

ADRIATIC BANK AD PODGORICA

GENERAL TERMS AND CONDITIONS OF OPENING, MAINTAINING AND  
CLOSING TRANSACTION ACCOUNTS AND PROVIDING PAYMENT  
SERVICES FOR COMPANIES, LEGAL PERSONS AND ENTREPRENEURS

Version 4.3.

Podgorica, November 30<sup>th</sup>, 2021

Pursuant to authorizations from Articles 33, 34, 35 and 88 of the Law on banks, Article 161 of the Law on companies, Article 42 of the Charter of Adriatic bank AD Podgorica, Decision on the structure, more detail conditions and manner of transaction account opening and closing, the Board of Directors of Adriatic Bank AD Podgorica (hereinafter: the Bank) on its session held on 30<sup>th</sup> November 2021, passes the following:

## **GENERAL TERMS AND CONDITIONS OF OPENING, MAINTAINING AND CLOSING TRANSACTION ACCOUNTS AND PROVIDING PAYMENT SERVICES FOR COMPANIES, LEGAL PERSONS AND ENTREPRENEURS**

### **INTRODUCTORY PROVISIONS AND DEFINITION OF TERMS**

#### **Article 1**

These General Terms and Conditions regulate the rights and liabilities of the payment service provider Adriatic Bank AD Podgorica (hereinafter: the Bank) and the payment service users (hereinafter: the User) when opening, maintaining and closing transaction accounts of companies, legal persons and entrepreneurs as well as providing of payment services (hereinafter: the Business Entities).

These General Terms and Conditions apply to the national and international payments of business entities carried out by the Bank determining the terms and conditions for concluding and terminating the Agreement on opening and maintaining a transaction account and providing payment services, maintaining the accounts, deadlines related to the execution of payment transactions, compounding of funds in transaction accounts, fees and charges for payment services, methods and deadlines for notifying the User, liability of the Bank and the entry into force of these General Terms and Conditions.

Business entities defined as companies, legal persons and entrepreneurs are users of the services in terms of these General Terms and Conditions.

In addition to these General Terms and Conditions, the General Terms and Conditions of business operating of Adriatic Bank AD Podgorica as well as the Decision on Interest Rates and Fees of the Bank for legal persons shall apply to the business relation between the User and the Bank.

The Bank shall make these General Terms and Conditions available to the User at all its counters and the website, while the User shall be delivered a copy at his/her special request.

The official language of the Bank is Montenegrin or another language officially used in Montenegro, used in all correspondence and communication between the Bank and the User.

Information about the Bank – a payment service provider:

Adriatic Bank AD Podgorica, registered address: Bulevar Džordža Vašingtona 98, 81000 Podgorica; number in CRPS (Central Registry of Business Entities) Podgorica: 4 – 0009471; registration number 03087158; transaction account 907 - 58001 – 38; issuer of General Terms and Conditions for opening, maintaining and closing the transaction accounts and providing of payment services for legal persons and entrepreneurs.

The Central Bank of Montenegro is the supervising authority in charge of the Bank's operations in Montenegro.

The Central Bank of Montenegro issued the license No.0101-4014 / 83-2 for conducting banking operations on 01 March 2016.

Contact information »e-mail: [info@adriaticbank.com](mailto:info@adriaticbank.com)

Post Office Box: Adriatic Bank AD Podgorica, Bulevar Džordža Vašingtona 98, 81000 Podgorica

## DEFINITION OF TERMS

### Article 2

The following terms have the following meanings in these General Terms and Conditions:

- 1) **payment transaction** refers to deposits, credits or transfer of funds initiated by a payer or a payee regardless of the liabilities between them;
- 2) **payer** is a legal person with a payment account that gives order or consent for payment to be made from that account or a legal person without a payment account that gives order for payment to be made;
- 3) **payee** is a physical or legal person that the funds, subject of payment transactions, are intended to;
- 4) **user of payment services** is a physical or legal person that uses a payment service as a payer and/or payee;
- 5) **money remittance** is a payment service whereby funds from the payer are received without opening a payment account on the name of the payer or payee, solely to transfer relevant amount of funds to the payee or other payment service provider acting on behalf of the payee and/or these funds are received for a payee and made available to that payee;
- 6) **funds** include cash (bank notes and coins), funds in the account and electronic money;
- 7) **payment order** is an instruction that a payer or payee submits to the payment service provider requesting payment transaction to be made;
- 8) **value date** is a reference time that the payment service provider uses to calculate interest on funds, debited or credited to the payment account;
- 9) **reference exchange rate** is the exchange rate used as a base when converting a currency. It is made available by the payment service provider or it stems from a publicly available source;
- 10) **payment instrument** is a personalized asset and/or set of procedures agreed between the payment service users and the payment service providers that the user applies to initiate a payment order;
- 11) **acceptance of payment instrument** is a payment service whereby the payment service provider enables the payee to execute a payment transaction initiated by the payer using a particular payment instrument;
- 12) **payment card** is a payment instrument enabling its holder to pay goods and services through acceptance instrument or remotely and/or enabling cash pay-out or using other services available at ATM or other self-service device;
- 13) **means of remote communication** is any asset that the payment service provider and the payment service user may use to conclude a payment service agreement when they are not physically present at the same time;
- 14) **working day** is the day or part of the day in which the payer's or payee's payment service provider which participates in the execution of a payment transaction, operates so as to enable the execution of the payment transaction for its payment service user;



