



**PRIVREDNA BANKA ZAGREB**

Intesa Sanpaolo Group

## **GENERAL OPERATING TERMS**

of Privredna banka Zagreb d.d.

for Transaction Accounts and Performance of  
Payment and Other Services for Non-Consumers

## Article 1

In accordance with the payment system regulations currently in effect, these General Operating Terms of Privredna banka Zagreb for Transaction Accounts and Performance of Payment and Other Services for Non-Consumers (hereinafter: the General Terms or Terms) shall regulate rights and obligations of Privredna banka Zagreb and Users of payment and other services concerning the opening and managing of non-consumers' transaction accounts, disposal of funds held therein, reporting to Users about changes in transaction accounts, calculation of fees and interest, performance of other services associated with a transaction account, closing of a transaction account, performance of national, cross-border and international payment transactions, as well as other foreign exchange transactions in accordance with foreign exchange regulations and other effective legislation.

These General Terms shall not apply to natural persons – consumers, irrespective of whether they are residents or non-residents, whose business transactions with the Bank are regulated by the General Operating Terms of Privredna banka Zagreb d.d. for Retail Payment Transactions.

## I. GENERAL PROVISIONS

### Article 2

#### Terms

(1) For the purposes of these General Terms, individual terms specified below shall have the following meanings:

**“Bank”** Privredna banka Zagreb d.d.  
10000 Zagreb  
Radnička cesta 50, Republic of Croatia  
Phone: ++385 1 63 60 000, 0800 729 266  
Fax: ++385 1 485 26 24  
E-mail: com@pbz.hr  
Internet page: [www.pbz.hr](http://www.pbz.hr)  
BIC/SWIFT: PBZGHR2X  
IBAN: HR64 2340 0091 0000 0001 3  
TAX ID No.: 02535697732

The list of Bank's branches and offices as well as their contact addresses are available on the web pages of the Bank ([www.pbz.hr](http://www.pbz.hr)) or on the Bank's customer service premises

The Bank is a credit institution that performs its business activities under the operating licence issued by the Croatian National Bank (hereinafter: CNB), which acts as the supervisory body in charge of supervising the Bank's operations, and is to be found on the list of credit institutions published on the CNB Internet site ([www.hnb.hr](http://www.hnb.hr)).

The Company is registered in the Companies Registry of the Commercial Court in Zagreb under company registration number (MBS): 080002817.

**“User”**- the user of payment and other services referred to herein – non-consumer, i.e. a legal entity or a natural person operating within his/her line of business or as a self-employed professional, who/which, in accordance with foreign exchange regulations, may have the status of a:

#### a) Resident:



- legal entity having its head office in the Republic of Croatia, excluding its foreign branches,
- state authority with the head office in the Republic of Croatia,
- government administration body with the head office in the Republic of Croatia,
- branch of a foreign company and sole trader, entered in a relevant register kept by the competent government authority or administrative body in the Republic of Croatia,
- diplomatic and consular missions and other representative offices of the Republic of Croatia abroad, financed from the budget, and
- natural person residing/domiciled in the Republic of Croatia and operating within his/her line of business or as a self-employed professional, and other non-consumers

or

## **b) Non-Resident:**

- legal entity having its head office abroad, excluding its branches in the Republic of Croatia,
- representative office of a foreign legal entity in the Republic of Croatia, if the foreign legal entity has its head office outside a Member State,
- sole trader, craftsman and other private individual i.e. natural person domiciled or residing outside the Republic of Croatia, who are self-employed and engage in a registered business activity,
- foreign diplomatic and consular missions in the Republic of Croatia and other extraterritorial organisations and bodies operating on the territory of the Republic of Croatia under bilateral or multilateral international agreements ratified by the Republic of Croatia,
- branch of a resident company operating abroad,
- foreign associations and other foreign organisations.

In the event that the regulations which govern the status and/or the content of the term “resident” or “non-resident” or the term “non-consumer” undergo changes during the validity period of these General Terms, these changed regulations shall apply to the status and the content of the terms “resident/non-resident” or the term “consumer”.

**“Agreement”** – Agreement on the opening and maintenance of a transaction account and provision of payment and other services;

**“List of Persons”** – a form in which the User defines all persons/bringers who may, independently and individually on behalf and for the account of the User, bring to the Bank’s branch or FINA branches properly filled-in orders signed by an Authorised Person pursuant to the Registration of Signatures, for cash and cashless payments (debiting) in a transaction account(s) of the User opened at the Bank.

**“Framework Agreement”** consists of:

- Agreement,
- Separate agreement on other payment services and/or other services, if such an agreement has been concluded pursuant to Article 19 of these General Terms,
- Request for opening and managing a transaction account (completed using the Bank’s standardised form),
- Registration of Signatures, i.e. Signature Card (completed using the Bank’s standardised form),
- List of Persons (filled in using the Bank’s standardised form),\*
- Cut-Off Time (Time of receipt and execution of payment orders),
- General Operating Terms of Privredna banka Zagreb for Transaction Accounts and Performance of Payment and Other Services for Non-Consumers,

\* Becomes a part of the Framework Agreement from 1 February 2025 for Users who intend to authorise persons to bring orders into branches of the Bank or FINA and who are not listed in the Registration of Signatures



- Principles for determining interest rates and the method and dynamics of calculating interest on loans and deposits of PRIVREDNA BANKA ZAGREB – DIONIČKO DRUŠTVO (hereinafter: the Principles),
- Excerpt from the currently valid decision on interest rates of the Bank (the currently valid decision is the Decision on interest rates of Privredna banka Zagreb in transactions with legal entities) (hereinafter: the Decision on interest rates),
- Excerpt from the currently valid decision on the Bank's fees (currently valid decision is the Decision on fees in transactions with domestic and foreign business entities, private individuals and financial institutions) (hereinafter: the Decision on fees),
- Exemption of Privredna banka Zagreb from participating in activities related to armament.

**"Payment transaction"** means depositing, withdrawing or transferring of funds, initiated by the payer or initiated for and on behalf of the payer, or initiated by the payee;

**"Credit transfer"** means a payment service for crediting a payee's payment account with a payment transaction or a series of payment transactions from a payer's payment account by the payment service provider which holds the payer's payment account, based on an instruction given by the payer;

**"Electronic payment transaction"** means a payment transaction initiated and effected by using electronic platforms or devices, but does not comprise payment transactions to be executed based on a paper order or by mail or phone;

**"Payment instrument"** means any personalised device and/or set of procedures agreed between the User and his/her payment service provider and applied by the User when issuing a payment order;

**"Unique identifier"** – a combination of numbers, letters or symbols defined by the payment service provider and supplied to one User, which must be stated by the other User in order to clearly identify the first/original payment system User and/or the first User's payment account used in a payment transaction. For the purposes of these General Terms, the number of the Transaction account shall be deemed to be the Unique identifier;

**"Ref. No." or "reference number"** [in Croatian: "PNB" or "*poziv na broj*"] means a reference number which is entered under HR reference in payment orders in order to provide a more clear explanation of payment, and which is stipulated by the document of the Financial Agency "Unique overview of the basic "reference number" models - which includes the model description, the model content and the explanation for their implementation as well as the method of calculation of the control number"; by the Decree on the manner of collection of budget revenues, mandatory contributions and revenues for financing other public needs, and by the Contributions Rulebook, as amended;

**"SEPA"** means the Single Euro Payments Area i.e. the area in which legal and natural persons can make and receive payments in euro within the European Economic Area (which, as of the date of entry into force of these General Terms, consists of the EU Member States, Iceland, Liechtenstein and Norway) and Switzerland, Monaco and San Marino, under the same basic conditions, and having the same rights and obligations, regardless of the location in which they are situated and regardless of whether this concerns national or cross-border payments;

**"SEPA credit transfer"** means a payment service in which banks and payment service providers execute credit transfers (transfers of funds) in euro between users' payment accounts within the SEPA area, following the standardised rules and procedures. A payment order must have the characteristics of a SEPA credit transfer in order to be executed as a SEPA credit transfer;

**"Foreign currency"** means any currency other than euro ;

**"Third country"** means any country that is not a member state of the European Union;

**"Member State"** is a member state of the European Union and a State Party to the Agreement on the European Economic Area;

“**FATCA**” is the USA regulation standing for: Foreign Account Tax Compliance Act (Act on meeting tax obligations concerning accounts held with foreign financial institutions).

In conformity with the FATCA regulation (the wording of the regulation is available on [www.irs.com](http://www.irs.com)) which is intended to prevent American tax payers from avoiding payment of taxes, and according to the obligations to be assumed by the Republic of Croatia under the international agreement<sup>1</sup>, financial institutions that have their registered offices in the Republic of Croatia are obligated to identify US subjects and to report on particular accounts and provide data within the scope of the FATCA implementation;

“**CRS**” or “**Common Reporting Standard**” means a standard for mandatory automatic exchange of information in the field of taxation, defined within the EU by the Council Directive 2014/107/EU of 9 December 2014 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation, with which EU Member States have to comply and apply it from 1 January 2016. The above-mentioned legislative act requires the institutions in the Republic of Croatia to identify and report to the Croatian Tax Authorities the tax residence (which may be multiple) for all clients that possess and hold financial assets with these institutions, and to exchange data;

“**International payment transaction**” means the payment transaction the execution of which involves two payment system providers, of which one payment service provider operates in the Republic of Croatia, whereas the other payment service provider operates in a third country;

“**National payment transaction**” means the payment transaction the execution of which involves the payer’s payment service provider and the payee’s payment system provider or just one payment system provider operating in the Republic of Croatia;

“**Cross-border payment transaction**” is a payment transaction the execution of which involves two payment system providers, of which one payment system provider operates in the Republic of Croatia, whereas the other payment system provider operates in another member state;

“**Payment order**” is the User’s instruction sent to the Bank as the User’s payment service provider, requesting the execution of a payment transaction;

“**Account information service provider**” is a payment service provider supplying the payment service information about the account;

“**Payment initiation service provider**” is a payment service provider initiating the payment execution;

“**Account information service**” is an online electronic service (via publicly accessible communication network, for example Internet), supplying consolidated information about one or more payment accounts, which the payment service User holds with other payment service provider(s);

“**Payment initiation service**” is a payment service of issuing a payment order at the request of the payment service User, to be executed by debiting his/her account kept with another payment service provider;

“**Registered account information service provider**” is a legal entity or a natural person, entered in the respective register kept by relevant authority of the home country, in order to render solely the payment service of providing information about the account;

“**Business day**” means a business day (other than Saturday, Sunday, a public holiday or holiday) on which the payer’s payment service provider and the payee’s payment service provider as well as all other participants in a payment transaction are open for business, so that the payment transaction in question can be executed;

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<sup>1</sup> FATCA reporting obligation shall become effective upon the entry into force of the Agreement between the Government of the Republic of Croatia and the Government of the United States of America to Improve International Tax Compliance and to Implement FATCA

“**Target2 business day**” means a business day according to the calendar of business days of the TARGET2 payment system. Non-business days of the TARGET2 system include: Saturdays, Sundays, 1 January, Good Friday, Easter Monday, 1 May, 25 December and 26 December;

“**Time and date of order receipt**” means the moment in a business day when the Bank received the payment order directly from the User or indirectly from the payment initiation service provider, by or through the payee. Orders received during a current business day by the final time for the receipt of orders (excluding payment orders with a future value date) shall be executed the same business day. Orders received after thus stipulated cut-off time shall be deemed to be received the next business day. Time and date of receipt of an order shall determine the business day on which the execution of the order begins;

“**Order execution date**” means a business day when the order execution started and the payer’s account is debited;

“**Payment transaction value date**” means the date when the account of the payer’s service provider is debited and/or the account of the payee’s service provider credited. The value date, in relation to the date of execution, is defined in the document entitled “Time of receipt and execution of payment orders” (Cut-Off Time);

“**PIN**” means a secret personal identification number of the User’s authorised person assigned by the Bank, which is known solely to that authorised person and is strictly confidential, serving for identification of the authorised person and for authorisation in transactions that require identification and authorisation via a PIN;

“**Personalised security credentials**” means personalised features, i.e. certificate given by the payment service provider to a payment service user for the purposes of authentication;

“**Authentication**” is the procedure of verifying the User’s identity or of the validity of a particular payment instrument, which includes the verification of the User’s personalised security credentials;

“**Reliable customer authentication**” means an authentication based on the use of two or more elements categorised as knowledge (something only the user knows), possession (something only the user possesses) and inherence (something the user is) that are inter-independent;

“**Online**” means a possibility of connection via publicly accessible communication network, for example Internet, for the purposes of using a specific service;

“**Card**” means an internationally valid bank card used as the payment instrument issued by the Bank to the User, with the payment card brand logo in any form, which, as a mean of payment, allows its holder to pay for the goods and/ or services either at points of sale and/ or remotely, and/ or for withdrawal and/ or deposit of cash and/ or use of other services at ATMs or other device, and for transfer of cash. The card is owned by the Bank and is not transferable;

“**Payment card brand**” means a material or digital name, term, mark, symbol or their combination, by way of which it is possible to identify the Card payment scheme for the execution of payment transaction with the card;

“**IBAN**” (“International Bank Account Number”) is the number of a transaction account that has been opened according to the international ISO 13616 standard;

“**Direct debit**” is a payment service for debiting a payer’s payment account, where a payment transaction is initiated by the payee on the basis of the payer’s consent given to the payer’s payment service provider, to the payee, or to the payee’s payment service provider;

“**Commencement of SCTInstant payment order execution (Time Stamp)**” is the moment after formal and substantial control of correctness of instructions on payment order, and verification of sufficient coverage and reservation of funds on the payer’s account for the payment transaction amount, means the beginning of the target time for payment transaction execution of 10 seconds.

