

**GENERAL TERMS AND CONDITIONS OF  
API BANK A.D. BEOGRAD WITH  
CLIENTS - NATURAL PERSONS,  
ENTREPRENEURS AND  
AGRICULTURAL PRODUCERS**

## **GENERAL TERMS AND CONDITIONS OF API BANK A.D. BEOGRAD WITH CLIENTS NATURAL PERSONS, ENTREPRENEURS AND AGRICULTURAL PRODUCERS**

### **1. INTRODUCTION**

- 1.1.** The General Terms and Conditions of API Bank a.d. Beograd with clients natural persons, entrepreneurs and agricultural producers (hereinafter: General Terms and Conditions) define the standard conditions under which API Bank a.d. Beograd (hereinafter: Bank) establishes business cooperation and provides financial services to clients, natural persons who use or have used financial services or have approached the Bank for the use of financial services, as follows: 1) natural persons who use, used or intend to use these services for purposes other than their business or other commercial activity, 2) entrepreneurs within the meaning of the law governing companies and 3) agricultural producers, as holders or members of family farms within the meaning of the law governing agriculture and rural development (hereinafter: Client (s) or natural persons), all in accordance with the Law on the Protection of Financial Services Users (hereinafter: the Law).
- 1.2.** The financial services of the Bank within the meaning of the General Terms and Conditions include the services of granting loans, approving overdrafts, issuing credit cards, issuing letters of credit and guarantees, receiving deposits, issuing safes, as well as other services in accordance with the Law on Banks and other regulations, except for the opening and maintenance of payment accounts and the provision of payment services.
- 1.3.** The Bank is free to decide whether to establish a business relationship with a particular person, in accordance with the established conditions for the provision of financial services and may determine different conditions for the provision of financial services, if those conditions are based on objective criteria.
- 1.4.** Objective criteria imply that the conditions for the provision of financial services are not based on discrimination on grounds of nationality, residence, sex, race, color, ethnic or social origin, genetic features, language, religion or belief, political or any other opinion, membership of a national minority, property, birth, ancestry, disability, age, sexual orientation or any other presumed personal characteristic.

### **2. INFORMING OF CLIENTS AT THE PRE-CONTRACTUAL STAGE**

- 2.1.** The Bank shall provide the Client with information and appropriate explanations on the conditions relating to the financial service agreement (hereinafter: the offer), in a way that will enable the Client to compare the offers of different providers of the same services and assess whether the offered conditions are appropriate to their needs and financial situation.
- 2.2.** In the pre-contractual phase, the Bank is obliged to inform the Clients about the documentation they are obliged to submit with a written request for the use of a specific loan product.
- 2.3.** The Bank shall inform the Client without delay whether the documentation submitted with the request for the use of a specific loan product is complete, all in accordance with the provisions of the General Terms and Conditions of API Bank a.d. Beograd – General Provisions, which regulate the communication between the Bank and the Client.
- 2.4.** The Bank is obliged to offer the service to the Client in RSD, unless the Client requests that the service be offered to them in the RSD equivalent of a foreign currency, i.e. in a foreign currency, in accordance with the regulations governing foreign exchange operations. The Bank shall indicate to the client in writing the risks it assumes when the service is provided in the RSD equivalent of a foreign currency, i.e. in a foreign currency.
- 2.5.** The Bank's offer shall be printed on the prescribed form, on paper or other durable medium and shall contain the elements provided for by the Law, and shall be delivered to the client within a reasonable time. In the case of credit services, the appropriate deadline is no less than two working days before the date of signing the contract, unless the Client explicitly requests in writing to accept the offer or conclude the contract within a shorter period.
- 2.6.** The Bank is obliged to inform the Client who intends to conclude a contract with the Bank that, at their request, they can obtain the text of the draft contract free of charge.

- 2.7. The Bank is obliged to keep the contract and contractual documentation (offer, contract, draft contract, review of mandatory elements, repayment/disbursement plan, annex to the contract with a new repayment plan, notices, warnings, etc.) in the Client's file for the duration of the contractual relationship and at least five years after its termination, i.e. forced debt collection.

