

(3) The Bank is obliged to display value of agreed variable elements mentioned in paragraph 1 of this Article in its business premises and on its website on a daily basis.

(4) The agreements cannot contain reference to the General Terms and Conditions, business policy or other acts of the Bank with respect to elements prescribed by the Law to be compulsory contractual elements and provisions by which the client waives the rights guaranteed by the Law.

(5) The Bank conducts subsequent internal checks in terms of consistent application of conditions of the agreement related to product income during the entire term of the agreement.

(6) If the checks mentioned in the previous paragraph show that calculated income is not in accordance with the agreement, conditions which are more favourable to the client shall apply and the difference paid shall be refunded, i.e. paid to the client.

##### *Contents of an agreement – compulsory elements*

(1) Agreements on issued bill of exchange guarantees, i.e. guarantees, agreement on safe deposit box and agreements on other banking services contain type and the amount of all fees and other costs borne by the client.

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*A) Changes to compulsory elements of the agreement*

(1) the Bank intends to change any of compulsory elements of the agreement, it shall obtain prior written consent of the client. If the client does not agree with the change, the Bank may not, due to this reason, unilaterally change terms of the agreement, nor unilaterally terminate or cancel the agreement.

(2) Notwithstanding paragraph 1 of this Article, if the level of fixed interest rate or fixed element of variable interest rate, i.e. the amount of fees and other costs are changed in favour of the client – such changes may be applied immediately and without client's prior consent.

(3) In case referred to in paragraph 2 of this Article, the Bank shall immediately provide notice to the client in writing or on any other durable medium, and such notice shall contain the date from which the changes shall be applied.

*B) Changes to other elements of the agreement*

(1) The Bank shall notify the Client in due time and in the agreed manner on changes in data that do not constitute compulsory elements of the agreement prescribed by the Law.

*C) Notice on variable nominal interest rate*

(1) If variable nominal interest rate is agreed – the Bank shall notify the client on changes to such interest rate in writing or on any other durable medium before it starts to implement the changed interest rate or periodically in accordance with the agreement, and such notice should contain the effective date of changed interest rate.

(2) The obligation of providing notification from the previous paragraph also applies if variable elements which affect the amount of other pecuniary obligations are changed.

*Obligation of storing the agreement and contractual documentation*

(1) The Bank shall store the agreement and contractual document referring to the client in client's file (offer, draft agreement, summary of compulsory elements, payment schedule, annex to the agreement with new payment schedule, notices, warnings, etc.).

**Amendments to the Agreement between the Bank and the Client**

(1) The agreement between the Bank and the client may be amended at proposal of the Bank in case of change of circumstances which existed at the moment of conclusion, which particularly applies to the following:

- a) type and level of nominal interest rates applied by the Bank;
  - b) method used for calculation of interest;
  - c) default interest rate applied by the Bank;
  - d) type and level of agreed fees and other costs borne by the client;
  - e) type of collateral and possibility of replacement during the term of agreement;
  - f) conditions for activation of collateral, as well as consequences the client fails to settle its liabilities;
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- g) conditions and procedure for termination of the agreement, as well as reasons due to which the Bank may request the client to settle its liabilities in full and before expiration of the agreed period;
- h) other agreed provisions subject to conditions changes.

Changes in conditions from paragraph 1 of this Article particularly mean changes of market conditions which in any significant way affect Bank's operation, and especially its deposit or credit operations, i.e. level, calculation, amount and collection of interest, fees and other costs, as well as other conditions of the agreement between the Bank and the client. Such changes include, for example:

- i) changes of refinancing terms for the Bank;
- j) increase of the Bank's mandatory reserves pursuant to the requests of the National Bank of Serbia (hereinafter referred to as: NBS);
- k) changes on domestic or foreign money markets;
- l) changes in financing conditions pursuant to the requests of NBS, European Central Bank or any other similar institution;
- m) entry into force of regulations having the force of law or by-law;
- n) other changes in market conditions which have any significant effect on agreed conditions between the Bank and the client.

In the contractual relationship between the Bank and the client – individual, the Bank may agree on variability of client's pecuniary obligations (interest, fee and other costs) in terms of its amount, only if such change depends on the elements officially published (e.g. reference interest rate, consumer price index, etc.).

Elements referred to in the previous paragraph of this Article are defined by the agreement and must be of such nature that they cannot be affected by unilateral will of any of the parties.