“**SDD Core Scheme**” is the payment scheme based on the application of uniform rules for the processing of SEPA direct debits in euro for payers who are consumers as well as non-consumers in compliance with SEPA rules. The rules of the

SDD Core Scheme are defined in the document of the European Payments Council - SDD Core Rulebook, available on the internet page [www.europeanpaymentscouncil.eu](http://www.europeanpaymentscouncil.eu); the Croatian version of the original document is available on the internet page [www.sepa.hr](http://www.sepa.hr)

“**SDD Business to Business (B2B) Scheme**” is the payment scheme based on the application of uniform rules for the processing of SEPA direct debits in euro, designed exclusively for payers who are non-consumers, in compliance with SEPA rules. The rules of the SDD B2B Scheme are defined in the document of the European Payments Council - SDD B2B Rulebook, available on the internet page [www.europeanpaymentscouncil.eu](http://www.europeanpaymentscouncil.eu); the Croatian version of the original document is available on the Internet page [www.sepa.hr](http://www.sepa.hr)

“**SCTInst Scheme**” is a single set of rules, practices, standards and implementation guidelines for instant credit transfers in euro, separate from any infrastructure or payment system that supports its implementation. The SCTInst Scheme Rules are available on the internet page [www.sepa.hr](http://www.sepa.hr). The SCTInst Scheme shall, after the introduction of the euro as the official currency in the Republic of Croatia, be applied to national and cross-border payment transactions;

“**SCTInst credit transfer (instant payment)**” - instant credit transfer in euro which has the following characteristics:

- the payer’s payment service provider and the payee’s payment service provider must be participants in the SCTInst Scheme,
- the service is available 24 hours a day, 7 days a week and all calendar days of the year (24/7/365),
- execution of the payment transaction and availability of funds to the payee takes place within the target time of 10 seconds from the registration of the Time stamp on the payment order
- the maximum amount of the payment transaction for payers at the Bank is EUR 13.273

“**SDD Mandate**” is a statement of consent given by a User (the User in the role of a payer in a Direct Debit transaction) which must contain all data and all provisions specified in the SDD Core and B2B Scheme Rules, and by signing this statement, the consent is given to another User (now the User in the role of a payee in a Direct Debit transaction) to initiate a Direct Debit order for debiting a transaction account of the User playing the role of the payer – the mentioned statement is at the same time regarded as giving consent (an authorisation) to the Bank and to the payer’s bank to debit the transaction account of the User (the User playing the role of the payer in a Direct Debit transaction) with the amount of a Direct Debit;

“**Direct Debit order**” is an order for payment by a SEPA Direct Debit, executed by the payment service providers which operate in the SEPA area;

“**R-transaction**” is a payment transaction which cannot be properly executed by a bank that participates in a Direct Debit transaction or which results in exception processing, *inter alia*, because of lack of funds, revocation, wrong amount or wrong date, lack of mandate or wrong or closed account. R-transactions - some of which are, for example, Returns by the Payer’s Bank, Reversals, Refunds for authorised/unauthorised transactions and Revocations - must be based on the correct, i.e. exact amount in euro of the original Direct Debit.

“**Payment System Act**” is the Payment System Act published in the “Official Gazette” No. 66/18, 114/22, including the amendments thereto adopted during the validity period of these General Terms;

“**Bulk order**” refers to a possibility to send several payment orders together, in electronically generated, standardized data file formats (e.g. ZN or pain.001 – ISO 20022 XML message format). The Bank shall support single debits as well as bulk debits of a transaction account in the execution of a Bulk Order (“bulk” means that a transaction account is debited once, with the total amount, while a number of payees’ accounts are credited with relevant individual amounts. When generating bulk orders electronically, the User must follow the Bank’s instructions for the use of the bulk order service (these instructions explain the technical aspect of the provision of this service, of order rejection, as well as the order formats and standards which the Bank is entitled to change or to add new formats and standards, and order execution) published on the Bank’s website or available in a written form in the Bank’s business network. The Bank is also authorized to change the instructions for Bulk Orders and any such change will be published on the Bank’s website ([www.pbz.hr](http://www.pbz.hr)).

The User agrees to any such amendments to the instructions and fully accepts them, and also undertakes to keep track of the publication of the Bank instructions.

(2) The meanings of other terms are regulated in other relevant provisions of these General Terms.

(3) In accordance with provisions of the Payment System Act, Chapter II of said Act shall not apply to one-off payment transactions.

### **Article 3**

#### **Opening of a transaction account**

(1) 'Transaction account' is an account used for the execution of payment and other transactions, which shows record of money receipts, outlays and the account balance, in euro and foreign currency, pursuant to the Agreement concluded between a User and the Bank. Users may open transaction accounts with the Bank in euro and/ or foreign currency, which are held under the name of the User in question.

(2) The Bank may offer the User opening of the following types of transaction accounts:

- Account for regular operations,
- Account for the performance of payment transactions of a User's organisational unit,
- Special purpose account,
- Special purpose account which is exempt from the execution/enforcement proceeding under the law – the User must supply the excerpt from the relevant law stipulating such exemption from execution/enforcement. All the above-mentioned accounts are opened as multi-currency accounts, i.e. the account number (IBAN) is the same for euro and for foreign currencies in which transactions will be carried out through the transaction account.

(3) Transaction accounts shall also be all accounts opened pursuant to the Agreement on the opening and managing of a business account, Agreement on the opening and managing non-resident accounts, as well as all accounts opened under the previously concluded Agreements which regulate the relationship between the Bank/credit institutions that are or will be merged to the Bank on one part, and the User on the other part, in connection with the opening of a business or a foreign currency account, which have been concluded before these General Terms entered into force.

(4) The Bank shall open a transaction account on the basis of the User's written request that has been made using the Bank's standardised form which constitutes an integral part of the Agreement (hereinafter: the Request), to which all legally prescribed documents should be attached, and on the basis of the signed Agreement, upon completion of the process of identification of the User, i.e. of an individual acting as a legal representative of the User and of the persons who are authorised to dispose of funds in the User's transaction account.

(5) The Bank reserves the right to refuse the User's request for the opening of a transaction account without explaining its decision to refuse the request. The Bank shall provide the User with the written notice of the mentioned refusal, and shall, at the User's request, return to the User the original documents that have been submitted for the purpose of the opening of an account, and shall keep the copies thereof.

(6) These General Terms shall be applied together with the individual Agreement concluded with the User. Should the individual Agreement concluded with the User differ from the provisions hereof, the provisions of the individual Agreement shall be applied.

### **Article 4**



## **User identification and Agreement documents**

(1) Prior to the signing of the Agreement, the Bank shall supply the User with the text of the Framework Agreement, so as to inform him/her about the rights and obligations of the User and the Bank deriving from the signing thereof. At the User's request, the Bank shall, during the validity term of the Framework Agreement, promptly provide the User with the provisions of the Framework Agreement.

(2) For the purpose of opening a transaction account, along with the Request, the User shall deliver to the Bank also the documents prescribed by law and relevant regulations, as well as those prescribed by special regulations that govern the identification procedure when a business relationship is established.

- The list of documents required to be delivered by the User is provided on the Bank's website [www.pbz.hr](http://www.pbz.hr).
- Apart from the documents listed in the previous item, the Bank may request, for its own requirements or in case the regulations undergo changes, also the delivery of other documents from the User.

If the User has authorised a third party to take adequate legal action for and on its/his/her behalf, in connection with the opening of a transaction account at the Bank, the signature of the User's authorised representative on such authorisation, and on the power of attorney as well, should be certified by a notary public or other relevant body. Exceptionally, in the case of opening an account of a credit institution, the Bank may accept also the power of attorney issued by that credit institution via an authenticated SWIFT message which confirms that the power of attorney has been signed by the authorised person of the credit institution. The Bank shall have the discretionary right not to accept signature verification by a relevant authority or a correspondent bank from a country which is considered to be an offshore zone or uncooperative jurisdiction.

(3) Should there be changes in the ownership structure, or any status-related or other changes associated with the User, - the resident User shall duly deliver to the Bank, within 8 (eight) days from the date of change, a new decision from a relevant register on the approved registration of the said change, together with the excerpt from that register, and shall fill out the new form "Beneficial Ownership Statement" of the User.

As regards non-resident Users, such deadline shall be 30 days counting from the date of change, against User's mandatory presentation of relevant documents

The person authorised by the User shall be held criminally and financially responsible for authenticity and timely delivery of the "Beneficial Ownership Statement" to the Bank.

(4) The Bank shall be authorised to enter the changes of User's data in its databases (Bank's register) if such changes have been received from the User, or the Bank has learned about them from official registers (such as court, crafts registers and similar).

## **Article 5**

### **Authorised persons**

(1) When opening a transaction account, or thereafter, the User shall be obliged to empower one or several persons, having legal capacities, to dispose of funds in the transaction account, who are obliged to deposit their signatures on the Bank's form – "Registration of Signatures" (Signature Card), constituting an integral part of the

Agreement. The User shall grant the authorisation for the disposal of funds in the transaction account solely in writing, on the Bank's form – "Registration of Signatures" (Signature Card).

(2) In order to dispose of funds in the User's transaction account, the User's legal representative is obliged to deposit his/her signature using the Bank's form – "Registration of Signatures" (Signature Card), together with other authorised persons, if any.

The User shall be responsible for all personal data and contact information submitted to the Bank, as for himself/ herself, so for authorised persons, such information being indispensable for accurate and secure providing of all payment and other services associated with transaction accounts, and shall be obliged to update it and notify the Bank of any change therein (e.g. phone and cellular number, e-mail address, identity card number and other).

(3) The authorised person may perform transactions for and on behalf of the User in line with regulations, whereas such person's rights should not overstep the account holder's rights. The authorised person shall not be authorised, without a special power of attorney, to cancel the Agreement and close the transaction account, transfer his/her powers to third parties, or change the operating terms applicable to transaction accounts.

(4) Authorisation for disposal of funds in account shall be cancelled by way of written revocation of the authorised person, written waiver of the authorised person, because of the authorised persons' death or loss of legal capacity, as well as on the basis of decisions made by other relevant bodies. Authorisation may be revoked also by delivering the new "Registration of Signatures", i.e. "Signature Card" using the Bank's form. As of the delivery of the new Registration of Signatures (Signature Card), all authorisations from the previously delivered Registration of Signatures (Signature Card) shall be revoked. Revocation, waiver and a final and binding decision on the removal or limitation of legal capacity of the authorised person, as well as any other decisions of competent bodies, shall produce effect in relation to the Bank as of the time of their receipt by the Bank, and no later than the next business day following the receipt thereof.

The Bank shall not be held liable for possible damage that might be caused by the User's failure to timely notify the Bank of the revoked authorisation for the disposal of funds in account in the manner described in this Article.

(5) When a new legal representative of the User (person authorised to represent the User under the law), wishes to recall the authorised representative or appoint new one, he/she is obliged to prove his/her authorisation for representation with the decision on the registration of his/her appointment as legal representative in a court register with a competent commercial court or other relevant register of a competent government authority, if not otherwise prescribed by law.

(6) The authorisation for disposal of funds in a transaction account by using the electronic banking service and/or a debit card shall be granted and cancelled in the manner prescribed by separate agreements and/or special general terms regulating the mentioned services.

(7) The User shall be responsible for any authorised person's action and failure, and the Bank shall not be held liable to the User for any damage that might result from such actions or failures of authorised person.

(8) The Bank shall be authorised to prevent the disposal of funds in a transaction account if there is reasonable doubt about possible fraud or misuse by the User, authorised person or third party.

(9) When receiving an order issued on paper, the Bank shall, for all natural persons bringing orders and not listed in the Registration of Signatures as persons authorised for the disposal of funds in a transaction account, carry out an identification of the natural person/bringer of the payment order according to the previously submitted "List of Persons" through insight into a personal ID and checking the records of authorised bringers of such orders.

(10) The signed "List of Persons" document shall be delivered to the Bank by the User exclusively on the prescribed form of the Bank, which is valid from the moment the Bank enters it into its records and/or submits it to FINA, if the User intends to perform payment transactions at FINA offices.

(11) An issued "List of Persons" document from the previous item may be cancelled by submitting a new List of Persons, which revokes the previously submitted valid List of Persons document.

## **Article 6**

## **Reporting, entrusting the performance of payment transaction to third parties, and data processing**

(1) The Bank shall keep record of all movements in a transaction account and shall provide the User with the account movements/statement, to be delivered by the Bank in accordance with the User's instructions specified in the Request. The statement shall be considered approved by the User if not contested within 60 days as of the statement date.

(2) At the User's request, the Bank may issue also special confirmations for transactions in account and may charge a fee therefore defined by the Decision on fees.

(3) The User is entitled to use the account information service also by way of the account information service provider.

(4) The Bank may, under a separate agreement, entrust another institution with the performance of all or particular payment transactions described herein. All stipulations that, under these General terms, apply to the Bank shall adequately apply to the said institution as well. The Bank undertakes to notify the User of the name and address of the other institution entrusted with the performance of all or particular payment transactions.

(5) By signing the Agreement, in line with the provision of the Credit Institutions Act, the User gives consent to the Bank to forward all the data obtained by the Bank during the performance of transactions envisaged by these Terms and the Agreement, to the central data base of its group in the Republic of Croatia and abroad, and consents to data access and use by all group members.