- 15) **direct debit** is a payment service for debiting the payer's payment account. Payment transaction is initiated by the payee, based on the payer's consent given to the payee, payee's payment service provider or payer's service provider;
- 16) **national payment transaction** is a payment transaction in which the payer's payment service provider and/or the payee's payment service provider provide such service in the territory of Montenegro;
- 17) **international payment transaction** is a payment transaction in which one payment service provider provides this service in the territory of Montenegro and the other in a foreign country, as well as a payment transaction where the same payment service provider provides such service for one payment service user in the territory of Montenegro and in a foreign country for the same or other payment service user.
- 18) **one-off payment transaction** is a depositing or withdrawing of funds by a payer or payee without a transaction account with the Bank or without using the Bank account for that transaction regardless the liabilities arising out of the relation between the payer and the payee;
- 19) **IBAN** (International Bank Account Number) - structure of transaction account for execution of international payment transactions;
- 20) **BBAN** (Basic Bank Account Number) - structure of transaction account for execution of national payment transactions;
- 21) **digital certificate** is a means of identifying a user by which the user proves identity when using electronic banking services - e-banking in business operations with the Bank. It confirms connection between the verification data for electronic signature and the signatory's identity, which is issued by the certification body and found on a Smart Card or USB;
- 22) **allowed overdraft** is the amount of funds that the Bank makes available to the User based on the Framework Agreement on Opening and Maintaining the Account and Providing Payment Services - type of account that provides overdraft in line with the Bank's business policy acts or under the Agreement on specially agreed overdrafts in the account;
- 23) **FATCA** (Foreign Account TAX Compliance Act) is a law of the United States aimed at preventing U.S. taxpayers from using their accounts abroad to avoid paying taxes. The text of the law is available at [www.irs.com](http://www.irs.com);
- 24) **"PSL"** is an abbreviation used in these General Terms and Conditions referring the Law on Payment Services;
- 25) **Term plan** is a prescribed plan by which the Bank determines the final time for receiving and executing a payment order.
- 26) **Durable media** - a means that allows the Client to store data sent to him personally, in such a way that this data remains available for future use during the period, appropriate to the purpose of the data and which allows reproduction of stored data in unchanged form.

## SECURITY OF PERSONAL DATA AND CONFIDENTIAL INFORMATION

### Article 3

Information and data related to providing of payment services under these General Terms and Conditions shall be considered a bank secrecy. The Bank may send this information only to the User or the third parties that the Bank has been given consent by the User in line with the law and other relevant regulations as well as to the relevant institutions at their request.

By signing the Framework Agreement, the User allows the Bank to collect information required to determine the status of the United States taxpayer, which is required in order to fulfil the obligations in line with the Bank's regulations and policies regulating the application of FATCA.

## **OPENING AND MAINTAINING THE ACCOUNT**

### **Article 4**

The legal relation between the Bank and the User shall begin as of the date of signing the Framework Agreement on Opening and Maintaining a Transaction Account for making national and international payment transactions and provision of payment services (hereinafter: the Agreement).

The Agreement is entered for an indefinite period and signed by authorized persons of the Bank and the User identified by the Bank when opening the account, or the User's proxies based on a special power of attorney certified by a notary in the form of notarial records, unless otherwise prescribed by applicable legal and other regulations as well as internal acts of the bank.

### **Article 5**

The Bank shall open an account for the User based on the Request for opening a transaction account jointly with the supporting documentation in line with the applicable regulations and any additional documentation required by the Bank.

The Bank shall approve or refuse the Request no later than 8 working days upon receiving it. The Bank shall not be obliged to explain the reasons for refusing the Request for account opening.

