

# GENERAL TERMS AND CONDITIONS FOR ISSUING AND USING BUSINESS CARDS

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## I GENERAL PROVISIONS

### Article 1

General terms and conditions for for issuing and using Business cards (hereinafter referred to as: General Terms and Conditions) determine the rights and obligations of Komerčijalna banka AD Beograd (hereinafter referred to as: Bank) and the legal entity /entrepreneur (hereinafter referred to as: Cardholder) arising from issuance and use of Business card (hereinafter referred to as: Card), which is used by the Cardholder for performing transactions, as well as terms and conditions and manner of using the Card, manner of performing transactions, responsibility, protective and other measures related to the execution of transactions and the Card itself, method and means of communication, manner of exercising the protection of rights and interests of the Cardholder, and also the terms and conditions for amendments and supplements, and/or termination of contractual relationship.

The Provisions of these General Terms and Conditions relate to performing transactions by using the Card as per Dinar current account of the Cardholder, which refer to domestic transactions that are executed in Dinars and international transactions regardless of currency used for payments.

## II DEFINITION OF TERMS

### Article 2

Certain terms with respect to these General Terms and Conditions have the following meaning:

#### **Bank**

Komerčijalna banka AD Beograd  
11000 Beograd, 14, Svetog Save Street  
TIN: SR 100001931  
Registration number: 07737068  
Activity code: 6419  
Account number: 908-20501-70  
BIC (SWIFT): KOBBSBG

REUTERS dealing code KOMB  
Bank's website: [www.kombank.com](http://www.kombank.com)  
E-mail address for communication:  
[posta@kombank.com](mailto:posta@kombank.com)  
Telephone: +381 11/30 80 100  
Fax: +381 11/344 13 35 and 344 23 72

The list of Bank's branches and sub-branches together with the addresses for communication is published on Bank's website.

The Bank is the provider of payment services and operates on the basis of operating license granted by the National Bank of Serbia in accordance with the Decision of NBJ O.br. 206 dated 03.07.1991. The Bank's operations as the provider of payment services are overseen/supervised by the National Bank of Serbia, Belgrade, 12, Kralja Petra Street.

The Bank is registered with the Serbian Business Registers Agency under the reference number 10156/2005.

**Cardholder** is the legal entity or entrepreneur, resident or non-resident, that is using or was using the Card or approached the Bank for the purpose of using the service of Card issuance;

**Representative of the Cardholder** is the legal representative of the Cardholder or the person authorized to represent the Cardholder that is entered as such in the register with the competent authority;



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**Card User** is a private individual in whose name the Card is issued, authorized by the Cardholder to perform payment transactions by using the Card;

**Card** is a personalized payment instrument of cashless payments issued by the Bank, which enables the User to issue payment orders for the purpose of execution of payment transactions of cash withdrawal and payments for goods and services;

**Payment order** shall mean an instruction of the payer which requires the execution of payment transaction initiated by the use of the Card;

**Payment transaction** shall mean a transaction that is initiated by the use of the Card at the point of sale /acceptance for the purpose of payments for goods and services or cash withdrawal;

**Personalized security elements of the Card** are the first and the last name of the User, Card number, Card validity period, CVV2 number (three-digit number at the back of the Card next to the signature panel), PIN;

**PIN** (Personal Identification Number) is a personal identification number that is assigned to each User with the Card and which serves for identification of the User when withdrawing cash at ATMs or when purchasing at POS terminals;

**Unique identifier** is the Card number, and/or the sub-account number which is determined by the contract on for issuing and using the Card;

**ATM** is an electronic device which enables the Card User to withdraw the cash from his/her account 24 hours a day, as well as to verify the balance on the account and other services, depending on the type of ATM;

**POS terminal** (Point of Sale Terminal) is an electronic device which is installed at the sales/acceptance place and serves for conclusion and processing of transactions per Cards;

**Slip** (Transaction Receipt) is the slip at POS terminals which contains all the data from the Card, along with the signature of the User (if the transaction has not been verified by PIN), which serves as a proof that the transaction has been completed;

**CNP transaction** is a transaction where for the purpose of its execution, the Card information are delivered to the point of sale/acceptance, while the physical presence of the Card at the point of sale/acceptance is not necessary (MO/TO-Mail Order/Telephone Order transactions, or Internet transactions and other.);

**Point of sale /acceptance** is the acceptant of funds which are the subject of the transaction;

**Company limit** is the monthly limit of the Cardholder approved by the Bank's competent body, in compliance with the terms and conditions of the credit approval;

**User limit** is the monthly limit of an individual Card User for payments for goods and services and for cash withdrawal in country and abroad;

**Daily cash withdrawal limit** is the limit that determines the maximum amount of funds that, during one day, can be withdrawn by the User at the ATM /counter of the bank, by using the Card;

**Sub-account** is the account which records all the Cards issued to the Cardholder, as well as changes resulted from the use of the Card;

**Current account** is the payment account held and maintained with the Bank, and is used for execution of payment transactions in local and foreign currencies and also for other purposes in relation to services provided by the Bank to the User on the basis of specific agreements;

**Standing order** is the payment service by which the Cardholder authorizes the Bank to make, on his/her behalf, transfer from his/her RSD account for the purpose of discharging liabilities arising from the use of Card;

**Domestic transaction** shall mean transaction concluded on the territory of the Republic of Serbia in the currency RSD which is to be financially processed by the Bank in the same currency;

**International transaction** shall mean transaction concluded outside the territory of the Republic of Serbia in foreign currency which is to be financially processed by the Bank in foreign currency;

**Transaction date** is the date when the User gave the consent for reading the data on the Card for the purpose of concluding the transaction and the Bank authorized such transaction;

**Authorization** is the process by which the Bank approves the transactions of the Card User and authenticates him/her;

**Durable medium** shall mean any instrument which enables the Cardholder/Card User to store the data intended to him/her, to access such data and to reproduce them in unaltered form over the period corresponding to the purpose of



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storage (CD, USB, computer hard disk on which electronic mail can be stored, as well as mobile phone and electronic card that can store SMS and other);

**SMS notification/service** shall mean the service of notification of User of required authorization per Card, and/or of all changes that relate to use of Card;

**Activation code** is a special code which the User receives from the Bank and which serves exclusively for creation of password (Secure code) for Internet payments;

**Payment card associations** are associations which define the rules /standards/procedures with respect to Card operations (Visa Inc., MasterCard Worldwide).

### III FRAMEWORK AGREEMENT ON ISSUANCE AND USE OF BUSINESS CARD

#### Pre-Agreement phase

##### Article 3

With the aim to inform and enable introducing to the terms and conditions of issuance of Card, the Bank, prior to concluding the framework agreement, delivers to the Cardholder the information that are prescribed as mandatory elements of the Framework Agreement. The stated information are provided to the Cardholder by the Bank by means of submitting these General Terms and Conditions and other documents that make an integral part of the Framework Agreement.

The submitted documents are considered to be the proposal for concluding the Framework Agreement which the Cardholder accepts promptly or within 1 (one) day.

The documents are delivered to the Cardholder by e-mail or in person in the Bank's business premises.