(6) The Bank, as a data controller, operates in accordance with the principles of the (EU) Regulation 2016/679 of the EUROPEAN PARLIAMENT AND OF THE COUNCIL of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/ EC (General Data Protection Regulation). When personal data of the Bank's clients are collected, whether from the client at the time of collection or from another source, the Bank shall provide information in accordance with Articles 13 and 14 of the General Data Protection Regulation, such as, for example, information about the Bank as the controller, purposes and legal basis of personal data processing, categories of personal data which are collected (for example, personal data required for the establishing of a business relationship on the basis of the Anti-Money Laundering and Terrorist Financing Act, and other data necessary for the execution of an agreement, or for undertaking actions prior to the conclusion of the agreement, or meeting other statutory obligations, or protecting legitimate interests of the Bank acting as the data controller or of a third party), storage period, recipients of data, source of data, as well as the rights related to personal data protection (for example, right of access to personal data, right to erasure, right to object, etc.), in the document "Information on processing personal data of natural persons within business with legal entities", available to customers on [www.pbz.hr](http://www.pbz.hr) and on the Bank's business premises. Data Protection Officer's contact data: [sluzbenik.za.zastitu.osobnih.podataka@pbz.hr](mailto:sluzbenik.za.zastitu.osobnih.podataka@pbz.hr).

If the processing is based on the consent as the legal basis for the processing, then the User, an authorised person or another natural person participating in the conclusion and/or execution of the Framework Agreement and/or any other agreement on other services provided for in Article 19 of these General Terms, may at any time withdraw the consent<sup>2</sup>. The withdrawal of consent shall not affect the lawfulness of processing based on the consent prior to its withdrawal.

The Bank collects and processes personal data for the purpose of implementing the Act on Administrative Cooperation in the Field of Taxes, which regulates the implementation of the Agreement between Government of the United States of America and the Government of the Republic of Croatia to Improve International Tax Compliance and to Implement FATCA (the U.S. Act on complying with tax obligations with regard to accounts held with foreign financial institutions, under which a reporting obligation has been introduced to financial institutions concerning particular accounts), which

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<sup>2</sup> Except where the European Union law or Croatian law provides that the User (or another above-mentioned natural person) may not lift the prohibition referred to in Article 9, par. 1 of the General Data Protection Regulation (processing of special categories of personal data)

includes collection of information, application of due diligence rules, identification of accounts reported to the U.S. and reporting thereon to the Ministry of Finance.

The Bank collects and processes personal data for the purpose of implementing the Act on Administrative Cooperation in the Field of Taxes, which regulates respective cooperation between the Republic of Croatia and member states of the European Union and the automatic exchange of information about financial accounts between the Republic of Croatia and other jurisdictions, within the so called Common Reporting Standards (CRS), which includes gathering of information referred to in Article 26 of the Act in line with reporting rules and due diligence rules, identification of accounts subject to reporting and reporting thereon to the Ministry of Finance, Tax Administration.

(7) The Bank reserves the right to refuse the User's request for the opening of the transaction account and/or establishing of the business cooperation and/or contracting of any other service, referred to in Article 19 hereof, if the User refuses to supply the data required for the execution/establishing of such agreement/cooperation and the data about the activities preceding the agreement conclusion, and/or refuses to supply the data necessary for the fulfilment of data controller's legal obligations or for the exercise of official powers of the Bank as data controller.

## **Article 7**

### **Interest and fees**

#### **A) Interest**

(1) The Bank shall calculate and pay interest on funds in a transaction account at the rate determined by the Decision on interest rates and in the manner prescribed by the Principles.

The Principles are available on the Bank's Internet pages and on the Bank's customer service premises.

(2) If the Bank grants a loan to the User - permitted overdraft in account, the amount of interest rate and fee, as well as calculation method and collection of interest rates and fees for such a loan, shall be regulated under a separate loan agreement to be concluded between the Bank and User.

(3) Non-resident legal entities with head offices abroad shall pay the withholding tax on interest earned in the Republic of Croatia at the prescribed rate or at the rate specified in the Double Taxation Treaty, if such a Treaty has been entered into by and between the Republic of Croatia and the country of legal entity's residency, and consequently applied.

For the purpose of applying the Double Taxation Treaty, non-resident legal entities with head offices abroad shall be under the obligation to prove their residency to the Bank, in the manner defined by the Croatian tax regulations.

According to the Croatian tax regulations, in cases where the Double Taxation Treaty stipulates that interest is not subject to the payment of the withholding tax, non-residents shall provide evidence of their residency to the Bank by means of the Certificate of Residency issued by their state tax authorities.

As to the cases when the Double Taxation Treaty stipulates that the interest is subject to payment of the withholding tax, but at the rate lower than the prescribed one, non-residents are obliged to fill out and deliver the Request for tax liability reduction to the Bank - the form issued by the Ministry of Finance of the Republic of Croatia – Tax Administration "Tax Liability Reduction Request" on which tax authorities of their country of residency will confirm their residency.

Non-residents shall deliver the Certificate of Residency, i.e. "Tax Liability Reduction Request" form to the Bank prior to the capitalisation or payment of interest; if the capitalisation or payment is frequent on a yearly basis, the non-resident is obliged to deliver the Certificate of Residency, i.e. "Tax Liability Reduction Request" to the Bank prior to the first capitalisation or payment of interest, and then once a year, i.e. every 12 (twelve) months.

## **B) Fees**

(1) For the performance of payment transactions, the Bank shall charge the User a fee, under the present Terms and under the Agreement, in compliance with the Bank's Decision on fees. Fees for certain types of services offered in the execution of payment transactions and in the provision of other services in dealing with legal entities shall be variable i.e. subject to change, and the currently applicable fees are available on Internet pages ([www.pbz.hr](http://www.pbz.hr)) or on the Bank premises, in all its organisational units rendering customer services.

(2) Payment transactions in a transaction account are subject to the calculation of fees, as follows:

### **1. Fees for credit transfers and collection transactions**

Fees for credit transfers and collection transactions shall be calculated once a month, at the end of the accounting period (the end of a calendar month) and when closing the account. The invoice that includes the service description, the unit fee calculated for each service, the basis on which the fee is calculated (an amount/ quantity) and the total amount of the calculated fee shall be delivered by the Bank to the User in the manner prescribed by the legislation currently in force. For payment of a fee, the User shall provide the cover in its/his/her transaction account and shall authorise the Bank to debit the User's transaction account with the amount of the calculated fee on the payment due date, by issuing the payment order for direct debiting of the User's transaction account, without any separate User's consent being required. If the transaction account(s) lack(s) the cover in euro, but there are sufficient foreign currency funds that may cover the transaction, the Bank shall be authorised to collect the payment out of foreign currency funds, by converting them at the mean rate of exchange from the Bank's exchange rate list, valid on the fee collection date, where such exchange rate shall be regarded as the agreed exchange rate.

By way of exception, in the case of an Order with the "OUR" option, i.e. when the User as the payer is to bear all charges charged by a foreign bank, the Bank shall collect payment by debiting a transaction account in euro, and if there are no sufficient funds in the said account, the Bank may collect the fee against any foreign component of that account or against any other User's account held at the Bank, by directly debiting the User's account, to which the User gives explicit consent.

In the case of collection with the "OUR" option, the Bank shall collect the fee from the payer's bank.

If, in the case of collection with the "OUR" option, the Bank fails to collect the fee from the payer's bank within 30 (thirty) days from the due date for payment of the fee, the Bank reserves the right to collect the fee from the User (payee) by directly debiting any account held by the User at the Bank, to which the User gives explicit consent.

For collection of fees in the case of which the calculation basis has been expressed in foreign currency, while collection is made against an account in a currency other than the one in which the fee is calculated, the mean rate of exchange from the Bank's exchange rate list, valid on the fee collection date, shall be applied as the agreed exchange rate.

When a transaction account is closed, all uncalculated and/or uncollected fees for payment execution - if there are any such fees, shall be calculated and collected.

### **2. Intermediary bank fees**

Fees charged by intermediary banks for collection or execution of payment shall be borne by the User.

The User shall authorise the Bank to debit fees charged by intermediary banks from any account of the User held at the Bank, by issuing the payment order for direct debiting of any such User's account, without any separate User's consent being required.

### **3. Other fees**

The Bank shall calculate fees also for other transactions associated with the opening and managing of an account, for changes concerning the persons authorised to dispose of funds in an account and for other payment transactions and

other operations that have not been mentioned herein, for which the calculation of a fee has been provided for by the Bank's Decision on fees.

The User authorises the Bank to debit, by issuing the payment order for direct debiting, without the User's special consent being required, any account of the User held at the Bank, also with all the fees charged by other banks that have been calculated and/or collected from the Bank for corrections and complaints related to payment transactions originated on the basis of the User's incorrect instructions.

### **C) Changes of interest rates and fees**

The Bank shall reserve the right to change the level of interest rates and/or fees, as well as the method of their calculation and collection, by modifying the Decision on interest rates and/or the Decision on fees and/or the Principles, including also changes in titles of the above-mentioned documents or their respective replacement with another Bank's regulation, of which the Bank shall notify the User in writing or via telecommunication/electronic channels at least 15 days prior to the entry into force of such changes.

It shall be deemed that the User has accepted the amendments to the above-mentioned documents if by the date of their entry into force the User has not notified the Bank in writing of its/his/her non-acceptance thereof.

## **Article 8**

### **Issuing orders and giving consent to payment**

#### **(1) Payment order accuracy**

The Bank shall make payment by debiting the User's transaction account only on the basis of a correct payment order issued by the User. The payment order shall be deemed accurate if it is an order that meets the following conditions:

a) data in the User's payment order must be provided to the Bank in such a way that they are legible and accurate, specifically;

- for SEPA credit transfers, the following minimum data must be provided:
- User's (corporate) name and address, identification card number, identification number, or the User's date and place of birth;
- IBAN of the User;
- amount and currency of a payment order (only the euro is allowed);
- the payee's (corporate) name;
- IBAN of the Payee;
- Ref. No. [PNB] of the payer/payee: o HR or RF reference or Proprietary [reference] or a blank space o HR reference is mandatory for all national SEPA credit transfers - cannot be a blank space o it is defined by the payer for the purpose of tracking the payment transaction o it is passed on and is not changed throughout the entire course of order processing;
- payment description;
- requested execution date;

Non-mandatory data in this type of order, which the User may enter, but does not have to (if these are entered in electronic orders, they must be correct following the Instruction for Users pain 001, available on [www.sepa.hr](http://www.sepa.hr), otherwise the Bank will reject the order), include the following:

- purpose/category purpose – the four-character code which denotes the purpose (e.g. payment of salaries);for **payment transactions that refer to withdrawing and depositing funds, the following data must be provided:**



- IBAN of the User;
- amount and currency.

for **cross-border payment transactions in currencies other than EUR, for national payment transactions in foreign currencies, and for international payment transactions, the following minimum data (must be provided):**

- User's (corporate) name and address, number of the official identification document, identification number, or the User's date and place of birth;
- IBAN of the User;
- amount and currency of a payment order;
- the payee's (corporate) name;
- IBAN of the payee i.e. the account number in the case of countries that do not have IBAN;
- BIC of the payee's bank/ if there is no BIC, then complete information on the payee's bank;
- For cross-border payment transactions in currency other than EUR, national payment transactions in foreign currencies other than EUR, solely the charge option SHAR (SHA) may be used;
- For international payment transactions it is possible to use the following charge options, i.e. the charge bearer data: SHAR(SHA) or DEBT (OUR) or CRED (BEN) – options SHA (Share – sharing of charges) or option OUR (Our – all charges borne by the User) or option BEN (Beneficiary – all charges borne by the payee),

b) that there is full coverage in the relevant transaction account for payment of the amount specified in the order in the currency of payment, or that there is sufficient equivalent amount in another currency in the case of a Payment order that includes a currency conversion

c) that the order is entirely, i.e. regarding its entire content, in line with the currently valid regulations and the exemption of Privredna banka Zagreb d.d. from participation in activities related to armament available on the website <https://www.pbz.hr/gradjani/Nas-svijet/Odrzivi-razvoj/Politike-i-kodeksi.html> of the Bank and that there are no legal obstacles to its execution,

d) that the appropriate consent has been given for payment, in the manner specified herein.

In addition to the above-mentioned conditions, in the case of SCTInstant payments, the condition for the execution of a payment order is that the payee's payment service provider is a participant in the SCT Instant Scheme, that the payment order states the amount of the payment transaction which can be up to a maximum of EUR 13.273 and that the Bank has received information about the acceptance of the payment transaction by the payee's payment service provider.

The User agrees that the Bank may change the unique identifier of the payee specified in the received payment order issued by the User only if the payee, based on a special order and authorisation provided for in the agreement on [the payee's] business cooperation with the Bank, determines its/his/her new unique identifier, different from that specified in the User's order. In that case, it shall be deemed that the payment order is correct and that it shall be duly executed provided that all the other terms and conditions for the execution of a payment order specified herein are met.

The User agrees that the Bank may change, omit from and/or add to the User's instruction the User's (corporate) name, address or identification on the basis of IBAN as the unique identifier, which shall all be done in accordance with the data from the Register of transaction accounts at the Bank that are registered under a given IBAN. The Bank shall be entitled to add the data which the User has not entered in the instruction, but which are necessary for populating the mandatory elements of an interbank message required for the execution of the order, and such adding shall by no means be considered an alteration to the User's instruction.

If, at the time of receipt of a payment order which was received electronically and which is correct in all its other aspects, the agreed coverage in the transaction account is not provided by the cut-off time for receipt of orders on the day when the Bank should, according to the document "Cut-Off Time - Time of receipt and execution of payment orders" execute that payment order, the Bank shall reject the User's order because of the lack of coverage.



In the case of payment orders issued on paper, the Bank shall immediately return the payment order to the User and shall reject its execution unless the coverage in the transaction account is provided.

Apart from the above, in the case of initiating an SCT credit transfer (instant payment) with the date of execution immediately or announced, the Bank shall prevent such initiation with the User of the Transaction account due to the obligations related to (financial) restrictive measures pursuant to Regulation (EU) 2024/886 of the European Parliament and the Council of 13 March 2024 on amending regulations (EU) No. 260/2012 and (EU) 2021/1230 and directives 98/26/EC and (EU) 2015/2366 with regard to instant loan transfers in euros.