### 3. AMENDMENTS TO CONTRACTUAL ELEMENTS

- 3.1. In the event that the Bank intends to amend any of the following:

- **Mandatory elements of the contract**, it is obliged to conclude an annex to the contract with the Client in the form prescribed for that contract. In the event that the Client does not agree with the change, the Bank may not unilaterally change the terms of the contract, nor unilaterally terminate or cancel the contract.  
In the event that the amount of a fixed interest rate or a fixed element of a variable interest rate, i.e. the amount of fees and other costs, changes in favor of the Client or if the Client is given certain rights to use additional or incidental services without introducing new or increasing existing interest, fees and other costs, these changes may be applied immediately and without the Client's prior consent. In this case, the Bank shall without delay notify the Client in writing stating the date from which these changes apply, and submit to the Client an amended loan repayment plan, i.e. a deposit payment plan.
- **Elements that are not mandatory**, it is obliged to notify the Client, free of charge, no later than one month before the application of these changes.

### CONDITIONS OF PROVIDING SERVICES TO CLIENTS – NATURAL PERSONS BY THE BANK

#### 4. DEPOSIT TAKING

- 4.1. The Bank accepts demand and term RSD and foreign currency deposits of the Clients.
- 4.2. Deposits of Clients within the meaning of the provisions of the General Terms and Conditions shall mean funds deposited by the Client with the Bank on the basis of a deposit agreement determining the conditions of deposit taking (amount, interest rate, term deposit period, interest payment and other elements of the deposit).
- 4.3. The Deposit Agreement shall be concluded in writing and shall be deemed concluded when both the Bank and the Client sign the Agreement and the Client submits all necessary documentation and places the deposit.
- 4.4. When concluding the deposit agreement, the Bank is obliged to provide the Client with a copy of the signed agreement, an overview of the Mandatory Deposit Elements, which contains basic information on the deposit, the Deposit Disbursement Plan (except for sight deposits) and the Deposit Insurance Brochure.
- 4.5. The Bank shall open a deposit account to the Client based on the Client's Application for establishing a business relationship/changing a business relationship and documents proving identity of the Client.
- 4.6. For deposits of Clients, the Bank applies a nominal interest rate that is expressed as a fixed or variable percentage that is applied on an annual basis to the received deposit.
- 4.7. The Bank shall not perform indexation of deposits or revaluation of placed deposits.
- 4.8. The Bank shall apply the conform method of interest calculation to placed deposits, except in case of special- purpose guarantee deposits where the calculation method is the same as in the case of loans secured by such deposits.
- 4.9. The Bank accepts deposits without charging costs and fees that are borne by the Client unless otherwise required by law.
- 4.10. The effective interest rate in a deposit agreement means the income from the deposit after deduction of taxes and other costs prescribed by law, expressed in relation to the amount of the deposit as a percentage on an annual basis. The Client's income generated on the basis of interest on foreign currency deposits is taxable, in accordance with the provisions of the Law on Personal Income Tax of the Republic of Serbia, and the obligation to settle tax

liabilities is borne by the Client. The Bank, as the payer of interest income, is obliged, in accordance with the relevant regulations of the Republic of Serbia, to suspend the amount of the Client's tax liability on this basis, both on their behalf and for their account, to pay it to the account of the competent tax authority, in which way the amount of the calculated interest, or the deposit itself, in case of premature disbursement, is proportionally reduced by the tax paid in this way.

- 4.11. The Bank insures deposits with the Deposit Insurance Agency in the amount prescribed by the Law on Deposit Insurance of the Republic of Serbia, which at the time of adoption of these General Terms and Conditions amounts to EUR 50,000, per Client.

## 5. APPROVAL OF LOAN PRODUCTS

- 5.1. Prior to the conclusion of the loan agreement, the authorized overdraft agreement and the agreement on the issuance and use of the credit card (together: loan products), the Bank is obliged to assess the creditworthiness of the Client on the basis of the data and documentation submitted to it and the insight into the Client's indebtedness database on the basis of their written consent.
- 5.2. At the request of the Client for the use of one of the loan products, the Bank will make a decision within 15 (fifteen) business days counting from the day when the Client submitted all the requested information and complete documentation with the request. In the case of a housing loan, the Bank may extend this deadline by 10 (ten) working days, of which it is obliged to notify the Client before the expiry of that deadline.
- 5.3. In its operations, the Bank approves loan products to Clients, with a minimum of the conditions given below:
- 5.4. Loan products are approved in RSD, as follows:
- **No FX clause** – the loan products without an FX clause do not imply indexation/revaluation, or
  - **With FX clause** – the loan products are indexed in EUR and approved in RSD equivalent value of the related amount in EUR at the median exchange rate of the NBS for EUR on the date of funds disbursement.
- For the calculation of the Client liabilities, the Bank applies the middle exchange rate of the NBS for EUR on the due date of the liability or payment in case the Client settles the liability after the due date and in case of early loan repayment.

The Bank may also grant loans in a foreign currency – EUR.

