

GENERAL CONDITIONS
of Komercijalna Banka AD Skopje for use of the e-banking services
for individuals-residents through the Internet Bank

The General Conditions for use of e-banking services for individuals shall regulate the basic and common rules according to which the clients – individuals having opened accounts with the Bank can use the e-banking service through the Internet Bank.

DEFINITION OF TERMS

Certain terms used in the General Conditions, the Agreement and other documents that regulate operation through the Internet Bank, shall have the following meaning:

Bank

Komercijalna Banka AD Skopje.

General conditions

General Conditions of Komercijalna Banka AD Skopje for use of the e-banking services for individuals through the Internet Bank.

E-banking services

Access to the services of the Bank out of its premises, using information technology, telecommunication and special safety mechanisms. These services include:

- checking the balance, movements on and statement of the User's accounts;
- checking the balance, the loan repayment schedule and all payments made on Borrower's loan sub-accounts;
- insight and changes of the payment cards' limits;
- update of User's contact data;
- reset of the login password by the User himself/herself;
- correction of subscriptions granted to the User;
- purchase/sale of foreign currencies (non-cash);
- transfer of funds from time and demand savings deposit account to already opened denar/fx savings accounts of the User and to opened denar savings accounts the User has insight authorization for;
- transfer of funds from own denar/fx demand savings account to own denar transaction account or own fx account;
- transfer of funds from User's denar transaction account to other accounts within the domestic payment operations;
- submitting fx payment orders to non-residents in the country and abroad;
- submitting denar payment orders to non-residents in the country;
- payments through the Ki-Pay service;
- submitting an application for a new list of codes;
- activation of the list of codes given in advance;
- online application for consumer credit loan for individuals
- graphic presentation of the balance of current accounts and loans
- review of undistributed inflows on fx accounts
- Online application for:
 - reduction of annuity;
 - return of subscription;
 - issuance of a general certificate;
 - calculation of liabilities under loan for the purpose of loan settlement;
 - continuous reduction of loan balance;
 - settlement of a loan by means of deposit.

- Online credit card application for individuals;
- Online submission of complaints by under cards;
- Cancellation of term Denar and fx savings deposits for individuals.

Internet Bank

Service center of the Bank through which the e-banking services are performed, i.e. electronic delivery of payment instruments with electronic signature and other information between the agreement parties through Internet.

Software solutions for access to and use of the Internet Bank services

The User shall have access to Internet Bank services by using software solutions given by the Bank for use under the conditions and in volume as prescribed by the Agreement for use of e-banking services for individuals through the Internet Bank, the General Conditions, Decision on the Terms and Conditions Applicable for the Bank's Customers, user guidelines, security recommendations and other documents regulating operation of the Internet Bank.

The access to Internet Bank may be realized through the web based solution and solutions for mobile devices, which hereinafter are named shortly as web application and mobile application, respectively.

Web application

An application based on several internet technologies and available for use through supported Internet browsers defined in the User Guidelines and General Conditions. This solution provides fast, safe and easy 24-hours access to the e-banking services defined in the section for E-banking Services of the General Conditions.

Mobile device

In the General Conditions it is a smart phone or tablet based on operative systems that are currently supported by the Mobile Application and defined in the technical requirements of the General Conditions and User Guidelines for use of the Mobile Application.

Android routing and iOS jailbreaking of a mobile device

Android routing is a process where the default software of the device is replaced by software designed by a third party for the purpose of enabling the user to acquire privileged root access within the operative system, which disrupts the security mechanisms incorporated within the operative system or the security mechanisms provided by the mobile device manufacturer.

iOS jailbreaking is a process of elimination of the limitations of mobile device's iOS operative system by applying software and/or hardware methods by which, among other things, the user acquires privileged root access which disrupts the security mechanisms incorporated within the operative system and the device itself by the manufacturer.