#### Conclusion of framework agreement

##### Article 4

The Cardholder who accepts the offered terms and conditions files an application for approval and issuance of the Card. The Framework Agreement on issuance and use of Card (hereinafter referred to as: Framework Agreement) shall be deemed concluded when the Bank and the Cardholder sign the agreement on issuance and use of selected Card.

Framework Agreement consists of these General Terms and Conditions, Decisions on Bank's tariff of fees that are applied in payment card operations (hereinafter referred to as: Tariff of Fees) and agreement on issuance and use of selected Card.

##### Article 5

Framework Agreement governs the execution of future individual payment transactions by use of Card.

Framework Agreement is concluded for a period that corresponds to validity period of Card, and/or to validity period of company limit which are determined by agreement on issuance and use of selected Card.

Framework Agreement between the Bank and the Cardholder – resident shall be concluded in Serbian language, and between the Bank and the Cardholder – non-resident it shall be concluded in both Serbian and English language, whereby in case of discrepancy the prevailing will be the wording in Serbian language.

By signing the agreement on issuance and use of Card (hereinafter referred to as: Agreement), the Cardholder acknowledges to have received one copy of the Framework Agreement.



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The Cardholder is entitled, in the course of duration of the contractual relationship, to request for the copy of the Framework Agreement, and/or information delivered in pre-agreement phase, to be delivered to him, in hard copy or in another durable medium.

### IV CARD ISSUANCE

#### Article 6

The condition for Card issuance is an open current account in RSD with the Bank.

The Card is a payment instrument used by the Cardholder for execution of payment transactions.

The Bank cannot issue to the Cardholder the Card he/she did not request, unless the issued Card needs to be replaced.

#### Article 7

The Bank issues two types of Cards to its clients: Visa Business and MasterCard Business card.

Visa Business card is a debit card with deferred payment of up to 45 days, free of interest, within the approved company and monthly limit as per individual Card.

MasterCard Business card is a debit card the use of which is linked to available amount of funds on Dinar account of the Cardholder and to monthly limit as per individual Card.

The Card is the property of the Bank; it is issued in the name of the Cardholder and Card User and is not transferable.

#### Article 8

The Card is issued at the request of the person authorized to represent the Cardholder (hereinafter referred to as: Cardholder's Representative) who holds an open Dinar current account with the Bank. The exceptions are organizations which in accordance with the legal regulations cannot hold open dinar current accounts with commercial bank and for which an opened Dinar account is not a condition for issuance of Card.

Application for issuance of Card is submitted in Bank's form. The Cardholder's Representative enters in the application the necessary information, including the information regarding communication (e-mail, address, fixed/mobile phone number) and confirms the accuracy of such data by his/her signature. The Cardholder's Representative undertakes to timely notify the Bank of each change in data, and to provide the Bank, at its request, with the additional information, and/or documentation important for rendering a decision on issuance of Card.

#### Article 9

Visa Business card is issued based on the decision of the Bank's competent body. Decision is made upon assessment of the overall creditworthiness of the Cardholder, and based on such Decision the company limit is approved for use of Card.

MasterCard Business card does not have company limit but instead it is linked to Dinar current account of the Cardholder and the same can be used up to the amount of established spending limit and available balance on Cardholder's account in RSD.

#### Article 10

When signing the agreement on issuance and use of selected Card (hereinafter referred to as: Agreement) the Cardholder's Representative delivers to the Bank, collaterals specified in the Agreement, two duly signed blank promissory notes and appropriate bill of exchange authorization, and/or some other collateral acceptable to the Bank.



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The parties to the agreement agree to acknowledge that over validity period of company limit/Card it is possible to replace the collaterals, on the basis of written request of the Cardholder's Representative and the decision of the Bank's competent body on adoption of such request, in accordance with the creditworthiness of the Cardholder, the amount of funds being used, solvency assessment of the Cardholder and in compliance with the Bank's internal documents.

### Article 11

In compliance with the concluded Agreement, the Bank opens for the Cardholder the account in dinars (hereinafter referred to as: Sub-account). Sub-account contains records of all financial changes related to use of issued Card. All rights and obligations defined by the Framework Agreement takes the Cardholder of sub-account.

By signing the Agreement for Visa Business card, the Cardholder's Representative undertakes to sign the standing order by which he/she authorizes the Bank to transfer the funds from Dinar current account for the purpose of discharging liabilities arising from the use of Card, as well as for all matured liabilities as per Framework Agreement, until the used portion of approved company limit is fully repaid.

By signing the Agreement for MasterCard Business card, the Cardholder's Representative grants the consent for the Cardholder's RSD current account to be promptly debited for all the transactions initiated by use of Card.

### Article 12

The Cardholder's Representative appoints one or more Card Users to whom he/she assigns authorization for use of Card by signing the Application for issuance of Card, in which he/she provides information on persons who will be the Card Users and the amount of monthly limit as per individual Card. The Cardholder's Representative can also be the Card User.

### Article 13

Agreement on Issuance and Use of Visa Business Card shall be signed by the Cardholder's representative following the decision rendered by the Bank's competent body on approval of issuance of Card and of the company limit for use of Card, and at the latest when collecting the Card.

Agreement on Issuance and Use of MasterCard Business Card shall be signed by the Cardholder's Representative upon submitting the Application for Issuance of Card, and at the latest when collecting the Card.

The prescribed deadline for collecting the Card by the Cardholder's Representative or by the Card User is 3 (three) months.

Cardholder's Representative /Card User is obliged, when collecting the Card, to verify the accuracy of data on the Card and to sign the Card.

### Article 14

Visa Business Card can also be issued on the basis of deposit. Issuance of this Card with made deposit is carried out by the decision of the Bank's competent body.

The Bank shall not pay interest to Cardholder on funds of earmarked deposit. Funds on earmarked deposit account are deposited until the cessation of the use of all Cards approved under the Agreement, or until all liabilities resulted from use of Cards have been fully discharged.

If the Cardholder does not settle all of his liabilities towards the Bank pursuant to the Agreement, the Bank is authorized to recover, without any delay, matured receivables under the Agreement from pecuniary assets placed on earmarked deposit, without the prior consent of the Cardholder.



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Conditions based on funds placed on earmarked deposit referred to in this Article are governed by the agreement on earmarked term-depositing of funds in Dinar/foreign currency which is concluded between the Cardholder and the Bank.

### Spending Limit

#### Article 15

The Agreement on Issuance and Use of Visa Business Card governs the amount of company limit and validity period of the same. The amount of company limit is determined on the basis of analysis of Cardholder's creditworthiness and business revenues as per latest annual statement of accounts. The Cardholder's Representative sets the monthly spending limits for each Card User. The sum of individual monthly limits as per each issued Card must be equal or less than the approved company limit.

By the Agreement on Issuance and Use of MasterCard Business Card, the Bank and the Cardholder determine that the Card can be used up to the amount of set monthly spending limit and daily limit for cash withdrawal, and up to the amount of funds available on Dinar current account of the Cardholder.