The Bank shall display the value of agreed variable elements referred to in paragraph 3 of this Article in business premises where it provides services to its clients and on its website on a daily basis.

In the procedure of amending the agreement the Bank shall act in accordance with applicable regulations and in the spirit of good business customs and Bank's Code of Ethics, as well as in accordance with principles of conscientiousness, honesty and equal value of mutual concessions of the parties and, in that sense, equality and comparability of conditions the parties took into consideration at the time of entering into the agreement, with the basic objective of preventing any damage due to the effect of changed conditions, both for the client and the Bank.

### **Termination of the Agreement between the Bank and the Client**

- (2) The client and the Bank may terminate the concluded agreement:
  - a) by written consent of contracting parties;
  - b) unilaterally – by written statement of one of the parties.

#### *Termination of the agreement between the Bank and the client by mutual consent*

(1) The Bank and the client may terminate contractual relationship by written mutual consent, i.e. by concluding an annex to the existing agreement or separate agreement or arrangement by which they will unconditionally agree on termination and regulate mutual relations regarding the agreement being terminated, in such manner that no disputes between contracting parties could arise.

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(1) The client has the right to unilaterally terminate the agreement in accordance with the law in cases provided in the agreement concluded between the Bank and the client and the General Terms and Conditions.

*Termination of the agreement by Bank's statement*

(1) The Bank may unilaterally terminate the agreement concluded with the client, if one of the following conditions for termination is met:

- a) the client provides incorrect information, i.e. false statements and documents to the Bank important for the conclusion of the agreement and/or assessment of the client's creditworthiness;
  - b) the client fails to meet any obligation provided by the agreement with the Bank even within 15 days of receiving a warning from the Bank;
  - c) the client fails to comply with request of the Bank for submission or establishment of additional collateral within the period defined by the Bank;
  - d) the client is in default longer than 60 days in any other agreement with the Bank;
  - e) if circumstance which could negatively affect client's ability to regularly perform its contractual obligations have occurred or are likely to occur, i.e. if its creditworthiness deteriorates, including the deterioration of the client's risk category according to the NBS regulation on the classification of Bank's assets;
  - f) circumstances arise as set out by regulations and procedures on the prevention of money laundering and terrorism financing and action is taken in accordance with international sanctions to certain countries, based on which the Bank has the right or obligation to terminate its business relationship with the client, including, among other things:
    - it is established that the client is included on official terrorist and other negative lists, in accordance with domestic and international regulations on the prevention of money laundering and terrorism financing;
    - the client, at the request of the Bank, fails, within the provided or reasonable deadline, to submit its data, data on its real owners, its operations, the origin of its funds or nature/purpose of its business relationship with the Bank and/or the transaction it is carrying out through the Bank;
  - g) the contractual relationship considerably increases the reputational risk in the Bank's operations (including, but not limited to, knowing that the User has committed a criminal act, that he is engaged in dishonest activities or his appearances in public statement are not in accordance with the principles of discrimination prohibition, promotion of equality and respect for human and minority rights);
  - h) the client interferes with the work of employees and disturbs the Bank's operating processes by its actions at the Bank's offices;
  - i) the client does not observe its legal obligations to the Bank.
  - j) the client fails to act in accordance with point 3.1 paragraph 1 to 3 of the General Terms and Conditions.
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**SERVICE OF NOTICES****Service of Notices to the Client by the Bank**

(1) The Bank serves to the client notices, reports and other data and documentation related to the business relationship the client established or intends to establish with the Bank in writing to the address of client's registered offices, i.e. by email, SMS or fax messages or in any other appropriate manner which is in compliance with necessary requirements of providing complete and clear information, as well as data confidentiality and secrecy and protection of client's – individual's personal data.

The Bank performs service of notices from paragraph 1 of this Article in accordance with the order or consent of the client and according to the latest data submitted.

Order of consent from the previous Paragraph hereof shall be given by the client to the Bank directly in the Bank's premises, in written form, in verbal form through the Bank's Contact center, i.e. through the Bank's applications for electronic or mobile banking.