Application stores and list of acceptable stores of mobile applications

It is a platform for digital distribution of software produced as a component incorporated in the operative system by the mobile device manufacturer through which the user may browse, install and uninstall applications already published through the store. Forwarding of a new application to the application store has to go through a process of control and approval by the store owner. By means of these General Conditions, as acceptable, the

Bank indicates the following application stores as places the new versions of the mobile application shall be forwarded to:

- Google Play – Google Inc, a platform enabled by Google and intended for mobile devices based on Android operative system
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- App Store – Apple Inc, a platform enabled by Apple and intended for mobile devices based on iOS operative system

Mobile application

It is an application based on the list of supported mobile operative systems defined in the General Conditions. It may be downloaded at the mobile device from the List of acceptable app stores available on Internet. The mobile application enables the User and the Authorized Person to have safe, fast and simple 24-hours access, through Internet, to the part of the most used e-banking services for individuals defined in the General Conditions:

- insight in the statement and turnover on the transaction accounts of individuals for performance of domestic payment operations;
- insight in the statement and turnover on fx transaction accounts of individuals ;
- insight in the statement and turnover on credit cards for individuals;
- insight and change of the limits on payment cards of the User;
- update of contact data of the User;
- setting minimum amounts for receiving notifications;
- settings for receiving notifications on inflow/outflow on/from transaction accounts cards and fx accounts;
- making transfers and payments from denar transaction account of the User to other accounts within the domestic payments operations;
- transfer of funds from a term savings deposit and demand savings deposit: to already opened denar/fx savings accounts of the User and to already opened denar savings accounts the User has authorization for insight;
- transfer of funds from own denar/fx demand savings account to own denar transaction account or own fx account;
- online application for consumer credit loan for individuals;
- graphic presentation of the balance of current accounts and loans;
- review of undistributed inflows on fx accounts.

In addition, the User and the Authorized Person may use the services for access to publicly available information referring to the following list of services:

- geolocation services for detection of the closest business unit or ATM and the route thereto;
- List of exchange rates;
- credit or savings calculator and calculator for purchase/sale of foreign currencies;
- Information and news on the products and services of the Bank intended for individuals.

User

Any individual having concluded Agreement for opening a transaction account, payment card account, fx account or non-resident account of individual, which is provided use of the e-banking services through the Internet Bank.

Agreement

Agreement for use of the e-banking services for individuals through the Internet Bank, concluded between the Bank and User, regulating mutual rights, obligations and

responsibilities arising from use of the e-banking services.

Account

Account of the User of e-banking services opened on the basis of separate agreement concluded between the User and the Bank, for which the Bank enables use of services through Internet Bank and is credited/debited for the amount of the transactions, fees, commissions and interest arising by the use of Internet Bank services (unless otherwise regulated by a separate agreement).

TransactionAccount

User's transaction account for individuals with the Bank, through which the User may use Internet Bank services related to having insight in the account balance, its changes and statement of account, to make transfer of funds to other accounts in the domestic payment operations, transfer of funds on denar savings account with the Bank, transfer of funds from own denar demand savings account on own transaction account with the Bank and purchase of foreign currencies and transfer to the User's fx account with the Bank.

FX account

User's fx account for individuals opened with the Bank, through which the User may use Internet Bank services related to having insight in the account balance, movements and statement of account, transfer of funds on User's fx savings account with the Bank, transfer of funds from own fx demand savings account on its own fx account with the Bank and sale of foreign currencies and transfer of the funds on transaction account of the User with the Bank.

Payment card

Payment – debit or credit card for individuals issued by the Bank to the User on the basis of account opened with the Bank, through which the User may use Internet Bank services related to insight in the balance, movements on and statement of accounts.

Credit sub-account – an account for a loan to individuals, utilized by the User on the basis of Loan Agreement concluded with the Bank.

Savings deposit

Savings deposit – a denar or foreign currency deposit of the User deposited on a separate savings account with the Bank, through which the User uses the Internet Bank services related to having insight thereto, monitoring the changes in the balance and realization of certain transactions.

Authorized Person for use of the e-banking services (hereinafter: Authorized Person)

Any individual authorized by the User to operate with the funds of its account or to perform other actions in connection with use of the e-banking services. The User's authorization is contained in the Application for use of e-banking services for individuals through Internet Bank.

Electronic signature

Series of data in electronic form, which comprise or are logically connected with other data in electronic form, used for authentication of data and identity of the signatory.

Signatory of an electronic message

User or Authorized person, who signs the electronic messages, as per authorizations set out by the User.

Single use code

A secret fixed length sequence of numbers that may be used only once when submitting payment orders to Internet Bank intended to verify the connection between the data for checking the electronic signature of certain person, the holder of the list, i.e. codes generator and the person's identity.