#### Article 16

The approved company limit in case of Visa Business Card, or the defined limit in case of MasterCard Business Card is valid during one calendar month and is automatically renewed on each 1<sup>st</sup> day of the month, and is stated in Dinars without indexing (it is not adjusted for inflation rate and growth rate of the retail price index and it is not corrected accordingly).

If the Card User spends the entire monthly limit on a certain day prior to expiry of the currency month, he will not be able to use the Card until the end of month.

If the Card User, after expiry of the current month, does not spend the approved monthly limit on the Card, the remaining amount of unspent limit shall not be transferred to monthly limit in the next month.

#### Article 17

The term to which the company limit is approved for using Visa Business Card cannot be longer than 24 months.

Renewal of company limit is conducted at the written request of the Cardholder's Representative, minimum one month prior to expiry of company limit's validity period.

By signing the new Agreement the Cardholder's Representative expresses his consent in terms of accepting all the liabilities resulted from use of Card during the validity period of the previous Agreement. If the Cardholder does not want for validity term of company limit to be renewed, he is obliged to inform the Bank thereof in writing, at least 2 (two) months before the expiry of the same and to settle all liabilities and fees recorded on sub-account of the Cardholder.

If, upon expiry of company limit validity period, the Bank assesses the overall creditworthiness of the Cardholder as negative, and/or the Card User does not use the Card in accordance with the Framework Agreement, the company limit shall not be renewed, of which the Holder of sub-account will be notified in writing.

The Card is issued with validity period of up to 3 (three) years and is valid until the last day of the month in the year indicated on the Card. If the Cardholder does not want for the validity period of the Card to be renewed, he is obligated to inform the Bank thereof in writing, at least 30 days prior to expiry of validity period of the Card, and to return the Card to the Bank and settle all liabilities and fees that have resulted from its use.

The renewal of the Card is carried out automatically in the month when it expires, providing that the validity period of the company limit is still applicable and that the Card User uses the Card in compliance with the Framework Agreement.





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### Article 18

MasterCard Business Card does not have company limit.

The Card is issued with validity period of up to 3 (three) years and is valid until the last day of the month in the year indicated on the Card. If the Cardholder does not want for the validity period of the Card to be renewed, he is obligated to inform the Bank thereof in writing, at least 30 days prior to expiry of validity period of the Card, and to return the Card to the Bank and settle all liabilities and fees that have resulted from its use.

The renewal of the Card is carried out automatically in the month when it expires, providing that the Card User uses the Card in accordance with the Framework Agreement.

## V USE OF CARD

### Article 19

The Card can be used in the country and abroad for the following:

- Cashless payments for goods and services at point of sale /acceptance;
- Cash withdrawal at ATMs network;
- Cash withdrawal and payment in favor of third parties at the counters of banks and post offices.

The Card can be used at every point of sale (POS terminals) and ATMs which bear a label „VISA“/„MasterCard“, as well as for conducting transactions on Internet by cashless payments for goods and services via CNP transactions.

The Card can be used for cash withdrawal and payments in favor of third parties at the counters of banks and post offices. For cash disbursements at ATMs of other banks, counters and for payments in favor of third parties, the Cardholder shall pay the fee, in accordance with the Tariff of Fees.

Entrepreneurs are not charged a fee for withdrawal of cash from the Bank's ATMs and counters.

### Article 20

The User of Visa Business card can use the same up to the amount of set spending limit, which is within the approved company limit of the Cardholder. At the time of initiating the transaction, the User must have the available amount of monthly limit on the Card.

The User of MasterCard Business card can use the same up to the amount of set spending limit and available balance on Dinar account of the Cardholder. At the time of initiating the transaction, the User must have the available amount of monthly limit on the Card and coverage on sub-account of Dinar current account for the amount of transaction and fees for the specific transaction

Cash withdrawal at ATMs is possible within the prescribed daily limits and available amount of monthly limit.

### Article 21

The User is obliged, when paying for goods/services, at the request made at the point-of-sale, to present the identification document.

When paying for goods/services by Card, the User identifies himself/herself by entering PIN or by signing the user's receipt /slip, depending on available equipment of the point of sale/acceptance. The obligation of the point of sale/acceptance is to issue one copy of slip, which the User must keep for his/her records and for the purpose of possible complaint.

When withdrawing cash at ATM the User identifies himself/herself by entering PIN. The User accepts that identification by PIN is the sole and indisputable validation of his/her identity, and/or authorization for use of Card and consent for the transaction to be executed.



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The Cardholder is solely responsible for use of Cards of all the Card Users, in accordance with the Framework Agreement.

### **Article 22**

The Cardholder is obliged to inform the User about the content of the Framework Agreement, in order for Card to be used in compliance with the provisions thereof.

The Card must not be used in a manner or for purposes that are not complied with the laws and other regulations, which is for purchase of goods, or payments for services that are prohibited by the law. The Card must not be pledged or given as collateral, nor it can be assigned to third party.

The Cardholder bears full responsibility for using all Cards issued in accordance with the Framework Agreement and undertakes to duly settle all the liabilities that arise from use of Card.

The Card whose validity period has expired must not and cannot be used.

In case of damaged Card, change in master data or forgotten PIN, the User is obliged to approach the Bank for the purpose of its replacement. The service of replacement of Card at the User's request, in case of damage, change in master data or forgotten PIN is charged to the Cardholder in line with the Tariff of Fees. When approaching the Bank for the purpose of replacing the Card, the Card User signs the Request for Card Replacement, along with which he/she is obliged to return the Card that is being replaced.

The Card User is obliged to comply with the respect for confiscation of the Card if the point of sale or other banks so request at the order by Bank. Otherwise, the Bank is entitled to block the Card.

## **VI EXECUTION OF PAYMENT TRANSACTIONS**

### **Consent for execution of payment transaction**

#### **Article 23**

The Bank will perform the transaction only if the Card User gave his/her consent prior to its execution. In absence of consent for execution of transaction, it will be considered that the same has not been approved and it will not be executed.

Transaction is deemed approved, that is, authorized if by applying appropriate procedures the use of Card has been verified and confirmed, including the personalized security elements.

Depending on manner/place of use of Card (POS, ATM, counter, Internet and other), the consent is granted by entering the personalized security elements of the Card provided for a specific type of transaction.

#### **Article 24**

It is considered that the Card User gave consent for execution of payment transaction:

- By making the Card available at the point of sale /acceptance place for the purpose of reading the relevant data, in order to provide the conditions for authorization,
- By entering PIN at POS terminal /ATM,
- By making available /entering the minimum relevant personalized security elements of the Card at point of sale /acceptance place where CNP transactions and Manual Key Entry transactions are performed ,





## **General Terms and Conditions for Issuing and Use of Business Cards**

- By the very use of the Card, or by making the Card available for reading at certain point of sale/acceptance places at which due to speed of performing transactions or technological preconditions, and up to the amount of transactions prescribed by the payment card associations (Visa Inc./MasterCard Worldwide), the transactions are executed without the signature on Card Users' receipt/slip and/or entering of PIN (payment of tolls, etc.).

As for transactions for whose execution the consent has been given in some of the above manners, they considered to have been approved by the Card User.

The signed Card User's receipt/slip or electronic data on transaction confirmed by entering the PIN represent a validation of given consent by the Card User.