If the client fails to timely notify the Bank on change of data such as address, phone numbers, fax and fax numbers, email address and other data, and which have been submitted to the Bank for service of notices, as well as on other data which affect or could affect regular service, serving of notices conducted by the bank in accordance with available data shall be considered regular, and any obligations of the Bank to the client arising from or in connections with serving of notices shall be considered performed

- a) at the date of submission of notices to the post office (for sending as registered shipment), i.e. to the company registered for delivery;
- b) at the date of service in any other way selected by the Bank in accordance with the agreement and data provided, as well as consent of the client for service of notices.

If the mail served to the client is returned due to the incorrect address or incorrectness of any other data provided by the client, the Bank may discontinue further sending of written shipments and notifications to the client, until the client notifies the bank on change of data required for regular ser.

Pursuant to regulations, the General Terms and Conditions and nature and contents of acts being served, the Bank decides on the type of service for each individual case: registered shipment with or without a receipt notice, sending via email, fax, SMS or any other appropriate way.

The Bank may serve notices to the client through third party, with which it concluded the agreement on performance of delivery, with agreed obligation of third party in terms of protection and confidentiality of client's personal data.

In order for completed delivery to be considered regular, the Bank and a person which in the name and on behalf of the Bank performs the delivery, shall provide proof that the shipment has been sent to the client, as well as ensure that such proof is kept for the necessary time period.

**Service of Notices by the Client to the Bank**

(1) The client serves notices to the address of Bank's registered office or its organizational units, in accordance with the General Terms and conditions, advertisements published and advertising material, Bank's website and other instructions provided by the Bank to the client in writing.

Depending on type of business, and in accordance with applicable regulations and agreement with the client, the bank may request the client to provide particular documents and notices to the Bank:

- a) in original form or photocopy, with or without certification of competent authority proving that the photocopy is true to the original;
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- b) with translation to Serbian language, certified by authorized court interpreter (in case of documents and notices in foreign language);
- c) with the "APOSTILLE" certification or other legalization certificate, depending on the country of origin of submitted document (in case of a foreign document).

## **GENERAL TERMS AND CONDITIONS OF BANKING OPERATIONS**

### **Assets placement**

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

(1) The Bank places assets by approving issuance of guarantees, bill of exchange guarantees, other types of guarantees, opening letters of credit and other operations.

Placements approved to the client by the bank, depending on repayment term, may be short-term (up to 12 months) and long-term (over 12 months), purpose or non-purpose.

The Bank approves placement to the client which meets the creditworthiness requirements, in accordance with applicable regulations.

Based on the decision of Bank's competent body on placement approval and requirements thereof, a written agreement, defining terms of use of the approved loan, is concluded with the client.

As for credit placements, the Bank has the right to suspend further utilization of approved or extended placement up to the amount of utilized funds, if risk class of the client deteriorates in accordance with the regulation of the NBS on classification of bank assets, and the Bank shall provide a timely written notification to the client on the matter in the manner provided by the General Terms and Conditions.

### **Payment instruments and security instruments for Bank's receivables collection**

#### *Types of payment instruments and collection security instruments*

(1) Depending on the type and the amount of placement and risk assessed for particular placement, the Bank shall agree with the client on provision and/or establishment of one or more payment instrument or security of Bank's receivables collection acceptable to the Bank, such as:

- a) standing order for collection of receivables under placement, by debiting client's current or any other account;
  - b) administrative order to the client's salary, certified by the employer;
  - c) blank solo bills of exchange, signed by the client, and certified in case of a legal entity, with authorization to fill in and submit bill of exchange for collection;
  - d) joint guarantee of a legal entity or individual;
  - e) direct debit authorization;
  - f) cash (retention money) deposit, placed in the Bank on a fixed term basis by the client or a third party (legal entity or individual);
  - g) pledge on movable assets and rights, in accordance with applicable regulations governing the pledge on movable assets and titles entered in the register;
  - h) mortgage on real property, in accordance with relevant applicable regulations;
  - i) assignment of receivables regulated by appropriate agreement;
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- j) guarantees of foreign or domestic banks and bills of exchange guaranteed by the banks, acceptable to the Bank;
- k) insurance of Bank's placements with insurance companies acceptable to the Bank;
- l) guarantees, warranties and insurances of funds and companies incorporated in the Republic of Serbia;
- m) other instruments requested by the Bank from the client, in accordance with the risk assessment for particular loan.

Movable assets or real property subject to pledge must be insured with the insurance company acceptable to the Bank, and the insurance policy must be assigned in the favour of the Bank. The Bank allows the client to inspect the list of acceptable insurance companies, while in the case of other companies the Bank assesses their acceptability for particular operations.

