



GENERAL CONDITIONS ON OPENING AND KEEPING A TRANSACTION ACCOUNT FOR PERFORMING DOMESTIC PAYMENT OPERATIONS

Komercijalna Banka AD Skopje (hereinafter: the Bank) hereby shall regulate the General Conditions on opening, keeping and closing a transaction accounts of transaction account holders, base for interest calculation on transaction accounts, fees for domestic payment services, notifications to the Transaction Account Holders, complaints and validity of the General Conditions. Apart from execution of specified domestic payment operations, General Conditions shall refer to the rights and obligations stipulated by the agreement relation between the Bank and the Transaction Account Holder, as well as the rights of authorized persons that represent the Transaction Account Holder.

1. General provisions

1.1. The legal relation between the Bank and the Transaction Account Holder comes into force upon signing the Agreement for opening and keeping transaction account for performing domestic payment operations. Prior to conclusion of the Agreement, the Bank shall give a copy of the General Conditions to the Transaction Account Holder.

The General Conditions for opening, keeping and closing transaction accounts are an integral part of the Agreement for opening and keeping transaction account for performance of domestic payment operations.

1.2. Any changes that are going to be made in the General Conditions for opening, keeping and closing of transaction accounts shall be notified to the account holders through the statement of the account on the changes and the statement of the account on the account balance, as well as on the web site of the Bank. The account holder undertakes to notify the Bank on any change that may occur in relation to the client's registered seat. The account holder shall notify the Bank on any changes that occurred in the data provided to the Bank when concluding the Agreement, but not later than three days from the date the change occurred, or otherwise the Bank shall be liable for any consequences arising from the change not being notified accordingly.

2. Opening of a transaction account

2.1. The Bank shall open a transaction account to the Transaction Account Holder if the following requirements and conditions are fulfilled:

- To present the Bank's application form "Application for opening a transaction account" and
- To present documentation which enables identification of the Transaction Account Holder; persons authorized to operate with the funds available on the transaction account; persons authorized for withdrawing statements of bank account balance, persons authorized for submitting payment orders and/or persons authorized for withdrawing cash from the Holder's Transaction Account.

The Bank shall conclude an agreement and open a transaction account within two days upon receipt of the Application for opening a transaction account and properly completed prescribed documents. The Bank may reject the Application if it is determined that the Transaction Account Holder acts contrary to the provisions of these Conditions and the applicable regulations, and shall notify the Applicant thereof immediately.

By executing the Agreement, the Bank shall issue an identification card to the Transaction Account Holder for the bearers of the payment instruments. Additionally, for all persons authorized for withdrawing bank statements of account balance, persons authorized for withdrawing cash and/or persons authorized for submitting payment orders, the Bank shall issue identification card unique for each authorized person with assigned ID number (computer generated serial number connected to each person's PIN number).

Due to the protection of its interests, the Transaction Account Holder and the persons owning identification card with ID number shall be obliged to keep the card safe and avoid its misuse by keeping the ID number out of sight and reach of unauthorized persons.

The Bank shall not be responsible if the ID card or ID number is misused.

The Transaction Account Holder shall be obliged to notify the Bank if any of the issued cards has been lost.

Each person, holder of an identification card with assigned ID number, is personally responsible for that card and is obliged to notify the Bank if the card has been lost or stolen.

In the above mentioned case, a new ID card with new ID number shall be issued to that person.

3. Keeping of transaction account

3.1. All information, data and documents regarding opening, managing and keeping the transaction account are confidential and the Bank keeps like business secret, except when disclosure of information and data to third parties is based on law regulations. The Bank agrees to keep confidential all the information gained in the course of operation with the Transaction Account Holder. The Bank may deliver confidential data without consent of the Transaction Account Holder only to those parties, which, according to the law regulations, have an exclusive right to inspect the operation of the Transaction Account Holder.

