

According to Article 73, paragraph 3, item 4 of Law on banks (Official Gazette of RS, No. 107/2005) and Article 22, paragraph 4, item 4 of Articles of Association of FINDOMESTIC BANK AD BELGRADE, Managing Board of the Bank on its meeting held on October 23, 2009, established and made the following:

GENERAL CONDITIONS OF OPERATION OF FINDOMESTIC BANK AD BELGRADE

I INTRODUCTORY NOTES

General conditions of operation of FINDOMESTIC BANK AD BELGRADE (hereinafter: General conditions of operation) contain conditions for establishing relation between the client and FINDOMESTIC BANK AD BELGRADE (hereinafter Bank) upon performance of all business transactions, the procedure of communication between the client and the Bank and other issues important for operation of the Bank with clients.

The concept of bank herein assumes FINDOMESTIC BANK AD with head office in Belgrade, with all organizational parts, regardless of location in which organizational part is situated.

In addition to General operating conditions, Bank applies on its relations with clients acts which in detail define particular area of Bank operation, which directly support implementation of general conditions.

General act of the Bank regulates operating conditions, and amendments of such acts, establish terms for entering into force and application.

When establishing those terms, the Bank is obliged to provide realization of principles of transparent undertaking of the Bank towards clients, namely, to provide clear, comprehensible and unambiguous information of Bank's clients about made or amended acts of the Bank.

General act enters into force either on the date it is made/or announced, or after expiry of particular number of days from its making and/or announcing. General act that regulates conditions of business can be applied not earlier than 15 days from the date it is published.

The Bank announces general acts that regulate operating conditions, as well as their amendments, by putting them on the noticeable spot in branches of the Bank and /or on the internet page of the Bank and/or in manner and within deadline established according to effective regulations. It is considered that client is familiar with contents of the act of the Bank announced in such manner.

These general operating conditions are applied to relations between the Bank and client made on the following basis:

- Written agreement between the Bank and the client,
- Application form or other document signed by the client according to acts of the Bank,
- Other forms of business cooperation between the Bank and the client arising out of effective regulations and acts of the Bank, without establishing written contractual relation.

The Bank enables client to become familiar with these general operating terms, fully or in part that refers to particular bank product by making available inspection at the premises of the Bank when concluding agreements, in writing or orally (for example, to illiterate person or a person with functional disability), as well as by submitting excerpt from the general conditions according to relevant decisions of NBS.

These general operating conditions also apply to relations between the Bank and the Client, if it is possible for the client to become familiar with them in manner mentioned in previous paragraph. By signing the agreement, the client acknowledges that he/she is familiar with such conditions and that he/she consents to them, of which the provision is entered into individual agreements concluded with the clients by the Bank. On these amendments of General operating conditions, the Bank will promptly inform the clients in manner stipulated under conditions and relevant regulations and decisions.

In case of discrepancy between concluded agreement and acts of the Bank, in relations between the Bank and client, most binding are provisions of concluded agreement, then provisions of these general conditions and provisions of other acts of the Bank which in detail define special areas of its operation and which are important for implementation of these general conditions.

The client of the Bank is either physical person or legal entity that uses or used services of the Bank or a person that approached the Bank for using services, in manner explained herein.

The client of the Bank is entitled to seek and receive corresponding explanations and oral instructions referring to application of General operating conditions.

II RIGHTS, OBLIGATIONS AND LIABILITY OF THE BANK

Bank is obliged to act with due diligence in business relations with client, according to effective regulations, acts of the Bank and good business practice.

The Bank is entitled to freely make selections of the clients with whom it will establish business relations based on evaluation of competent offices of the Bank and decisions of their organs, which include discretion right to refuse to conclude the agreement, i.e. providing services to client.

The Bank will only assume obligations and liabilities that are regulated under these General operating conditions, except in case when it is established by effective regulations, or acts of the Bank, namely, if it is agreed between the Bank and the Client in writing.

In business relation between Bank and client, Bank will not be responsible for the damage:

- Caused by force majeure, war, emergency, strike and other or due to circumstances beyond its control;
- Caused by procedures undertaken by competent authorities in country and abroad, or as a consequence of disturbance of its operation which Bank was not able to prevent or avoid;
- Caused by business actions of the client made on basis of oral communication with the Bank or written communication in which unconditional obligation of the Bank was not stated.

The stated also applies in case that Bank reasonably on particular dates or for defined period suspends or limits its business activity.

Bank is obliged to act according to written instructions provided by client which refer to opening, administering and closing the account, if these are in accordance with valid regulations, as well as acts of the Bank.

The Bank is entitled to dispose of funds on client's account, without client's written consent or order, in the following cases:

- In the procedure of enforced payment, for the purpose of payment based on legally binding and executive decisions of the Court or other state authority;
- In other cases prescribed by law and sub-legal acts.