*Supplementation or replacement of payment instruments or security for collection*

(1) The Bank has the right to ask to client to supplement or replace a payment instrument or collateral provided to the Bank as a security for collection of receivables within defined timeframe, if provided instruments become inadequate, i.e. insufficient to secure collection of Bank's receivables during the term of the agreement, or if the Bank assesses that the client's creditworthiness is jeopardized.

If the client fails to act in the accordance with the request of the Bank from paragraph 1 of this Article, the Bank has the right to declare the receivables due and payable and initiate enforced collection, as well as to activate any or all instruments provided to the Bank on the same grounds.

*Collection of due Bank's receivables from other client's assets*

(1) For collection of due receivables from the contractual relationship with the client the Bank use its dinar funds maintained as sight deposit on dinar accounts with the Bank, as well as dinar counter-value of foreign currency assets with the Bank, securities and other assets placed in the Bank for safekeeping, if their execution is not exempted by law, court decision or decision of any other competent authority.

**Check of performance of contractual obligations**

(1) The Bank has the right to check if the client regularly performs other obligations under the agreement, in the manner and using the procedure provided by applicable regulations and the agreement with the client.

**Other special reights of a client - individual**

*Right to the refund of collateral*

(1) The Client, i.e. provider of collateral, has the right to, after client's liabilities to the Bank under particular agreement have been completely settled, accept unutilized collateral under the agreement, including also collateral registered in appropriate register.

(2) The Bank shall notify the client, i.e. provider of collateral, in writing that it settled all its liabilities under particular agreement – within 30 days from the date liabilities are settled.

(3) Notification form paragraph 2 of this Article contains data on the agreement under which liabilities to the Bank have been settled, the amount of settled liabilities, signature of competent person and Bank's seal.

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**INTEREST AND FEES****Interest***The method of determining interest*

(1) The Bank agrees, calculates, pays and charges interest for banking operations in accordance with its decision on interest.

Interest rates applied on loans and deposits are presented on annual, monthly and daily level.

Interest is calculated by conformal or proportional method.

*Fixed and variable interest rate*

(1) The Bank regulates the type of interest rate, which may be fixed or variable, by the agreement concluded with the client.

*Annual effective interest rate*

(1) Effective interest rate (hereinafter referred to as: EIR), is a discount rate which equates, on annual basis, current value of all cash flows and/or current value of all cash income with current value of all cash expenses relating to the use of financial services (loans and deposits), which are known at the time of disclosing of this rate.

Cash flows from paragraph 1 of this Article include all cash incomes and all cash expenses of the client arising from use of loans, i.e. placement of deposits, such as:

- a) all repayments and payments of loans and deposits;
- b) costs payable by the client (e.g. interest, fees, taxes, etc), i.e. benefits received (interest and other unconditional benefits);
- c) costs of ancillary services which are prerequisite for the use of the Bank's products, i.e. for its use in a specific manner (e.g. costs of life, property or personal insurance, etc.).

If opening of an account is a prerequisite for use of the Bank's products, cash flows from the paragraph 1 of this Article also include costs of opening and maintaining the account, as well as all costs related to execution of such cash flows.

The following is not included in cash flows referred to in paragraph 1 of this Article:

- d) costs arising from failure to comply with contractual provisions;
- e) goods purchase costs incurred irrespective of whether the payment is in cash or in any other manner.

Calculation of EIR is based on the following assumptions:

- f) that the contractual relationship will remain in force during the period agreed;
- g) that the contracting parties will fulfil its contractual obligations and do so within timeframes provided in the agreement;
- h) that the nominal interest rate and other costs shall remain unchanged for the duration of the agreement.

The Bank is obliged to calculate EIR in unique, regulated manner to allow comparison with the same offers for different financial services providers.

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EIR is expressed in percentages with two decimals, by rounding the second decimal, and is effective starting from the date of calculation. EIR at least equals agreed interest rate. If EIR is lower than the agreed interest rate or it cannot be calculated (e.g. due to relatively large amount of deposit used as collateral for loan in comparison to the loan amount), the Bank is obliged to notify the client on the matter, as well as to provide explanation for lower EIR, i.e. for lack of economically reasonable solution.

#### *Default interest rate*

(1) The Bank charges legal default interest rate on past due receivables starting from the maturity date, i.e. agreed interest rate, if it is higher than the legal default interest rate.