### **Article 6**

When opening a transaction account, the User shall designate the authorized persons through the Specimen Signature Card to dispose of funds in the account, sign the payment orders and to request information about the account.

If the legal person/entrepreneur has prescribed in its act the provision not to use the seal, it/he should submit a document confirming this (charter, excerpt from the register, statement or some other document confirming the above-mentioned).

### **Article 7**

The Bank shall maintain the account and make payment transactions in euro and foreign currencies specified in the Bank's exchange rate list.

## **DOCUMENTATION REQUIRED TO OPEN AN ACCOUNT:**

### **Article 8**

#### **Residents**

The Request to open an account must contain the following information:

1. Name of the legal person or entrepreneur;
2. Place – headquarters, address and telephone number / fax, E-mail;
3. Business activity – subject of business operations of a legal person or entrepreneur;
4. Registration number of the legal person or registration number and unique identification number of the entrepreneur;
5. Signature of the person authorized to represent the legal person or entrepreneur and client's seal if the client uses the seal;

## 6. Reason for opening an account;

Along with the request for opening an account User submits the following documentation:

- 1) Completed Specimen Signature Card of persons authorized to sign orders for disposal of funds from the account (two copies); which must contain the following information:
  - Transaction account number;
  - Name of the user;
  - Place of the headquarters, address and telephone number of applicant;
  - Name, surname, unique identification number or number of passport/foreign travel document and address of the person authorized to sign the payment order;
  - Method of signing (individually or collectively) of payment order;
  - Handwritten signature of the person authorized to sign the payment order;
  - Date of deposit;
  - Signature of the authorized person of the applicant;
  - Signature of the authorized person of the Bank;
  - Other information required by Bank in accordance with its business policy;
- 2) An Act on the appointment of a person authorized to represent the applicant, in case if such person is not specified in the act on registration, or in the law or other regulation on the basis of which the establishment of that legal entity is performed;
- 3) Verification of the signature of the authorized person of the applicant, which is not obligatory in the case when this person is present and signs the request during its submission
- 4) Proof of payment of the fee and /or tax, if prescribed;
- 5) Other documentation required by the payment service provider referred to in Article 2, paragraph 1 of this Decision in accordance with its business policy.

If the Bank cannot obtain the following documentation from the public register kept in Montenegro in accordance with the regulations, the client shall submit the following documentation with the request for opening an account:

- 1) Decision on company registration - entry in the Central Register of Business Entities (CRPS) or registration act with another competent authority if registration is prescribed for it;
- 2) The act of incorporation by the competent authority if it is not obliged to be registered;
- 3) Excerpt from the law if established directly by law;
- 4) Notification of the competent authority about classification by business activities;
- 5) A registration act with the competent tax authority containing a tax ID number of the applicant if such registration is prescribed;

The employee of the Bank is obliged to print an excerpt from the register, to indicate the date and time of inspection of that register and the name of the person who performed the inspection.

When the User is:

1. State body,
2. State administration body (ministries and administrative bodies),
3. Protector of human rights and freedoms,
4. State Audit Institution of Montenegro,
5. State Fund,
6. Public institution and other independent legal entity financed from the state budget

## 7. Municipal bodies, local bodies and public services of the municipality

When opening these transaction accounts, the Bank is obliged to ask the client to enclose, among other necessary documentation and

1. written order of the Minister of Finance for opening an account,
2. authorization of the Minister of Finance to dispose of state money

These accounts must be marked "state".

When the applicant is legal person/entrepreneur whose transaction account, in accordance with the law, is exempted from forced collection, it/he submits, in addition to the above documentation, documentation on the basis of which he proves that the transaction account is exempted from forced collection. It/he also submits an excerpt from the law on the basis of which the account was exempted from forced collection.

## Non-residents

A request to open an account which must contain the following information:

- 1) Name of a legal person;
- 2) Place and country of headquarters, address and telephone number/fax, E-mail;
- 3) Business activity - subject of business operations of a legal person;
- 4) Signature of the person authorized to represent a non-resident legal person and a non-resident legal person's seal if the non-resident legal person uses the seal;
- 5) Reason to open the account;

Along with the request for opening an account User submits the following documentation:

- 1) Excerpt from the register of state in which non-resident legal entity has registered its headquarters, if established in a state in which no entry is made in such register – another valid document on establishment in accordance with the regulations of the state where its headquarters is situated, which can provide information about the legal form of this non-resident and the date of its establishment, as well as information about identity of beneficial owner;

The document shall be submitted in the original or a copy certified by the competent authority and in a certified translation into the Montenegrin language, which may not be older than three months.