### **Receipt and execution of payment order**

#### **Article 25**

Time of receipt of payment order by the Bank, issued by use of Card is the time when the Bank received the payment order by payment services provider of the payee, or the time of receipt of data on transaction for processing, which were provided to the Bank the payment services provider of the Card acceptant.

Use of the Card at POS terminal/ATM/Internet point of sale and authorization of payment transaction is not considered as the time of receipt of the payment order by the Bank.

#### **Article 26**

The process of cashless payment by Card functions in a manner that at the time of initiating the transaction, the Bank only gives the confirmation/authorization that the Card is valid and that the Card User has the available limit amount for that specific transaction. If all the conditions are fulfilled and confirmation/authorization is granted, for the amount of initiated transaction, the Bank makes provisions of funds against available limit amount of the Card User.

#### **Article 27**

Upon receipt of data on payment transaction for processing, The Bank financially debits the Dinar current account of the Cardholder for MasterCard Business Card, or records the liabilities on sub-account for Visa Business Card.

Deadline for execution of payment order starts expiring as of the time when the Bank receives the payment order issued by use of the Card by the payment services provider of the payee (Card merchant).

Payment transaction initiated by a Card is executed by no later than the next day from the day the payment order is received by the party that provides payment services for the payment recipient (the Card's merchant).

Payment order is executed when the amount of payment transaction is credited to the account of payment services provider of the payee.

### **Refusal to execute a payment order**

#### **Article 28**

The Bank cannot refuse to execute the transaction as per payment order issued by use of Card when all the conditions have been fulfilled as prescribed by these General Terms and Conditions, except when otherwise prescribed by regulations.

The Bank will refuse to execute the transaction in the following cases:

- If the amount of required transaction exceeds the available limit amount on Visa Business Card, or the available limit amount and appropriate coverage on Dinar account as per Master Business Card,



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- If some of the relevant personalized security elements of the Card has been incorrectly entered by the Card User,
- If there are legal impediments to execution of transaction (e.g., blocked Dinar account, etc.),
- If the Card has been, for any reason, permanently or temporarily blocked,
- If the validity period of company limit has expired.

In case of refusal of authorization of transaction for some of the above reasons, it will be considered that the payment order has not been issued and the transaction will not be financially processed.

At the request of the Cardholder, the Bank will also deliver notification on reasons for refusal in writing.

### Cancellation of payment order

#### Article 29

The Card User cannot cancel the payment order issued by use of the Card, upon having granted the consent for execution of transaction to the payee, except exceptionally, in case when agreed with the Bank and with obligatory consent of the payee, and/or the point of sale/acceptance place.

The Cardholder's Representative/Card User cannot cancel the consent and financial debiting on the basis of given approval and realized transaction, after the transaction has been received and processed by the Bank, except in special cases when the debiting is unjustified.

## VII SETTLEMENT OF PAYMENT CARD LIABILITIES

#### Article 30

The Cardholder undertakes to settle the liabilities resulted from use of Card within time limits and in a manner prescribed by the Agreement.

If there are matured outstanding receivables of the Bank resulted from use of Card, including all the fees, the Cardholder agrees that the Bank can collect its due receivables from the funds on other accounts of the Cardholder that are held with the Bank and he authorizes the Bank to give the payment order using the funds from the stated accounts in favor of the account/sub-account with the Bank on which the Cardholder's debt is recorded. The Bank will notify the Cardholder on executed settlement of receivables through Statement.

If on accounts of the Cardholder there are no sufficient funds in payment currency, the Cardholder agrees that the Bank may perform collection by conversion from other currencies on his foreign currency accounts, by applying the selling rate of the Bank on the date of transfer.

If the Cardholder has no other accounts with the Bank, or has no sufficient funds on other accounts to settle due liabilities, the Bank will enforce the collaterals.

If, before settlement of all liabilities under the Agreement, laws or regulations governing the collaterals for receivables change, or if for any reason the provided collaterals become invalid or the Bank uses the agreed and provided collaterals, the Card User undertakes to deliver to the Bank, at Bank's demand, within 3 (three) days from receipt of such demand, the new collaterals for securing collection of Bank's receivables.

The Cardholder or the provider of collateral (guarantor) is entitled, after complete discharge of Cardholder's liabilities towards the Bank under this Agreement, to collect the unused collateral provided under this Agreement, including the collateral entered/registered in the appropriate register.



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### Visa Business card

#### Article 31

The Cardholder undertakes to settle his matured liabilities by standing order chargeable to Dinar account with the Bank...

Matured liabilities include the transactions executed during the accounting period and fees.

The Cardholder undertakes to settle his matured liabilities generated from transactions resulted from use of Card at POS terminals (including CNP transactions) from one accounting period (calendar month) on the 15<sup>th</sup> day of the next calendar month, by providing coverage on Dinar current account, in the amount as per submitted Statement. If the 15<sup>th</sup> day of the month is a non-working day, the automatic debit will be performed on the first following working day.

The Cardholder agrees that the Bank does not approve the deferred payment for transactions of cash withdrawal at ATMs and at the counters of banks/post office. For all transactions of cash withdrawal the Cardholder's Dinar current account will be debited promptly upon execution of payment transaction.

#### Article 32

By signing the Agreement, the Cardholder authorizes the Bank to automatically debit his Dinar account for the liabilities resulted from use of Card, as well as for all matured liabilities under the Agreement, until their final repayment.

The collection of all transactions and fees realized in the country and abroad shall be performed in Dinars chargeable to Dinar account.

#### Article 33

The Cardholder is entitled to settle the liabilities before the maturity date by direct deposit to the sub-account on which the Card is maintained, in which case the standing order will not be activated on the 15<sup>th</sup> day of the month. In case of partial settlement of liabilities before the maturity date, the standing order will be activated on the 15<sup>th</sup> day of the month in the amount of remaining part of due liabilities.

In case of early repayment (partial or full) the Bank cannot require to collect the fees from the Cardholder on such basis.

#### Article 34

If the Cardholder does not provide the coverage for collection on his Dinar current account, the Bank will, on the 17<sup>th</sup> day of the month, temporarily block all the Cards until all matured liabilities are settled and for the defaulting period it will calculate a legal default interest.

In case the Cardholder does not settle their due liabilities until the 17<sup>th</sup> day of the month, the Bank shall send to the Cardholder the information on the amount of unsettled liabilities with an instruction for their payment. Information from this paragraph is given to the Cardholder in the agreed manner (by email or post).

In case the Cardholder fails to settle the matured liabilities within 2 (two) months from the date the information on the amount of unsettled liabilities with instruction for their payment was sent, the Bank shall close the Card and the account and enforce the collaterals in order to collect its receivables.

Upon settlement of all due liabilities the Bank is obliged to activate the Cardholder's Cards.



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The Bank is obliged to notify in writing the Cardholder, or the provider of collateral (guarantor) on the fact that the Cardholder has settled all his liabilities under this Agreement within 30 days from the date of settlement of such liabilities, whereby such notification will contain data on Agreement, amount of settled liabilities, signature of responsible person and seal of the Bank.