If the client fails to pay accrued interest within the agreed period, the Bank shall calculate an interest to past due receivables starting from the first date after expiration of the period for which the calculation has been made.

#### *Special provisions on interest in case of default of the client - individual*

(1) If, during the contractual relationship, circumstances arise which may result in difficult financial situation of the client, i.e. if any other significant circumstances arise which are outside of reasonable control of the client, the Bank may, at client's request, declare suspension of repayment (moratorium) for a specified period, during which the Bank shall not calculate interest to past due receivables.

#### **Fees**

(1) The Bank calculates and charges fees for services provided to the Bank's clients.

The fees, manner and period of fee collection are determined by the agreement between the Bank and the client.

The Bank reserves the right to change agreed fees, in accordance with the agreement concluded with the client. The Bank is obliged to notify the client in writing before it starts applying the new fee, and in the manner provided by the agreement and the General Terms and Conditions.

#### **ASSIGNMENT OF CLAIMS**

##### **Assignment of Bank's Claims against the client – legal entity**

(1) The Bank may, under conditions provided by regulations, assign its claims against the client to third parties, on which it shall notify the borrower in accordance with law.

##### **Assignment of Bank's Claims against the client – individual**

(1) Assignment of Bank's claims against entrepreneurs and farmers shall be governed by regulations on risk management of banks.

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**General provisions**

- (1) The client has the right to file a written complaint, if it finds that the Bank fails to comply with provisions of the Law, other regulations governing provision of financial services, the General Terms and Conditions or good business customs regarding such services or obligations arising from the agreement concluded with the client.
- (2) The complaint should include the following:
  - a) client information, such as: personal client - individual information (name and surname, address and contact phone), i.e. information on client – legal entity (name and registered offices of the company, name and surname of contact persona and contact phone number);
  - b) reasons for filing a complaint (if a client possesses certain evidence related to the reasons specified, it can be submitted along with the complaint to allow for its fast and complete resolution).

The Bank is obliged to consider client's complaint and submit a written, clear and understandable response to the client's complaint within 15 days from the date complaint has been received, in the manner which provides the receipt confirmation, without obligation of the client to pay any fees to the Bank, or any other costs related to acting on the complaint.

**1.1. Bank's Action on the Complaint of the Client - Individual***Special rules*

- (1) The client has the right to complaint within the period of three years from the date of violation of its rights or legal interest.
  - (2) Client from paragraph 1 of this Article also means the provider of collateral.
  - (3) Deadline for providing the response to the complaint is 15 days from the date complaint has been received, and the Bank is obliged to inform the client within the response to file a complaint to the National Bank of Serbia, in accordance with the Law.
  - (4) Notwithstanding the paragraph 3 of this Article, if the Bank for any reasons, which do not depend on its will, cannot provide the response within 15 days – the deadline may be extended by additional 15 days, and the Bank is obliged to provide written notice to the client on the matter within 15 days from the complaint has been received.
  - (5) The Bank is obliged to include in the notice referred to in the paragraph 4 of this Article clear and understandable reasons due to which it failed to provide a response within 15 days from the date complaint has been received, as well as final deadline for provision of the response, as provided in the abovementioned paragraph.
  - (6) The Bank is obliged to provide the possibility of filing a complaint in business premises in which it provides services to client or on its website, i.e. the possibility for the client or the provider of collateral to inform on the complaint filing procedure and on handling the complaints.
  - (7) All matters not regulated by this Article, shall be governed by rules from the Article 9.1 on reasons for complaint, form and contents of Bank's response, as well as on fees and costs.
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(1) If the Bank fails to provide a response to the complainant within the period provided by point 9.2.1 of the General Terms and Provisions or the complainant is not satisfied with the response to the complaint, the complainant may, before initiation of court proceedings, file a complaint to the NBS, in writing (hereinafter referred to as: the complaint), if it finds that the Bank fails to comply with the provisions of the Law, other regulations governing provision of financial services, the General Terms and Provisions or good business customs related to such services or obligations from the agreement concluded with the client, i.e. the complainant.

The complainant may file a complaint within six months from the date it has received a response or after expiration of the period for provision of response referred to in point 9.2.1 of the General Terms and Conditions.

After receiving the complaint, the NBS will ask the Bank to provide comments on allegations from the complaint and to submit appropriate evidence – within period specified in the request, and which cannot be longer than eight days from the date the request has been received.

