



Pursuant to Article 55 paragraph 4 point 9 of the Law on Credit Institutions (Official Gazette of Montenegro, No. 72/19, 82/20 and 8/21) and Article 29 paragraph 4 point 8 of the Statutes of Universal Capital Bank AD Podgorica dated 14 February 2022, the Management Board of Universal Capital Bank AD Podgorica, at its session held on 6 February 2024, adopted the

GENERAL TERMS FOR THE ISSUE AND USE OF CREDIT PAYMENT CARDS FOR NATURAL PERSONS

I INTRODUCTORY PROVISIONS

Definition of specific terms used in the General Rules:

General Terms – are the general rules that apply to all credit cards (primary and additional) which Universal Capital Bank (hereinafter: the Bank) issues to users.

the Bank - Universal Capital Bank AD Podgorica, Bulevar Stanka Dragojevic bb, 81000 Podgorica, BIC (SWIFT): UNCBMEPG, www.ucbank.me, registered with the Central Registry of Business Entities, under number 4-0008441, and company registration number 02684462.

The Central Bank of Montenegro is the body responsible for the supervision of the Bank's operations in Montenegro.

The Central Bank of Montenegro issued license number 0101-2933/3-2 dated 12 July 2007 for banking operations.

Contact details:

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Telephone: +382-20-481-481; Fax: +382-20-481-482.

Application Form – application for the issue of a card.

Framework Agreement – Agreement covering the terms of use under which a payment card is offered.

Card - a payment card that allows the user to dispose of funds at ATMs, POS terminals and via internet trading sites.

User/Primary User – a natural person, client of the Bank (Account Holder), to whom the Bank has issued a Card in accordance with the terms of use Agreement for payment cards.

Additional User – a natural person who is authorised by the User/Primary User or who pursuant to the law is authorised to dispose of the funds in the account, and to whom the Bank has issued a Card, and whose name is printed on the Card.

Account – a credit card account that the Bank, on the basis of the Agreement and the General Terms covering the account, opens for the User of payment services, and which is used for the execution of payment transactions in domestic and foreign currency as well as for other purposes related to the payment transaction services to which the credit card is linked.

Card number - a 16-digit number appearing on the payment Card that identifies the transactions made using the Card.

PIN – a personal identification number assigned to the User by the Bank, which is known only to the User and which is strictly confidential.

Authentication – a procedure that enables the Bank to verify the identity of the User or the validity of the use of the Card, including the use of the User's security data.

Reliable cardholder authentication – authentication using two or more verification methods categorised as knowledge-based, possession-based and inherence-based, that are mutually independent



and represent data only known and possessed by the User, and which is designed so as to protect the confidentiality of the data, which is successively authenticated.

ATM – an electronic machine that primarily enables the automatic payment of cash from an account, checking the status of a Card User's account, as well as other services provided through it by the Bank, using PIN authorization.

EFT-POS terminal – electronic device at a point of sale or payment point used to carry out payment transactions for the payment of goods and/or services or the payment of cash, as well as other payment transactions created by the use of the Card and supported by the device.

Application – application for changing the status and terms of a Card.

Credit limit – the spending limit on a credit card.

Minimum payment – the lowest amount accepted towards credit card dues.

Daily limit – total number and amount of cash payment transactions permitted per Card per day, and the total daily number and amount of payment transactions at points of sale per Card.

Foreign exchange reference rate – the exchange rate defined by a payment brand, used to calculate the equivalent value in EUR - as the domestic currency of a debited Account, of a Card transaction originally expressed in a foreign currency.

mToken – a feature of the Mobile application, activated by fingerprint/facial recognition and, together with the associated mToken PIN and mToken serial number, is used to authenticate the User during purchase transactions at online sales points.

Fingerprint – a biometric characteristic of the User, which can be used in combination with the mToken to access OTP passwords, and which is stored in the fingerprint recognition application in the User's mobile device.

Phishing – constitutes an attempt to steal personal data through websites, e-mail correspondence, SMS messages or phone calls.