In accordance to the law regulations for personal data protection, the Bank shall be obliged to protect personal data on the legal representative of the Transaction Account Holder, persons authorized to manage the funds available on the account and founders – individuals, as well as other persons for which the Bank has data.

3.2. The Transaction Account Holder shall allow the Bank to use at any time the data related to keeping of account and are stated in the Application for opening transaction account.

3.3. The Bank undertakes that the Transaction Account Holder shall receive, pay and execute withdrawals through its transaction account up to the extent of the balance of the account, according to the agreement concluded with the Transaction Account Holder, or based on a decision of the Bank.

3.4. The positive account balance shall be considered as demand deposit in denars (MKD) and shall be available to the Transaction Account Holder at any time.

3.5. The funds on the account shall be at disposal of the Transaction Account Holder.

3.6. The Account Holder may authorize third parties to manage the funds on the account. Authorization for managing the funds on the account may not be assigned to third parties and it does not refer to the right for closing the transaction account.

3.7. The persons authorized to manage the funds on the account must deposit their signatures in the Bank. The signatures deposited in the Bank are valid until revoked by the Transaction Account Holder, regardless of the registration of the change in a public register or in an official gazette. The Bank shall not be responsible for any eventual loss that may occur to the Transaction Account Holder due to late notification of the change of authorized signatories.

3.8. The Transaction Account Holder shall authorize persons for submitting payment orders, withdrawing bank statements of account balance and/or withdrawing cash from the account. The persons that shall be authorized to withdraw cash from the transaction account of the Holder must deposit their signature in the Bank. The authorization and the signatures are valid until revoked by the Transaction Account Holder. The Bank is not responsible for any loss to the Transaction Account Holder that may occur due to late notification of any change in persons authorized for submitting payment orders, cash withdrawals and/or bank statements of account balance withdrawals.

4. Execution of payment instruments

4.1. Payment instruments submitted to the Bank by the Transaction Account Holder must be filled in according to the payment system standards. Payment instruments can be submitted on paper or electronically, along with the prescribed documentation.

Payment instruments may be submitted in the form of MT101, as payment message (payment instructions), received through the SWIFT system, based on specific authorization for receiving payment instruments in the form of MT101 through SWIFT system, provided by representative of the Transaction Account Holder.

4.2. Payment instrument may be processed at current value date, or at future value date. Payment instruments with current value date are executed the same day if they are submitted according to the Bank's Term operation plan for domestic payments, and if submitted later they will be executed the next working day, if there is sufficient balance on the transaction account.

4.3. The Transaction Account Holder shall be obliged to submit accurately completed payment instruments. The Bank shall not accept payment instruments with expired execution date as well as incorrectly and incompletely filled in instruments.

4.4. The Transaction Account Holder and the Bank may agree that the Account Holder can set priorities in execution of payment instruments; otherwise the Bank shall execute payment instruments by the time of acceptance, obeying legal priorities.

4.5. The contents of the payment instrument submitted by the Transaction Account Holder must be clear, readable and precise. The Bank shall not be responsible for any loss occurred as a result of delay in execution of payment instrument if the delay is a result of preceding additional data control. It specifically refers to money transfers to third parties, where the Transaction Account Holder should precisely define the receiver of the funds, the number of transaction account of the receiver and all

necessary data for the Bank through which the execution of the payment is being executed. The Transaction Account Holders shall be responsible for any consequences arisen from incorrectly filled in payment instruments.

4.6. The content of the payment message MT101, received through the SWIFT system, should be clear, precise and to contain all necessary information according to which the payment should be executed. This specifically refers to the money transfers to third parties, in which case the Transaction Account Holders should accurately define the receiver of the funds, the number of the transaction account of the receiver and any additional necessary data for the Bank through which the execution of the payment can be obtained. Any consequences that may arise due to inaccurately or insufficiently submitted information by the Transaction Account Holder, for the purpose of executing the payment, are responsibility of the Transaction Account Holder.