Method of generating single use codes

The codes may be generated:

- by the Bank, by random choice and printed in envelope covered series of single use codes, hereinafter called lists of single use codes
- by means of single use codes generators where the generation of the codes is made by means of the unique randomly generated secret key and time frame where the code is generated. Single use codes generator is constituent part of the Mobile application. It is used on a mobile device which, by the safety mechanisms installed and all other technologies enabled by the Bank, is considered as safe in terms of the risk from unauthorized downloading of the secret key and misuse of the single use codes generator by third parties. The access to the secret key of single use codes generator is made by using PIN (personal Identification Number) selected by and known to the user only; it should neither be kept by the Bank nor in the mobile device. After 5 wrong PINs used in a row, the key of the single use codes generator shall be destroyed as a measure for prevention of any possible misuse.

Digital certificate

Electronic confirmation certifying the relation between the verification data of an electronic signature and certain person - holder of the certificate and the identity of that person.

Valid digital certificate

Digital certificate issued by the Bank or another issuer of certificates, accepted by the Bank, which is within its validity term and which is not formally revoked in the system of the Bank.

Medium for keeping digital certificates

Safety device keeping the digital certificate by which the identity is authenticated, the data are encrypted and the electronic messages and order forms are digitally signed.

User name

Combination of signs given by the Bank to the User to identify him/her in a unique manner within the e-banking system.

Secret password

Secret combination of signs, initially given by the Bank to the User, to be used for verification of the identity. The User has to change it at the first logging in the system.

Electronic message

Sequence of data sent or received electronically, including electronic exchange of data and e-mail.

Electronic payment order

A payment order delivered by the User to the Bank in form of electronic message, which is in accordance with the rules set out by the User, internal acts of the Bank and the applicable law regulations for performance of the payment operations.

Time schedule of the Bank for participants in the domestic payment operations

Terms for realization of the payment orders as at the current calculating date in the internal and external payment systems, accorded with the working hours of KIBS and MIPS, as well as the internal acts of the Bank regulating the working hours.

APPLICATION OF THE GENERAL CONDITIONS

The General Conditions are applied to the relations between the Bank and the User that are established by signing of the Agreement and other documentation.

CONDITIONS FOR USE OF THE SERVICES

In order to use the e-banking services the User should have an account opened with the Bank.

- The Bank shall approve use of the e-banking services for individuals against presentation of properly filled out and signed documents: Agreement for use of e-banking services for individuals through the Internet Bank,
- Application for use of e-banking services for individuals through the Internet Bank,

The User shall, in the Application, define the use of one or several Internet Bank services and indicate the accounts through the respective services shall be used. The Application is constituent part of the Agreement.

The User may authorize other person to use e-banking services related to its accounts opened with the Bank. The Bank shall provide e-banking services to the Authorized Person in a volume and manner defined by the User in the Application submitted to the Bank.

The Bank shall have the right to refuse the application of the User for use of the Internet banking services, without stating the reasons thereof.

Upon processing of documents and execution of the Agreement, the Bank shall assign user name and password to the User of the system for access to the web application.

Transfer of funds from the User's account to other accounts within the domestic payment operations through the web application of the Internet Bank, as well as other types of transactions stated in the part referring to "e-banking services", may be performed by the User and the Authorized Person by using a list of single use codes or a digital certificate.

The User and the Authorized Person may download and install the mobile application from the List of app stores acceptable for the Bank. If, apart from the access to the publicly available information, the User or the Authorized Person want to use the services of having insight in the statement of and turnover on the accounts of the User, they should register the mobile device and activate the mobile application for use of this type of services through the web application.

Furthermore, the User and the Authorized Person may, through the Internet Bank, transfer funds from the User's account to other accounts within the domestic payment operations, by using the mobile application on previously registered mobile device and activated application and using the generator of single use codes incorporated in the mobile application. The precondition required for use of these services is that the User or the Authorized Person

should, through the web application, select the daily and monthly limits for payments by PP30 order forms, to verify and approve the use of the mobile application for making payments, as well as to verify the acceptance of the General Conditions, by using digital certificate or code from the list of single use codes.