The Bank is entitled to block without client's consent the possibility of using services and/or products, partially or fully, for reasons of preventing money laundering and financing terrorism, according to effective regulations.

In order to comply with principles of transparency and to inform clients as comprehensive as possible, Bank is obliged to put on the noticeable spot in branches of the Banks or at the request of the client make available, the following acts, as well as amendments thereof:

- Effective exchange rate;
- Interest rates per products, in accordance with relevant regulations;
- Tariff for charging fee per all products;
- Acts of the Bank, or their excerpts, that regulate conditions of business operation, as well as other information important for realizing business relation between the Bank and its clients;
- These general operating conditions.

Communication between client and the Bank is made via informative or advertising material available on Bank counters, internet presentations, phone contact, direct oral communication and direct communication in writing, as well as other electronic forms of communication.

Client can establish oral communication on the Bank counter, via phone, or Call Center.

Exclusively based on written consent of the Client, the Bank is entitled to use data about client referring to address, phone numbers, fax, e-mail address and other data for making contact, which client provided to Bank when signing the agreement, i.e. application form, for delivering notification on its activities, products and services to Client through booklets, publications, electronic messages as well as other means of business communication and business presentation.

III BANK SECRET

Bank secret is a business secret.

Banks secrets are the following:

- Data known to Bank and referring to personal data, financial status and transactions of client, as well as ownership or business connections of the client of our or other bank;
- Data on status and transactions on individual deposit accounts;
- Other data that Bank has acquired while operating with the clients.

The Bank and members of its organs, shareholders and employees in the Bank, as well as external auditor of the Bank and other persons who due to nature of their job have access to information under foregoing paragraph, are obliged to keep such information confidential and not to convey it to third parties, or use it contrary to interests of the Bank and its clients, or use it in manner that they or third parties can realize material benefit from it, or to enable to third parties access to such information.

The obligation of such persons to keep business secret under foregoing paragraph will be effective even after expiry of status based on which they had access to information under foregoing paragraph.

Bank secrets exclude:

- Public information and information available to interested parties with reasonable interest from other sources;
- Consolidated information based on which individual identity of the client is not revealed;
- Information about shareholders of the bank and amount of their share in equity of Bank, as well as information on other persons with interests in Bank and information about such interest, whether or not they are clients of the Bank;
- Information referring to regular fulfillment of obligations of client against Bank;
- Other information stipulated under relevant regulations.

The obligation of keeping bank secret will not apply if information are communicated to: organs of court and executive authorities, as well as other organs and organizations, in accordance with authorizations prescribed by law and other regulation, as well as to association established by the banks in order to collect data on amount, type and up-to-date fulfillment of obligations of bank clients.

Upon establishing business relation with the Bank, client consents that Bank can communicate the information on client representing the business secret to third parties under the conditions stipulated in Bank's acts.

The Bank is entitled, in accordance with entered agreement and effective regulations, to deliver data: in connection with concluded agreement, about client and its associated persons, filed documentation, as well as other data that are considered as bank secret, forward them to central database of FINDOMESTIC Group, members of their organs, shareholders, employees in the Bank, external auditors of the Bank, as well as other persons who due to nature of their job must have access to such data, as well as third parties with whom Bank concluded the Agreement that regulates treatment of confidential information.

Client agrees that Bank can obtain from other bank, whose service client was using, report with data on client's prior manner of using services.

IV RIGHTS, OBLIGATIONS AND LIABILITIES OF THE CLIENT

Clients of the Bank are legal entities or physical persons.

In terms of these general operating conditions legal entities include: company, bank, voluntary pension fund, insurance company, company for managing voluntary pension funds, company for managing investment fund, investment fund, stock market, broker-dealer company, cooperative, other legal entity, entrepreneur, registered agricultural farm, social organization and associations of citizens, as well as other form of organization bearing the capacity of legal entity.

Physical person is an individual, except for persons mentioned in definition of legal entity.

The clients of the Bank – legal persons are obliged to inform the bank on status or any other changes that are registered with the Agency for Companies' Registers or any other competent organ, not later than three days from the date of preparation and delivery of decision on registration of such change to Client.

Client -physical person is obliged to immediately and promptly inform the bank on changes in residence/address, as well as name and surname.

Persons from foregoing paragraph are obliged to inform the Bank on all other changes that affect or might affect free business operations of the client through Bank, as well as regular fulfillment of obligations of the Bank against clients, in accordance with effective regulations and acts of the Bank.

Client is obliged to deliver to Bank all documentation prescribed by effective regulations and acts of the Bank upon establishing the relation with the Bank.

Client is entitled to file objection to each document of the Bank that establishes client's rights and obligations. The Bank is obliged to discuss client's objection by applying effective regulations and general and special acts of the Bank, as well as to give opinion in writing within reasonable time period not exceeding 30 days.