The Bank, as the provider of payment services to payment recipients, shall immediately freeze the funds paid into the Transaction account(s) pursuant to the valid regulations.

The Bank, as the provider of payment services to payment recipients, shall reject the inflow SCTInstant payment transaction into the accounts from the previous item in case of action pursuant to Regulation (EU) 2024/886 of the European Parliament and the Council of 13 March 2024 on amending regulations (EU) No. 260/2012 and (EU) 2021/1230 and directives 98/26/EC and (EU) 2015/2366 with regard to instant loan transfers in euros related to (financial) restrictive measures.

**Payment order that includes a currency conversion** - payment orders generated electronically may be issued in such a way that the User may choose the option "Payment order that includes a currency conversion". The User is required, in that case, to define which currency component of its/his/her transaction account, which must be different from the currency of the payment order, the User exclusively wishes to debit with the coverage amount. The Bank shall, when executing this type of order, first debit the coverage amount from a specific account component, and then convert the funds in the currency of the payment order, or specifically:

- in the case of converting the euro into a foreign currency, and vice versa, by direct conversion:
- in the case of converting a foreign currency into another foreign currency, first by conversion of a foreign currency (the coverage currency) into the euro, and then by its conversion into the foreign currency needed for the order execution;

all in accordance with the Bank's exchange rate list, where foreign currency purchases shall be made at the buying exchange rate from the Bank's exchange rate list, and the selling exchange rate from the Bank's exchange rate list, valid as of the date of execution of the order, shall be applied to foreign currency sales. Immediately after completion of the conversion, the Bank shall execute the payment order. The Bank, in this case, shall not take into consideration currency components of the transaction account other than the one which the User has ordered to be debited, and shall reject the Payment order that includes a currency conversion if, in the selected currency component, there are no sufficient funds to cover the payment.

**Important note:** In the case of issuing a Payment order that includes a currency conversion it shall not be possible, regardless of the amount in question, to negotiate with the Bank the exchange rate to be applied to the conversion, nor shall any "Framework Agreement on foreign currency purchases and sales" be applied, if the User has concluded it with the Bank; instead, the Bank's exchange rate list valid as of the date of execution of the order shall be exclusively applied. The Bank shall regularly publish the exchange rate lists that are available electronically to the Users and are also made available at the Bank branch offices. The Bank shall be entitled to change the exchange rate list also during the day, and the User hereby agrees to be notified of the exchange rate via/in the account statement, after the execution of the transaction.

The User of the electronic banking service, which allows him/her/it to access their transaction account online, shall be entitled to use the payment initiation service provided by the payment initiation service provider and to shall be able to issue the payment order through the said provider. The Bank shall treat the received orders issued through the payment initiation service provider in the same way as the orders issued directly by the payer through other channels, in terms



of the time schedule, the time limit for execution, priority or fees, unless there are objectively justifiable reasons [to act differently].

**(2) User – resident may issue payment orders in the following way:**

1. On paper – delivered to the Bank’s tellers or via FINA,
2. Electronic banking – via PBZCOM@NET service, via e-office as a bulk order, or by using subsequently introduced new Bank’s services, if any, that allow electronic issuance of payment orders,
3. Digital banking – digital banking service for corporates (mobile and internet applications),
4. Use of payment initiation service rendered by the payment initiation service provider,
5. Global Cash Management – pursuant to a separate agreement concluded between the Bank and the User,
6. At ATMs – for debit card holders – legal entities,
7. At POS devices – for debit card holders – legal entities,
8. At Internet points of sale – for debit card holders – legal entities,
9. At cash deposit ATMs (Smart ATMs) for depositing euro coins and/or via other devices – for debit card holders – legal entities,
10. Via other instruments/channels on the basis of a separate agreement and/or separate general terms.

**(3) User – non-resident may issue payment orders in the following way:**

1. On paper,
2. Electronic banking – via PBZCOM@NET service, via e-office as a bulk order, or by using subsequently introduced new Bank’s services, if any, that allow electronic issuance of payment orders,
3. Digital banking – digital banking service for corporates (mobile and internet applications),
4. Use of payment initiation service rendered by the payment initiation service provider,
5. Global Cash Management – pursuant to a separate agreement concluded between the Bank and the User,
6. At ATMs – for debit card holders – legal entities,
7. At POS devices – for debit card holders – legal entities,
8. At Internet points of sale – for debit card holders – legal entities,
9. At cash deposit ATMs (Smart ATMs) for depositing euro coins and/or via other devices – for debit card holders – legal entities,
10. Via other instruments/channels on the basis of a separate agreement and/or separate general terms.

The Bank shall accept the payment order if it is correct, legible and agreement was given in the contracted way and if there are no reasons to reject the order or reasons to prevent the initiation of the payment transaction pursuant to these General Terms.

**(4) Liability for data accuracy and authenticity**

The User shall be held liable for the accuracy and authenticity of data provided in the payment order.

If the User has entered an incorrect or invalid unique identifier on the Payment order, the Bank shall not be responsible for incorrect performance of payment transaction.

If the User, apart from the unique identifier, provided also other information related to the payee in the payment order, the Bank shall be responsible for executing the payment order execution only in accordance with the unique identifier specified by the User.

**(5) Giving consent to payment**

It shall be deemed that the resident User has given consent to payments as follows:

1. For the order issued on paper and delivered to the Bank counters or via FINA or, exceptionally, on the basis of a separate agreement, delivered to the Bank’s organisational unit executing payments by order of Users – if it is



signed by persons authorised to dispose of funds in the transaction account (and certified by the seal if so prescribed by the User in the "Registration of Signatures", i.e. "Signature Card"), all in conformity with authorisations delivered to the Bank in the valid document "Registration of Signatures", i.e. "Signature Card" (the exception being the Order for payment in euro into the transaction account, in the case of which it is not mandatory that the order be signed by persons authorised to dispose of funds) and/or "List of Persons";

2. For orders issued by the User via electronic and digital banking – in accordance with separate agreements and separate general terms under which certain electronic and digital banking services are contracted and regulated;
3. For orders made by the User through the payment initiation service provider – in line with separate agreements and separate general terms stipulating and regulating particular electronic banking services;
4. For the order executed by debiting the User's transaction account by order of a foreign payment service provider using the Global Cash Management service, the consent shall be given in conformity with a separate agreement concluded between the Bank and the User;
5. For the order issued at ATMs or POS devices or cash deposit ATMs (smart ATMs) for depositing euro coins or at Internet points of sale – consent shall be given in the manner prescribed by separate agreements and/or general terms stipulated for debit cards for legal entities;
6. For the order issued through other payment system channels, consent shall be given as prescribed in separate agreements and/or general terms of each individual product and/or service.
7. By signing the SDD mandate given to the payee.

It shall be deemed that the non-resident User has given consent to payment as follows:

1. For the order issued on paper and delivered to the Bank counters or, exceptionally, on the basis of a separate agreement delivered to the Bank's organisational unit executing payments based on the orders of non-resident Users, if it is signed by persons authorised to dispose of funds in the transaction account (and certified by the seal only if so prescribed by the User in the "Registration of Signatures [Signature Card]") all in conformity with authorisations presented to the Bank in the valid document "Registration of Signatures [Signature Card]" (the exception being an order for payment into the transaction account, where it is not required that the order be signed by the persons authorised to dispose of funds) and/or "List of Persons";
2. For orders issued by the User via electronic and digital banking – in accordance with separate agreements and separate general terms under which certain electronic and digital banking services are contracted and regulated;
3. For orders issued by the User through the payment initiation service provider – in line with separate agreements and separate general terms stipulating and regulating particular electronic and digital banking services;
4. For the order executed by debiting the User's transaction account by order of a foreign payment service provider using the Global Cash Management service, the consent shall be given in conformity with a separate agreement concluded between the Bank and the User;
5. For the order issued at ATMs or POS devices or cash deposit ATMs (smart ATMs) for depositing euro coins or at Internet points of sale – consent shall be given in the manner prescribed by separate agreements and/or general terms stipulated for debit cards for legal entities;
6. For the order issued through other payment system channels, consent shall be given as prescribed in separate agreements and/or general terms of each individual product and/or service.
7. By signing the SDD mandate given to the payee.

A payment transaction, for the execution of which the consent has been given as described above, shall be deemed to be the authorised payment transaction and it shall be deemed that the order for execution of such authorised payment transaction has been given by the User.

It shall be deemed that the Bank has acted with due care and that the performed payment transaction has been an authorised transaction, regardless of the channel of transaction initiation, until proven otherwise. The use of the Payment instrument for granting the consent shall be deemed positive proof of the User's identity, and the fact that the

Bank has recorded the use of the Payment instrument shall be sufficient for the Bank to prove that it has acted with due care, and that it shall not bear any liability for the damage suffered by the User.

The User of the electronic and digital banking services, by means of which his/her/its transaction account is available online, has the right to use the account information service provided by the authorised account information service provider. The account information service provider may render the said service only with the express consent of the User, it shall make sure that the personalised security credentials of the payment service User are not available to other persons except to the User and the issuer of the personalised security credentials, it shall forward the personal security credentials through secure and efficient channels, it may access only the information about the payment account designated by the User for the use of this service and the information about payment transactions associated therewith, it shall use the data, access the data and store them solely for the purpose of providing the account information service requested by the User, in accordance with the data protection rules, and is not allowed to ask for/demand sensitive payment account associated data. The name of the account holder and the number of the account are not considered sensitive payment data in relation to the account information service. The account servicing payment service provider must not treat in a discriminatory manner the requests for the provision of data received from the account information service provider, unless there is an objective reason to do so, nor must the said provider make its acting in line with the account information service provider's request conditional upon conclusion of an agreement with the account information service provider.

**(6) SEPA Direct Debits Execution of Direct Debits in compliance with the SDD B2B Scheme**

A Direct Debit is a payment service for debiting a payer's payment account (for the purposes of defining the roles of parties to a direct debit in this paragraph, a payer involved in a Direct Debit transaction shall be referred to as the User/Payer), where a payment transaction is initiated by the payee (for the purposes of defining the roles of parties to a direct debit in this paragraph, a payee which has concluded an Agreement for the execution of Direct Debit orders with the Bank shall be referred to as the User/Payee, while all payment beneficiaries in general shall be referred to as payees) on the basis of the payer's consent (SDD Mandate) given to the payer's payment service provider, to the payee, or to the payee's payment service provider. Contractual relationships between payers and payees, which lie behind Direct Debit orders, are completely separated from a Direct Debit as a payment service, so the Bank does not have, nor is it entitled to have, any knowledge of such relationships and it shall not be held liable if a payee fails to issue or does not issue on time a Direct Debit order.

The Bank shall make it possible for the User/Payee, at its explicit request and if the Bank considers it justifiable from a business point of view, to generate Direct Debit orders on the basis of valid SDD Mandates, but only on condition that a separate agreement regarding the provision of such service has previously been concluded between the User/Payee and the Bank, in accordance with Article 18 hereof.

The User/Payer may give to the Bank the SDD Mandate(s) without concluding a separate agreement related to the provision of the service (for recurrent or one-off payments); the User/Payer may also take all related actions and provide statements that may be taken/provided in relation to the Bank according to the SDD B2B Scheme Rules (e.g. complaints). Each payee shall be obliged to put the User/Payer - through an SDD Mandate - under an obligation to inform the payee of any change of payer-related data in the SDD Mandate, as well as warn the User/Payer that the User/Payer may request an amendment to the conditions of and the final revocation of the SDD Mandate only through the payee, since such notifications shall have no effect vis-a-vis the Bank.

The Bank shall not execute a Direct Debit order against the User/Payer's account at the Bank, unless the User/Payer has previously, and on time, delivered an SDD Mandate to the Bank.

The Bank shall, prior to debiting the User/Payer's account, check if the SDD Mandate-related data received as part of a Direct Debit order sent by the payee match the data specified in the SDD Mandates received from and confirmed by the User/Payer. The Bank shall check only those Mandate-related data which are, under the SDD B2B Scheme Rules, subject

to mandatory checks, and if these necessary data match, then the Direct Debit order shall be considered unambiguously authenticated, in accordance with the regulations that govern payment transactions.

The persons specified in paragraph (5), items 1 and 2 of this Article may arrange the delivery of an SDD Mandate to the Bank, as well as take all other actions and provide statements related thereto (e.g. complaints and limitations referred to herein below) in the name and for the account of the User/Payer, through payment channels designated by the Bank.

The User/Payer shall be obliged to inform the Bank of all amendments to and/or cancellations of SDD Mandates.

The User/Payer may instruct the Bank to impose limitations on the execution of Direct Debits (special conditions of the execution of Direct Debits), by limiting/allowing the execution of Direct Debit orders in the following manner:

- up to a specific amount of each particular Direct Debit order;
- up to a specific amount as regards individual Direct Debit orders originated by a specified payee;
- in respect of all Direct Debit orders that become due on a specific date, and
- in respect of individual Direct Debit orders originated by a specified payee that become due on specified dates.

The User/Payer may instruct the Bank to completely prohibit the execution of all Direct Debit orders against some or all of its transaction accounts.

The Bank shall, on the execution date, act in accordance with the limitations established by the User/Payer and shall refuse Direct Debit orders which do not meet these special conditions of the execution, unless the User/Payer - before the end of the day preceding the debit date - removes a currently valid limitation, either on a one-off basis or completely. The Bank shall refuse to execute a Direct Debit order also in case of the User/Payer's request for a one-off Refusal of a Direct Debit order, but only if such a valid and correctly completed request has been received by the Bank during a business day preceding the business day on which a Direct Debit must be executed,

- through electronic channels or on paper, at Branch Offices that offer business banking services. If the execution of a Direct Debit order has been rejected, the order shall be deemed not received.

