



ProCredit Bank

GENERAL TERMS AND CONDITIONS

Natural Persons

A decorative footer bar at the bottom of the page, composed of several colored rectangular segments in yellow, orange, red, green, purple, and blue.

These conditions are available in Albanian, Serbian and English. If you have not received a copy in your preferred language , please ask for a copy in a branch or download a copy from our website: <http://www.procreditbank-kos.com>.

These Terms and Conditions apply to private clients-natural persons and individuals and to persons using banking services for their own personal reasons. For businesses and organizations, please refer to General Terms and Conditions – Businesses



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PART A – GENERAL TERMS



PART A – GENERAL TERMS

1. Introduction

- 1.1 Please read these General Terms and Conditions (“Conditions”) carefully. Your contract with ProCredit Bank SH.A. comprises the following including any amendments to them over time:
 - (a) General Terms and Conditions
 - (b) The Fees and Charges document
 - (c) Any application document(s) you sign
 - (d) Any special or additional conditions for a specific account or service which are given to you when you sign up for that account or service. They may contain charges, minimum or maximum balances, interest rates, notice periods or other specific requirements.
- 1.2 You are instructed to read these Conditions and any other documents related to your contract and decide if you wish to extend your contractual relationship according to these Conditions or cancel your account or service. In case of the annulment of the account or service you will bear the respective expenses for this time period pursuant to the pricelist in force t. Certain account services cannot be cancelled or may be cancelled but you will be obliged to pay a commission to cover the possible costs the Bank might have incurred from the provision of the requested service. These services include, but are not limited to: bonds, term deposits, transfers, etc.
- 1.3 You have entered into a contractual agreement with ProCredit Bank SH.A., a licensed bank in Kosovo whose business registration number is 70050026 and fiscal number is 600018429. It is part of the ProCredit group of banks(ProCredit Group). For information about the ProCredit group of banks, please visit www.procredit-holding.com. You agree that we may transfer this contract to any company within the ProCredit group or to any successor of the business of ProCredit Bank SH.A. We engage reputable subcontractors to carry out some services for us; this does not affect your rights according to these Conditions . ProCredit Bank SH.A. is licenced and supervised in Kosovo by the Central Bank of Kosovo (CBK) Rr. Garibaldi/Luan Haradinaj, Pristina. For more information about CBK, see www.bqk-kos.org.
- 1.4 In these Conditions, terms “we” or “us” “the Bank” and “ProCredit” means ProCredit Bank SH.A., and “you” and “your” refers to the customer who has an account with us. In the case of joint accounts,this refers to either of the account holders.
- 1.5. Where appropriate, parts of these Conditions continue to remain in force even after you cease to use our services or hold an account with us or if your account is inactive. For example, our obligation of confidentiality continues and your obligations regarding debts continue.
- 1.6 These Conditions supersede the laws to the extent and when the laws allow it If part of one condition, all of or more than one of these Conditions is unenforceable due to the law or any other reason, this does not affect the rest of the Conditions, which remain in force and are applicable.

2. Use of accounts and services

- 2.1 Accounts and services may only be used for activities that are legal in Kosovo. When you use your account or service also for other activities or to deposit funds from these activities in another country, the activities must also be legal in that country. You must act honestly and conscientiously at all times in relation to your account and your dealings with us.
- 2.2 You can use your account and our services for personal purposes only and not for business reasons or for an organisation or for/on behalf of other people or other businesses. You must not allow others to use your account or service except where those persons are identified to us as being authorised or where you

hold a joint account. You cannot transfer your account or any of our services to any person without our prior consent in writing .

2.3 Accounts and services provided by us shall be for an undefined term unless otherwise provided.

2.4 If the validity of a service provided by us or a contract expires, then such validity may be renewed automatically or upon your prior request to ensure the continuity of regular service.

3. Fees, charges and interest rates

3.1 You will be notified of the charges that we apply to your account either before you agree to open or when you use an account or before you use a particular service, such as an international transfer. Standard charges are also available at our website: <http://www.procreditbank-kos.com>, in the branches, by contacting our Contact Centre, at any time. Charges or fees may be debited immediately or later from your bank accounts that appear on your bank statement.

3.2 There are three main types of fees/charges:

(i) Fees set for a specific service contract, e.g. administration fees on a loan or fees for international transfers. You will be notified of these fees before you agree to this service or when you sign up for the service.