- 2) Verification of the signature of the authorized person of the User, which is not obligatory in the case when this person is present and signs request during its submission
- 3) Completed Specimen Signature Card of persons authorized to sign orders for disposal of funds from the account (two copies); which must contain the following information:
  - a. Transaction account number;
  - b. Name of the user;
  - c. Place of the headquarters, address and telephone number of the User;
  - d. Name, surname, unique identification number or number of passport/foreign travel document and address of the person authorized to sign the payment order;
  - e. Method of signing (individually or collectively) of payment order;
  - f. Handwritten signature of the person authorized to sign the payment order;



- g. Date of deposit;
  - h. Signature of the authorized person of the applicant;
  - i. Signature of the authorized person of the Bank;
  - j. Other information required by Bank in accordance with its business policy;
- 4) Proof of payment of the fee and/or taxes, if prescribed;
  - 5) Other documentation required by the Bank in accordance with its business policy

### **Article 9**

A non – resident legal person shall submit to the Bank an excerpt from the register once a year and if it does not submit it, the Bank will not execute payment transactions of that legal person.

If the client does not submit the required document within 60 (sixty) days from the date of sending the request to supplement the documentation, the bank will terminate the account.

### **Article 10**

The User shall immediately inform the Bank about any amendments made to the documentation related to the Request for opening an account with the Bank no later than 3 days after the amendments have been made and submit the relevant documentation about it. The User shall bear responsibility for any errors or damages resulting from incorrect data in the Bank's records due to untimely informing the Bank about amendments made to the documentation.

The user of direct banking (e- and m-banking) may submit notification on data change through electronic platform (message or other) sent to e-mail address defined in the General Terms and Conditions of Using e- and/or m-banking services.

Data shall be deemed amended only when the Bank becomes familiar about them and when it officially enters them into records. Change of the person authorized to represent the User shall be proved by the decision on entry the change in the appropriate register. If the User is not entered in the register, the change of the person authorized to represent shall be proved by the decision of the founder or the User.

## **PAYMENT ORDERS RECEPTION AND CONTROL OF PAYMENT ORDER**

### **Article 11**

Payment order is an instruction submitted by the payer or payee to the Bank to make a payment transaction in form of deposits, credits or transfer of funds.

The Bank receives and processes correctly filled out payment orders of the User related to its accounts.

The User shall submit the payment orders to the Bank in the prescribed slip.

Payment orders may be initiated electronically or otherwise agreed upon.

The User shall directly authorize the Bank to debit its account with the Bank specified in the order as accounts from which the payment is made, to execute the order in foreign currency and to collect the relevant fee.

### **Article 12**

Depending on the delivery method, the Bank distinguishes a moment when the payment order was received and undertakes the authorization process for payment transaction to which the User has given consent. A payment transaction shall be deemed authorized if the User has given consent.

The transaction is deemed authorized upon successful completion of the authorization.



The Bank carries out only authorized payment transactions. Non-authorized transactions are deemed not received.

When submitting a payment order, the Bank formally controls the seal and signature on the payment order by comparing the signatures and the seal deposited with the Bank. If the seal is identical to the one deposited and if it is different in added Arabic number, such seal shall be deemed to be regular, whereby the Bank shall act with due care of a diligent owner. The Bank reserves the right to additionally verify certain payment orders and to contact the client by phone for confirmation.

### **Article 13**

When paying, collecting, transferring profit, buying or selling real estate, share and securities, the User shall comply with legal regulations, whereby the Bank shall not be held liable in case of violating these regulations. As a rule, the User does not submit the documents to the Bank based on which the payment is made (contracts, invoices, decisions, etc.) and retains the documents proving the obligation and determining the payment basis. The User shall submit the documents to the Bank or the competent authority for inspection at their request.

Transaction from the account in the country to the account abroad shall be executed in line with international standards, regulations and acts of the bank regulating international payment transactions. Along with the payment order, the User shall submit to the Bank the required supporting documentation, the basis of the transaction (invoice, pro-forma invoice, contract, order, etc.), with enclosed scanned copies of the above mentioned documentation by e-mail or by fax. The originals shall be submitted no later than 10 days of the following month.

The User shall be responsible for data identity from the previously submitted order and documentation as well as subsequently submitted documentation. In case of discordance or failure to submit the above mentioned documentation, the Bank shall suspend the execution of the following order until the documentation for the previously executed order is submitted. The Bank shall not be held liable for the User's orders that are refused in the payment transactions due to the User's error, nor shall be held liable for the execution of the improperly filled out order.