- 5.5. The Bank may contract loan products where interest rates may be:
- Fixed - a nominal interest rate that is expressed in the amount of a fixed percentage that can be expressed as either one nominal interest rate applicable for the entire duration of the contract or as several nominal interest rates applicable for different periods of the contract, whereby the interest rate will be considered fixed only for those periods for which the amounts of interest rates are determined by the contract as a fixed percentage;
  - Variable - a nominal interest rate that is expressed as a reference interest rate that is publicly disclosed and which represents a variable element of the nominal interest rate, increased by a percentage of the margin that is a fixed element of this nominal interest rate. The adjustment of variable nominal rates, due to a change in the reference interest rate, the determination of the new value of the reference rate and its application shall be made in accordance with the provisions of the contract concluded between the Client and the Bank or
  - Combined - a combination of the two above interest rates in different repayment periods.
- 5.6. The Bank applies a proportional interest calculation method to approved loans.
- 5.7. In the event of a default in settling the Client's obligations under the approved loan products, the Bank shall apply the statutory default interest prescribed by the Law to the outstanding amount. Exceptionally, if the statutory default interest is lower than the agreed nominal

interest rate, the Bank will continue to calculate the nominal interest rate even after the Client falls behind on the amount of the Client's outstanding liabilities.

- 5.8. When concluding the loan agreement, the Bank shall provide the Client with one copy of the Repayment Schedule and an Overview of Mandatory Loan Elements containing the basic loan data presented.
- 5.9. After concluding the loan agreement, the Bank shall present a copy of the agreement along with the repayment schedule and overview of mandatory loan agreement elements to the collateral provider, unless the Client is at the same time the collateral provider or will become the owner of objects being mortgaged or pledged based on a sale and purchase transaction for which the loan funds are granted.
- 5.10. The Client, i.e. the collateral provider shall be entitled to take over unused collaterals provided under an agreement after full settlement of liabilities to the Bank under such agreement.

## 6. AUTHORIZED OVERDRAFT

- 6.1. The rights and obligations of the Bank and the Client, as well as the conditions for approving and using the overdraft per current account shall be determined by the agreement concluded between the Bank and the Client in accordance with the General Terms and Conditions, the General Terms and Conditions of API Bank a.d. Beograd - General Provisions and relevant regulations.
- 6.2. The Bank is obliged to submit to the Client at least once a month, free of charge, in writing or on another durable medium, a notice - a statement of all changes in their account, and is obliged to submit this notice without delay at the request of the Client, with the right to compensation in accordance with the Tariff of fees for the Bank's services (depends on the category of the Client).
- 6.3. After the conclusion of the authorized overdraft agreement, the Bank shall also provide the collateral provider with a copy of the agreement with an overview of the mandatory elements of the overdraft, unless the Client is also the collateral provider.

## 7. CREDIT CARDS

- 7.1. Based on an agreement concluded with the Client, the Bank issues and enables the use of VISA **credit cards** for disposing of the Client funds up to the amount of an approved credit limit, which may be primary and additional cards.

### 7.2. Credit card issuance:

Credit cards are issued by the Bank to persons of legal age.

The decision on issuing the card shall be made by the Bank.

At the time of credit card issuing, renewing and reissuing, the Client shall pay the **fee for issuing and using the card** in line with the related agreement concluded with the Bank.

The Bank is authorized to collect the fee in question by debiting the Client's account.

Mandatory elements of the agreement on issuing and using a credit card are prescribed by the Law.

After the conclusion of the agreement on the issuance and use of the credit card, the Bank is obliged to provide the collateral provider with a copy of that agreement with an overview of the mandatory elements, unless the credit card user is also the collateral provider.

The Bank may approve and provide other accompanying services with the issuance and use of a credit card (e.g. standing order, insurance, electronic banking, SMS notifications, etc.).

### 7.3. Payment of the Client's liabilities under the Credit Card:

The Client is obliged to provide adequate coverage in the current RSD and/or foreign currency account on the due date of credit card liabilities.

The Client authorizes the Bank to debit its RSD and foreign currency account for all debits under the Credit Card incurred in the country and abroad.

Debits incurred using a VISA card in a foreign currency (except EUR) are converted into settlement currency (EUR) at the exchange rate of the card association, which is publicly available and published on the VISA website: <https://www.visa.co.uk/about-visa/visa-in-europe/fees-and-interchange.html#2>. (VISA International [www.visaeurope.com/making-payments/exchange-rates](http://www.visaeurope.com/making-payments/exchange-rates)).