Under the SDD B2B Scheme, which applies only and exclusively to non-consumers, just like these General Terms, a request for a Refund of an authorised/unauthorised transaction is not provided for and is not handled as such; instead, in connection with such a request made by the User/Payer, the procedure for resolving complaints shall be put in place, in accordance with the provisions of Article 15 of these General Terms, which completely rules out any refunds and any liability of the Bank for authorised transactions (for example, errors made by a payee while entering the amount or the execution date cannot give rise to liability on the part of the Bank, because they are not part of the Mandate nor of mandatory checks to be made by the Bank in the course of DD execution).

#### **Execution of Direct Debits in compliance with the SDD Core Scheme**

A Direct Debit is a payment service for debiting a payment account of a payer who can be a consumer/non-consumer (for the purposes of defining the roles of parties to a direct debit in this paragraph, a payer involved in a Direct Debit transaction shall be referred to as the User/Payer), where a payment transaction is initiated by the payee (for the purposes of defining the roles of parties to a direct debit in this paragraph, a payee which has concluded an Agreement for the execution of Direct Debit orders with the Bank shall be referred to as the User/Payee, while all payment beneficiaries in general shall be referred to as payees) on the basis of the consent (SDD Mandate) given by the payer who can be a consumer/non-consumer to the payer's payment service provider, to the payee or to the payee's payment service provider. Contractual relationships between payers and payees, which lie behind Direct Debit orders, are completely separated from a Direct Debit as a payment service, so the Bank does not have, nor is it entitled to have, any knowledge of such relationships and it shall not be held liable if a payee fails to issue or does not issue on time a Direct Debit order.

The Bank shall make it possible for the User/Payee, at its explicit request and if the Bank considers it justifiable from a business point of view, to generate Direct Debit orders on the basis of valid SDD Mandates, but only on condition that a separate agreement regarding the provision of such service has previously been concluded between the User/Payee and the Bank.

The payee shall manage SDD mandates, shall be responsible for the content and correctness of an SDD Mandate, for it being signed by the payer or by another explicitly authorised person, for any amendments to and revocation of an SDD Mandate, for its form, for archiving and storing a Mandate, for the accuracy and completeness of an SDD order which is initiated on the basis of a specific SDD Mandate, for providing the required data to the payer and to the payer's payment service provider for the purpose of the execution of an SDD order and for the SDD Mandate identifier. By signing an SDD Mandate, the payer gives consent to the payee and the Bank, thereby making it possible for the SDD Mandate to be stored, together with any subsequent amendments thereto or revocation of the mandate, by the payee or by a third party on behalf of the payee. The mandate identifier [mandate reference] must be supplied by the payee to the payer before the SDD Mandate is signed or before the first SDD order is sent. The User/Payer shall not be obliged to provide the Bank with the SDD Mandate(s) for recurrent or one-off payments.

When executing an SDD order and before debiting the account of the User/Payer, the Bank shall not be obliged to check the existence or the content of an SDD Mandate, nor to check if the payee, before initiation of an SDD order, has sent to the payer the required prior notifications related to the SDD order.

The Bank shall execute received SDD orders on their due dates if:

- [adequate] cover has been provided in the account to be debited, and funds are available for the execution of the payment transaction. The Payer shall be obliged to provide cover i.e. available funds no later than one day before the date of execution of an SDD order in the amount equal to the amount of the SDD order; - the payer has not rendered impossible the execution [of orders] by defining special conditions for the execution; - the payer does not refuse the execution of a particular SDD order.

The Bank shall execute a received Direct Debit order if the basic conditions for the order execution are met (the account status, sufficient amount of funds).

The payer shall be entitled to submit to the Bank a request for a Refund for authorised/unauthorised SDD orders executed against transaction accounts held at the Bank.

A request for a Refund shall be submitted to the Bank in writing. The Bank shall inform a payment service user about a refund made in connection with a request for a Refund for an authorised/unauthorised SDD order in a statement, while it shall inform the user about rejection of a request for a refund of an unauthorised SDD order by sending a notification, in the manner that has been agreed for sending of notifications and statements referred to in Article 6, par. 1 hereof.

A request for a Refund for the transaction executed on the basis of an **authorised** SDD order may be submitted to the Bank by the payer within 8 weeks after the debit date. In case of a request for a Refund for the transaction executed on the basis of an **unauthorised** SDD order, which may be submitted to the Bank by the payer within 13 months after the debit date, the payer's payment service provider may request the payee's payment service provider to provide proof of existence of an SDD Mandate on the basis of which the SDD order was executed, in accordance with the prescribed time limits and the conditions for refunds of unauthorised payment transaction amounts.

If the payer's payment service provider:

- receives proof of existence of the SDD Mandate, it shall be deemed that the payment transaction i.e. the executed SDD order is not unauthorised and the payer shall not be entitled to a refund,
- does not receive [a copy of] the SDD Mandate or if it determines that the received SDD Mandate is not in agreement with the executed SDD order, or if it receives the answer from the payee in which the payee accepts the



request for a refund of an unauthorised transaction, the Bank shall return the amount of the relevant executed unauthorised SDD order in such a way that it shall immediately restore the balance of the debited transaction account to the level at which the balance of that account would have been if the unauthorised payment transaction had not been executed, including in the refunded amount also all fees that have been charged by the Bank in connection with the mentioned executed unauthorised payment transaction, plus the related interest;

- if the Bank does not receive any answer from the payee's payment service provider within 30 calendar days after receipt of the request for a refund, it shall make a decision on that request by taking into consideration the evidence presented by the person who submitted the request [the payer].

Each payee shall be obliged to put the User/Payer - through an SDD Mandate - under an obligation to inform the payee of any change of payer-related data in the SDD Mandate, as well as warn the User/Payer that the User/Payer may request an amendment to the conditions of and the final revocation of the SDD Mandate only through the payee, since such notifications shall have no effect vis-a-vis the Bank.

The User/Payer may instruct the Bank to impose limitations on the execution of Direct Debits (special conditions for the execution), by limiting/allowing the execution of Direct Debit orders in the following manner:

- up to a specific amount of each particular Direct Debit order;
- up to a specific amount as regards individual Direct Debit orders originated by a specified payee;
- in respect of all Direct Debit orders that become due on a specific date, and
- in respect of individual Direct Debit orders originated by a specified payee that become due on specific dates.

The User/Payer may instruct the Bank to completely prohibit the execution of all Direct Debit orders against some or all of its transaction accounts;

The Bank shall, on the execution date, act in accordance with the limitations established by the User/Payer and shall refuse Direct Debit orders which do not meet these special conditions for the execution, unless the User/Payer - before the end of the day preceding the debit date - removes a currently valid limitation, either on a one-off basis or completely.

The Bank shall refuse to execute a Direct Debit order also in case of the User/Payer's request for a one-off Refusal of a Direct Debit order, but only if such a valid and correctly completed request has been received by the Bank during a business day preceding the business day on which a Direct Debit must be executed, through electronic banking channels or on paper at Branch Offices that offer business banking services.

If the execution of a Direct Debit order has been rejected, the order shall be regarded as not received.

## II. EXECUTION OF PAYMENT TRANSACTIONS

### Article 9

#### Execution of Payments

##### (1) Payment execution time limits

The Bank shall execute received correct payment orders in accordance with time limits and under conditions stated in the document "Time of Receipt and Execution of Payment Orders" ("Cut-Off Time"), constituting an integral part hereof and available on the Bank's internet pages or on the Bank's customer service premises.

If the payment order is initiated through a payment initiation service provider, the Bank shall provide or make available to the payment initiation service provider all the information about the initiation and all the information associated with the execution of the payment transaction that is available to the Bank.



The Bank shall execute orders received by the time of receipt indicated in the document "Cut-Off Time" on the same day. Orders received after the indicated time of receipt shall be executed the following business day. Direct debit orders are executed in accordance with the calendar of Target2 business days. This refers to the dates of execution of direct debit orders as well as counting of days in R-transactions.

The Bank shall be authorised to modify/supplement the document "Cut-Off Time" and to notify the User accordingly, under the same terms and in the same way in which it is authorised to amend these Terms.

The Bank shall not be liable for the extended execution period or non-execution of orders caused by measures taken in line with regulations on the prevention of money laundering and terrorism financing, the proliferation of weapons of mass destruction and regulations on restrictive and embargo measures ensuing from the internationally accepted obligations in the area of money laundering and terrorism financing prevention, the proliferation of weapons of mass destruction and restrictive and embargo measures. In accordance with the above, as well as the ESG principles of socially responsible business, the Bank shall apply a conservative approach related to the armament policy described in detail in the Exemption of Privredna banka Zagreb from participation in activities related to armament, which is an integral part of the Framework Agreement published on the Bank's website <https://www.pbz.hr/gradjani/Nas-svijet/Odrzivi-razvoj/Politike-i-kodeksi.htm>.

The Bank has undertaken to apply, when making payments in the currency of the United States of America (USA) and/or when doing business with contracting parties from the United States, special US regulations related to the prevention of money laundering and terrorism financing as well as regulations on international restrictions and embargo measures, so that the Bank's relief from liability for the extended time of execution or for non-execution of orders caused by the implementation of the above-mentioned regulations shall also apply to the implementation of these regulations.

If the Bank independently comes to the conclusion that there is suspicion of fraud or any other criminal act or that the transaction includes fictitious data on the business addresses and/or any abuse or suspicion of money laundering and terrorism financing, and/or the proliferation of weapons of mass destruction or violation, i.e. avoidance of regulations on restrictive and embargo measures, the Bank shall be entitled to stop and postpone the execution of payment pursuant to the regulations, also including payment and/or payment receipt in the US currency, and shall be authorised to request additional information and/or documents (including but not limited to data on the type and TARIC number of the goods, price, contractual documents and invoices) and/or relevant declarations of conformity that the Bank deems necessary for the assessment of the acceptability of the transaction with the aim of implementing an enhanced in-depth analysis, without having to provide any special explanation for such requests. The methods and conditions with which the Bank makes the assessment and ensures the protection of its system and the security of clients shall be constantly improved and supplemented due to constant changes and improvements in the area of the prevention of money laundering and terrorism financing, the proliferation of weapons of mass destruction and also in the area of international restrictive measures and the Bank shall be entitled to reject the execution of any payment and/or the execution of orders if this is contrary to legal regulations pertaining to these issues, as well as to cancel the Framework Agreement without a notice period and with immediate effect and also to close the transaction account if it deems it necessary in cases from this paragraph.

#### (2) Orders with future value date and providing cover for a payment transaction

As regards the orders with future value date, the payment service User should provide sufficient cover in the transaction account to be available by the cut-off time for receipt of orders on the day indicated as the date of execution.

Payment orders with a future value date shall be executed on the indicated value date, with the value date of crediting the account of the payee's service provider, in line with the "Cut-Off Time" document, provided that the terms for the order execution referred to in Article 8 hereof are met.

#### (3) International and cross-border payment transactions

##### 3.1. External payments

Payments to foreign countries may be effected by remittance, cheque, in cash, via documentary letters of credit, collection against documents and in other ways, in compliance with effective regulations.

The Bank shall perform external payments by debiting the transaction account, based on an accurate order and in conformity with the "Cut-Off Time" document that forms an integral part of these Terms.

### 3.2. Collection from abroad

Collections from abroad may be effected by remittance, cheque, documentary letters of credit and collection against documents, via other forms of cashless payment and in cash, in conformity with effective regulations.

With regard to all collections from abroad or from other accounts of foreign legal entities, the Bank shall, upon receipt of a payment order from a foreign bank or foreign legal entity, inform the User (beneficiary) to whom the payment is made about the foreign currency inflow, by way of the Account Statement.

Exceptionally, at the User's written request, the Bank shall notify the User of the received payment by sending a special notice during payment order processing and upon receipt of a foreign bank's or domestic bank's payment order. The User's account shall be credited as of the same value date as the date on which the Bank's account is credited, and funds in the account shall be available to the User (payment beneficiary/payee) after the receipt of the credit advice from the Bank, but not before the collection value date, which is the date when a foreign or other domestic bank has credited the Bank's account.

In the event that after receipt of the remittance, by the value date of the payment transaction, the Bank does not receive the cover for the remittance from abroad, i.e. a foreign bank withdraws and/or alters the order or blocks its execution, the Bank shall not process the incoming payment and shall accordingly be relieved of any responsibility or liability towards the User.

If the User has not contracted a currency component of the transaction account, the Bank shall, after receipt of remittance from abroad, make automatic conversion of the foreign currency into the euro by applying the buying exchange rate from the Bank's exchange rate list, valid on the remittance receipt date. After the conversion, the Bank shall credit the User's transaction account with the euro amount.

The Bank shall not be liable to the User for any damage arising from the exchange rate differences for the execution of an order in the currency other than the original currency specified in the order, if such order was received from the payer's payment service provider or was required to make conversion of incoming funds by itself, in line with currently valid regulations.

The Bank shall not be liable for the extension of the period for the execution or non-execution of any payment or order caused by the implementation of measures applying to the regulations on the prevention of money laundering and terrorism financing, and the proliferation of weapons of mass destruction, the regulations on (international) restrictive and embargo measures and internationally accepted commitments in the area of the prevention of money laundering and terrorism financing, and the proliferation of weapons of mass destruction and restrictive and embargo measures ensuing from the internationally accepted obligations.

### (4) Cash operations

Payments and withdrawals in euro and in foreign currency cash made to or from transaction accounts of the Users - legal entities and natural persons performing registered activity in the Republic of Croatia - can be made by using a single order for making a cash deposit/withdrawal in the amount of up to EUR 10000.00, i.e. by using a single order to make a foreign currency cash deposit in the amount equivalent to EUR 10000.00 calculated according to the buying exchange rate of the Bank for cash transactions, except for the deposit of euro cash and foreign currency cash based on the service of handover and processing of a valuable item whose content includes daily earnings, the service of using the Bank's day and night vaults and the agreement on the performance of currency exchange operations. The restriction in



depositing/withdrawing cash does not refer to organisers of games of chance, in accordance with the Anti Money Laundering and Terrorist Financing Law.