Skimming – a technique used to capture payment card data and PIN codes (most often by installing skimming devices on ATMs), which are then used to create counterfeit payment cards, and ultimately to fraudulently withdraw money from accounts and carry out fraudulent purchases.

Permanent media – devices that allow a consumer to save data for personal use, in such a way that the data remains available for future use, for a period commensurate with the purpose of the information, and that enables exact reproduction of the saved data.

II GENERAL PROVISIONS

The use, issue, as well as the rights and obligations of the user of the payment card (hereinafter: the Card), are determined by the Bank under the General Rules and General Terms for the issue and use of payment cards.

The Card is a means of non-cash payment. The Card can be used for all types of payments for goods and services. The Card can also be used to withdraw cash from ATMs and bank counters.

The Card is issued exclusively in the name of the User and is non-transferable.

The Card is the property of the Bank and must be returned at its request either by the User, an authorized person or a third party that came into its possession.

III CARD TYPES

A credit card is issued in the name of and for an account belonging to a natural person. The Bank opens an account for the Credit Card User, in which it records spending in the country and abroad in EUR.

The Bank offers Mastercard credit cards for natural persons, as follows:

- Mastercard Standard Credit
- Mastercard Platinum Credit

IV ISSUING THE CARD

The Bank issues the card on the basis of a completed and signed Application Form for a Mastercard card submitted by a natural person. (hereinafter: the User).

The User is obliged to provide correct information in the card Application Form and to notify the Bank of any changes to this information.

The Bank gives the Card to the User to use for paying for goods and services at POS terminals, online sales points, as well as for cash withdrawals at ATMs and bank counters in the country and abroad. The contractual relationship between the Bank and the Card User is established by the conclusion of the terms of use Agreement for the payment card.

The Bank grants the Credit Card User a credit spending limit in an amount determined on the basis of internally defined rules and conditions regulated by the Bank. The credit limit is determined for each primary card individually, as well as all additional cards.

The Credit Card User is obliged to make a dedicated deposit or to receive earnings through Universal Capital Bank. The Bank shall calculate interest on designated deposit funds at the interest rate determined by the provisions of the Bank's business policy. The Bank contracts security instruments for each individual card user. The Bank reserves the right to change the amount of the approved credit limit during the validity period of the credit card agreement in accordance with changes in the Card User's financial capacity and creditworthiness, of which it will notify the Card User.

By signing the Application Form, the Card User authorizes the Bank to debit his credit card account for the card production costs, membership fees and expenses arising from the use of the card.

Before concluding the Agreement, the User shall complete the Application Form, and by signing the Application Form the Card User confirms that he is familiar with and agrees with the General Terms for the Issue and Use of Payment Cards.

The Card User is responsible for the accuracy of all data provided to the Bank and is obliged to notify the Bank of any change in the data submitted in the credit card Application.

The Card User is obliged to notify the Bank of any change in address, employment and other data essential for the proper use of the card.

The Bank guarantees the secrecy of all data on the Card User, in accordance with the law, other regulations and the internal directives of the Bank.

Mastercard cards are issued with a validity period of two years and are reissued for the same period if used in the previous period in accordance with the General Terms on payment cards. If the User does not want the card to be reissued, he must contact the Bank in writing 60 days before the expiration date of the card by submitting a signed request.

At the User's request, the Bank may issue a maximum of two additional cards to persons authorized by the User.

With each issued card, the Bank assigns a PIN - personal identification number - to the Card User. The Card User is obliged to sign the card immediately upon receipt and to ensure that unauthorized persons do not obtain the PIN data.

The User will pick collect the card and PIN in person at a branch of the Bank.

V CHARGES FOR COSTS

The Card User shall pay the Bank a monthly membership fee and other fees for issuing the card in accordance with the directives of the Bank in effect, which determine the fees for transactions with payment cards.

Transactions made with the Card reduce the funds available in the account after a transaction is made.