Client, or authorized person, can approach the Bank in writing (through mail, e-mail message or fax) and request from the Bank information referring to:

- Information on balance and changes on account;
- Balance of the loan;
- Amount of interest rates and fees for particular type of operation;
- Conditions for realization of particular bank product;
- Documentation necessary to be delivered to Bank;
- Other information referring to General operating conditions or actual business relation between the Bank and client.

Requested and other information the Bank will deliver to the address of residence of applicant, to his/her e-mail address, via interactive voice response or in other corresponding manner which fully fulfills all conditions in connection with providing comprehensive and explicit information, as well as safety of confidential information. For delivering and informing the client, Bank exclusively uses the data that client gave in its request, i.e. client gave to the Bank when establishing contractual relation, i.e. during business cooperation.

In case that client fails to promptly inform the Bank on change of the address of residence or main office, as well as other data which are or might be important for regular deliverance of correspondence sent to address that client gave, will be considered as promptly delivered, and any obligation of the Bank towards client arising out of or in connection with executed delivery in such case, will be considered as delivered:

- On the date of delivering the correspondence to post office for sending by registered mail;
- On the date of delivering the delivery to the courier firm;
- On the date of delivering it in other manner at Bank's discretion.

If a mail delivered to Client (reports, notifications and other information sent to client in connection with concluded agreement with the Bank), is returned due to incorrect address, or any other incorrect data given by client, Bank is entitled to stop sending written correspondence, until client informs the Bank about the change of data important for such delivery.

Also, obligations of the bank on informing the client will cease if it is established that registered phone numbers and/or e-mail addresses do not belong to client or they are incorrect.

Documents and notifications delivered to the Bank by Client, depending on nature of the job, acts of Bank and concluded agreement, at the request of the Bank are delivered:

- In original, or photocopy, with or without verification of the municipality or court that it is true copy;
- With certified translation into Serbian language, made by sworn court interpreter (for documents and notifications in the foreign language);
- In case of foreign public or private document, Bank can require that such document have international certification (apostille or other legalization, depending on the country of the origin of document and international agreement).

Client will bear the damage arising out of the breach of obligation to inform the Bank in terms of provisions of this section.

Upon delivering the order to the bank, client's orders must be explicit and unambiguous, in writing or in other agreed form, in accordance with effective regulations and acts of the

Bank. If client needs urgent execution of the order, he/she must specially inform the Bank while delivering the order.

In case that Bank evaluates that it is not able to execute the order it will inform the client in reasonable time period.

Client will bear all the damage caused by inexplicit and ambiguous orders.

Client must promptly check accuracy and completeness of statement of current and other accounts, as well as other statements received from the Bank. In case client has any objections, client must file objection in agreed time period, and expiry of time period for objections will be considered as accepting the document delivered by the Bank. Manner of delivering statement, reports and other documents of the Bank is regulated by Agreement concluded between client and the Bank.

Client is entitled, according to Decision of NBS on manner and procedure of implementation of general operating conditions that bank applies in relation to clients – physical persons, to receive without compensation, in writing, information, data and instructions in connection with his/her business relation with the Bank, and Bank is obliged to deliver them, i.e. to prepare them in comprehensible manner.

Client who intends to conclude with the bank agreement on opening, administering and closing the account, loan agreement or agreement on issuance and use of payment cards, in accordance with Decision of NBS on manner and procedure of implementation of general operating conditions that bank applies in relation to clients – physical persons, is entitled to receive at his/her request, without compensation, texts of such agreements – as proposition for their conclusion.

V GENERAL TERMS OF PERFORMANCE OF BANK OPERATIONS

1. Accounts

Bank will conclude with Clients agreement on opening and administering accounts in RSD and in foreign currency, in accordance with effective regulations and acts of the Bank.

Upon opening the account, Bank will request from the client to deliver documentation stipulated by effective regulations and acts of the Bank.

Bank will charge to client fees based on tariff in accordance with effective regulations and acts of the Bank.

2. Deposits

Deposit is money obligation of the Bank, dinar (local currency) or foreign currency, which arises out of deposit, current account or other money account, based on which legal or contractual obligation of the Bank to recover the money is established.

Deposit can be a vista deposit or fixed-term time deposit, and fixed-term deposit can be short-term and long-term, with purpose and without purpose, with or without notice period.

Conditions of accepting deposit, rights and obligations of the Bank and client are regulated by this agreement.

Client who deposits the funds with the bank, will receive from the Bank interest in the amount established under acts of the Bank and agreement based on which the client deposited the funds with the Bank.

Bank is entitled to prescribe, in accordance with effective regulations and acts of the Bank, minimum and maximum amounts of fixed-term time deposits interest rates, periods of time deposits and other conditions.