Any issued order for depositing and/or withdrawing euro cash and foreign currency cash in the amount larger than the above-mentioned amount shall be considered an incorrect order and the Bank shall refuse to execute such an order, except in the case of the above-mentioned exemption.

Payments and collections made in foreign currency cash between residents and non-residents shall be executed in accordance with anti-money laundering and terrorism financing prevention regulations as well as tax regulations.

The User may withdraw cash up to the amount of the available balance of the transaction account, subject to the application of restrictions referred to in paragraph 1 of this item above.

- Received requests for payments in cash shall be executed by the Bank in accordance with time limits and under conditions stated in the document "Time of Receipt and Execution of Payment Orders" ("Cut-Off Time"), constituting an integral part hereof.
- When withdrawing cash, the User shall be under an obligation to present to the Bank the correctly filled out order for cash withdrawal, signed by the authorised person (and certified by the seal only if so prescribed by the User in the "Registration of Signatures i.e. Signature Card").
- If cash is withdrawn by a person who is not authorised to dispose of funds in the transaction account, it must be entered in the "List of Persons" document, and the order should specify the full name [first and last name], number, date and place of issuance of the identification document of the person withdrawing cash.

#### (5) Coverage for the opening of irrevocable documentary letters of credit

The Bank shall not pay interest (the cover account shall not be deemed to be the client's transaction or deposit account) on paid-in cover for the opening of an irrevocable documentary letter of credit.

The cover may be paid as the full amount of the order for the opening of an irrevocable documentary letter of credit, or a partial amount, if the User has concluded an appropriate agreement with the Bank allowing the opening of a letter of credit without previous depositing of the cover amount.

(6) The Bank shall not be liable to the service User for possible damage caused by failed execution of the order, delays in the execution, or blockade of funds resulting from the implementation of regulations concerning the prevention of money laundering and terrorism financing and/or Bank's business policies, the proliferation of weapons of mass destruction, restrictive and embargo measures made in accordance with the above regulations and/or internationally accepted obligations, as well as due to subsequent cancellation of remittance resulting from the implementation of similar internal policies by other payment service providers participating in the remittance execution.

#### (7) Crediting the User's account

The Bank shall credit the User's account with the amount received from the payer's service provider or its intermediaries with the value date of the crediting prescribed by the Payment System Act and other effective payment system regulations.

#### (8) Confirmation of the availability of funds

The Payment service provider issuing a card or card-based payment instrument may send an enquiry to the payment service provider holding/servicing an account about the funds availability, based on which a response is given whether the amount required for the execution of the card-based payment transaction or card-based payment instrument is available in the account to for the execution of the payer's payment, if the payer has given explicit consent for making the enquiry about the funds availability to the payment service provider issuing the card or the card-based payment instrument, if the payer initiated the payment transaction by using a card or card-based payment instrument issued by the payment service provider in the amount for which a response regarding the availability has been requested.

The Payment service provider holding the account shall be obliged to answer the payment service provider issuing the card or card-based payment instrument with a “yes” or “no” to the enquiry referred to in paragraph above, if the payer’s account is available online at the moment of receipt of the enquiry about funds availability, if the payer has given explicit consent to the payment service provider holding the account to respond to such enquires made by a particular payment service provider issuing a card or card-based payment instrument, and on condition that such consent has been given before the first inquiry about availability is made.

The payment service provider servicing the transaction account must not, based on the response, prevent the disposal of funds in the transaction account for payer’s payments, and the payment service provider issuing a card or card-based payment instrument must not save/store the received response but must use it solely for the execution of a specific payment transaction.

The payment service provider servicing the account shall be obliged to inform the payer, at his/her/its request, about the payment service provider that has made a specific enquiry and about the given response.

## **Article 10**

### **Revocation of consent to payment**

(1)The Bank shall, at the request of the payment service User, recall the payment order, but only if the User has recalled the electronically given payment order by i.e. before the cut-off time for receipt of orders on a business day preceding the business day in which the order is to be executed, in the manner which is stipulated in the instruction for a particular electronic banking service by means of which an order can be issued and recalled, which instruction is posted on the web pages of the Bank ([www.pbz.hr](http://www.pbz.hr)). Revocation of consent to payment may be given in the manner specified in the instructions for individual electronic banking services and instructions for digital banking services through which the order can be issued and revoked, which are published the web pages of the Bank ([www.pbz.hr](http://www.pbz.hr))

(2)With regard to all other payment orders that have not been covered by the description in par. (1) of this Article, the Bank shall, at the request of the payment service User which must be sent to the Bank in writing, endeavour to the best of its efforts – if it finds the User’s request to be justified and reasonable - recall the payment transaction. The Bank does not guarantee that it shall, despite trying, succeed in returning the amount of the payment transaction to the User.

## **Article 11**

### **Payment instrument blockade**

(1)The Bank and the User may stipulate the option of initiating the payment order by using payment instruments, under a separate agreement. The Bank may issue separate general terms for such agreements.

(2)The Agreements/agreements and special general terms referred to in paragraph (1) of this Article shall regulate the obligations and responsibilities of the User related to supply of information to the Bank about any loss, theft or misuse of a payment instrument or its unauthorised use, and the obligation to undertake measures for the protection of personalised security features of payment instrument.

The User shall be responsible for and shall cover the damage for unauthorised payment transactions performed by means of payment instruments, regardless of the amount of the payment transaction, which result from the loss or theft or other misuse of a payment instrument, up until the moment when the loss or theft or an unauthorised use of a payment instrument is reported to the Bank.

If not otherwise stipulated in a separate agreement and/or separate general terms, the loss or theft or an instance of unauthorised use or misuse of a payment instrument shall be reported in writing to the organisational unit responsible for managing business relationship with the User, or through the Bank's Service Centre (valid Service Centre phone numbers are disclosed on the Bank's web pages).

(3) The Bank shall be authorised to block the payment instrument referred to in the paragraph above for objectively justifiable reasons:

- 1) related to the payment instrument security (for example, skimming);
- 2) related to suspected unauthorised use or use of a payment instrument with the intention to commit fraud;
- 3) if the Bank provides a payment instrument service with a credit line, [for reasons] related to a considerable increase of the risk that the payer/User will not be able to meet the payment obligation.

The Bank shall, if possible, inform the User of the intended payment instrument blockade and of the reasons for it, before the actual blockade, by phone and/or in writing, or in some other appropriate way.

If it is not possible for the Bank to inform the User about the intended blockade before the actual blockade occurs, the Bank shall do so after the blockade of the payment instrument, by phone and/or in writing or in some other appropriate way.

The Bank shall not be obliged to notify the User of the payment instrument blockade if this is contrary to objectively justifiable security reasons or if it is contrary to law.

(4) For reasons specified in paragraph 3, items 2 and 3 of this Article, the Bank shall be entitled also to cancel in writing the Agreement under which the payment instrument was issued, without any notice period. In that case, the User undertakes to pay to the Bank all the fees and expenses resulting from the use of the payment instrument and return the said instrument with all the equipment handed over to the User by the Bank for the use thereof. For the same reasons the Bank shall be authorised to cancel the Framework Agreement, in writing and without notice. In that case, the User undertakes to pay to the Bank all the fees and expenses resulting from the use of the payment instrument and return the said instrument with all the equipment handed over to the User by the Bank for the use thereof.

(5) The Bank shall be entitled to deny access to the transaction account to the account information service provider or to the payment initiation service provider on the basis of proven and objectively justifiable reasons related to unauthorised access with the intention of fraud, including unauthorised initiation of the payment transaction or initiation of the payment transaction with the intention of fraud. The Bank shall notify the User of denied access to the transaction account to the account information service provider or the payment initiation service provider, by phone and/or in writing or in some other appropriate way, save for the cases when such notifying is contrary to objectively justifiable security reasons or regulations.

## **Article 12**

### **Issuing payment orders via telecommunication/electronic channels**

(1) Orders may be issued via electronic/telecommunication channels solely if a separate agreement has been concluded, regulating mutual rights and obligations associated with this method of issuing payment orders which have not been regulated by these General Terms.

(2) Issuing of orders for payment and transfer by fax shall not be regarded as issuing payment orders electronically/via telecommunication channels.

The Bank shall, by way of an exception, execute an order received by fax, and it shall, in line with good business practice and to the extent possible in such circumstances, check on the basis of their visual appearance the credibility and

authenticity of its content and of the principal's signature on the order and on supporting documents, if any. But in case of any misuse by the [fax] sender, the Bank shall not be liable to the User and/or third parties for any type of damage that might be caused by the receipt and execution of the order issued in such a way.

If the User delivers to the Bank also the original order that has already been sent by fax, the User shall clearly indicate that it is an original, to avoid double execution of payment. Otherwise, the Bank shall not be held liable for the damage that might be caused by double payment execution.

(3) During validity period of these General Terms, the Bank shall be entitled to decide, at its own discretion, that the issuing of orders by fax is allowed only if the Bank and the User have entered into a separate agreement that regulates mutual rights and obligations, and the cases and conditions under which orders may be issued given by fax.

The Bank shall, within a reasonable time period, notify the User of the effective date of the respective decision, in order to allow the User to adjust its/his/her business activities accordingly, or to sign a separate agreement with the Bank.

## **Article 13**

### **Order refusal**

(1) Should the Bank receive an incorrect order, it shall, in the same manner in which the order was received, within time limits prescribed by law, notify the User of the order refusal, of the reasons for refusal, and of:

- a) the procedure for correcting all errors that caused the refusal of order, or
- b) inability to correct the errors if the order is incorrect as per Article 8, paragraph 1, item c) of these General Terms.  
In addition to the foregoing, in the case of instant payments, the Bank as a payment service provider of the payer shall refuse to execute SCTInst payment transaction if:
  - a) it receives information about the rejection of the transaction by the payee's payment bank, if the amount larger than EUR 13.273 is entered in the payment order;
  - b) the payment service provider is not a participant in the SCTInst scheme;
  - c) if, after the expiry of the maximum time limit for instant payment execution (25 seconds from the commencement of the execution of an SCTInstant payment order (Time Stamp)), it does not receive either positive or negative information from the payee's bank;
  - d) if the User has initiated a cross-border SCT instant credit transfer.

(2) The Bank shall notify the User about the refusal of the payment order on paper (received at the Bank's Branch Offices or at FINA) as provided for in Article 6 hereof.

(3) If the execution of payment was refused, the order shall be deemed not received at all.

(4) After the User eliminates the errors in the payment order and the order is considered to meet the terms of an accurate order referred to in Article 8 hereof, the corrected order shall be deemed to be the new order and the Bank shall execute it in conformity with these Terms.

(5) In case the order is refused, the Bank shall at the same time return the amount of the paid-in cover, if not otherwise agreed or laid down by effective regulations or by decisions of the competent bodies.

(6) Should the Croatian National Bank or another competent body prescribe the introduction of precautionary measures, the Bank shall not execute a cross-border and/or international payment by following the order of the resident User, for as long as the precautionary measures remain in force.

## **Article 14**

## Transactions in foreign currency

### (1) Selling foreign currency to the Bank

Foreign currency may be sold to the Bank in cases described here below:

(a) For purposes of euro liquidity of the User, under the following conditions:

In answer to the User's written offer i.e. bid for the purchase of foreign currency and the related payment of the euro equivalent, the Bank may pay out the euro equivalent by crediting the transaction account of the User or of another legal entity, in accordance with the received instructions, provided that this is not contrary to regulations that govern attachment of funds and to payment system regulations. In cases of the conversion of foreign currency into euro, up to the euro equivalent specified on the Bank's exchange rate list, the applicable rate shall be the buying rate from the Bank's exchange rate list for the relevant currency, valid on the payment date, or the agreed exchange rate as per the Deal Confirmation of the Bank's Treasury Department, if the User has concluded the "Framework Agreement on foreign currency purchases and sales" with the Bank. To all sales of foreign currency exceeding the euro equivalent specified on the Bank's exchange rate list, only the agreed exchange rate as per the Deal Confirmation of the Bank's Treasury Department shall be applied. The acceptance date of the User's bid shall be considered to be the date when the euro equivalent of foreign currency funds has been credited to the transaction account of the User or of another payee.

The Bank shall execute the received and accepted offers/bids in conformity with time limits specified in the document "Cut-Off Time – Time of receipt and execution of payment orders", which forms an integral part of these General Terms.

In the event that the Bank, for any reason, does not accept the User's bid/offer, it shall provide the written explanation thereof within maximum 3 (three) business days from the receipt of the offer.

(b) For the purpose of settlement of amounts due and payable to the Bank, under the following conditions:

The User agrees that the Bank shall collect all User's obligations due and payable to the Bank under any legal basis/undertaking, by placing an Order for payment thereof to be made by direct debiting of all transaction accounts held by the User with the Bank, without any further User's consent being required. Foreign currency claims shall be collected in foreign currency funds. If the claims in euro are collected against foreign currency funds held in the User's transaction account at the Bank, collection shall be made by purchasing foreign currency funds held in the account at the buying rate from the Bank's exchange rate list valid on the due date of the obligation, i.e. on the date of purchase, if there no funds were available in the transaction account on the due date. Exceptionally, for settlement of past due obligations relating to fees charged for payment transactions, the Bank shall apply the mean exchange rate from the Bank's exchange rate list valid on the calculation date, i.e. on the date when the service is rendered.

If the User received a foreign currency payment after the due date of an obligation, collection shall be made as of the value date of the payment received in the User's account, in compliance with effective regulations.