All transactions made with the Card, as well as the associated fees, are calculated in EUR.

For transactions/expenses incurred by the use of the Card abroad, the calculation is made in EUR, according to the calculation and foreign exchange reference rate, and cash is withdrawn in the national currency of the country where the transaction is concluded.

In the case where a request for the issue of a card is abandoned after the Card has been created, the Card User shall bear the cost of its production, in accordance with the Decision on Bank Services Fees.

The Card User may not revoke consent for the execution of a payment transaction created with the Card after giving consent for the execution of that payment transaction, unless the Point of Sale submits to the Bank in writing, in a form and including content satisfactory to the Bank, his consent to revoke consent for the execution of the payment transaction.

The Revolving method is used for the collection of debt incurred through the use of a credit card together with the appropriate calculation of interest at the rate envisioned by the Bank's business policy.

The total debit on a credit card includes all transactions, monthly membership fees and other fees incurred by the use of the primary card and all additional cards in the country and abroad made in the previous month.

The amount of the minimum payment may be 3% or 100% of the total debt from the previous period, as per the User's request in his credit card Application.

Once a month, the Bank shall deliver a statement to the User with the amount of the total debt, a list of transactions from the previous month, the amount of calculated interest, the minimum payment due, as well as the deadline by which the User must make the payment.

The Bank will charge the amount of the minimum payment specified in the statement to the credit card User's transaction account by standing order, from the first working day after the end of the month in which the debit was incurred. In the event that the credit card obligations due are not settled by the User in full, the Bank will charge the User default interest at the rate stipulated by the Bank's business policy for the entire period of the delay, from the due date to the date of collection of the amount in full.

The User agrees that due and unpaid claims arising from the use of the credit card can be collected by the Bank from the designated deposit and from all other accounts that the User has in the Bank or by activating means of payment security, without the obligation to notify the User beforehand, nor to request additional consent for such payment.

VISECURITY AND CARD USE

The Card User is obliged to use the Card in accordance with the terms of use Agreement and these General Terms.

The Card represents a payment instrument owned by the Bank and which is used:

- to pay for goods and services at points of sale in the country and abroad, as well as online points of sale displaying the symbol of the corresponding payment card;
- for cash withdrawals at ATMs and payment points, in the country and abroad, displaying the symbol of the corresponding payment card;
- for other services.

The Card may only be used by the Card User whose name is printed on the Card.

The Card User must protect the Card and all card data, and keep the PIN confidential.

The Card User may not use the Card for illegal purposes, including the purchase of goods and services prohibited in Montenegro.

An unsigned Card is not valid.

The User may use the Card only up to the amount of the approved credit limit, and within the daily limits. Daily limits are variable and with the consent of the Bank may be changed at the request of the User, by submitting a signed request. In accordance with its business policy, the Bank reserves the right not to change daily limits and is not obliged to provide the User with explanations for its decisions.

The Card User must save copies of POS receipts and ATM receipts, as confirmations of concluded transactions, for possible future needs or claims.

Each use of the Card for cash withdrawal entails additional costs in accordance with valid Bank directives, which determine the fees for card operations, which are added to the transaction amount and charged to the Card User.

If the User used his PIN during payment, this is treated as a signature.

When withdrawing cash from an ATM, the Card User identifies himself by entering his PIN. The number of unsuccessful PIN entry attempts is limited to three. After the third incorrect entry, the Card will be withheld by the ATM.

Responsibility for damages caused by careless use of the Card, as well as the resulting costs, fall on the User. The risk of abuse of the PIN is borne solely by the Card User.

When paying online, the entering and providing of personalized card security features (card number, card expiration date and three-digit control number printed on the back of the Card), the use of the mToken application, which includes entering a PIN or applying fingerprint/facial recognition during the authorisation of a payment card, and the supplying of other data at the merchant's request, is considered exclusive and unequivocal confirmation of the User's identity.