The users and authorized persons that already have valid digital certificate and have reported their public key to the Bank for carrying out electronic payments under other type of banking operations, may also use the same digital certificate for e-banking for individuals.

At request of the User, if the User does not possess a digital certificate, the Bank shall issue a digital certificate to the User or the Authorized Person at its Registration Office and under conditions applicable for e-banking for legal entities.

The User shall be obliged, at own expense, to provide the following technical conditions for use of the service:

- PC with MS Windows operative system and minimum Internet Explorer 8.0 with Cipher Strength 128 bit version. If it uses the information services only, the User may use other Internet browsers such as Google Chrome and FireFox Mozilla. If the digital signing is made by using digital certificate on USB token, the PC should have USB port

-In order to use the mobile application, the following technical conditions should be provided:

- Android based mobile device and minimum 2.3.3 version, API Level 10, appropriately updated google play services or mobile device based on iOS and minimum version 6
 - digital camera incorporated in the mobile device
 - updated version of Google Maps installed
- Internet access.

ISSUANCE AND USE OF LISTS OF SINGLE USE CODES

The User and the Authorized Person shall be issued separate single use codes lists by the Bank at the Bank's tellers indicated for that purpose.

The User or the Authorized Person shall be obliged to sign a Certificate of Receipt of a single use codes list, each of them separately for own list.

The single use codes lists shall be in possession of the User or the Authorized Person, respectively, and they should keep it safe against destruction, losing, unauthorized use, etc., and to use it in accordance with the security standards and in a manner as prescribed by the User Guidelines.

The validity term of the single use codes list issued by the Bank shall be indicated in the document verifying the receipt of the list.

Upon expiry of the validity term of single use codes list, or upon use of all codes on the list, the User and the Authorized Person may take new single use codes lists at the Bank's tellers indicated for that purpose.

At request of the User, the Bank shall issue a new list(s) of single use codes with deferred activation. Activation of the list(s) shall be made by the User, through the Internet Bank using the codes from the existing list of codes. The User may initiate an application for list(s) of codes through the Internet Bank using the codes from the existing list of codes.

The Bank agrees to issue to the User or the Authorized Person, at their request, a new password or a new single use codes list. The issuance of the password or the list to the User or the Authorized Person shall be charged in accordance with the Bank's Decision on the Terms and Conditions Applicable to Customers.

If, upon acquiring username and password, the User or the Authorized Person does not log in the system for the first time within 15 days, or within the regular use thereof does not log in within period longer than 90 days, the username may be temporarily blocked from security reasons. The reactivation of the username shall be made upon a written request submitted by the User.

ISSUANCE AND USE OF DIGITAL CERTIFICATES

Valid digital certificates and encrypted communication shall be used for safe data exchange between the Bank and Users.

Digital certificates issued by the Bank

The Bank provides generating of digital certificates in its own Registration Office.

Digital certificate may only be generated and taken by the User.

Digital certificates issued in the Registration Office of the Bank and their storage media may be used only in the Internet Bank of Komercijalna Banka AD Skopje.

The Bank shall determine the generation and storage medium for the digital certificate.

At request of the Bank, the User shall immediately render the storage medium of the digital certificate to the Bank.

Validity term of the digital certificates issued by the Bank is stated in the document confirming the issuance of the digital certificate.

Renewal of the digital certificate, upon expiry of the validity term or at request of the holder of the digital certificate, if possible, shall be made on the same medium.

Digital certificates issued by another issuer

The Bank also may accept certificates issued by other domestic or foreign issuers. The Bank shall announce a list of issuers whose certificates are acceptable.

The Users using certificates of another issuer must report that to the registration Office of the Bank, without the private key.

The Bank strictly recommends that digital certificates issued by other issuers should be stored and used only on a medium from which they cannot be copied without use of destructive methods (USB token, smart card etc.). The Bank shall not undertake any responsibility in case of problems that may arise from use of less safe media for storage of digital certificates.

USE OF SERVICES

The e-banking services for checking the balance of accounts, movements thereon and statement of account, as well as delivery of electronic payment orders through the Internet Bank shall be available for Users 24 hours a day, seven days in the week, except in case of break of the system for the purposes of regular maintenance or upgrade of the system.