### **MasterCard Business card**

#### **Article 35**

The Cardholder undertakes to settle all matured liabilities arising from executed transactions and from fees, by these being chargeable to Dinar current account.

Matured liabilities include all the transactions executed by use of Card and the fees.

The Cardholder undertakes to settle his matured liabilities arising from transactions and fees resulted from use of Card in the country and abroad for payment at POS terminals and cash withdrawal at ATMs and at the counters of banks/post offices by providing coverage on Dinar current account held with the Bank.

For all transactions executed abroad by use of MasterCard Business card, Dinar current account of the Cardholder will be debited for the amount of transaction increased by 5%, which is the percentage of provision for the risk of collection of exchange rate differentials and fees. Upon completed financial processing of transaction, and/or booking, Dinar current account of the Cardholder will automatically be credited/debited for the amount which represents the difference between the amount for which the account of the Cardholder is debited and the booked amount.

MasterCard Business card cannot be used for transactions before - authorization (provision).

If the Cardholder has unsettled liabilities originating from use of Card and from fees, the Bank shall be entitled to collect/recover the same by enforcing the security instruments/collaterals with observance of the notice period of 2 (two) months.

## **VIII PROTECTIVE MEASURES**

### **Obligations of the Cardholder /Card User and the Bank in relation to issuance and use of the Card**

#### **Article 36**

Cardholder/Card User is obliged to use the Card in accordance with the Framework Agreement.

Cardholder/Card User is obliged, promptly upon receipt of the Card, to undertake all reasonable and appropriate measures for the purpose of protection of personalized security elements of that instrument, or to keep secret the assigned PIN, as well as data of the Card in order to protect the Card from misuse. It is particularly important not to write the PIN on the Card or on any other document which is kept with the Card.

The Cardholder will bear all financial consequences in case of misuse of unsigned Card, disclosure of PIN to unauthorized person or in case of giving the Card to be used by third parties.

#### **Article 37**

In order to prevent the misuse the Bank provides the Cardholder with the service of notification on authorization of Card by SMS. The mentioned service enables the Cardholder to receive SMS notices on each request for authorization per Card, which significantly reduces the possibility of unauthorized use of the Card and possible damage. The Bank provides the service of notification by SMS free of charge. When collecting the Card the Cardholder also signs the agreement on using the SMS notification service. The Bank will not activate the SMS notification service exclusively at written request of the Cardholder, in which case it is to be understood that the Cardholder is informed about the risk arising from not using the same.



## General Terms and Conditions for Issuing and Use of Business Cards

### Article 38

For Internet payments the Bank enables applying for Verified by VISA/ MasterCard SecureCode service. Verified by VISA/ MasterCard SecureCode service is offered only in Internet shops which support this program. Purchase is conducted identically as with other internet merchants, whereby, in this case, verification is performed of the identity of the Card User by entering the password. Applying for Verified by VISA/ MasterCard SecureCode service can be done on Bank's website or on the purchasing website. When registering for the service, the Card User is required to enter the Activation code which he/she received from the Bank. After entering the Activation code, the Card User follows the instructions on the website and creates his/her password (secure code) with which he/she will use for all future internet payments. In case the Card User forgets his/her password (or Activation code) or the same has been blocked due to three consecutive erroneous entries, it is necessary that the Card User contacts the Bank.

### Article 39

The Bank is obliged to ensure:

- Availability of the Card and personalized security element of the Card only to the Card User to whom such instrument was issued, by delivering the same to the Bank's parent branch or in some other way as agreed with the Cardholder's Representative,
- That the Card User has the possibility at any moment to inform the Bank in an appropriate manner about the loss, theft or misuse of the payment instrument and thus enable the Bank to prevent any further use of the payment instrument upon receiving such notification,
- That the Card User is re-enabled to use the payment instrument which was blocked, once the reasons for blocking such instruments no longer exist.

The Bank shall bear the risk of delivering the Card and personalized security elements to the Card User.

### **Loss, theft or misuse of card**

### Article 40

The Card User is obliged, promptly upon finding out about the loss, theft or misuse of the Card, to notify the Bank thereof, which he/she can do in any branch of the Bank during the working hours, or from 0 to 24 hours by dialing the Bank's Contact Center or Center for authorization and requesting that further use of the Card be blocked. When reporting these events to the Bank, PIN is not being disclosed. In the case of reporting by phone, the Cardholder's Representative/Card User or the person authorized by him/her, is obliged within 7 (seven) days to deliver to the Bank in writing on prescribed form the confirmation of reporting the loss/theft or misuse of the card. In case of theft of the Card, the Cardholder/Card User is obliged to report the theft to police, as well.

Upon receipt of the written report on the loss, theft or misuse of the Card, the Bank may issue the Card User a new Card. The stolen Card, apart from physical stealing of the Card, also includes the possibility of theft and misuse of data from the Card.

The Bank also informs the card acceptant's network of the loss/theft or misuse of the Card, thus announcing the Card invalid. The costs of blocking the Card (reports/announcing the Card invalid) shall be borne by the Cardholder.

### Article 41

In case unauthorized use of the Card has occurred, and/or the data from the Card, the Cardholder is obliged, promptly upon becoming aware of such occurrence, and at the latest within 45 (forty five) days from date of debiting, to report to the Bank the transaction executed by unauthorized use of the Card, and/or data from the Card.

The Holder of the sub-account shall bear all the losses in relation to each transaction executed by misuse of the Card User and shall also bear the losses occurred on account of failure by the Card User to fulfill his/her obligation to



## **General Terms and Conditions for Issuing and Use of Business Cards**

promptly inform the Bank of the loss, theft and misuse and to safeguard PIN and data on the Card adequately (Card number, CVV2 number from the back of the Card).

The Cardholder shall not bear losses occurred from transactions executed after having reported to the Bank the loss, theft or unauthorized use of the Card, and/or data from the payment card, except in case when the Card User committed the misuse or participated in misuse or acted with intent of committing the fraud.

### **Article 42**

The Cardholder agrees that in case of suspicion of misuse of the Card, the Bank shall block the use of the Card. If the Bank suspects the misuse of the Card and the Card User cannot be contacted, the Bank shall block the Card and notify the Card User thereof, when possible.

Card User who finds the Card after reporting it lost / stolen must not use it, but instead he is obliged to return to the Bank the canceled Card (transected vertically, across the stripe for magnetic recording / chip). Otherwise, the Cardholder shall bear all responsibility and financial obligations to the Bank for unauthorized use of Card.

Upon receipt of written notification of loss, theft or misuse of the Card, Card User may be issued a new Card at the request of the Cardholder's Representative

The Cardholder is responsible for losses arising from the execution of unauthorized payment transactions due to loss, theft or misuse of the Card in accordance with the provisions of Article 49 of these General Terms and Conditions.

### **Article 43**

At the request of the Cardholder's Representative / Card User, Bank is obliged to submit the proof that the Cardholder's Representative / Card User has notified the Bank of the loss, theft or fraud, in accordance with Article 40 and 41 of these General Terms and Conditions. The deadline for submitting such request is 18 months from the date of notification of the Bank by the Cardholder / Card User.