The Bank is not responsible for, nor has any obligation to verify the validity and authorization of the payment message MT101 through the SWIFT system; nor is obliged to check the authorized signatures of the message. The Transaction Account Holder is responsible for submitting the appropriate documentation through the above described channel.

4.7. If during the execution of the payments there is a failure occurred by fault of the Bank, the eventual costs of the Transaction Account Holder will be compensated by the Bank.

4.8. The Transaction Account Holder may execute payments in favor of transaction account holders with other business banks (payments that are not considered as payments on high amounts according to the Central Bank's Decision on payments on high amounts) through the Clearing House System (DNS), where the payments are considered final after the settlement of the transaction accounts of all banks in the Central Bank system, or the Transaction Account Holder may use the settlement system operated by the Central Bank, the so called MIPS (RTGS) for payments that according to the Decision of the Central Bank are considered to be payments on high amounts and urgent payments. The Transaction Account Holder shall specify in the payment instrument which mode of payment will be used for execution of the payment. If the Transaction Account Holder does not specify the mode of payment in the payment instrument, the Bank shall execute it by its own choice in the best possible manner.

5. Additional services

5.1. The Bank provides additional services for the Transaction Account Holder in relation to transaction account, for which the Bank and the Transaction Account Holder shall make separate agreements. The Bank may prescribe special Conditions for executing additional services.

6. Notification

6.1. According to the Law regulations, the Transaction Account Holders shall be obliged to notify the Bank immediately on each change regarding the legal status, personal or any other data of the authorized persons as well as all other data regarding keeping the account that are stated in the Application for opening a n account. The Bank shall not be responsible for any loss of the Transaction Account Holder occurred due to delayed notification by the Transaction Account Holder.

6.2. The Bank shall be obliged to notify the Transaction Account Holder on the statement of and the changes occurred on its account by providing statement of account on the balance, in the manner specified in the Agreement for opening transaction account.

6.3. The statement of accounts shall be considered accepted if not objected by the Transaction Account Holder within 8 (eight) days from the date of its receipt.

7. Calculation of interest, fees and costs

7.1. The Bank shall calculate and pay interest on the funds of the Transaction Account Holder in accordance with the Bank's Decision on interest rates and the interest so calculated shall be credited on the account balance at the end of the calculating period or at closing the account.

7.2. The Bank shall calculate and charge fees for services provided in payment operations, according to the Bank's Terms and Conditions Applicable to Customers. The Bank shall credit its own account for these claims debiting the transaction account of the Transaction Account Holder, for which he is notified by a statement of account.

8. Closing the transaction account

8.1. The Transaction Account Holder may, in written, with consent of the Bank, require termination of the Agreement for opening and keeping the transaction account for performance of domestic payment operations. Also, the Transaction Account Holder may terminate unilaterally the Agreement with a termination period of 30 days. In both cases, the Transaction Account Holder is obliged to settle all its obligations arising under the Agreement up to the date of termination.

8.2. The Transaction Account Holder is obliged to send a written notice to the Bank for any changes that may influence the validity of the Agreement. Otherwise, the Bank may terminate the Agreement. The Transaction Account Holder shall be responsible for all financial consequences occurred due to late notification.

8.3. The Bank may terminate the Agreement if it finds out that the Transaction Account Holder acts to the contrary of the provisions of these General Conditions, the Agreement or the applicable law regulations.

8.4. The Agreement shall cease to be valid in case when there are no assets or turnover realized through the transaction account within the last 2 (two) years and the account is not blocked, which shall be notified to the account holder, as well as on the basis of a decision made by a competent authority, in accordance with the law regulations.

8.5. The Agreement shall cease to be valid on the day of the closure of the transaction account. The Transaction Account Holder is obliged to return the identification card to the Bank. The Bank shall not be responsible for the misuse of the identification card, if the same has not been returned to the Bank upon closing the account.