When paying for goods and services through a payee, where the payment transaction is executed without the presence of a card, the User makes the payment by providing the card information to the point of sale (card number, card expiration date and three-digit control number printed on the back of the Card). By providing the card data to the point of sale, the User confirms the amount of the transaction and that he will pay it in accordance with the Agreement and General Terms.

Payment transactions through a payee, where the transaction is executed without the presence of the Card, are performed by the User at his own risk and with increased attention. In the event that the User gives his consent for the execution of a payment transaction, he can no longer revoke it. Cancellation of the transaction is possible only in the case of an express agreement between the User and the point of sale.

The Bank will not apply reliable authentication of the User when the User initiates a card payment transaction at a point of sale, if the amount of the payment transaction is less than EUR 40.

The Bank shall bear no responsibility for inadequate care of the Card by the Card User, i.e. physical, thermal or magnetic damage, and the costs of replacing the Card shall be borne by the Card User, in accordance with the valid directives of the Bank, which determine the fees for card services.

The User is responsible for demanding that all transaction procedures at points of sale are performed in his presence.

To prevent possible abuse, the Bank makes available to the Card User a notification service on each authorised transaction made using the Card, via SMS, to the mobile phone number specified by the Card User in the Application Form.

The time of the receipt of a payment order for executing the Card is considered the moment the User gave his consent for the execution of a payment transaction, that is the moment the Bank carried out the authentication procedure. The Bank will execute the order received under the condition that it has received a debit order from the point of sale as the payee, i.e. from the payee's payment service provider.

VII STOLEN/LOST CARD

The User is obliged to keep the Card and PIN safe, and in case of loss or theft, immediately notify the Bank's Call Centre at +382 20 481 440 in order to prevent abuse.

Verbal notification is only valid if it is confirmed in writing within 3 days at the nearest branch of the Bank, the nearest bank abroad displaying the Mastercard/VISA symbols or by fax to +382 20 481 482. If the User suspects that his card has been stolen, he is obliged to report the theft to both the Bank and the police.

The Card User bears the damage caused by the loss or theft of the payment Card and/or PIN until a written report is submitted.

The User shall not bear losses arising from transactions made after reporting to the Bank the loss, theft or unauthorised use of the Card or card data, unless the User has abused the Card or participated in the abuse or acted with the intent to defraud.

Notwithstanding the previous paragraph, the User is responsible for all unauthorised payment transactions up to a total amount of EUR 50, if their execution is the result of the use of a lost or stolen card or the result of other abuse, if the User did not protect the PIN, the Card or the security data of the Card, i.e. the User is responsible for the full amount of an unauthorised payment transaction if the User has acted fraudulently or if intentionally or due to gross negligence has not fulfilled one or more points from these General Terms.

The cost of issuing a new card/s, due to the loss or theft of the Card and/or PIN, is borne by the Card User.

A card found after loss/theft may not be used and must be returned to the Bank.

VIII CLAIMS

The Card User shall submit any claims to the Bank in writing on the form provided by the Bank, immediately upon becoming aware of a disputed charge and no later than 45 days from the date of the transaction, i.e. the day the account associated with the Card was debited.

A claims procedure is one that the Bank carries out at the request of the User, by which the User disputes that he authorised or carried out a transaction with a payment card. After submitting a claim, in which the User disputes the transaction, the Bank checks whether the disputed transaction has been properly authenticated and authorised, properly recorded and processed in the card's account.

The Bank will ask the User for additional data, which the User is obliged to provide, if required to process the claims procedure.

The Bank will not accept claims that have not been submitted within the stipulated period, and the Card User shall bear any financial loss that may arise as a result.

The Card User must keep copies of receipts in case of possible claims.

In the event of an unjustified claim, the Bank will debit the card account in accordance with the Bank directives in effect, which determine the fees for card operations.

For claims related to the quantity or quality of goods and/or services paid with the Card, the User must contact the point of sale only.