## **Limitation of use of the card**

### **Article 44**

The Cardholder agrees that the Bank may prevent the use of Card (Card blocking), if the Cardholder / Card User acts contrary to the provisions of the Framework Agreement, if there are reasonable grounds relating to the security of the Card, if there is suspicion of an unauthorized use of the Card or its use for fraudulent purposes, or if there is increasing risk that the Cardholder will not be able to fulfill its payment obligation when it comes to use of the Card.

The bank shall notify the Cardholder of the intention to block the Card, as well as of the reasons for blockage. If it is unable to notify the Cardholder before blocking the Card, the Bank will do it immediately after the blockade, or when it is possible, unless the giving of such notice is forbidden by regulations or if there are legitimate security concerns.

Announcement of the intention to block the Card, and/or on blocking the Card, the Bank submits to the Cardholder / Card User in a manner stipulated by the Agreement.

### **Article 45**

The Card is automatically blocked after the third consecutive entry of an incorrect PIN, regardless of whether a transaction is attempted at the point of sale or ATM, in which case the User addresses the Bank. If the third consecutive incorrect PIN entry originated at an ATM, the ATM will retain the card





## General Terms and Conditions for Issuing and Use of Business Cards

Domestic and international transactions in currencies other than the RSD currency, which at the date of execution cannot be carried out due to exceeding the limit per Card and / or the lack of coverage on the account of the Cardholder, the Bank will not authorize.

### **IX RESPONSIBILITY OF THE BANK AND THE CARDHOLDER / CARD USER IN CONNECTION WITH EXECUTION OF TRANSACTIONS AND REFUND OF THE PAYMENT TRANSACTION AMOUNT**

#### **The Bank's liability for unauthorized, non-executed or incorrectly executed transaction**

##### Article 46

The transaction, for which there is not consent by Card User made in accordance with these Terms and Conditions, shall be considered an unauthorized transaction. The transaction, which was not carried out in accordance with the payment order of the Card User (Cardholder's Account is charged with a greater or lesser amount, payment order is repeatedly executed by mistake, the funds have been transferred to another recipient) is considered defective payment transaction

##### Article 47

In the case of the execution of any unauthorized transaction, or responsibility for any failure or incorrectly executed transaction, the Bank shall, immediately upon recognizing the fact, return Cardholder's account to the state it would have been if the unauthorized or incorrectly executed transaction was not carried out or to properly execute transaction.

Restoring the Cardholder's account in the condition it would be if there was no execution of unauthorized transaction or improper execution of the transaction includes refund of all fees collected

##### Article 48

The Bank is responsible to the Cardholder / Card User that initiated the payment for the timely and proper execution of the transaction up to the provider of payment services of retail / acceptance locations.

The Bank is responsible for the non-executed or incorrectly executed transaction even if for this transaction the intermediary involved in the execution of transactions between banks is responsible.

#### **Liability of Cardholder for unauthorized payment transaction**

##### Article 49

The Cardholder shall bear the loss arising from the execution of unauthorized transactions to the amount of RSD 15.000, if such transactions are executed by the use of lost or stolen Card or by Card that had been misused because the Card User failed to protect its personalized security elements.

The Cardholder shall bear the full amount of the loss if it is found that the unauthorized transactions were carried out due to fraudulent conduct by the Card User or failure to take protective measures established by these Terms and Conditions due to his intent or gross negligence (giving Card to another person for use, inadequate storage of the PIN, the failure to discharge the obligation to inform the Bank of the loss / theft / misuse of the Card).

The Cardholder shall not bear losses for unauthorized transactions if he has not given the opportunity to inform the Bank at any time about lost, stolen or misused Card, as well as losses incurred after notifying the Bank of lost, stolen or misused card, unless the losses were incurred due to fraudulent conduct by Card User.



**Refund of the amount of unauthorized or improperly executed transactions**

Article 50

The condition for a refund of the amount of unauthorized or improperly executed payment transaction or the properly executed transaction is a notice or request of the Cardholder (hereinafter referred to as: complaint).

For the purposes of complaint Card User is obliged to keep and present copies of users' receipt / slip. Complaint is submitted to the Bank in writing to the address of the Bank or via e-mail address listed in these Terms and Conditions or in any branch of the Bank

The Cardholder submits a complaint to the Bank promptly upon learning of unperformed transaction, but not later than 45 (forty five) days from the date the account is debited for the amount of unauthorized or improperly executed transaction.

Upon the expiration of the term from preceding paragraph, the Cardholder loses the right to claim a refund or correct execution of the payment transaction, unless the Bank has provided to him/her with the required information on the payment transaction before and after its execution, in which case this right can be realized after the expiry of 45 days.

The Cardholder has the right to demand compensation for damages resulting from the execution of any unauthorized transaction if the Bank is responsible for the execution of any unauthorized transaction, as well as for damage caused by default or improper execution of the transaction at the responsibility of the Bank

Complaints relating to possible shortcomings in the quality and quantity of goods and services paid by the Card, the Cardholder submits exclusively to sales / acceptance site where the transaction originated.

**Refund of the amount of authorized and properly executed transaction**

Article 51

The Cardholder may request a refund of the amount of authorized and properly executed transaction if he/she provides evidence that he gave his consent without determination of the exact amount of the payment transaction or that the transaction amount is higher than what the Cardholder could reasonably expect taking into account the amounts of its previous transactions, the conditions stipulated by the Framework Agreement and circumstances of the specific case.

The Cardholder may not claim a refund of the transaction amount, which is higher than the reasonably expected in the event that the replacement of currency at an agreed exchange rate is consequence of significantly higher amount of transaction.

The Cardholder must apply for a refund at the latest within 56 (fifty six) days from the date the account is debited, in writing.

The Bank is obliged to refund the Cardholder the entire amount of the transaction or to inform him of the reasons for refusing the request within ten (10) working days of the date of receipt of the request.

If the Bank refuses the request for refund on the basis of an approved and properly executed transaction, it is obliged to inform Cardholder, in the notice of the reasons for this refusal, about the process of exercising the protection of rights and interests of the Cardholder, including extra-judicial resolution of the dispute, and the steps that can be undertaken because of violation of the provisions of the Law on Payment Services and on the authority responsible for conducting these procedures.

The Cardholder is not entitled to a refund of the amount of the above described transactions if he is informed about future transaction in the agreed manner by the Bank or the retail store (POS), at least 28 days before the due date.



**Obligation to identify the flow of funds in case the payment transaction has not been carried out or has been carried out incorrectly**

Article 51a.

In case a payment transaction has not been executed or has been executed incorrectly, the Bank is obliged to immediately undertake adequate measures, regardless of the responsibility for the correct execution of the payment transaction, at the request of the representative of the Cardholder, so that the flow of funds from the payment transaction is identified and shall provide to the Representative of the Cardholder the information about the outcome of measures undertaken, without delay

**X EXCLUSION OF LIABILITY**

Article 52

The Bank is excluded from responsibility for the incorrect execution of transactions initiated by Card, as well as for failing to meet other contractual obligations of the Bank in cases of occurrence of interference in carrying out transactions. Interference in the performance of transactions are all those events, occurrences, actions or acts that impede or prevent execution of transactions, and are caused by force majeure, incidences, war, riots, unrest, acts of terrorism, natural and environmental disasters, epidemics, strikes, interruption of electricity supply and interruption of telecommunication connections, as well as all other similar causes which cannot be attributed to the Bank.