(ii) You will be notified of one-off service fees or charges relating to amendments that you make concerning services prior to making the request or undertaking the action.

(iii) Periodic fees/charges are applied over the period of an ongoing contract, e.g. account maintenance fees or fees. The account maintenance fees shall be applied to the account for as long as the account remains with the Bank and you will be liable for paying any outstanding and accrued account maintenance fees up until the account is closed. Should you fail to pay the account maintenance fee in one account the Bank shall debit the payment for the sum which you owe to the Bank from any of your account(s) with the Bank, even if they are denominated in different currencies. These fees may change to reflect either the market, payments to third parties or our costs. For details on how we notify you of changes to these fees, please see Section 4 below. If you are unhappy with the changes then in most circumstances you can close your account (see Section 17- Closure of your account(s)/Termination of service(s) below).

3.3 We will charge you with a respective payment and notify you beforehand about expenses for carrying out any specific instructions for non-routine services e.g. postage, telex/SWIFT or courier charges or verification of card transactions depending from the charge which is determined by the third party..

3.4 Where you undertake a transaction in a foreign currency, e.g. using your debit or credit card, the amount of transaction will be converted into Euros at the relevant exchange rate of payments (MasterCard or VISA) on the day upon which the transactions are transferred to us through these systems, and we will also apply a charge in line with the fees and charges document.

3.5 There may be third-party debtor deductions applied to your accounts on the order of competent public authorities. Examples are withholding taxes, orders from tax authorities (including tax deduction orders), or court orders requiring debit. We cannot easily verify (and therefore do not undertake to do so) whether you are liable for such third-party charges or debit. We cannot assess the validity or merits of a court order or of any other authority foreseen by law, and we shall not be liable if the liability or amounts turn out to be wrong. You must address this issue with the relevant authorities. Where permitted by law we will notify you of the relevant order on your request.

3.6 Unless otherwise stated, interest shall be paid on your current account.

3.7 You can find out about our interest rates on savings by contacting the ContactCentre or coming into a branch or e-mailing info@procreditbank-kos.com, or by visiting our official website www.procreditbank-kos.com, in the respective section.



4. Communicating changes to you

- 4.1 If we change these Conditions, interest rates on accounts or fees and charges we will notify you in writing within the legal time limits and in line with the applicable legislation. We will inform you individually in writing. Methods of notification may include but not be limited to a notice through post office or other more appropriate methods of notification, by posting a notice in any of Kosovo newspapers and/or in other media and/or on our web site and/or in our bank branches and/or by notifying you personally where practical which may be by e-mail, mail box in our electronic platform E-Banking or SMS or other appropriate methods depending from the information contained in the notice.
- 4.2 Changes to these Conditions will be set out in writing. Just because we have adopted a business practice or given you and/or others a concession out of courtesy or otherwise on one or more occasion in the past, it does not mean we have changed our conditions for the future. We may choose whether to apply more lenient conditions or not depending from the case and the situation, and this decision remains at the discretion of the Bank.

5. Period of notice of changes to the General Terms and Conditions and Charges and Interest rates

- 5.1 The period of notice for changes to the General Terms and Conditions will be one month (except for cases mentioned under section 5.4 below).
- 5.2 The period of notice for changes to interest rates on savings (other than rates on term deposit accounts or similar accounts where the interest rate is fixed) will be at least one month because we change interest rates on savings to reflect changes in our cost of borrowing and the Kosovo Central Bank rates (except for the cases according to clause 5.4).
- 5.3 For changes to charges and fees the period of notice will be sufficient to allow you to take any relevant action you may wish but it will be no less than one month—(except for the cases according to clause 5.4).
- 5.4 The full period of notice referred to in this section may not apply if the change is imposed on us as a result of circumstances beyond our control, including requirements of the CBK, public authorities or by suppliers such as our correspondent banks, Visa, MasterCard or if there are very unusual detrimental market circumstances requiring us to take action earlier.
- 5.5 If you can demonstrate that the change is materially detrimental to you and are not happy with the change you can exercise your rights to terminate a service or close your account under Section 17, except in certain circumstances such as where the funds are committed with a third party e.g. with a fixed price bond or if delivery of the service cannot practically be stopped e.g. a money transfer. With some products such as a fixed term deposit account you will pay a penalty for early termination according to the Bank's pricelist in force.