In terms of application of Decision on NBS on unique calculation and expression of effective interest rate to loans/deposits (hereinafter EKS), Bank is obliged to deliver to client, in the offering phase, a form Basic data on credit/deposit. EKS is expressed in percents with two decimals, by rounding second decimal and is effective from the date of calculation.

3. Placement of funds

Bank will place the funds as approval of loans, placement into securities, issuance of guarantees, avals and other forms of bond, opening of letter of credit and other operations, abiding by effective regulations and acts of the Bank.

Conditions for evaluation of creditworthiness of client are regulated under effective regulations and acts of the Bank.

Bank approves placements in accordance with effective procedures and acts of the Bank.

Placements which Bank approves to clients that fulfill required conditions of creditworthiness, depending on time of repayment can be short-term (up to 12 months) or long-term (over 12 months), depending on the purpose of credit, with purpose and without purpose.

According to decision of authorized organ of the bank on approval and condition of placement, the written agreement is concluded with the client, which defines the conditions of using authorized placement.

According to type of placement, Bank will accept the following instruments of payment and security of payment for regular repayment of the due outstanding claims against the Bank:

- Standing order for recovery of obligations based on placement by debiting current or other account of the client;
- Stop order for salary;
- Blank single bill signed and verified by the client, with bill of exchange letter-authorization;
- Blank single bill of issuers-physical persons;
- Joint guarantee of legal entity or physical person;
- Contractual authorizations;
- Guarantee deposit, termed with Bank by the client and/or third party which can be legal entity and/or physical person;
- Pledge over movable property and rights, according to effective regulations that regulate pledge right over movable things and rights registered into register;
- Mortgage over real estates, according to effective regulations that regulate establishing and registration of mortgage over real estates;
- Assignment of claims that is regulated by corresponding agreement;
- Guarantees of foreign and domestic banks and aval bills by banks acceptable to Bank;
- Insurance of credit with insurance companies acceptable for the Bank;
- Guarantees, bonds and insurance of funds and companies founded by the Republic of Serbia, Autonomous Provinces and local administrations established in accordance with Law.

For movable property and real estates that is a subject of pledge, i.e. mortgage established in favor of Bank, Bank can also request insurance with insurance company acceptable for the bank, with mandatory vinculation of insurance policy in favor of bank, which is specially defined upon establishing conditions of each actual product.

Acceptable insurance companies are those from the list of the Bank which is available to the client, and other companies suggested by client – in accordance with estimation of the bank.

According to estimation of the risks, Bank can request from the client to also deliver other security instruments not regulated hereof.

If, during the period of repayment of the loan, submitted security instrument become inadequate, i.e. insufficient to secure claims of the Bank, Bank can request from the client to submit other security instrument.

In case that client fails to act according to request of the Bank and in defined period fails to deliver requested additional security instruments, Bank is entitled to announce said claims due and execute enforced payment, as well as to activate each and all security instruments submitted to bank based on corresponding agreement.

Bank can assign said claims against the client to third parties, about which it will inform the debtor according to law.

For collection of due claims against the client, Bank can use all RSD funds of the client kept as deposit a vista on RSD accounts with the Banks, as well as equivalent exchange value of foreign currency funds with the Bank, securities and other funds kept with the Bank, if by court order or decision of competent court the execution of such instruments is exempted, if the Bank is authorized for such collection by the agreement with the client.

Bank is entitled to control use of funds of loans and regularity of client's execution of other obligations under the agreement, in manner and per procedure established by effective regulations and acts of the Bank.

The Bank is entitled to UNCONDITIONALLY stop further use of approved and renewed framework loan and establish appropriate property –legal request against client.

In terms of Decision of NBS on unique calculation and expression of effective interest rate/deposits, Bank is obliged to deliver to client, in phase of offer, application form Basic data on loan/deposit. Upon conclusion of agreement on loan, Bank will deliver to client Plan of repayment of loan and Summary of important elements of repayment of loan.

In case that EKS changes due to change on elements based on which it is calculated, the Bank will inform the Client in writing and prior to application of changed EKS.

EKS is expressed in percents with two decimals, with rounding the second decimal and is valid from the date of calculation.

Unless otherwise agreed, client is entitled to repay the loan fully before the maturity term provided that client informs the Bank in agreed time period before early repayment with payment of compensation in the amount established according to acts of the Bank that regulates tariffs for fees which are charged by the Bank.

4. Payment cards

The Bank issues payment cards to Bank's clients under conditions established by valid regulations and acts of the Bank.

Each issued payment card is the Bank's ownership.

Payment cards issued by the Bank to clients, physical persons and legal entities and entrepreneurs may be debit and credit, national and international.

Fees for issuance and use of payments cards are defined according to the Bank's act which regulates the tariffs of fees charged by the Bank from clients.