At the moment of signing the application, the Client is informed and aware of the types and amounts of fees charged by directly debiting the credit card account.

Interest for all transactions shall be calculated from the day of their ascribing to the credit card account together with related fees, unless the agreement concluded between the Bank and the Client prescribes otherwise.

Should the Client fail to settle debts made by using a credit card in any of the aforesaid manners, the Bank shall ban further use of the credit card.

- 7.4.** Issuance and use of credit cards are regulated in more detail by item 30 of the General Terms and Conditions of API Bank a.d. Beograd. On the rights and obligations of the Bank and the Client related to the issuance and use of Bank credit cards for executing payment transactions shall be regulated by the other provisions of the point 30 of the General Terms and Conditions for the Provision of Payment Services of API Bank a.d. Beograd, and the General Terms and Conditions of API Bank a.d. Beograd – General Provisions as well and applicable regulations of the Republic of Serbia.
- 7.5.** When concluding a credit card agreement, the Bank shall provide the Client with an Overview of the mandatory elements of that agreement.

## **8. SPECIAL RIGHTS**

### **8.1. Right to information**

The Bank shall not charge a fee for the data and information it is obliged to submit to the Client in accordance with the Law, regardless of the form and manner of submitting these data and information.

The Client has the right to obtain other data and/or information upon request, or to obtain again the information and data that have already been submitted to them in accordance with the Law, in which case the Bank has the right to charge them a reasonable fee.

The collateral provider under the loan agreement has the right to obtain in writing once a year, and at its request and once a month, free of charge, a repayment plan, a debt balance, as well as other data related to the settlement of the liabilities of the main debtor.

### **8.2. Right of withdrawal**

The Client has the right to withdraw from the concluded loan agreement within 14 (fourteen) days from the date of conclusion of the agreement, without stating the reasons for withdrawal.

In the case of a housing loan agreement or a loan secured by a mortgage, the Client may withdraw from the agreement provided that they have not started using the loan, i.e. financing.

When withdrawing from the contract, and before the expiry of the deadline referred to in paragraph 1 of this item, the Client is obliged to notify the Bank of his intention to withdraw, in writing, in a manner that provides confirmation of the receipt of this notice at the Bank, whereby the date of receipt of that notice at the Bank is considered to be the date of the Client's withdrawal from the contract.

The Client is obliged to immediately, and no later than 30 (thirty) days from the date of sending the notice of withdrawal, return to the Bank the principal and regular interest for the period of use of the loan.

If the Bank or a third party on the basis of a contract with the Bank also provides ancillary services in connection with the financial services referred to in paragraphs 1 and 2 of this item – the Client is no longer bound by the ancillary services contract if they exercise their right to withdraw from the underlying agreement in accordance with this item.

### **8.3. Right to early repayment**

The Client shall be entitled at any time, in whole or in part, to perform its obligations under the loan agreement, in which case it shall be entitled to a reduction in the total price of the loan by the amount of interest and any other fees charged in favor of the Bank for the remaining term of that agreement (early repayment).

When calculating the reduction referred to in the previous paragraph, the total price of the loan shall also be reduced by the proportional amount of fees charged once in favor of the Bank for the entire repayment period, and in the event of a full early repayment, it may also be reduced by the proportional amount of fees collected in favor of third parties (e.g. refund of the proportional amount of the insurance premium).

When the Client requests repayment of the loan, the Bank shall immediately upon receipt of that request provide them in writing with all the information necessary to understand the consequences of that decision, such as the amount of the reduction of the total price of the loan by the amount of interest and fees, including the amount of the reduction by the proportional amount of the one-off fee charged, as well as the amount of the early repayment fee that the Client is obliged to pay to the Bank.

The Bank shall, within three working days from the date of submission of the request referred to in paragraph 3 of this Article, enable the Client to make an early repayment, taking as the day of early repayment the day on which the Client secured funds in the account with the Bank for the execution of early repayment.

The Bank may contract a fee for the early repayment of the loan if a fixed nominal interest rate is agreed for the period of early repayment, and in the case of a housing loan contract or loan whose purpose is the purchase of real estate if a fixed or variable nominal interest rate is agreed.

The fee referred to in the previous paragraph may be contracted up to the amount of damage suffered due to early repayment, and up to a maximum of 1% of the amount of the loan repaid prematurely, if the period between the early repayment and the deadline for fulfilling the obligation under the loan agreement is longer than one year; if this period is shorter, this fee may not exceed 0.5% of the amount of the early repaid loan.