**XI INFORMING THE CARDHOLDER ON PAYMENT TRANSACTIONS**

Article 53

The Bank informs the Cardholder on executed payment transactions by sending Statements per Card's sub-account in the agreed manner, once a month for the previous month for Visa Business cards.

All payment transactions generated by using MasterCard Business card are recorded in the statement of the Cardholder's dinar current account submitted to the Representative of the Cardholder in the manner chosen in the Request for opening a dinar current account.

A statement includes information on the due liabilities, individual payment transactions and the reference mark or other information that allows the Cardholder to identify individual payment transactions, the recipient of the payment, the amount of payment transactions in the currency in which the account is charged, on the types and amounts of fees, of rate of exchange and the amount of the payment transaction after the date of exchange of currency, debit value date and the date of receipt of the payment order

Cardholder should carefully review the report on the balance and changes in his account and immediately inform the Bank if he has found any irregularities, including non-executed, improperly executed and unauthorized payment transactions.

By signing the Agreement the Cardholder authorizes the Bank, without his specific prior approval, to eliminate the obvious mistakes made in business operations that would cause the balance of the sub-account / account to deviate from the real to the credit and the debit of the sub-account / account. Of the committed error and executed debit or credit of the sub-account / account the Bank will notify the Cardholder via Statement, in the agreed manner.

**XII FEES**

Article 54

The Bank charges fees for use of the Card in line with the Tariff of Fees.

The fees for use of Card are fixed and the dynamics of collection is defined by the Agreement.



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Liabilities arising from fees that resulted from use of Card shall be settled by the Cardholder by providing the coverage on Dinar current account with the Bank, according to terms and conditions and within the time limit as defined by the Agreement.

### **XIII EXCHANGE RATE**

#### Article 55

The exchange rate applicable for conversion of the amounts of transactions initiated abroad is the Bank's selling rate for foreign currencies, for the currency EUR as at the day of financial processing of transaction and sub-account debiting.

Accounting currency with regard to other foreign currencies in which the transaction can be concluded is EUR.

Exchange rate for replacement of another foreign currency in currency EUR is not defined by the Bank.

The Cardholder is informed about and accepts the possibility of changes in exchange rate from the time the transactions has occurred until the time of financial debit of the sub-account.

### **XIV MANNER AND MEANS OF COMMUNICATION**

#### Article 56

During the term of contractual relationship the communication shall be conducted in Serbian language. If the Cardholder, for justified reasons, requires that the communication is not to be conducted in Serbian language during the term of contractual relationship, the same shall be in English language.

Exchange of information and notification between the Bank and Cardholder/Card User can be conducted verbally or in writing, in hard copy or electronically.

Manner and means of communication depend on type of notification and the agreed manner/means of communication (e-mail, SMS, electronic banking, telephone).

The Bank is entitled, for the purpose of enabling the use of certain product/service, to require the Cardholder/Card User to have the adequate technical equipment (e.g., mobile phone and/or e-mail address, etc.).

The Bank will notify the Cardholder/Card User of all promotional activities by SMS notification or by telephone or by e-mail.

### **XV DATA CONFIDENTIALITY ON PAYMENT SERVICES AND PERSONAL DATA PROTECTON**

#### Article 57

Data management by the Bank which it acquires during the period of providing payments services, and the collection and processing of personal data are subject to regulations which govern the protection of business, and/or banking secrecy and personal data protection, as well as to General Operating Terms and Conditions of Komercijalna banka AD Beograd.

### **XVI RIGHT TO OBJECTIONS AND COMPLAINTS**

#### Article 58

The Card User has the right to objection if he/she considers that the Bank does not comply with the provisions of the law, Framework Agreement, sound business practices.



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The objection is submitted in writing within 3 years from the date the violation of right or interest occurred. Upon expiry of this term, the Bank is not obliged to consider it, but it may consider it and/or accept it should it deem the objection founded.

The Cardholder may file a complaint in person in the Bank's business premises, by mail, by electronic mail to addresses: [kontakt.centar@kombank.com](mailto:kontakt.centar@kombank.com) or [posta@kombank.com](mailto:posta@kombank.com), as well as at Bank's website, in part - Contact Center.

The complaint should contain information which unambiguously establish the relationship of the Cardholder with the Bank to which the complaint refers (e.g., current account number, Card number, etc.), and reasons for filing a complaint.

The Bank is obliged to consider the complaint and to deliver a written reply to the Cardholder, no later than within 15 days from the day of receipt of the complaint. Exceptionally, if the Bank cannot deliver the reply within the above time limit for objective reasons that are beyond its control, such deadline can be extended for another 15 days at the most. The Cardholder will be notified of the stated reasons and the deadline for submitting a reply in writing within 15 days from the date of receipt of the complaint.

The Cardholder that is not satisfied with the received reply to complaint, or the reply has not been delivered to him/her within the prescribed time limit, is entitled, before initiating the court dispute, to submit to the National Bank of Serbia the complaint in writing, within 6 months from the date of receiving the reply or after expiry term for its delivery.

Attached to the complaint to the National Bank of Serbia, it should be submitted the complaint forwarded to the Bank, reply by the Bank (if delivered) and documentation on the basis of which the allegations from the complaint could be evaluated.

In addition to right to objections and complaints, the Cardholder is entitled to launch the mediation process for the purpose of out-of-court resolution of the dispute. The mediation process can be launched upon receipt of the Bank's reply to complaint, and/or upon expiry of the time period for delivering the same, but also during, or after the procedure as per complaint before the National Bank of Serbia.

The provisions of the Law on Protection of Financial Services Consumers shall be applicable accordingly to protection of the Cardholder/Card User.

## **XVII AMENDMENTS AND SUPPLEMENTS TO FRAMEWORK AGREEMENT I**

### Article 59

If the Bank intends to make amendment or supplements to the provisions of the Framework Agreement, it will deliver to the Cardholder the proposal of such amendments and supplements (hereinafter referred to as: Proposal), at the latest 2 (two) months before the day proposed for the beginning of their implementation. The Proposal shall be delivered to the Cardholder in writing, in the agreed manner.

If the Cardholder prior to the date of implementation of proposed amendments and supplements stated in the Proposal, does not inform the Bank in writing that he did not agree with such Proposal, he shall be deemed to have agreed to the Proposal and the proposed amendments and supplements shall apply to the contractual relationship without explicit consent of the Cardholder.

The Cardholder who does not agree with the Proposal of amendments and/or supplements to the Framework Agreement, is entitled to terminate the Framework Agreement with no fee charged. The Cardholder is obliged to inform the Bank about the termination in writing, prior to the day of commencement of implementation of the proposed amendments and supplements, and also to settle all the liabilities to the Bank as of the date of termination.