Data that refer to business affairs related to cards, the Bank will keep and use according to the law.

User explicitly allows to the Bank to furnish, process and keep personal data stated in the Request by means for automatic processing or classical means.

If User keeps the card and he is notified about changes or amendments of these General Terms of Operations, this means that he agrees.

User that does not want to use the card under changed conditions is obliged to cancel the card and return it to the Bank in a manner and within deadline regulated by agreement.

The card is non-transferable, meaning that only the User can use it. All the cards may be used in the country and abroad in all the sale points and ATMs that have the sign of the card in question. Rules defined by this paragraph are valid unless differently stated in the Bank's acts.

Due to security of conducting operations with a card, User is obliged to keep it and act with it responsibly.

Card user bears all the legal responsibility for unauthorized use of card issued in his name, including all the additional cards.

For solving complaints referring to the use of business cards an appropriate Bank unit is responsible. All the complaints are filed by Users in writing, by using appropriate form, at the counters of Bank's branches.

Final deadline for filing a complaint is 30 days after the transaction.

If the complaint is unfounded, the Bank will calculate expenses of complaint to User according to the valid Decision about tariff of fees for services that the Bank applies in its business.

The Bank is not responsible for the quality of goods and services the Purchaser pays with his card and is not responsible for possible disputes caused by quantity or quality faults of goods. User directly at the sale point reports misunderstandings and is obliged to fulfill his obligations to the Bank based upon using the payment card regardless of the problem with the sale point.

The Bank does not assume any material responsibility for any damages caused by electronic commerce, internet, postal order or telephone sale.

User notifies the Bank about the destruction of card in writing by filling in appropriate form (at the Bank's branch).

User of the card bears all the risk for possible unauthorized use of card (not signed card, disclosure of PIN, giving card to another person etc.).

In case of losing or stealing payment card User is obliged to report the loss of the card by phone (+381 11 300 6000) to the Customer service so as to block the card and prevent its misuse.

That notification must be confirmed in writing by using appropriate form, at the closest Bank's branch, within 3 days as of reporting to the Bank. The User may also report the loss/theft of the card personally in any of the Bank's branches.

The Bank does not bear any material responsibility for damages caused as a result of loss or theft till the moment of reporting the event to the Bank.

On the day of being notified about the loss, theft or another misuse of the card the Bank will announce the card invalid through electronic systems of protection.

If user finds the card after reporting it to be lost, he may not use it, but must return it to the Bank without delay.

If the user does not cancel the use of the card within 60 days the latest prior to the expiration of card's validity and uses the card according to these General Terms of Operations, the Bank will automatically renew his membership and issue a new card.

Deadline of validity of this card is written on the card.

User at the request of the Bank must return the card. One can cease to use the card at his own initiative (cancel the use) or by depriving rights to use by the Bank (prohibition to use).

Cancellation of use is possible within 60 days the latest prior to expiration of card's validity.

The Bank is entitled to UNCONDITIONALLY terminate further use of approved limit for a credit card and set appropriate property-legal requirement against User.

In case of cancellation or prohibition to use the card, User is obliged to return the card to the Bank and fulfill all the obligations arising from card operations, including additional cards, till the day of returning the card to the Bank. The Bank notifies sale network about the prohibition to use card. With that notification worker at the specific sale point is authorized to take the card away.

The Bank has the right to charge unsettled obligations arising from payment card use from other accounts of the User at the Bank.

5. Payment operations

The Bank performs payment operations in domestic currency – RSD and foreign currency, in the country and with foreign countries, according to valid regulations and acts of the Bank.

Mutual rights and obligations of the Bank and clients are defined by Agreement about opening and keeping account at Bank and relevant Bank's acts.

The Bank may alter conditions under which regulations of concluded Agreement about opening and keeping account at Bank are applied according to the change of regulations and changes of Agreement.

The Bank is irrevocably authorized to according to relevant regulations accept payments on behalf of client.

Depending upon the type of account payments can be received on:

- RSD accounts – in cash in RSD or by transfer from other accounts at the Bank or according to the order of other participants in the payment operations the accounts of which are in the Bank, other banks, or Treasury administration,
- Foreign accounts – in effective foreign money (at the Bank's counters), or currencies (inflow based upon loro remittance, payment from non-resident account at the Bank or other banks, charging loro checks, or transfer from foreign currency account kept at another bank, according to the relevant regulations).

Booked payment to the client's account executed at the Bank's mistake may be revoked without any special order and consent of client.

The owner of account and authorized person/persons may dispose of funds of the account in the amount of the available balance.

Funds disposal can be:

- In RSD – in cash or by cashless transfer of funds
- In foreign currencies – internal and/or external transfers of foreign currencies according to relevant regulations
- In effective foreign money – payment in cash according to relevant regulations

The Bank will always demand from client clear and explicit instructions (orders) for the payment in the country and abroad, in writing, with the reference to the purpose of transfer.