The electronic orders for payment, transfer of funds on denar savings accounts and transfer of funds from denar demand savings account on transaction account, when delivered through the Internet Bank and mobile application, shall be executed as per the Term Plan for the participants in the domestic payment operations in Komercijalna Banka AD Skopje,

applicable at the time of execution of the transaction and published on the web site of the Bank.

The electronic order forms for denar and fx payments in the country, or international fx payments to non-residents, when delivered through the Internet Bank, shall not be executed automatically but they shall undergo a detailed control by the competent Bank's unit. The Bank shall accept execution of the order forms delivered only if the required law regulations are fulfilled and required documents submitted. Otherwise, the order form shall be returned and not executed.

When making non-cash payments through Internet Banking, the daily, monthly and maximum amount for individual transaction defined by the User shall be applied, and they may not be higher than the limits defined by the Bank, which refer to a registered Internet Bank user:

- Maximum limit for an individual transaction of MKD 8,000,000
- daily maximum limit of MKD 10,000,000
- monthly maximum limit of MKD 18,000,000

When making non-cash payments with Mobile Application, the daily, monthly and maximum amount for individual transaction defined by the User are applied, and they may not be higher than the limits defined by the Bank for mobile devices:

- Maximum limit for an individual transaction of MKD 600,000,
- daily maximum limit of MKD 900,000,
- monthly maximum limit of MKD 1,800,000.

The User may, at any time and according to his wishes and needs, change the maximum daily and monthly amounts by using the web application and verifying the changes of these amounts by the single use codes list or digital certificate, in accordance with the maximum allowed amounts defined by the Bank.

With routed or jailbroken mobile device, the transfer of funds by non-cash payment order form PP30 shall be subject to the rules for maximum daily and monthly amounts defined by the User, where these amounts may not be higher than the maximum daily and monthly amounts defined by the Bank for routed or jailbroken mobile device:

- maximum limit for an individual transaction of MKD 50,000
- daily maximum limit of MKD 50.000
- monthly maximum limit of MKD 100.000

The Bank shall keep the right to change the maximum daily and monthly limits for payments by PP30 order form through the mobile application, as well as on the basis of the assessment of the risks related to the information security by using the mobile application on routed or jailbroken mobile device; this service may additionally be limited or completely cancelled.

Electronic orders for transfer of funds on a foreign currency savings deposit and transfer of funds from a foreign currency savings deposit to a foreign currency account shall be executed pursuant to the Term Plan for participants in the domestic payment operations in Komercijalna Banka AD Skopje, applicable at the moment of execution of the transaction posted on the web site of the Bank.

The service of purchase/sale of foreign currencies through the Internet Bank shall be performed with the following limits:

- up to EUR 5.000 (denar equivalent at mid-exchange rate of NBRM) – every day from 00:01 to 23:30, except on 1 January;

- from EUR 5.000 to EUR 20.000 (denar equivalent at mid-exchange rate of NBRM) in business days for the Bank from Monday to Friday, from 07:30 to 16:00.
- minimum amount for sale and purchase of currencies EUR, USD, GBP, CHF, CAD and AUD is 5 currency units;
- minimum amount for sale and purchase of the currencies SEK, NOK and DKK is 50 currency units;
- minimum amount for purchase and sale of JPY and RUB currencies is 500 currency units;
- 10 transactions for purchase and sale of foreign currency can be performed during 24 hours.

When executing electronic orders for purchase/sale of foreign currency the last exchange rate list of the Bank for the current day shall be applied.

The Bank shall keep its discretion right for temporary termination of the service for purchase/sale of foreign currencies through Internet Bank.

The Internet Bank services may be used by the User at the very next business day upon completion of all conditions prescribed. The rule mentioned shall also be applied when extending or changing the services.

MALPRACTICE

The User shall be obliged to get information on the contents, rights and obligations arising from the General Conditions, the Agreement and all other documents which regulate the operation of the Internet Bank, including the safety recommendations available at web application links.

If the User or the Authorized Person finds out or suspects that an unauthorized person knows his password or that it might be misused in any way, he has to change the password immediately, in accordance with the procedure described in the User Guidelines.

In case of loss or theft of the single use codes list or medium the digital certificate is being stored on, the User or the Authorized Person shall, without delay, as soon as possible, notify the Bank thereof. The Bank shall, as soon as possible, revoke the digital certificate or the single use codes list. Upon their revoke and upon submission of written request by the User or the Authorized Person, the Bank shall issue new certificate on new medium or new single use codes list.