### **Article 14**

Payment order in writing is a form of rectangular shape, dimensions 299 mm (corresponding 1/3 of A4) with a minimum of prescribed elements in accordance with the Decision on basic elements of payment orders for executing national payment transactions via transactional accounts (Official Gazette of Montenegro no. 50/14) (hereinafter: basic elements). After being filled in, signed and verified, it becomes an order for executing the national payment transaction. Payment order for execution of national payment transactions does not have prescribed form but must contain basic elements from the Decision on special evidence of current and capital business with foreign countries and submitting the data about that business in order to be realized. Basic elements of the payment order for executing the national payment transaction in electronic form are determined by the operating rules of the payment system, in line with the law.

## **OTHER BASES TO DEBIT THE ACCOUNT**

### **Article 15**

The Bank executes orders to debit the User's account based on the forced payment order at the request of the Central Bank of Montenegro (hereinafter: CBCG) or other competent authorities, as well as public enforcement officers. The Bank executes forced payment orders received from the Central Bank from the available balance in all User's accounts except those exempted from execution.

The Bank shall debit a drawee of a bill from the available balance of the User's account based on a bill of exchange containing all elements prescribed by the law also if the one that brings bill of exchange submits to the Bank all information required to act upon the bill of exchange and if the User has coverage to execute the bill of exchange by 4 pm. Bills of exchange that on the maturity date are not covered in the User's account shall be executed by the Bank a day after.

The Bank shall be entitled to debit the available balance from all User's accounts in all currencies to settle the missing amount, for the amount of each inflow from abroad or from another local bank, which the Bank processes and enters into books in favour of the client's account, for which the Bank determines that it has not received coverage in its account with another bank.

### **Article 16**

Regarding all due and unpaid receivables from the User on other grounds and accounts in the Bank, the Bank shall be entitled to give an order for collection of these receivables at the expense of the User's account, while the User agrees that the Bank's orders for collecting these receivables shall have priority over other payment orders of the User, regardless of the time of their submission, in line with the legal priorities. In order to collect due receivables for payment services, the Bank may also use all instruments for securing payments and securities of the User deposited with the Bank in line with the regulations and concluded Agreement. Collection of the receivables is made from the available balance of the account or from all accounts.

## **REFUSING THE PAYMENT ORDERS**

### **Article 17**

The Bank shall not execute payment orders that are improperly completed, without containing the prescribed information and which are not filled-in in line with the applicable regulations, contrary to the rules prescribed by these General Terms and Conditions. The Bank is entitled to refuse to execute an order if it deems that its execution would be contrary to other regulations.

If unable to execute the refused orders, the Bank shall notify the User about the reasons of refusal and the procedure how to remove error that caused the refusal, through one of the communication channels such as telephone, fax, e-mail, or mail, stating the reasons of refusal and the procedures for removing any errors that caused the refusal within the deadlines for the execution of the payment order, during the Bank's working hours.

The order whose execution was refused is deemed not to have been received.

The Bank shall not execute payment orders if payment instructions are related to countries or persons under international sanctions or embargoes, specifically ordered by the European Union, the United States of America or the United Nations.

The Bank reserves the right to limit or prohibit the User from disposing of funds in the account through:

- a) Suspending the transaction;
- b) Blocking the transaction;
- c) Freezing the funds in the account

in line with the rules and regulations regarding the prevention of money laundering and terrorist financing, as well as in cases of restrictive measures and different sanctions regimes.

### **Article 18**

The Bank shall not be held liable for undue execution of an order due to force majeure, such as interruption of telecommunication connections, power outages, interruption in the system for execution of interbank transactions, as well as other similar reasons that the Bank cannot affect to.

The liability of the Bank regarding the execution of a payment transaction is excluded under extraordinary and unforeseen circumstances the Bank could not affect to and whose consequences it could not avoid, as well as in cases where the Bank acted in line with the law.

By using the reception service of bank statements or notifications about account by mail, telephone, fax, SMS, e-mail, etc., the User accepts the exclusion of the Bank's liability for information that may be accessed by third parties, which the Bank could not affect to.

## **REVOCAION OF PAYMENT ORDERS**

### **Article 19**

The User may revoke the payment order, i.e. withdraw the authorization in the organizational part of the Bank, the counter where he/she has submitted the payment order, provided that the Bank has not executed the payment order.

A payment order shall be deemed irrevocable after it has been executed.