After the Bank provides the comments to the complaint, i.e. after the period from the previous paragraph of this Article has expired – HBS may request additional comments from the Bank, i.e. submission of appropriate evidence within the period defined in the request.

The NBS shall inform the complainant on its findings in relation to the complaint within three months from the date the complaint has been received, and in more complex cases the period can be extended for maximum of three additional months, on which the NBS shall notify the complainant in writing on before expiration of the initial period.

U The NBS shall notify the complainant in the notice referred in the previous paragraph on the possibility of out-of-court settlement of a dispute with the Bank in the mediation procedure conducted in accordance with the Law.

The complaint shall be submitted via the home page of the website of the National Bank of Serbia, by clicking on the text Submit a complaint / objection to the work of financial service providers or by mail to the address: National Bank of Serbia, Sector for Protection of Financial Services Users, Nemanjina 17, 11000 Belgrade or PO Box 712, 11000 Belgrade.

#### *Out-of-court dispute settlement – mediation procedure before the NBS*

(1) If the complainant is not satisfied with the response received or the response has not been submitted within the provided period, dispute between the complainant and the Bank may be settled in an out-of-court procedure – mediation procedure.

(2) After the mediation procedure is initiated, the client may no longer file a complaint, except if the mediation is finalized with suspension or withdrawal, and if the complaint has already been filed – the NBS will stop acting on the complaint, i.e. stop this procedure, if mediation is completed by agreement.

(3) The period provided for filing the complaint from point 9.2.2 paragraph 2 shall not flow during the mediation.

(4) The mediation procedure shall be initiated at the proposal of a party to the dispute accepted by the other party. This proposal must contain period for its acceptance, which cannot be shorter than five days from the date proposal has been submitted.

(5) Disputed parties may decide if the mediation procedure should be conducted before the NBS or other body or person authorized for mediation.

(6) Mediation procedure before the NBS is free for the parties participating in the proceedings.

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(7) Mediation procedure before the NBS shall be carried out by employees of the NBS – mediators, which have been appointed by a decision of an authorized body of the Republic of Serbia, and who are licensed mediators included in the list of mediators.

(8) The mediation procedure may be concluded by agreement between the parties, suspension or withdrawal.

(9) The agreement reached in the mediation procedure before the NBS shall be made in writing. This agreement shall have the power of an executive document if it includes debtor's statement that it agrees to conduct enforced execution (enforcement clause) after certain obligation becomes due or after meeting certain conditions, as well as signatures of the parties and certificate of enforceability imposed by the NBS, and does not have to be certified by the court or notary public.

(10) Provisions of regulations governing mediation shall be applied to the procedure, unless otherwise provided by the Law.

#### *Right to Court Protection*

(1) Initiation and engagement in the mediation procedure between the Bank and the client does not exclude nor affect exercise of right to court protection, in accordance with law.

### **GOVERNING LAW AND DISPUTE RESOLUTION**

(1) The agreements and other legal relations between the client and the Bank shall be interpreted in accordance with the law and other regulations of the Republic of Serbia, unless otherwise agreed.

Resolution of disputes between the client and the Bank shall be governed by substantive and procedural law of the Republic of Serbia, unless otherwise agreed.

Any possible disputes between the client and the Bank shall be resolved before competent court according to the Bank's registered offices, unless otherwise agreed. Exceptionally, any possible disputes between the client – individual and the Bank shall be resolved before regional courts provided by law.

### **ANTI-MONEY LAUNDERING AND TERRORISM FINANCING**

(1) The Bank has the right to request information from the client required to perform its obligations related to anti-money laundering and terrorism financing.

The Bank has the right to postpone or refuse establishment of business relationship with the client, to terminate such business relationship or postpone or refuse to execute transactions at the order or on behalf of the client if so provided by regulations on anti-money laundering and terrorism financing.

The Bank may, without requiring consent, temporarily block the possibility of using its services and products, partially or fully, and the execution of transactions based on the client's order or to the credit of the client, if the client, at the request of the Bank, fails, within the provided or reasonable deadline, to submit its data, data on its operations, the origin of its funds or nature/purpose of its business relationship with the Bank and/or the transaction it is carrying out through the Bank, whereby the Bank shall not be responsible for any damage the client suffers because its transactions are not executed or because it cannot use the products or services.