If the Bank reasonably suspects that the Card User has acted fraudulently or that he intentionally or due to gross negligence has not fulfilled the obligations stipulated in these General Terms, it has the right to withhold the return of funds for transactions that are the subject of a claims procedure, including unauthorised payment transactions, and of which the User is aware and agrees. Gross negligence refers to violating the provisions specified in these General Terms, including the disclosure of security data from the Card to a third party involved in Phishing or Skimming.

If, after a claims procedure is processed, it is established that the User has acted fraudulently, the Bank will recover the amount unjustifiably returned to the User based upon the claim submitted, by debiting the card account and/or collecting other funds kept by the User in the Bank, along with the associated costs.

IX BLOCKING OF CARD AND CANCELLING CARD USE

The Bank has the right to temporarily or permanently block a payment card for objectively justified reasons related to:

- 1) suspicions of payment card security risk;
- 2) suspicions of unauthorised use or fraudulent use of a payment card;
- 3) in the case of credit cards, due to a significant increase in the risk that the payer will be unable to fulfil payment obligations;
- 4) the need to adapt the Bank's operations to current legal regulations.

Temporary blocking of the Card occurs when there is a suspicion of abuse or the User reports the theft or loss of the Card. Permanent blocking of the Card represents the cancellation of the Card, in cases where the User violates the provisions of the Agreement or these General Terms, if the Card is not delivered or collected within the prescribed period, when there is a suspicion that the Card was used at a point of sale where a card copying device was installed, and at the User's written request.

The Bank may temporarily or permanently block the User's card and in any other cases in accordance with the law, and will inform the User immediately after the blocking, i.e. the restriction of the use of the Card.

Before blocking the payment Card, the Bank is obliged to notify the User of its intention and the reasons for blocking the payment Card by calling the User's contact number registered with the Bank.

If the Bank is unable to notify the User in accordance with the previous paragraph of this article, it shall do so immediately after blocking the payment Card.

The Bank is not obliged to notify the User in the manner defined in the preceding paragraphs of this article in the event that a notification will conflict with objectively justified security reasons or is in violation of the law.

At the Bank's sole discretion, a Card may be unblocked by the Bank by accepting a signed Request, previously submitted by the User at a Bank branch, if the reasons for the blocking of the Card have been removed.

The Bank is obliged to unblock the payment Card or replace the blocked payment Card with a new one when the reasons for the block no longer exist.

The Bank may deny the right to use the Card without notification and justification if the Card User does not comply with the General Terms for the Issue and Use of Payment Cards.

The Card User must return the Card at the Bank's request immediately after receiving a cancellation notice.

The Card User may deny the use of the Card to additional users at any time, by submitting a request in writing to the nearest branch of the Bank.

The Card User may abandon the use of the Card.

The Card User must notify the Bank of his intention to stop using the Card no later than 60 days before the card's expiration date, in writing on the form provided by the Bank, with the obligation to return to the Bank the primary card and any additional cards that may have been issued with the primary card.

All obligations for transactions received by the Bank up to 90 days after the Card User's cancellation or withdrawal from its use, as well as all possible costs in connection with this, shall be borne by the Card User.

X COMPLAINT PROCEDURE AND OUT-OF-COURT DISPUTE RESOLUTION

If the User believes that the Bank has acted contrary to the provisions of the Agreement, General Terms, the Law on Payment Transactions and/or other relevant regulations, the User may submit a complaint to the Bank.

The User may submit a complaint to the Bank regarding the provision of services in person, or to the Bank's e-mail address at prigovori@ucbank.me, which is also accessible from the Bank's official website, or by mail to the Bank's address - Stanka Dragojevicica bb, 81000 Podgorica.

Complaints must be submitted to the Bank in writing, and should contain a short request along with all of the facts upon which the User is basing his complaint.

The Bank must provide the User with a response to the objections stated in the submitted complaint as soon as possible, and no later than 8 days from the day of receipt of the complaint, in writing or by another permanent medium.

The User may also submit a complaint to the Central Bank of Montenegro.