If the User initiates a payment order and does not have funds available in his/her account to execute a payment transaction, the Bank shall commence executing the order when the User makes sufficient additional funds available to the Bank, within deadline of 30 days for orders of national payment system, i.e. 3 days for orders of trans-boundary and international payment system. In case the User does not make available to the Bank additional funds in defined deadlines, it shall be deemed that the User has revoked the payment order which will be evidenced by the Bank and Bank shall not be liable to inform the User about revocation in particular.

If the payment transaction is initiated by or through the payee, the User cannot revoke the payment order.

## **BANK'S LIABILITY AND REPAYMENT OF PAYMENT TRANSACTIONS**

### **Article 20**

If the Bank is held liable for non-execution and/or improper execution of a payment transaction and/or the execution of an unauthorized payment transaction, it shall refund to the User the amount of such payment transaction including any accrued fees and interest for that transaction.

The Bank shall be exempt from the liability to refund the amount of unauthorized payment transactions:

- if the execution of an unauthorized payment transaction results from exceptional and unforeseen circumstances which the Bank, despite all efforts, cannot control;
- if the liability to execute a payment transaction arises from regulations that are binding for the Bank;
  
- if the execution of an unauthorized payment transaction results from fraudulent practice of the User or if the User intentionally or due to extreme negligence fails to fulfil his/her obligations related to the payment instruments;
- if the User has submitted a counterfeit, modified or double payment order to the Bank;
- if the execution of an unauthorized payment transaction results from a stolen or lost payment instrument or a misused payment instrument (if the User has not protected the personal security elements of the payment instrument) in the part covered by the User;
- If the User did not immediately notify the Bank in writing about the unauthorized payment transaction, when he/she discovered that it occurred no later than the deadline prescribed for filing a complaint.

### **Article 21**

If it is found that the Bank has failed or wrongly made a payment transaction, the User may file a request to correct the Bank's error. The Bank shall make effort to correct the error as soon as possible.

## **DISPOSING OF FUNDS**

### **Article 22**

The Bank shall approve the User's account for received funds in line with the deadlines for execution of payment transactions, specified by the Law on Payment Services or when the Bank receives all required information for approval of the User's account.

The funds paid by the payment services user to his/her account shall be available latest on the next working day.

Inflow processing is done solely for a properly stated IBAN inflow recipient.

### **Article 23**

The Bank is authorized to correct wrong debits and approvals from the User's account without a specific consent of the User.

## **INTEREST AND FEES**

### **Article 24**

The Bank calculates interest on the account balance in line with the Catalogue of Products for Physical Persons, Catalogue of Products for SME, Catalogue of Products for public authority, including amendments made thereto afterwards. The Bank shall inform the User of all changes in

interest rates and fees in writing or on another durable medium, at least two months before the proposed date of application of that change.

### **Article 25**

The Bank calculates fee for the executed services in line with the Rules on Tariffs for the Payment Services.

The Bank's current fees for payment services are available to the User on the Bank's website and at the Bank's branches.

The Bank expresses the fee in Euros depending on the type of payment service for which the payment is made. Fees in foreign currency are calculated and charged in Euro equivalent. For the national payment transactions, fee is charged upon processing the transaction, while monthly calculation of the fees is done for monthly fees in accordance with the Tariffs.

The calculated fees for the performed services of Bank for national payment services and certain international payment services shall be charged by the Bank from the User's account simultaneously with the execution of a payment order. The User shall provide sufficient amount in the account to pay the calculated fee. Upon expiry of that period, the Bank shall calculate default interest on all outstanding debts commencing on the last day of the accounting period.

## **INFORMING THE USER**

### **INFORMING ABOUT BALANCE AND TURNOVER IN THE ACCOUNT**

#### **Article 26**

The Bank shall record all changes made to the debits and credits from the account and make the bank statement about the balance and turnover on the account available to the User in the manner provided in the Request for opening a transaction account or in a subsequent Request for changes in a transaction account.

The Bank shall provide the User with minimum information on payment transactions, amount and currency, date of currency and booking of a transaction.

#### **Article 27**

If a payment transaction includes the conversion of currencies for amounts up to EUR 10.000,00, i.e. counter value in other currency, the Bank applies its exchange rate valid on the day of execution of the transaction, which is publicly available, or the middle rate, as defined, for repayment of a loan with a currency clause and it is not shown it in the bank statement.

If a payment transaction includes the conversion of currencies for amounts over EUR 10.000,00 i.e. counter value in other currency, Bank shall apply the rate in accordance with the agreement with the client, based on the current currencies movement on the international market.

## **CLAIMS**

#### **Article 28**

The Bank receives complaints and claims of the User on made payment services submitted in writing. The Bank shall respond to the User within 8 working days upon receiving the complaint or claim.