The Bank will never be responsible for the damages caused to client or third persons which are result of wrong and/or unclear and/or otherwise imprecise instructions.

The Bank will not execute payment order which does not contain data about issuer and beneficiary of order and their banks, data about amount, as well as other prescribed data and if there is lack of coordination of data that disable the execution of the order.

The Bank may execute instruments of cash and cashless payment operations even when these do not contain all the elements according to the Decision about form, content and manner of using unique instruments of payment operations, if the Bank establishes that the elements stated in the order are sufficient for its execution.

The Bank executes orders for payment after detailed inspection of validity of client's order (it controls the coverage of funds for the execution of order, signature and seal of principal, as well as controls whether payment order contains data about issuer and beneficiary of order and their banks, purpose of payment, purpose of disbursement, as well as enclosed documents that are furnished according to the relevant regulations, as well as all the other necessary controls and checks).

The Bank is not responsible for any loss/damages caused by delays or wrong sending of orders, caused by actions or omissions of client or any third person.

The Bank may allow or extend allowed overdraft of the open account based upon owner's request, according to conditions prescribed by general and special acts of the Bank.

The Bank has the right to UNCONDITIONALLY terminate further use of approved or extended allowed overdraft and set appropriate property-legal requirement against the client.

If the Bank decides to use the right stated in the previous paragraph, maximal amount of allowed overdraft is the amount that is used on the day when the Bank makes such a decision.

6. E-banking

Services of e-banking include the possibility to obtain information and/or possibility to perform transactions and refer to all the products and services that the user has in the Bank according to Users instructions.

Besides transactions in payment operations, the transactions are also other business transactions including the possibility of applying for individual Bank's services.

User manuals are available for the user of each individual service of e-banking, i.e. documents which explain to the user the manner of using each of the individual services.

By signing application form and/or another appropriate document of the Bank in the form of request Client chooses a type and level of e-banking service that he uses.

The Bank bears no responsibility when user cannot use a service due to difficulties in telecommunication channels and due to other circumstances out of the Bank's control.

Services of e-banking are available through the following channels:

- Internet
- Telephone
- SMS
- E-mail
- ATM
- TOKEN

Conversations over the phone based upon any of the services of e-banking are recorded or can be recorded and may serve as evidence of completed transactions.

The Bank may use voice recordings exclusively for solving complaints of clients regarding the provided services and in court disputes.

For every e-banking service the Bank will enable the user to have insight into information and performing transactions in the scope and in a manner stated in the application form and User instructions.

It is considered that the client agrees with registration of telephone number, mobile phone number and/or e-mail address at the bank. The Bank may identify him based upon registered data, through WAP protocol, SMS and/or e-mail message and other available methods and in this way place at his disposal data about accounts, payment cards and

other products and services that he uses at the bank in scope and manner defined in User instructions.

The Bank reserves the right to change the scope and content of certain service of e-banking, about which user is notified through internet portal of the Bank, by written, e-mail or SMS message, by announcement on interactive voice response, through the media or in another appropriate communication manner.

For the purpose of conducting transactions, the Bank may allocate a security device (TOKEN or other) to the user of e-banking that is used for one or more services of e-banking.

User is obliged to use the security device as prescribed by Users instructions and to keep it from damages and unauthorized use.

User is obliged to keep all the passwords as a secret that he uses in work with services of e-banking. Possible damages caused by disrespecting these regulations are borne by the user.

Orders for payment realized through any of the services of e-banking are realized according to the valid regulations and acts of the Bank.

According to the Law on Payment Operations, the Bank is obliged to record all the messages related to transactions furnished by the client through any available channel (including: web server logos, SMS message, e-mail message, voice record of telephone conversation).

By insight into account operations the user is obliged to monitor the outcome of financial transactions performed through any of the e-banking services.

The Bank does not bear responsibility if the order was denied in the payment operations system.

At the request of user, the Bank may block the possibility of using services of e-banking, partially or entirely.

If the Bank suspects that there is a misuse, it can block the possibility of using services, partially or entirely, without the approval of user, but it is obliged to notify the user about the blockade of services.

The Bank is entitled to deny the possibility of using services, partially or entirely, if the user does not follow agreement provisions or does not use the service in time period foreseen for that by the Bank.

Services can be cancelled in any branch of the Bank, in writing or in a manner foreseen by User instructions for any individual service.

User may complain about the transaction realized through the services of e-banking within 15 days the latest since the transaction.

7. Other banking operations

The Bank conducts foreign currency exchange affairs, operations of POS terminals, affairs with securities, brokerage-dealership affairs, and it also performs other affairs that the Bank may perform according to the Law on Banks (custody affairs, factoring affairs, affairs of representation in insurance) as well as other after fulfillment of legally prescribed conditions.