(c) For the settlement of debts owed to other business entities that have obligations towards PBZ, if this is not contrary to regulations that govern attachment of funds and [if not contrary to] payment system regulations, under the following conditions:

When foreign currency funds are remitted to the User's transaction account at the Bank, the User may sell the mentioned funds to the Bank at the buying exchange rate for the respective currency from the Bank's exchange rate list, up to the equivalent of the euro amount specified on the Bank's exchange rate list, while in the case of the equivalent sum exceeding the mentioned specified amount, only the contracted exchange rate from the Deal Confirmation of the Bank's Treasury shall be applied. At the same time, the User may issue an order to the Bank to credit the euro equivalent of thus purchased foreign currency to the account of the User's creditor at the Bank, for the purpose of settling the creditor's obligations to the Bank.

(d) For the settlement of bank fees, under the following conditions:



Bank fees shall be calculated and collected in such a way that the fee specified in the Decision on fees is calculated based on the equivalent of the foreign currency amount that serves as the basis for the calculation of fee, by applying the mean rate of exchange listed on the Bank's exchange rate list valid on the calculation date. If claims arising from fees charged for foreign exchange transactions are collected by direct debiting of the User's transaction account at the Bank, foreign currency shall be purchased at the Bank's mean rate of exchange, which shall be considered the agreed rate of exchange.

## (2) Purchase of foreign currency

(a) With regard to any purchases of foreign currency for the purpose of making payments from and making deposits to a transaction account up to the equivalent of the euro amount specified on the Bank's exchange rate list, the applicable rate shall be the selling rate for the respective currency from the Bank's exchange rate list, valid on the date of purchase, or the agreed exchange rate stated in the Deal Confirmation of the Bank's Treasury, if the User has concluded a "Framework Agreement on foreign currency purchases and sales" with the Bank.

(b) With regard to any purchases of foreign currency for the purpose of making payments from and making deposits to a transaction account, where the concerned amount exceeds the equivalent of the euro amount specified on the Bank's exchange rate list, only the agreed exchange rate stated in the Deal Confirmation of the Bank's Treasury shall be applied, unless contracted otherwise.

(c) Payment may be effected also if it is covered by a foreign currency or euro loan granted by the Bank. The loan shall be disbursed as of the value date of payment made to the payee.

## (3) Foreign currency payments between residents

Payments and collections in foreign currency between residents as well as between residents and non-residents in the Republic of Croatia can be freely made according to relevant laws.

## III. OTHER PROVISIONS

### Article 15

#### **Liability for the execution of payment transactions and the right to object**

(1) The User, as the payer or the payee, shall be entitled to raise an objection to the Bank if he/she/it finds that the Bank does not adhere to the provisions of the Framework Agreement or legal provisions regulating a particular service.

All the objections shall be delivered in writing to the Bank's organisational unit responsible for complaints of Users [Customer Complaints] (its name and contact details are available on the Bank's internet pages) or to the organisational unit responsible for managing the relationship with the User, or through the Bank's Service Centre (phone numbers are disclosed on the Bank's internet pages) or to the valid e-mail address of the Bank for customer complaints, disclosed on the Bank's internet pages, and such objection should also specify the transaction number (reference), amount and the value date of debiting/crediting the transaction account.

(2) If the User denies that he/she/it has authorised the executed payment transaction or claims that the payment transaction has not been executed or has not been duly and timely executed, the User shall be obliged to prove to the Bank that the payment transaction has not been authenticated and authorised in line with the Framework Agreement, that the payment transaction has not been accurately recorded and entered in books, and that a technical malfunction or some other deficiency in the service rendered by the Bank has affected the execution of the payment transaction.

The User, as the payer or the payee, may raise the objection concerning the unauthorised incorrectly initiated, non-executed, unduly or untimely executed payment transaction immediately upon finding out about the payment transaction execution, and no later than within 60 days from the date of debiting or crediting of his/her/its transaction account, under penalty of losing rights and other rights defined by law. The moment when the User has learnt of the

unauthorised transaction shall be considered to be the day when the Bank has delivered i.e. made available the Transaction Account Statement in the agreed manner, in which the said transaction has been or must have been recorded.

The right to object shall be exercised in writing, stating the transaction number (reference), the original amount and the value date of payment or collection.

(3) In case that the User proves that an unauthorised payment transaction has been executed, including also an unauthorised payment transaction initiated through the payment initiation service provider and regardless of responsibility of the said payment initiation service provider, the Bank as the payment service provider servicing the transaction account, shall promptly, and no later than by the end of the first business day following the day of receipt of the User's notice of the unauthorised payment transaction, or after having otherwise learnt of the unauthorised payment transaction, restore the debited transaction account of the User as the payer to the state (balance) in which it would have been if the unauthorised payment transaction had not been executed, where the value date of credit made to the payer's payment account must not be later than the date on which that account has been debited with the amount of the unauthorised payment transaction.

(4) In case that the User proves that the Bank has failed to execute or has unduly or untimely executed the correct User's payment transaction initiated in conformity with the Framework Agreement and regulations, the Bank shall return to the User, on these grounds, the amount of the non-executed or unduly executed payment transaction, and if the User's transaction account has been debited, the Bank shall restore the account to the state (balance) in which it would have been if the unauthorised payment transaction had not been executed.

The Bank as the payer's payment service provider shall not be held responsible if it proves that the payee's payment service provider has received the amount of the said payment transaction and that the payment transaction has been executed using to the unique identifier specified by the User as the payer.

(5) Apart from what has been mentioned in the paragraph above, the Bank shall be accountable to the User also for all the fees collected from the User, as well as for all the interest resulting from failed execution, undue or untimely execution of the payment transaction.

(6) In case of the execution of an unauthorised payment transaction, failed execution, undue or untimely execution of the payment transaction, the User shall be entitled to default interest and to payment of the difference up to the full indemnification amount to be received from the responsible payment service provider, in accordance with the general rules for damage liability.

(7) The payment initiation service provider shall, at the request of the Bank as the account servicing payment service provider, be obliged to prove that, within the scope of the service it provides, the payment transaction has been authenticated, that the payment transaction has been correctly recorded and that no technical malfunction nor other deficiency in the service it provides has affected the execution of the payment transaction. If the payment initiation service provider is responsible for the unauthorised payment transaction, for failed execution, undue or untimely execution thereof, it shall be under an obligation to immediately refund to the Bank, as the account servicing payment service provider, at the Bank's request, the amount of the unauthorised payment transaction and other amounts paid by the Bank for said reasons to its payment service user, including also the amount of damage arising from the failure to apply strong customer authentication and other suffered damage.

(8) The User as the payer shall be responsible for the executed payment transactions, regardless of the amount, if the execution is the consequence of the use of a lost or stolen payment instrument or the consequence of other misuse of the payment instrument. The User as the payer shall be fully responsible for the execution of the payment transaction if it is the consequence of the User's fraudulent act or its wilful failure to meet one or more of its obligations from the Framework Agreement related to the manner of using the payment instrument or of handling personalised security credentials or failure to meet the said obligations as a result of gross negligence.



(9)The Bank shall not be under an obligation to refund the amount in question if it has a justifiable reason to suspect fraud and if it informs the Croatian National Bank of the said reason, as well as in the case of the wilful failure of the User as the payer to meet the obligations from the Framework Agreement related to the manner of using the payment instrument or of handling personalised security credentials or failure to meet the said obligations as a result of gross negligence, and in the case when the User as the payer fails to promptly notify the Bank of the identified loss, theft, misuse or unauthorised use of the payment instrument.

(10)In case of failed execution or defective execution of the payment transaction initiated through the payment initiation service provider, the Bank shall refund the amount of that payment transaction to the User, and if the User's account for payment has been debited, it shall restore the account to the state (balance) in which it would have been had the payment transaction not been executed.

(11)In case of the payment transaction initiated through the payment initiation service provider, the said provider shall be obliged, at the request of the Bank as the account servicing payment service provider, to prove that the payment service provider servicing the account has confirmed the receipt of the payment order and that, within the scope of service it provides, the payment transaction has been authenticated, correctly recorded and that the transaction has not been affected by a technical malfunction or some other deficiency resulting in non-execution or defective or untimely execution of the transaction.

(12)The User shall be deprived of the rights related to a refund as well as the rights related to non-execution, undue and untimely execution, regardless of the amount, if the User has failed to inform the Bank about the unauthorised and/or non-executed transaction and/or about the undue execution of the transaction and/or about delayed execution of the payment transaction, and if the User failed to prove the facts referred to in paragraph 3 of this Article, promptly upon finding out that such transactions took place, no later than within 60 days from the date of the debit/credit made to its transaction account.

(13)The Bank shall be required to provide a final reply to all the remarks contained in an objection no later than within the time limit prescribed by the Payment System Act (currently, the prescribed time limit is no later than within 10 business days from the receipt of an objection), on paper or by using another durable medium. By way of exception, if the Bank cannot provide an answer within the above-mentioned time limit, for reasons beyond the Bank's control, it shall provide a temporary reply within the time limit, stating the reasons for the late answer to the objection and the time limit within which the User shall receive a final response, which may not be longer than thirty-five days

(14)The User shall be entitled to lodge a complaint about the Bank's performance of payment transactions with the Croatian National Bank, in conformity with provisions of the Payment System Act.

(15)The User shall be entitled to lodge a complaint with the Bank, within time limits and in the manner described in the previous paragraphs of this Article, if he/she/it deems that the Bank disobeys the Regulation 924/2009/EC or Regulation 260/2012/ EU or Regulation 2015/751/EU, provided that provisions of the mentioned Regulations apply in the Republic of Croatia. The Bank shall provide a reply to the complaint within the time limit prescribed by the Law on the Implementation of EU Regulations Governing Payment Systems (currently, the prescribed time limit is no longer than 10 days from the receipt of the complaint). The User shall be entitled to submit a complaint to the Croatian National Bank about the Bank's actions, if he/she/it deems that the Bank has acted contrary to the Regulation (EC) No. 924/2009 or Regulation (EU) No. 260/2012 or Regulation (EU) 2015/751 or Article 4, paragraphs 2 and 3, or paragraph 4 of the Law on the Implementation of EU Regulations Governing Payment Systems, provided that provisions of the mentioned Regulations apply in the Republic of Croatia.

(16)The Bank's responsibility for inability to perform transactions under the Agreement and these General Terms shall be ruled out in cases when the Bank cannot, due to the application of other provisions, perform transactions hereunder, or due to exceptional and unforeseeable circumstances representing objective disruptions in the performance of subject



transactions. Disruptions shall be understood to mean all events and actions that make difficult or prevent the performance of payment transactions, which are caused by force major, war, riots, terrorist attacks, strikes, interruption of telecommunication lines, cessation of functioning or irregular functioning of the National Clearing System, TARGET2-HR (the Real Time Gross Settlement System), Financial Agency, other payment systems and/or SWIFT, and all other events, the occurrence of which cannot be attributed to the Bank.

(17) The Bank also shall neither be liable for non-execution nor for untimely execution of payment transactions or for the execution of unauthorised payment transactions in the following cases:

- if the execution of an unauthorised transaction and/or untimely execution of an authorised payment transaction and/or non-execution and/or defective execution of the payment transaction is the consequence of the User's fraud, fraud committed by its authorised persons or if the User or its authorised persons do not meet the obligations under these General Terms and Agreements and/or separate general terms that regulate handling of payment instruments, in connection with taking of measures for the protection of personalised payment instrument features;
- if it is established that the User's payment order is counterfeit;
- in the segment for which the User is responsible in conformity with Article 11 of these General Terms, if the execution of an unauthorised payment transaction is the consequence of the use of a stolen or lost payment instrument or a misused payment instrument;
- if the execution of the unauthorised transaction and/or untimely execution and/or untimely execution of the authorised payment transaction and/or non-execution and/or defective execution of the payment transaction is the consequence of exceptional and unforeseeable circumstances which the Bank cannot influence, or despite its best efforts, fails to influence, and the consequences of which could not be avoided;
- if the obligation to execute the payment transaction ensues from the law or another regulation binding upon the Bank.

(18) The User shall not be responsible for unauthorised payment transactions:

- if the User could not/was not able to detect the loss, theft or misuse of the payment instrument before the execution of the unauthorised payment transaction,
- if the unauthorised payment transactions are the consequence of an action or a failure/omission of the Bank's employee, representative or branch office, or of a subject to which the Bank outsourced its activities, - if the Bank has not secured adequate means for the reporting at all times on the loss, theft or misuse of the payment instrument or on its unauthorised use,
- if the Bank as the payment service provider to the payer does not request, or the payment service provider of the payee does not apply the requested strong customer authentication,
- for unauthorised payment transactions executed after the User has reported them in conformity with Article 11 of these General Terms, save for the case when it acted with the intention to commit fraud.
- if funds have been paid into the User's transaction account without any legal grounds, the User shall be required to return them to the payer.

(19) The User shall not be entitled to request a refund from the Bank for the executed authorised payment transaction debited against the User's account that has been initiated by or through the payee. The User may request the refund from the payee. In conformity with provisions of the Payment System Act, the right to a refund shall be fully excluded as provided for in Article 48, Refunds for authorised payment transactions initiated by or through a payee (by not enforcing this right, the right to a refund shall be excluded with regard to authorised payment transactions initiated by or through the payee) and provisions of Article 49, Requests for refunds for authorised payment transactions initiated by or through a payee, and provisions of Article 59, Payment service provider's liability for the execution of a payment transaction initiated by or through the payee.

The initiation of a payment transaction by the payee to be debited from the User's transaction account shall be regulated under a separate agreement concluded with the Bank.

The Bank, in conformity with these General Terms, shall be authorised to initiate/submit an order for payment to be executed by debiting the User's transaction account for the purpose of collection i.e. settlement of any past due User's obligation to the Bank arising from any contractual relationship.