### **Article 29**

The User shall file a potential claim in writing within 3 days upon submitting the statement or other notice for inspection or disposal, or within 8 days upon dispatching if sent by post. Otherwise, the statement or other notice shall not be deemed disputable.

### **Article 30**

In case of an unauthorized or incorrectly executed authorized payment transaction due to error of the payee's payment service provider, the Bank shall initiate a complaint procedure at the written request of the User, whereby the Bank shall be entitled to charge the User in line with the Decision on Fees for Services.

### **Article 31**

The Bank shall not refund for an authorized transaction of direct debiting initiated by the payee. In this case, the User sends a request for refunding directly to the payee.

## **PROTECTIVE AND CORRECTIVE MEASURES**

### **Article 32**

In case of misuse, alienation or loss of personalized identification means (payment card, USB Key, stamp), suspected misuse of secret business data, or misuse by the User's proxies, the User shall contact the Bank and request the payment instrument to be blocked, the service or power of attorney given to the User's proxies to be cancelled or limited, signatures of persons authorized to dispose of funds to be revoked, stamps to be revoked and similar. The Bank shall not be held liable for any damage incurred up to the moment of receiving the notice of loss or theft. The Bank shall charge the costs of issuing new payment instruments in line with the current Tariffs on payment system services as well as for the damage resulting from improper handling of payment instruments.

### **Article 33**

By using the service to receive the statement or notification about the account by mail, phone, fax, SMS, e-mail, etc., the User accepts the exclusion of the Bank's liability for information that may be accessed by third parties, which cannot be affected by the Bank. The User shall immediately inform the Bank about possible change of the phone number, fax or e-mail the User specified for submission of notices, statements and similar.

### **Article 34**

The end user shall take all reasonable steps immediately after receiving the payment instrument to protect the personal security features of that payment instrument. The User holds all legal responsibility for any unauthorized use of payment instruments.

### **Article 35**

From the moment the request has been received for blocking the payment instrument, cancellation or limitation of services or power of attorneys granted to the User's proxies, revocation of signatures of persons authorized to dispose of funds, revocation of stamp and

similar, the Bank shall act in line with the request to protect the User, regardless of the channel by which the request was made and inform the User about the procedure according to the contact information provided by the User to the Bank.

The Bank shall act upon receiving the notice about revocation of the power of attorney to the user within working hours from 8 am to 4pm.

### **Article 36**

A requests for granting the new power of attorneys or services shall be received by the Bank only in the original, verified by the stamp, and signed by the User or an authorized representative of the User. The Bank shall fulfil them within the defined deadlines, no later than 10 days upon receiving a valid Request, with supporting documentation.

## **AGREEMENT CANCELLATION CANCELLING/CLOSING THE ACCOUNT**

### **Article 37**

Bank shall terminate/close the User's account under conditions from the Contract, in accordance with the Law, i.e. other regulations.

User of payment services has right to terminate the Framework Agreement in any moment, unless Framework Agreement stipulates a notice period not exceeding one month.

User may ask for the termination/closing the account at the Bank in writing. Bank shall be obliged to terminate the User's account within cancellation period, previously fulfilling all obligations toward the Bank. Exceptionally, Bank shall be obliged to close the transaction account of the User of transaction services without Request if User does not exist anymore in accordance with the Law or other regulations.

The bank will reject the request for termination of the transaction account of the resident legal person or resident entrepreneur which/who is blocked (in the procedure of forced collection, due to the ban on disposal, etc.)

In such case, if by positive regulations is not defined legal successor or other person to whose account funds are transferred, Bank shall transfer the funds from closed account to the account opened for the funds which are not used and which are in the Bank.

### **Article 38**

The bank shall terminate all transaction accounts for the Beneficiary, whether a resident legal person or resident entrepreneur which is a subject of bankruptcy or liquidation proceedings based on request of bankruptcy or liquidation trustee. Based on request of bankruptcy or liquidation trustee of a resident legal person or resident entrepreneur Bank will open a transaction account in bankruptcy or liquidation.