## XVIII DISCONTINUANCE OF CONTRACTUAL RELATIONSHIP

### Article 60

The Contractual relationship between the Cardholder and the Bank will discontinue in the following cases:

- Contract cancellation/termination,
- Cessation of the existence of the Cardholder,
- Rendering a decision by the competent body, based on law and other regulations
- Establishing the nullity of the Framework Agreement

### **Cancellation/Termination by the Cardholder**

#### Article 61

The Cardholder is entitled, at any time and free of charge, to unilaterally terminate/cancel the Framework Agreement and to request the closing of the Card, with notice period of one month.

The notice period starts from date the Bank received the Request for cancellation/termination. Framework Agreement is terminated and the Card is closed/cancelled at the request for cancellation which is submitted in writing and must be signed by the Cardholder's Representative.

The Cardholder has the right to request the termination of the Framework Agreement without the notice period if the Bank does not discharge its liabilities as defined by the Framework Agreement.

The Cardholder terminating the Framework Agreement is obliged to promptly return the Card to the Bank.

The Cardholder that withdraws from the Framework Agreement is obliged, before the expiry of the notice period, to settle all the liabilities resulted from use of the Card, together with the agreed fees until the day of disbursement.

The Cardholder undertakes, at Bank's first demand, to discharge liabilities arising from subsequently received transactions, concluded before cancellation of the Card and liquidation of the sub-account, along with the fees related to such transactions.

In case more Cards have been issued as per same sub-account, the Cardholder has the right, at any time, free of charge, to cancel the use of one or more Cards, without cancelling the Framework Agreement.

### **Cancellation/Termination by the Bank**

#### Article 62

The Bank is entitled to unilaterally terminate the Framework Agreement, cancel the use of Card and to announce it invalid, to declare all liabilities due and payable, with notice period of 2 (two) months, if the Cardholder fails to comply with the Framework Agreement and in other cases as determined by law or other regulation.

Duration of notice period shall start as of the day when written notification on termination was sent by registered mail to the last known reported address of the Cardholder, or as of the day when notification by e-mail was sent, provided such means of communication were agreed upon.

If the Cardholder fails to settle the liabilities during the notice period, the Bank will collect its receivables by enforcing the by enforcing the security instruments deposited on the basis of the use of Card (promissory notes, deposit, indemnity bond).

The Bank shall bear no legal nor material responsibility for the damage that may arise for the Cardholder because he did not receive the notice or letter from the Bank which was forwarded to the last address that the Cardholder reported to the Bank.





## General Terms and Conditions for Issuing and Use of Business Cards

### Article 63

The Bank is entitled to terminate the Framework Agreement without any notice period if the Cardholder:

- Acts contrary to the provisions of the law and other regulations,
- Fails to fulfill the obligation of submitting the changes of relevant data,
- Fails to submit, at Bank's request, the data and documentation necessary for taking actions and measures of knowing and monitoring the Cardholder in compliance with the Law on the Prevention of Money Laundering and the Financing of Terrorism or, at time of issuing the Card, he submitted to the Bank incorrect or false information.

In cases indicated in this Article, the Framework Agreement terminates as of the day of forwarding the notice of cancellation/termination by registered letter to the last known reported address of the Cardholder, and/or as of the day of forwarding the notice on another durable medium, if so agreed.

### Obligations of the Cardholder and the Bank in case of cancellation

#### Article 64

The Bank is obliged to notify the Cardholder in writing of the type and amount of liabilities under the Agreement that is terminated, as of the day of preparing calculations, of the time limit during which the Cardholder is obligated to settle his liabilities and of the Bank's right to enforce the security instruments deposited with the Bank in case the Cardholder does not discharge his liabilities, under the Agreement.

In case of termination of the Agreement, the Cardholder is obliged to pay the fee only for use of the Card until the termination date, and/or to settle all his liabilities to the Bank incurred by the expiry date of the notice period. In case of termination of use of Card, the Cardholder is not entitled to refund for fee of use of Card paid for the accounting period prior to cancellation of the Agreement, and/or termination of use of Card.

In case of termination of the Agreement on Issuance and Use of Card, all liabilities as per sub-account shall be deemed due and payable.

Termination of the Framework Agreement on Providing Payment Services as per Dinar Current Account of the Holder, as the precondition for issuance of Card, terminates also the right to use the same, and the Framework Agreement on Issuance and Use of Business Card is terminated. In this case the Cardholder undertakes, at Bank's first demand, to return the Cards to the Bank, which are the Bank's property.

If the Cardholder fails to settle the liabilities as per sub-account/account by the day of its closing, the Bank will exercise its right to compensation of damages in the court proceedings.

Court jurisdiction is determined by the Agreement.

### Termination of the Framework Agreement

#### Article 65

Upon expiry of the notice period, the Framework Agreement is terminated and the Bank closes/cancels the Card.

The Framework Agreement shall not be considered terminated if only one of two possible Agreements on Business Cards is cancelled.

#### Article 66

Framework Agreement shall be terminated in case the nullity of the same has been established.



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The Cardholder is entitled to require that nullity be established of the provisions of the Framework Agreement which are contrary to information provided to him prior to conclusion of the Framework Agreement, and/or of the provisions containing information which had not been previously provided to him.

### Article 67

The Framework Agreement shall be terminated irrespective of the will of the Cardholder and the Bank, in case the Cardholder is deleted from the relevant register, on the basis of court decision or decision of decision of another competent state body, and/or pursuant to the law and other regulations.

## XIX FINAL PROVISIONS

### Article 68

These General Terms and Conditions are applicable as of 15 November 2016 and the same form and integral part of the offer, or integral part of framework agreements that are concluded as of the first day of their implementation.

### Article 69

These General Terms and Conditions are applicable to already established contractual relationships arising from issued Business Cards and on the basis of valid agreements concluded with the Bank prior to commencement of implementation of these General Terms and Conditions.

If the provisions of concluded agreements are contrary to these General Terms and Conditions and provisions of the Law on Payment Services, the appropriate provisions of these General Terms and Conditions and of the indicated Law will apply.

### Article 70

The amendments and supplements to the General Terms and Conditions shall be subject to the provisions on amendments and supplements to the Framework Agreement referred to in Article 59 of these General Terms and Conditions.

The provisions of the Law on Payment Services, Law on Protection of Financial Services Consumers, Law on Foreign Exchange Operations, Law of Contract and Torts, Law on the Prevention of Money Laundering and the Financing of Terrorism, Law on Personal Data Protection, as well as the provisions of other laws and regulations of the Republic of Serbia shall be applied to everything that is not governed by these General Terms and Conditions and to framework agreements on providing payment services.

In case of adoption of new regulations, as well as amendments and/or supplements to laws and bylaws that are applicable to provision of payment services, the same shall be directly applied to agreed rights and obligations of the Bank and Cardholder until the adoption of appropriate amendments and supplements to these General Terms and Conditions.

### Article 71

General Terms and Conditions for Payment Services make an integral part of the General Operating Terms and Conditions of Komercijalna banka AD Beograd, and the users of payment services shall receive the appropriate excerpt from them, depending on the type of user and the payment service the user has chosen.

General Operating Terms and Conditions of Komercijalna banka AD Beograd are made available to the User by the Bank in writing in all the branches of the Bank and on Bank's website <http://www.kombank.com>.