The body authorised to supervise the operations of the Bank is the Central Bank of Montenegro, with its headquarters in Podgorica, at the address: Bulevar Svetog Petra Cetinjskog No. 6.

The User may also initiate an alternative dispute resolution procedure in accordance with specific laws regulating alternative dispute resolution and arbitration, as well as in accordance with the law regulating consumer protection. The Bank is obliged to participate in an alternative dispute resolution procedure initiated by the User.

The competent authority overseeing arbitration for business entities is the Arbitration Court at the Chamber of Economy of Montenegro, address Novak Miloseva 29/II, Podgorica, weblink <https://komora.me/pkcg/arbitrazni-sud>.

The User's right to initiate an alternative dispute resolution procedure in accordance with specific laws regulating alternative dispute resolution and arbitration, as well as in accordance with the law regulating consumer protection, does not affect his right to initiate court proceedings, in accordance with the law.

XI COMMUNICATION WITH THE BANK AND NOTIFICATION

Unless otherwise agreed between the Bank and the User, contracts for the provision of payment services are concluded in bilingual form in Montenegrin and English.

Documents and notifications in a foreign language must be submitted by the User to the Bank together with certified translations into the Montenegrin language.

In the event that the User fails to act in accordance with the above, the Bank may at its own discretion:

- not fulfil its obligation to the User;
- call upon the User to submit certified translations into the Montenegrin language of foreign language documents and notifications.

At the request of the User, and for the entire duration of the Framework Agreement, the Bank will, without delay, provide the User with a copy of the Framework Agreement in printed form or by another permanent medium.

The User is obliged to immediately notify the Bank in writing of all status changes, changes in the personal data of Authorised Persons and other data related to the Account, which are specified in the Application, and to support said changes with documentation. The User is responsible for all omissions and any damage occurring due to non-observance of the obligation to submit updates to data.

XII FINAL PROVISIONS

These General Terms are displayed in all organizational units of the Bank, as well as on the Bank's official website, and are delivered to the User in printed form upon signing the Agreement or on another permanent medium and/or as requested.

By signing the Framework Agreement on opening and maintaining a transaction account, i.e. savings account, the User confirms that he is familiar with the provisions of these General Terms and that he has agreed to their application.

The Bank reserves the right to amend these General Terms in accordance with the provisions of the law.

Legal provisions and other regulations as well as Bank directives on business with natural persons shall apply to anything that is not expressly determined by these General Terms.

The Montenegrin language shall be used for contractual relations and communication between the Bank and the User, i.e. the language in official use in Montenegro.

These General Terms have been drawn up in accordance with the valid regulations of Montenegro, which shall also apply in their interpretation.

All possible disputes between the Bank and the User that may arise from mutual agreements and these General Terms shall be resolved by applying the laws of Montenegro.

In case of dispute, the court in Podgorica has jurisdiction.

These General Terms and all their subsequent amendments, in relation to existing Users of payment services, are considered to be amendments to the Framework Agreement. If the User does not submit to the Bank a statement that he does not agree with the amendments within two months prior to the proposed date of application of these General Terms, he is considered to have accepted the amendments.

If the provisions of the Agreement under which the Bank and the User regulated contractual relations in connection with payment accounts and the performance of payment services up to the entry into force of these General Terms and all subsequent amendments to these, are in conflict with the provisions of valid legal regulations and/or the provisions of these General Terms, the provisions of previously concluded agreements cease to be valid, and the provisions of these General Terms, i.e. all their subsequent amendments, and valid legal regulations shall apply instead.

Valid legal regulations shall apply to anything not regulated by these General Terms.

These General Terms enter into force on 7 February 2024 and shall go into effect two months from the date of publication on the Bank's notice board and the Bank's official website, i.e. from 7 April 2024.

From the date of application of these General Terms, the previous General Terms for the Issue and Use of the Mastercard Standard Credit and Mastercard Platinum Credit cease to apply.

PRESIDENT OF THE MANAGEMENT BOARD

Milos Pavlovic