6. Your information

- 6.1 You guarantee that all the information you provide to us is accurate, up-to-date and complete and that you have the right to provide it to us (including the consent of third parties such as your authorized person for any information about them).
- 6.2 Your information comprises all the information supplied to us, all information we hold about you and any joint account holder, the transactions and activity with us. These information include information obtained from third parties. We may combine in our system the information relating to any businesses in which you are involved and the information on you. We may use information about your usage of any debit or credit card issued to you in the name of some business company or you are an authorized staff member or person of that business company to that business and its authorized persons.
- 6.3 You must keep your information up-to-date, whenever there are changes and/or it is requested by the Bank, including the data about your name, occupation, job status, identity documents and identity

number, address and contact details and any data relating to your income and liabilities that may affect your applications for specific products such as a credit card or loan. You must notify the Bank of any change by visiting any of our branches. The Bank in future may envisage other more appropriate ways of updating your personal information.

- 6.4 You agree that we may use and share your information with other members of the ProCredit group to administer your account, provide the services and help us and the other group members assess financial risks, recover debts, develop and improve services and to comply with the legal obligations on us and the ProCredit group members. Information of staff usage of credit cards or accounts may be provided to the authorised persons in the business. Information about you may be retained for a reasonable period (up to 10 years) even after a transaction or loan has finished or your account has closed.
- 6.5 We will keep your confidential information confidential, except where otherwise set out in these Conditions or to the extent we are required to make disclosures to courts and by local and international laws, including all other legal obligations arising from the requirements of the Foreign Account Tax Compliance Act "FATCA".
- 6.6 By signing respective agreements and accepting this document you expressly agree that we may process your personal information and agree that we may transfer all or parts of your information outside of Kosovo or provide or share information with third-party contractors carrying out certain services, such as Visa or MasterCard or our Information Technology providers, other contracting parties, correspondent banks or our auditors. If you are using the funds or finance for a specific transaction, for example with a provider of goods or equipment or real estate or property, we may also provide your contact details and information about you to this third-party contractor. We may also provide information to third parties assisting us with verification of creditworthiness, collateral registration, loan compliance or enforcement. When making such a transfer or disclosure we require any private sector contractors we use to provide adequate level of protection of your data. By signing the relevant agreements with us and accepting this document you expressly agree without any reserve to the transfer of all or a part of your information outside of Kosovo or provide or share information with contractors and third parties carrying out certain services, as explained above.
- 6.7 We and third parties such as the CBK, the police and official agencies in Kosovo and national or international related authorities abroad in any country other than Kosovo may use your information to maintain the stability of the financial markets and banking sector, prevent or detect either crime, such as fraud or money laundering, and to check applications for credit or recover debts and comply with legal obligation.
- 6.8 We may from time to time change the way we use your personal information, if we think the use is not obvious we will notify you of the change in use. If you do not object within one month, we will consider you to have consented to the change.
- 6.9 We may record telephone calls or monitor e-mails you send for security and quality control/training purposes and we may also use closed circuit television/camera inside/outside of branches and at cash machines or deposit boxes for security reasons or to prevent or resolve disputes.
- 6.10 If you would like a copy of the information held on you by us, you should contact our ContactCentre or visit one of our branches. There may be a charge for this applicable in line with the fees and charges document. If you believe that the information held on you is inaccurate you may contact us to request us to change it.
- 6.11 General Terms and Condition on E-mail/Sms Communication
- You are a ProCredit Bank client
 - You submitted your contact phone number/e-mail when you registered as a ProCredit Bank client
 - We will not contact you via e-mail about your bank activities
 - We will not release your information out of ProCredit Bank and/or ProCredit Group to any third parties for marketing purposes



- Please do not reply to SMSs/e-mails that request your personal information
- We will not contact you via e-mail/SMS for your password for any bank services
- If you encounter suspicious e-mails or transactions, please notify ProCredit Bank
- We will contact you via SMS/e-mail regarding new offers, notifications and holidays

Your personal information is used only within the ProCredit group, including for use for direct marketing through e-mail, post and SMS of new offers which may be financially beneficial to you. However, if you do not wish to receive such marketing communications or have preferences on the method by which you would like to be kept informed, then you must either visit a ProCredit Bank branch, which will record your preference in our database, or visit our website, under the Communication via SMS/e-mail section at this link:

<http://www.procreditbank-kos.com/en-us/-Deactivation-of-communication-with-SMS-and-e-mail> to communicate your objection to receiving SMSs or e-mails.