Conditions and manner of performing stated affairs as well as affairs not mentioned, and which the Bank may conduct according to the Law on Banks are in detail defined by Bank's acts, passed for the purpose of realizing these general terms.

8. Advertisements

In its loan/deposit advertisements disseminated through the public information systems, distributed on the premises (brochures, leaflets, etc.) and posted on its website, the bank shall explicitly state the costs charged to the client, as well as the following data:

- type of deposit and/or loan,
- level and variability of the annual nominal interest rate,
- effective interest rate,
- currency in which the deposit is received and/or loan approved,
- deposit and/or loan maturity,
- criteria for deposit and/or loan indexation/revaluation.

VI INTERESTS AND FEES

1. Interests

The Bank contracts, calculates, pays and charges interest for banking operations according to Decision about interests, tariffs and fees charged by FINDOMESTIC BANK AD BELGRADE.

Interests to credits and deposits are expressed annually, monthly and daily.

Interest is calculated by applying comfortable or proportional method.

For all the products of the Bank in the domain of retail operations a nominal interest rate is established in the amount that is based upon the type of each individual product and which can be defined as fixed or variable nominal interest rate.

If variable nominal interest rate is agreed upon with client, elements that define its amount and the alteration of which may condition the change of nominal interest rate are: the amount of obligatory reserve according to regulations under which the Bank conducts business, the level of interest rates in local and international inter-banking market, risk of the country, inflation rate, exchange rate fluctuations of the local currency on the inter-banking market of foreign currencies.

The Bank analyses previously stated elements quarterly and makes a decision about possible change of the nominal interest rate.

The Bank may monthly calculate penalties to clients – physical persons who have outstanding obligations towards the Bank, in the amount established in a certain percentage of the amount of installment per credit party in question and assign them to other due obligations of Users. Percentage of penalties that the Bank charges to clients that have outstanding obligations is fixed according to General Terms of Operations of the Bank and is expressed for each individual product. The Bank does not calculate penal interest in the stated case.

For the products of the Bank in the corporate domain, the interest rate is variable and is established and expressed by agreement, i.e. in a manner established by relevant decision and instructions of the National Bank of Serbia.

The Bank will notify the client about the change of interest rate in writing.

The Bank is obliged to at the request of client provide notification about effective interest rate for Bank's products.

Effective interest rate is a unique price that includes costs, interests and other fees for provided banking service especially based upon deposit and credit affairs, according to regulations that regulate that. The Bank will in writing inform the client which elements

are included in the calculation of effective interest rate (the amount of nominal interest rate, amount of fees and other costs that the Bank calculates when approving credits, or posting deposit).

The Bank may calculate legal penal interest to due unpaid claims as of the moment of maturity, while it has the right to agree to calculate interest at the rate established by the Bank's acts i.e. agreement if it is higher than the penal interest rate.

If the client fails to pay the calculated interest within agreed deadline, the Bank will calculate interest to the amount of unpaid interests, to unpaid claims, as of the first day after the expiration of period for which the calculation was done.

2. Fees

The Bank calculates and charges fees for services provided to Bank's clients.

The amount of fee, manner and deadlines of collection of calculated fee for services that the Bank provides to clients, is established according to the Bank's act which regulates tariffs of fees that the Bank charges from clients.

The Bank reserves the right to change all or some tariffs for the collection of fee for providing its services and to introduce new tariffs.

The Bank may change any of the tariffs if some element is changed according to which the amounts of tariffs are determined.

Elements according to which the amount of tariffs is established are as follows:

- administrative costs of Bank related to the type of affair to which the tariff refers
- real expenses which the Bank cannot affect
- inflation rate
- fluctuation of exchange rate of the local currency at inter-banking market of money
- market level of certain tariff that the Bank cannot affect and which is average/prevaling amount of tariff/fee applied at the market of the Republic of Serbia for similar affairs
- other factors that can have negative influence upon Bank's business and that cannot be foreseen in the moment of adopting these general conditions.

The Bank reviews amounts of tariffs quarterly.

Anyhow, the Bank will notify the client about the change of conditions, in a manner established by relevant decision of the National Bank of Serbia, about the intention to alter the agreement, i.e. amend if these changes i.e. amendments occurred due to change of those Bank's general terms of operations that are not established as changeable, within 15 days the latest prior to the commencement of their application.

VII APPLICATION OF ETHICAL AND ECOLOGICAL PRINCIPLES IN THE BANK'S BUSINESS

The Bank is obliged to in its operations when applying these general terms as well as other general special acts of the Bank follow ethical principles and ecological norms according to valid regulations and acts of the Bank.