The Bank may request a prepayment fee provided that the amount of the prepayment in the period of 12 (twelve) months exceeds RSD 1,200,000.

An early repayment fee cannot be claimed:

- if the repayment is made on the basis of an insurance contract concluded for the purpose of securing the repayment;
- in the event of a permitted overdraft or credit card overdraft;
- if the repayment is made during the period for which the variable nominal interest rate was agreed, except for housing loans whose subject is the purchase of real estate.

The early repayment fee may in no case exceed the amount of interest that the Client would pay during the period between the early repayment and the deadline for fulfilling the obligation under the loan agreement.

Damage shall mean the difference between the interest agreed with the Client and the market interest (the average weighted interest rate for that type of loan published on its website by the National Bank of Serbia) at which the Bank may place the amount obtained by early repayment at the time of this repayment, including administrative costs.

#### **8.4. Assignment of claims**

The Bank may assign its claim against the Client only to another lender. In the event of assignment of the Bank's receivables to another creditor, the Client reserves all rights contracted with the Bank, as well as the right to object to another creditor that it had against the Bank, and the other creditor cannot put the Client at a disadvantage than the position it would have had if that receivable had not been transferred and the Client therefore cannot be exposed to additional costs. The Bank is obliged to inform the Client about the assignment of claims.

#### **8.5. Rights regarding the revolving loan agreement**

The Client may, in the usual manner, free of charge and at any time, unless a notice period, which may not exceed one month, has been agreed - cancel the revolving loan agreement.

If so agreed, the Bank may terminate the revolving loan agreement by notifying the Client in writing of the termination no later than two months in advance.

If so agreed, the Bank may, for justified reasons (unauthorized use of the loan, significant deterioration in the creditworthiness of the beneficiary, etc.), deny the Client the right to withdraw funds, provided that it is obliged to inform them of the reasons for this denial in writing, if possible, immediately or within the next three days, unless the provision of such notices is prohibited by other regulations.

### **9. PUBLICATION, AMENDMENT AND ENTRY INTO FORCE OF THE GENERAL TERMS AND CONDITIONS**

- 9.1.** The Bank is obliged to publish the General Terms and Conditions, as well as their amendments, in a visible place at its business premises where it offers services and on its website [www.apibank.rs](http://www.apibank.rs), no later than 30 (thirty) days before the start of their application, to ensure that the Client is familiar with these General Terms and Conditions in the Serbian language, to provide them with appropriate explanations and instructions related to the application of these terms and conditions in relation to a particular financial service, and to, at their request, in writing or on another durable medium, submit these terms and conditions to them without delay.
- 9.2.** In the event that the Client does not raise an objection to the changes in a timely manner, it will be considered that they have agreed to them.
- 9.3.** Should any condition or provision of the General Terms and Conditions become invalid or unenforceable, this shall not be relevant to the validity of the other provisions of these General Terms and Conditions.

### **10. IMPLEMENTATION OF GENERAL TERMS AND CONDITIONS**

- 10.1.** The General Terms and Conditions are an integral part of agreements on the use of banking products and services concluded by the Clients with the Bank, and by signing the contract or in another appropriate manner if the specific form of business cooperation does not provide for the conclusion of the contract, the Clients confirm that they are familiar with their content and that they accept their application to their business relationship with the Bank.
- 10.2.** The Bank enables visually impaired or blind clients to get acquainted with the content of the document with adequate confirmation that the persons are familiar with the content in order to independently conclude various banking contracts, without requiring the engagement of a proxy.

### **11. DISPUTE RESOLUTION, GOVERNING LAW, BANK SUPERVISION AUTHORITY AND LANGUAGE**

- 11.1.** All disputes that may arise from the business relationship between the Bank and the Client shall be resolved amicably, and if this is not possible, the dispute shall be resolved before the competent court in Belgrade and with the application of the law of the Republic of Serbia, unless otherwise agreed or prescribed by law.
- 11.2.** Control and supervision of the Bank's operations is performed by the National Bank of Serbia, Kralja Petra 12, i.e. Nemanjina 17, 11000 Belgrade.
- 11.3.** In case of disagreement between the text of the General Terms and Conditions in Serbian and English, the text in Serbian shall prevail.

## **12. FINAL PROVISIONS**

- 12.1.** With the entry into force of these General Terms and Conditions of API Bank a.d. Beograd with clients natural persons, entrepreneurs and agricultural producers, the General Terms and Conditions of API Bank a.d. Beograd with clients natural persons, entrepreneurs and agricultural producers (No. UO-192/2023 of 2 August 2023) cease to be valid.