7.Account/credit reference agencies

- 7.1 We may make periodic searches at account/credit reference agencies and will provide information to the agencies which may include information about your account balances, credit limit, any arrears and any payments of debts or credit. By signing the relevant agreements with us and by accepting this document you expressly agree without reservation to authorise us to transfer the information about you. The actions of your joint account holder will also affect the information retained about you. This information may in turn be made available by the credit reference agencies to other organisations to make decisions about financial products for you and your household, your business(es) or to trace debtors.
- 7.2 The information recorded about you may include information relating to your business and you as an individual.
- 7.3 You should contact the Credit Registry service of Kosovo (currently at the CBK) to ascertain information held by them on you and take up with the credit reference service any corrections you wish to make.

8. Instructions

- 8.1 You authorise us to accept and act on your instructions even in a case when doing so creates a debt or leads you to become overdrawn. We may rely on information in your instructions as being correct. Unless an agreement for a specific service states otherwise, your instructions may be in writing (in which case you must sign them), by cash machine, by phone, through electronic devices (e.g. online) or by any other means we introduce and tell you is available. We may (but are not obliged to) require you to confirm in writing instructions you gave by another method. You must follow any security procedures we establish with regard to confirming instructions.
- 8.2 We may refuse to follow your instructions if:
 - (a) We believe that the law or any order of a public authority requires us to refuse or we might otherwise breach the law, regulations or other duty or good banking practice or we have a good reason to refuse
 - (b) We believe you are not acting honestly or in good faith or you may be acting fraudulently or misleading us or others or, even if you are acting honestly, we believe that following your instructions could benefit third parties who are not acting honestly or could facilitate fraud or crime
 - (c) We are unsure as to your authorisation or identity

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- (d) Your instructions are unclear, incomplete or are not in the required form
 - (e) Following your instructions would cause you to exceed any limit or restriction which applies to your account (such as a limit on withdrawal from cash machines)
 - (f) It is necessary to maintain the overall financial stability of Kosovo or the global financial market or of ProCredit Bank
 - (g) There are extreme circumstances affecting us or Kosovo or global financial markets
 - (h) You ask us to transfer funds but your account balance is insufficient and do not have an allowed overdraft.

We will normally notify you if this occurs.

8.3 Instructions shall be deemed to have been given at time of receipt by us, not at the time the instructions are sent.

8.4 Once the processing of your orders has started, it may not always be possible to change them, particularly once an order has been given to a third party outside our bank. On this occasion the Bank may charge you for changing or stopping the order, according to the charges and costs set by the third party.

9. Communication

We may contact you by post, telephone and via other communication platforms (which includes e-mail, digital television, website, mobile phone text message and messages on our E-Banking electronic platform) using your most recent contact details. Unless the terms of a specific service state otherwise, you may contact us at our current address or by telephone (Contact Centre) or electronically as per our user guide. General communications may be publicised on our website <http://www.procreditbank-kos.com> and/or in any of Kosovo newspapers and/or our branches.

10. Authorizations

10.1 You are entitled to authorize on your bank account another person of your choice who may use your account and carry out all the routine actions falling under the scope of the authorization set by you.

10.2 You shall be responsible for all actions on your bank account, for actions of the person authorized by you, these being actions for which we shall consider you as persons sharing responsibility and such actions as having been carried out by you. We shall not be liable for any errors or potential damage to your account which might arise from the authorizations you have granted.

10.3 You shall be responsible to clearly notify us of persons whom you wish to authorize, authorizations you wish to grant and the potential changes or revocation thereof. We shall not be liable for any errors or failures arising from unclear or non-updated authorisations or instructions given by the signatory.

10.4 Authorizations may be given in the Bank where you must be personally present together with the person you wish to authorize, on-line via ProCredit Bank online platform, or you may authorize the person of your choice by a notarized power of attorney. The Bank may envisage in future other more appropriate ways of authorization.

10.5 The Rules relating to authorizations granted by you may change in the future through these General Terms and Conditions, and you shall be timely notified of such changes and will have a time period of at least one month to answer whether you agree or not with the changes of the scope of authorizations.



11. Account Statements

- 11.1 The Bank offers your account statements through several forms including online platforms that clearly show the previous transactions in your account or, if you need a printed statement, you may visit any of our branches, as well as Bank's ATM machines (for a certain number of transactions and account balance) go to Bank ATM devices (for the set number of transactions and the account balance).
- 11.2 You should read these statements carefully and inform us if there are any discrepancies within one month. If you do not do so, we will consider you to have accepted the balance shown in the statement.