(20)The Bank shall not be held liable when, due to the implementation of measures for the prevention of money laundering and terrorism financing, the proliferation of weapons of mass destruction and the implementation of international restrictive and embargo measures in accordance with effective laws and accompanying regulations that govern measures and actions for preventing money laundering and terrorism financing, the proliferation of weapons of mass destruction and action related to restrictive and embargo measures, i.e. for the implementation of obligations ensuing from the FATCA and/or CRS regulations, it rejects executing or cancels the payment execution or payment collection or if, for the same reason, pursuant to the regulations, it extends the deadlines stated in the "Time of receipt and execution of payment orders" document.

At the request of the Bank, the User shall be obliged to deliver, along with the accurately and completely filled-in orders, additional data/documentation (including but not limited to data on the type and TARIC number of the goods, price, contractual documentation and invoices) and appropriate conformity declarations in order to implement the measures from the previous paragraph, and in case of the rejection of acting upon the Bank's request, the liability of the Bank shall be excluded if it rejects executing or cancels the payment or payment collection or if, for the same reason, it extends the deadlines stated in the "Time of receipt and execution of payment orders" document.

(21)If it is the matter of solving a request or a complaint/an objection raised by the User or another data subject (as the latter is defined by the General Data Protection Regulation) to the processing of personal data and the exercising of their rights associated with the personal data processing, the complaints procedure and the time limits referred to in the GDPR and in the "Information on processing personal data of natural persons within business with legal entities" shall apply.

## Article 16

### **Disposal of funds in transaction accounts; Credit approval - allowed overdraft of the account**

(1)The User may use i.e. dispose of funds in the transaction account (via cash and cashless transactions, while observing the prescribed limitations) by using disposal instruments in accordance with provisions of laws and related regulations and the Bank's by-laws, up to the amount of the transaction account balance, i.e. up to the amount of transaction cover. The cover in the transaction account shall be understood to mean the account balance as at the previous day plus inflow of funds during the day, plus funds under a loan agreement concluded with the Bank, on the permitted account overdraft referred to in the below-mentioned paragraph of this Article, and less the payment made that day by i.e. before the time when the cover amount is determined.

Instruments for disposal of funds in the transaction account include: correct payment orders, electronic orders under a separate agreement concluded with the Bank and other instruments as stipulated by the existing laws.

The User may submit transfer (cashless) payment orders for execution on the same day/date when the execution is requested or in advance, according to the document „Time of receipt and execution of payment orders“. For cashless i.e. transfer payment orders, orders for cash disbursement and orders for calculation, consent shall be given in conformity with Article 8 hereof.

(2) The Bank may, in conformity with its by-laws, approve i.e. enable the User the use of funds in excess of the available balance in the transaction account by granting a loan – an authorised overdraft of the account, which is regulated by a separate agreement signed by the Bank and the User.

The Bank shall be entitled to deny the use of a loan and cancel the loan agreement in cases referred to in the following paragraph of this Article.

(3) The Bank, too, may dispose of funds in a transaction account, without the User's consent, on the basis of orders received from the Financial Agency in conformity with the Attachment of Accounts Act, as amended, and also on the basis of orders received from other competent bodies, in accordance with effective regulations.

(4) Collection under bills of exchange and cheques shall be made in conformity with effective regulations.

(5) By signing the Agreement, the User explicitly and irrevocably authorises the Bank, without any further consent or approval of the User being required, to recover any past due obligations in the amount due and payable under any relationship with the Bank, by directly debiting all the User's accounts opened with the Bank, particularly in the following cases:

- for the purpose of correcting obvious errors that might occur in the fulfilment of obligations under the Framework Agreement or
- when the User's account is credited, and there is no cover at the Bank whose amount would match the credited amount.

If the User's account is credited based on the order for which the Bank receives the information from the payer's bank that it is the case of an unauthorised order, or if the Bank suspects an instance of fraud or misuse, the Bank reserves the right to prevent access to i.e. use of such disputed funds in the transaction account.

(6) The User shall not be allowed to pledge or assign receivables that could be claimed at any time, under any transaction account or deposit account (time deposits) opened/held at the Bank, without the Bank's prior written consent.

(7) All changes in a transaction account shall be value dated as of the order execution day.

## **Article 17**

### **Time deposits**

(1) The User can make time deposits by using funds in the transaction account, under a separate agreement concluded with the Bank. If the funds are used for time deposits and are pledged as security for the Bank's claims against the User generated under a contractual relationship, the User shall not be allowed to dispose of funds held under a time deposit before the full settlement of secured claims, unless otherwise stipulated in the time deposit agreement.

(2) The Bank shall insure the creditors' deposits with the competent institution in the Republic of Croatia in conformity with a special law and special regulations that accompany the said law.

(3) Written information on deposit insurance are available on the Bank's customer service premises and on the web pages of the Bank ([www.pbz.hr](http://www.pbz.hr)) and of the Croatian Deposit Insurance Agency ([www.haod.hr](http://www.haod.hr)).

## **Article 18**

### **Payment and other services regulated by a separate agreement and/ or separate general terms**

(1) The Bank shall allow the User, at his/her/its explicit request, and if the Bank considers it reasonable in terms of business, to use other payment services and other services linked to a transaction account, with regard to which the Bank and the User, at the Bank's request, may conclude also separate agreements, as follows:

- electronic banking services;
- digital banking service (mobile and Internet application);
- issuance and use of debit cards for legal entities;
- Global Cash Management;
- the service of receipt and processing of valuable shipments that contain the User's daily earnings;
- conversion and purchase/sale of foreign exchange;
- Cash Pooling service;
- opening of documentary letters of credit;
- collection against documents;
- collection of foreign issued cheques;
- bills of exchange collection;
- escrow operations;
- other services that have not been mentioned here, in conformity with legal provisions.

(2) The Bank may regulate the use of other payment services and other services by separate general terms.

### **Article 19**

#### **Framework Agreement cancellation, blocking and closing of a transaction account**

(1) The Framework Agreement shall cease to be valid in the following cases:

- if it is cancelled by the Bank or the User, in the manner and within time limits provided for in the Agreement;
- if it is cancelled by mutual consent;
- if the User ceases to exist/operate (which includes the death of the User – natural person operating in his/her line of business or as a self-employed professional);
- on the basis of the decision of a court or another relevant body, or if laid down by law and regulations;
- if the period for which the Agreement has been concluded has expired, provided it has been concluded for a definite period of time.

The Bank shall close the transaction account as of the date of Framework Agreement cancellation, unless otherwise provided for by mutually agreed cancellation, by law, by regulations or a decision made by the court or other relevant body.

In the event of death of a natural person operating in his/her line of business or as a self-employed professional, the Bank shall, upon presentation of a final deed of inheritance, disburse the funds in transaction account - if any, to the heirs/successors listed in the final inheritance deed and shall close the account. The successors listed in the final inheritance deed shall be obligated to settle possible debts in the transaction account.

(2) The Bank may, except for reasons provided for in the Agreement, without previously notifying the User, cancel the Framework Agreement and close the transaction account if:

- The Framework Agreement is not executed – when there have been no transactions in the transaction account for at least 12 (twelve) months;



- The Bank has received the order for the closing of the account from the relevant authorities (FINA, the court at which the relevant register is kept, and similar);
- The User's transaction account is under continuous blockade for over 12 months, with zero account balance;
- The User who is a natural person has ceased operating in his/her line of business or as a self-employed professional.

The Bank shall deliver a notice of cancellation of the Framework Agreement, referred to in this paragraph, to the User in writing subject to a 30 (thirty)-day notice period, counting from the day when the cancellation notice is delivered by registered mail to a legal entity authorised for receipt, transport and delivery of registered mail under the existing regulations. The cancellation notice shall be delivered to the User's most recent address supplied to the Bank.

The Bank shall be entitled to cancel the Framework Agreement without notice period and with immediate effect, and shall close the transaction account:

- if the User breaches the provisions of the Framework Agreement and/or fails to observe the provisions regulating payment transactions;
- if the User fails to deliver the requested data and documents required for account maintenance, or delivers to the Bank incorrect or untrue personal data or other data indispensable for correct and lawful rendering of the service;
- if, when executing the Framework Agreement, the User acts contrary to coercive provisions, customary rules of behaviour or morality, or if he/she damages the Bank's reputation;
- if, during a 90-day period or longer, the User fails to settle the obligations concerning the payment of fees for the performance of transactions in the transaction account.

The notice of cancellation of the Framework Agreement referred to in this paragraph shall be delivered by the Bank to the User in writing. The cancellation shall take effect on the date when the cancellation notice is handed over as registered mail to a legal entity authorised under the existing regulations for receipt, transport and delivery of registered mail. The cancellation notice shall be delivered to the User's most recent address supplied to the Bank.

(3)Based on the order by the Financial Agency or some other relevant body, and in conformity with effective laws and regulations, the Bank shall debit the User's transaction account, attach (seize) or transfer funds in favour of the payee, and block the User's accounts opened with the Bank.

(4)The Bank shall close a transaction account under the conditions specified in the Agreement, in conformity with laws and/or other regulations, and the Bank's decision.

(5)If a transaction account is closed due to the Framework Agreement cancellation/termination, such cancellation/termination represents the reason for cancelling/terminating all separate agreements on other services related to a transaction account. However, the cancellation/termination of one or several separate agreements on other services shall not have as a legal consequence cancellation of the Framework Agreement.

(6)After closing of the User's account, the Bank shall transfer funds to a separate account of the Bank until their final disbursement to the User, and shall promptly notify the User thereof.

The account holder may at any time deliver to the Bank the proof of ownership of funds that were held in the closed account, and may claim such funds from the Bank.

Should the account be closed pursuant to the provision of a law or other regulation, the Bank shall notify the User thereof, and shall deliver to the User, at its/his/her request, a photocopy of the relevant law or regulation.

(7)The Bank may charge a fee to the User for the cancellation of the Framework Agreement in conformity with the Decision on fees, if the Agreement was in force less than six months before the cancellation occurred. Notwithstanding the foregoing, if the User does not accept the amendments to the Framework Agreement as provided for in Article 21,

par. 2 hereof, and therefore cancels the Framework Agreement, the Bank shall not charge any fee for such cancellation of the Framework Agreement.

## **Article 20**

### **Information availability**

(1) General Terms and provisions of the Bank's by-laws regulating the matters of the level and method of calculating interest and fees, are available to present and future Users as prior information on the web pages of the Bank ([www.pbz.hr](http://www.pbz.hr)) and on the Bank's customer service premises intended for operations with Users.

(2) It shall be deemed that, by making available information referred to in the previous paragraph of this Article, the Bank has met the obligation of providing prior information in line with Article 23 of the Payment System Act.

## **Article 21**

### **Final provisions**

(1) The Bank reserves the right to make amendments to these General Terms. The Bank shall make available to the User any amendments thereto, including also the change of the title of the Terms or replacement of the Terms with the new ones, in writing or via telecommunication/electronic channels, at least 15 days before the entry into force of the amendments to the General Terms, of the new general terms or of other Bank's by-laws, to whose implementation these General Terms refer. It shall be deemed that the User has accepted the amended terms if, by the proposed date of their entry into force, the User has not notified the Bank of its/his/her non-acceptance thereof.

(2) If the User notifies the Bank in writing, within the time period referred to in the previous paragraph, that he/she does not accept the amendments to the General Terms or Bank's by-laws to which the General Terms refer, it shall be deemed that the User does not wish to continue business cooperation with the Bank. Hence, the User shall be obliged to cancel the Framework Agreement and all separate agreements on other services, if they have been concluded, by the proposed General Terms amendment date, and settle all due obligations to the Bank.

(3) These General Terms shall apply to all Agreements on the opening and managing transaction accounts and agreements on the opening and managing resident/non-resident foreign currency accounts concluded by the effective date of these General Terms.

Provisions of these General Terms related to a "transaction account" shall be adequately applied to the "account" referred to in the Agreement on the opening and managing a business account, as well as to the "foreign currency account" referred to in the Agreement on the opening and managing a foreign currency account of a resident/ non-resident. Should certain provisions of the Agreement on the opening and managing a business account and/ or the Agreement on the opening and managing a resident/ non-resident foreign currency account be contrary to the provisions of these General Terms, the provisions of these General Terms shall be applied.

(4) Any issue not regulated by the Framework Agreement concluded between the Bank and the User shall be governed by the currently valid laws and regulations, as well as by general and specific by-laws of the Bank, including their subsequent amendments.

(5) If, after the adoption of these Terms, some of the issues regulated herein prove to be dealt with in a different way by relevant laws and regulations, the currently valid laws and regulations shall be applied, until the relevant amendments to these General Terms are made.



(6) Titles of certain sections hereof shall serve for easier reference only and shall not affect their interpretation in any way.

(7) These General Terms have been drawn up in Croatian and in English. In the event of any inconsistency between the Croatian and the English wording, the Croatian version shall prevail.

(8) These General Terms shall be governed by the law of the Republic of Croatia, excluding conflict-of-law rules. For any dispute arising hereunder, the competent court shall be the court in Zagreb.

(9) During the validity period of the Framework Agreement, the User and the Bank shall communicate in the language which is specified in the Request.

(10) These General Terms shall take effect:

- in the part of implementing obligations pursuant to *Regulation (EU) 2024/886 of the European Parliament and the Council of 13 March 2024 on amending regulations (EU) No. 260/2012 and (EU) 2021/1230 and directives 98/26/EC and (EU) 2015/2366 with regard to instant loan transfers in euros on 9 January 2025,*
- in the part on acting with authorisations from the "List of Persons" document on 1 February 2025,
- all the other provisions of these General Terms take effect on 2 December 2024,

and these General Terms revoke the General Operating Terms of Privredna banka Zagreb d.d. for transaction accounts and the performance of payment and other services for non-consumers from 23 January 2024.

**Zagreb, 19 November 2024**