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**PROTECTION OF PERSONAL DATA**

(1) The User explicitly agrees that the Bank has the right to use User data, such as address, phone number, fax or fax number, email addresses and other contact information the User provided to the Bank on conclusion of the agreement, to inform the User on its activities, products and service, through brochures, leaflets, electronic messages, as well as any other type of business communication and presentation.

(2) By concluding the Agreement with the Bank, the User confirms that the Bank has informed them about processing of personal data, conditions of collecting and processing personal data that the Bank obtained from them and/or other persons for the purposes of its regular operations and performance of legal and contractual obligations, in accordance with the Law on Personal Data Protection.

**BANKING SECRET**

(1) Banking secret is a business secret.

The following is considered to be a banking secret:

- a) data known to the Bank, including personal data, financial status and client's transactions, as well as its personal data, and ownership or business connections of client of this or any other bank;
- b) data on balance and transactions on individual deposit accounts;
- c) data on payment transaction, balance and changes on the payment account of the client, user of the payment services;
- d) other data acquired by the Bank in its transactions with clients.

The Bank and members of its bodies, shareholders and employees or persons hired by the Bank, as well as external auditor of the Bank and other persons which have access to data referred to paragraph 2 of this Article on a need-to-know basis, are obliged to keep this data and may not disclose them to third parties, use contrary to the interest of the Bank and its clients, use it in such manner which creates material benefits for them or third parties, nor enable the third parties to access such data.

Confidentiality obligation does not cease for persons mentioned in paragraph 3 of this Article even after termination of status that enabled them to access the data mentioned in the paragraph.

The following is not considered a banking secret:

- e) public data and data available to reasonably interest parties from other sources;
- f) consolidated data which do not reveal individual identity of a client;
- g) data on Bank's shareholders and their interest in share capital of the Banks, as well as data on other persons interest in the Bank and data on such interest, regardless of them being clients of the Bank;
- h) data about regular fulfilment of obligations to the Bank by the client.

The obligation of confidentiality of banking secret shall not apply if data is disclosed to: court and executive authorities, as well as other authorities and organization, in accordance with authorizations provided by law and other regulations, as well as to association banks founded in order to collect data on the amount, type and expediency of settling the obligations by clients of the Bank, as well as in other cases provided by law.

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Persons referred to in paragraph 6 of this Article may use such data exclusively for the purpose they have been collected for and may not disclose or submit them to third parties or allow access to such data to such parties, except in cases provided by law.

Provisions of paragraph 7 of this Article shall also apply to persons employed or hired, i.e. which have been employed or hired by persons to which data mentioned in paragraph 2 of this Article have been made available, as well as to other persons to which such data have been made available on a need-to-know basis.

When entering into business relationship with the Bank the client agrees that the Bank may disclose data regarded as banking secret to third parties under the conditions defined in the General Terms and Conditions.

The Bank has the right to, in accordance with concluded agreement and applicable regulations, forward the data on client and its related parties, data on submitted documents, as well as other data considered a banking secret to central database of Intesa Sanpaolo Group, members of its bodies, shareholders, employees of the Bank, external auditors of the Bank, as well as other persons on a need-to-know basis, and third parties with which the Bank has concluded the agreement on data confidentiality.

The client agrees that the Bank may obtain a report on its past performance in terms of service use from other banks which services it have used.

## **ETHICAL AND ENVIRONMENTAL PRINCIPLES IN BANK OPERATIONS**

(1) In its operations the Bank complies with ethical principles and environmental norms.

When deciding on the request of the client, the Bank shall also use the following criteria: assessment of social and environmental risks, assessment of social benefits, i.e. adverse effects of client's activities being financed.

## **FINAL PROVISIONS**

(1) Specific issues related to implementation of the General Terms and Conditions may be regulated by general acts mentioned in point 1.1 paragraph 2, in accordance with applicable regulations and the General Terms and Conditions.

The General Terms and Conditions may be applied 15 days, at the earliest, from the date of their publication, by displaying them at visible location in Bank's branches, and/or on the website of the Bank, including the possibility of displaying acts in electronic form on public screens at Bank's branches.

President of the Board of Directors

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Ignacio Jose Jaquotot Calvo

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**BANCA INTESA**

GTC OF BANCA INTESA AD BEOGRAD FOR OTHER PRODUCTS AND SERVICES