12. Banking/Business day

Unless we state otherwise, if we accept an instruction to perform a transaction, such transaction will usually be actioned within a day when the Bank and, if appropriate, the CBK, is open for business ("banking day") and during the time between branch opening and the cut-off time for accepting instructions ("banking hours"). Instructions received on banking days during banking hours will normally be processed the same day. The cut-off time for transfers shall be set by the Central Bank of Kosovo/SWIFT or any transaction-related intermediary institution, for instructions given in branches and via E-Banking electronic platform, unless notified otherwise e.g. by a notice in the branch. If this is not the case you will normally be advised. Instructions received after the cut-off time will normally be processed on the next banking day. For tax payments made to the tax authority, the relevant cut-off time may be earlier.

13. Death/survivors

If one joint account holder or authorised person dies, we will continue to accept instructions from persons authorized to that account or legitimate heirs. Otherwise we will only take instructions from the person authorised by law to take over the deceased's account or assets.

14. Orders by public authorities

We may follow third party orders such as from a court, tax authority or similar authority if we are satisfied that the law requires us to do so. We cannot assess the reasons or validity of a court decision and accept no liability if it later transpires to have been issued erroneously or is subsequently amended.

15. Debts and liens/Set-offs

You are responsible for the payment of any debt on your account. If you owe money to us then we have, at any time, the right of lien over any amounts in any of your accounts (including but not limited to joint accounts if existing, term deposit accounts, savings accounts, accounts in foreign currencies) and have a right of set-off which means that we can block or withhold these amounts and use them to pay off your debt. We may also assert a pledge (which you agree that we may register if we so choose without further notification to you) against any amount in your account(s) to cover such debt. We may also consolidate accounts or make transfers from one account to another to pay off debts or fees or charges owed by you or by way of pre-emptive action against any breach.

16. Collateral

We can accept cash, and other banking documents, real estate and/or other assets as collateral. If there is insufficient cash to use as collateral for an existing or anticipated debt then we can require you to provide other collateral and to provide additional signed documents for this eventuality. Where you have several items of collateral, we can exercise our discretion as to which item to realise in order to satisfy your debts.

17. Closure of your account(s)/Termination of service(s)

- 17.1 We may close your account or terminate one or more service/s immediately if any one or more of the following situations applies. We will make all reasonable efforts to inform you as soon as possible if this is the case:
- (a) You breach these Conditions
 - (b) We reasonably suspect you have given us false information
 - (c) We reasonably suspect that your account is being used for an illegal purpose or to facilitate crime
 - (d) You behave in a threatening, offensive or violent manner towards our staff and/or Bank;
 - (e) We believe that it is necessary to protect us or our group from material losses or costs which are not the result of a fault on our part or to protect the stability of the Kosovo financial markets or international financial markets or banking systems
 - (f) You were not entitled to open your account
 - (g) If required to by law or a court order
 - (h) If you do not use your account(s) or relevant service for a period of time which the Bank deems reasonable, your account will become inactive (transactions performed automatically by the bank do not keep an account active). If the account becomes inactive, it may be used only for credit purposes including those coming from third parties, whilst for debit purposes, for security reasons, you should initially visit the bank.
- 17.2 In any event, we may close your account or terminate one or more services after giving you at least one month's notice (except with a fixed-rate bond or similar where this would be disproportionate – in which case we will endeavour to give you longer notice). In practice we are likely to close the account on one month's notice if it has been inactive for a certain period of time (see 17.1.h) above) and/or you have ceased paying the account charges or you have allowed the balance to fall below the minimum sum required to maintain the account or if you no longer meet one or more of the qualifications for being a customer or the criteria for a specific account or if there is a justifiable business reason to terminate your account. In this circumstance we will endeavour to contact you beforehand. In the case of certain services or loans, the period of notice given may be shorter than for terminating regular services.
- 17.3 If your name appears on the list of the Office of Foreign Assets Control of the Treasury Department of the United States and/or your name is added to any other list of a similar nature at any time while you are a client of the Bank, we reserve the right to immediately terminate the agreement with you, without prior notice. This may imply that all your accounts will be closed immediately and/or any other liabilities you may have towards the Bank must be repaid immediately.
- 17.4 You may close your account or terminate a service/s at any time for any reason by notifying us in writing with details (unless account conditions specifically exclude this) and provided you repay all liabilities/debts you may have towards us. For some loans or services there may be a payment or cost for termination or a longer notice period may be required. Closure may be delayed pending resolution of any outstanding issues.