When deciding about client's request the Bank will apply as a criterion also the estimation of degree of ambient (ecological) risks as well as the estimation of social usefulness, i.e. damages of client's activities that are financed.

VIII CESSATION OF BUSINESS RELATIONS BY AGREEMENT TERMINATION CONCLUDED BETWEEN A CLIENT AND THE BANK

Client and Bank may at any time terminate their business relations, if not otherwise agreed upon in agreement, i.e. prescribed legally or by another regulation.

Agreement termination is done mutually or by statement of one of the agreement parties.

Client – legal entity may unilaterally terminate agreement or agreements concluded with the Bank if he disagrees with changes and amendments of General Terms of Operations upon which the agreement relations were concluded. In this case, Client is entitled to and has the obligation to within 15 days as of the day of their announcement notify the Bank in writing that he terminates cooperation and terminates agreement or agreements.

Unilateral termination of agreement filed by client in the stated case has effect only if the client fulfilled all the due and undue obligations towards the Bank arising from contractual relation, within 7 days as of the day of receiving notification of the Bank about the amount of these, by which the Bank does not waive its rights to damages compensation according to the law.

The Bank may at any moment unilaterally terminate agreement or agreements concluded with client (physical or legal entity) in the following cases:

- if the client provided incorrect data to the Bank that can affect their business relations;
- in case of violation of agreement provisions by client at the Bank's damage;
- if Client violates laws, other provisions or Bank's acts;
- if client fails to fulfill obligation towards the Bank at its request for furnishing and/or establishing new and/or additional securities within deadline set by the Bank;
- if within deadline established in chapter IV does not notify the Bank about changes that affect or may affect undisturbed client's operations through the Bank, and valid fulfillment of Bank's obligations or related to it, according to regulations and acts of the Bank;
- when that is defined by provisions and procedures that regulate money laundering and financing terrorism;
- when a certain agreement amount importantly increases reputation risk in the Bank's business;
- if client by its actions in business premises of the Bank obstructs employees in their work and disturbs business process of the Bank;
- and in other cases regulated by provisions, and acts of the Bank and/or agreement concluded between the Bank and client.

When the Bank unilaterally terminates agreement in cases stated in previous paragraph, all the client's obligations after agreement or agreements conclusion become due.

The Bank is obliged to notify the client about unilateral agreement termination by stating totally calculated amount of unpaid obligation of client of the agreement relation. Client is obliged to pay these obligations to the Bank within 7 days as of the day of receiving the notification.

After terminating business relations between the Bank and client (legal entity or physical person), the Bank will place at client's disposal his remaining funds that are at the Bank and that arise from terminated business relation (money, instruments of security etc.) provided that client entirely fulfills all the obligations towards the Bank.

Agreement between the Bank and client – physical person is anyhow terminated if the client does not accept the alteration of agreement conditions, according to annex draft that is furnished to him, within deadline not shorter than 30 days as of the day annex is furnished, according to the decision of the National Bank of Serbia about manner and procedure of realizing general terms of operations that the bank applies in the relation with client – physical person.

“The Bank is keeping the right, grounded upon the decision of the competent organ of the Bank, to unilaterally cancel the agreement which defines the opening, managing and termination of Agreement concluded with the Client and terminate the client's account in case there is no turnover on account of the Client for a period of at least 6 previous months. The Bank will notify the Client about this circumstance coming into effect and about the cancellation of the agreement. The Bank will notify the Client by sending written notification with return receipt requested to the last known address of Client's residence, abode or seat of which the Client had informed the Bank.”

IX APPLICATION OF LAW AND DISPUTE SETTLEMENT

Interpretation of agreements and other legal relations between the bank and clients is done by applying laws and other provisions of the Republic of Serbia unless differently agreed.

Material and process law of the Republic of Serbia applies to solving a disputable relation between the Bank and client unless differently agreed.

The court of jurisdiction for possible disputes is the court at the venue of the Bank, unless differently agreed.

IX FINAL PROVISIONS

The issues that are in immediate connection with the realization of General Terms of Operations may be regulated by general and special acts of the Bank according to valid regulations and these General Terms.

On the day of commencing to apply these General Terms, previous General Terms of Operations cease to be valid that were applied in the Bank's business up to that day.

General Terms of Operations go into effect on the day they are passed and they are applied on the fifteenth day as of the day of their announcement in the Bank's branches.

When concluding agreement about opening, keeping and closing client's accounts, as well as agreements about credits and agreements about issuing and using payment cards, the Bank furnishes to the client general terms of operations that refer to subjects of these agreements.

Individual conditions of Bank's products stated in these General Terms of Operations are constituent parts of these General Terms of Operations.

General Terms of Operations are announced in all the branches of the Bank and are applied as of October 31, 2009. The integral text of General Terms of Operations are modified by the Decision of Board of Directors of 21.02.2011 and are applied as of March 11, 2011