At request of the User, the Bank shall completely block the access to the Internet Bank and other e-banking services. At request of the User and upon submission of a written statement by the Authorized Person, the user name shall be unblocked.

The Bank may fully or partly block the use of the service if certain activities of the User cause burdening of the system and disable its smooth functioning.

The Bank shall not undertake any responsibility for any possible damage that may arise as a result of loss or theft of the medium the digital certificate is being stored on or of the single use codes list.

In case of loss or theft of the mobile device with already installed and activated mobile application, or any suspicion that the mobile device is compromised in terms of its safety, the User or the Authorized Person shall be obliged, as soon as possible, to disable or deactivate it through the web application and in accordance with the User Guidelines for the mobile application. If the User or the Authorized Person are not in a position to make deactivation by means of web application, he should advise the Bank thereof immediately. The Bank shall disable the use of the mobile application on the respective mobile device as soon as

possible.

The Bank shall not undertake any responsibility for any eventual loss that may arise as a result of:

- lost or stolen mobile device registered for carrying out transactions and its late disabling at any of the above mentioned methods;
- use of the mobile application on routed or jailbroken mobile device or on mobile device where the content of the default software has in any way been changed by third party software different from the one of the manufacturer of the operative system or the device manufacturer;
- interference of the techniques and applied technologies of the Bank by the User, the Authorized person or other type of interference source (malware, etc.) for detection of a routed or jailbroken mobile device. The Bank has installed them within the Mobile Application in order for the User and the Authorized Person to be informed and protected from possible risks in the eventual use of the Mobile Application on this type of devices. The Bank does not take responsibility if due to such interference the mobile device is not detected as routed or jailbroken and it receives far higher daily and monthly limits than those prescribed by the Bank as maximum amounts for routed or jailbroken mobile devices.
- use of the mobile application on a device where the security settings are defined in a manner that decreases the total safety of the mobile device, including but not limited to the following examples:
 - o enabled installation of software from other sources that are not included in the list of mobile app stores acceptable for the Bank
 - o enabled developer options, i.e. errors elimination software
- use of the Mobile application or other applications downloaded and installed from third sources that are not on the list of mobile app stores as defined in the General Conditions
- non-adherence to the security recommendations published and available through the links of the web application, and especially of the recommendations referring to:
 - o setting and locking the mobile device display with PIN or password
 - o installation of software for antivirus protection

COMPLAINTS

The User shall be obliged to have regular insight in the movements on the account, to monitor and control the transactions immediately after their realization and report and complaints thereto to the Bank immediately without any delay. The time needed for settlement of the complaints depends on the type and reasons for the respective event.

SERVICE FEES

The Bank shall charge fees for use of the e-banking services through the Internet Bank in accordance with the Terms and Conditions of the Bank applicable on the date of service performed.

AMENDMENTS AND SUPPLEMENTS

The Bank shall keep the right to make amendments to the volume and contents of the services of the Internet Bank, safety mechanisms, General Conditions, Term Plan for participants in the domestic payment operations, Decision on the Bank's Terms and Conditions Applicable to Customers and other acts of the Bank's Business Policy, user guidelines and other documents regulating the operation of the Internet Bank.

The Bank shall notify the User on any of the foregoing amendments by notifying the User on the statement of his/her account or on the web site of the Internet Bank.

Being enabled to have 24 hours access to e-banking services by the Bank, the User shall be considered as properly and timely notified on any changes on the account and on any amendments in the Bank's operation. The dynamics of following the published information, insight in the balance of the account, changes on and statement of the account shall be in full competence of the User.

If the User does not agree with any changes in the Internet Bank, he/she may send a written objection or may submit a request for termination of the Agreement within 15 days from the date of publishing the information, otherwise it shall be considered that the User is agreed with the proposed amendments and accepts them in full.

OTHER PROVISIONS

-The General Conditions are constituent part of the Agreement for use of e-banking services for individuals through the Internet Bank.

-Signing the Application and the Agreement for use of e-banking services for individuals through the Internet Bank shall mean that the client has been acquainted with the General Conditions for use of e-banking services for individuals through the Internet Bank.