Along with request referred to in paragraph 1 of this Article, the bankruptcy or liquidation trustee shall submit the following documentation:

- 1) Request for opening a transaction account in bankruptcy or liquidation, accompanied by:
  - Decision on opening bankruptcy or liquidation proceedings;
  - Notification of the competent authority on the classification by activities of payment service users in bankruptcy or liquidation;
  - Act on the performed registration of the Beneficiary in bankruptcy, i.e. liquidation with the competent tax authority;



- Completed Specimen Signature Card of persons authorized to sign payment orders from the transaction account of the User in bankruptcy or liquidation;
- 2) An excerpt from the law which proves that this account is exempt from forced collection;
- 3) An appropriate payment order which transfers funds from the transaction accounts which are subject of termination before termination of those accounts, and which belong to the User which is subject of bankruptcy or liquidation proceedings. Such payment order transfers funds from above mentioned transaction accounts to the open transaction account of the User in bankruptcy or liquidation;
- 4) Request for termination of all transaction accounts of the User which is subject of bankruptcy or liquidation proceedings;
- 5) Proof of payment of the fee.

### **Article 39**

Bank may terminate/ close the account of the User according to its Decision that the User shall be notified about in writing. In case of cancellation by the Bank, a 60-day notice period commences as of the day of sending the cancellation letter by registered mail to the last address of the User known to the Bank.

Exceptionally, the Bank shall be obliged to terminate/close the transaction account of the User of transaction services without the Request, if User does not exist anymore in accordance with the Law or other regulations.

In such case, if by positive regulations is not defined legal successor or other person to whose account funds are transferred, Bank shall transfer the funds from closed account to the account opened for the funds which are not used and which are in the Bank.

### **Article 40**

The Bank may terminate the agreement with a 60-day notice period if, at the request of the Bank, the User does not provide the required information and documentation required to determine the beneficial owner and FATCA status, in line with the regulations governing the application of FATCA.

The Bank may terminate the agreement with a User with a 60-day notice period if there is doubt that the User is dealing with money laundering or any indications that such possibility exists

If the Client's account has not been active for more than 6 consecutive months, the Bank reserves the right to cancel such account upon notifying the Client. If the Bank does not receive a written request by the Client to extend the use of the Bank's services within 60 days upon notifying the Client, such Client's act shall be deemed a request for closing the account. This only applies to accounts with no deposit.

The bank may terminate transaction account of the User without submitting any request for termination of those accounts, if there have been no changes in those accounts for a period of five years and if the balance on those accounts is zero.

The Bank reserves the right to unilaterally terminate the Agreement on Opening and Closing the Client's account if there are indications or suspicion that the account has not been used in line with the regulations and if dealing with the Client can result in a significant increase of reputational risk of the Bank which is assessed by the Bank's internal procedures with a 60-day notice period.

#### **Article 41**

If the Agreement is cancelled by the Client, the Bank shall charge the User a fee for closing the account, as well as all other fees for the payment services provided until the day of closing the account. If the Agreement is terminated by the Bank, the Bank shall not charge a fee for closing the account.

#### **Article 42**

In case of the User's death – physical person who performs registered activity (entrepreneur), the Bank shall immediately, upon receiving such notification, disable operations on the account. Upon being presented a final decision on inheritance, the Bank shall pay out the remaining funds to the heirs and close the account or transfer funds to the heirs based on available documentation. Any debts owed to the account shall be settled by the heirs referred to in the final decision on inheritance.

### **FINAL PROVISIONS**

#### **Article 43**

These General Terms and Conditions shall be integral part of the Contract on opening, keeping and closing the transaction account for execution of national and international payment transactions and it is deemed that the User has been acquainted with the provisions of these General Terms and Conditions having signed them and that he/she has agreed to their application.

The Bank reserves the right to change these General Terms and Conditions, of which it will inform the User in writing or on another durable medium.

#### **Article 44**

All the issues that have not been regulated by these General Terms and Conditions shall be governed by legal and other legal acts and internal acts of the Bank on operating with companies, legal persons and entrepreneurs.

#### **Article 45**

The User and the Bank shall settle any disputes or complaints regarding the provision of services by mutual agreement.

The User may submit a complaint regarding the execution of services to the Bank personally or send it to the Bank's e-mail: [kvalitet@adriaticbank.com](mailto:kvalitet@adriaticbank.com) which can also be accessed from the Bank's website, or by post to the Bank's address.

If the User does not agree with the Bank's decision regarding the complaint, the User may file a complaint with the Central Bank of Montenegro.

The complaint should be in writing and contain a brief request including all the facts the User bases the complaint upon.

#### **Article 46**

Montenegrin, i.e. language officially used in Montenegro shall be used for contractual relations and communication between the Bank and the User. All business and services regulated by these General Terms and Conditions shall be governed solely by the Montenegrin law.

#### **Article 47**

General Terms and Conditions come into force on 01.03.2022.

Podgorica, November 30<sup>th</sup>, 2021

**CHAIRMAN OF THE BOARD OF DIRECTORS**

**Fraser Eliot Marcus**