17.5 Upon account closure, irrespective of the reason for such closure or termination of service, you must pay all your liabilities towards us, return your security tokens and cards to us and notify any third parties with whom you have arrangements relating to the account(s). The Bank accepts no liability for any potential loss which might arise out of the account closure and it is your sole responsibility to arrange for alternative methods of redirecting any account services (such as direct debits, etc.) to third parties linked with your account(s).

18. Liability

18.1 You indemnify us for all fraud committed by you or which you allow to be committed and for any breaches of these Terms and Conditions. This includes not just the cost of standard charges and losses we incur, but also the cost of tracing you, notifying you of the breach, communicating with you and enforcing the repayment of any amount due to us. If the interest on any amount you owe us (including on any of the costs mentioned above) is not fixed by special conditions, then we may claim compound interest in compliance with the applicable legislation, from the date the amount falls due until the date of payment.

18.2 You are responsible for the payment of any debt that arises on your account. If you have a joint account you are responsible both individually and jointly. This means that if one of you is unable to pay the amount owing, the other account holder(s) shall be required to pay the amount due in full, even if your relationship has changed or ended.

18.3 We are liable only:

(a) For wilful misconduct or gross negligence of our staff

(c) For the minimum amount between (i) amount of the transaction or the interest not received and (ii) the amount of any loss or damage calculated according to the legislation in force (i)

18.4 We are not liable for loss of profits, consequential loss or loss of data by the client (other than the cost of inputting incorrect data).

18.5 Where you contributed to the mistake or loss, then the principles of shared liability shall apply and our liability is reduced accordingly.

18.6 Where we instruct third parties e.g. foreign banks, then our sole liability is to give proper instructions to the relevant third party. We will provide you with the third party's details on request so you can pursue them as appropriate.

18.7 You may not set-off claims against ProCredit unless there is a final irrevocable court ruling against us permitting this.

18.8 We may make corrections on an account or to an account statement, including re-transferring any amount sent to you in error. We shall not be liable if we correct an erroneous debit or credit entry, even if you relied on this previous information.

18.9 We are not liable for inaccurate, late or incomplete instructions which may result in errors or delays. It is your responsibility to check the accuracy of any forms and numbers such as numbers or details on tax forms. We do not undertake to follow up any such errors with you and if we do so it is at our discretion does not set a precedent. We cannot be expected to be aware of any eventuality, whether or not you feel that it is obvious or that it is public knowledge.

18.10 If we fail to enforce any condition or we delay enforcing the condition, this will not prevent us from enforcing the condition at a later date.

18.11 Third parties, i.e. persons other than you, shall have no rights to enforce or benefit from any of these Terms and Conditions or those in our loan or other agreements, except with ProCredit's specific consent, for example if we assign a right to the third party.

19. Matters beyond our control

While we make all reasonable efforts to provide banking services (including services offered via electronic platforms) and while we endeavour to use reasonable precautionary measures to prevent downtime or mistakes, we shall not be liable for any failure to provide services or reductions in services where such failure is caused by any event that is beyond our reasonable control, including but not limited to riot, war, civil unrest, natural disaster, terrorist attack, violent crime or attacks on the Bank, strikes or labour disputes, computer viruses, power and energy failures or equipment failure or major crises in Kosovo or global financial markets.

In particular, we also reserve the right to suspend the remote banking service provided via electronic platforms for maintenance, upgrade or security reasons.

20. Law and courts

20.1 These Terms and Conditions shall be governed by the Kosovo laws.

20.2 The competent Court in Prishtina shall have the competence to resolve the disputes that may result from or related to these Conditions.

20.3 Regardless of Article 20.2 of the Conditions, ProCredit Bank may choose, and on the occasion of signing these Conditions you agree to give ProCredit Bank the right to choose to resolve any disputes stemming from or related to these Conditions through arbitration at the Alternative Dispute Resolution Centre of Kosovo

20.4 In case ProCredit exercises its right pursuant to Article 20.3 of the Conditions, there shall be three arbitrators unless the notice specifies that a sole arbitrator is sufficient. The language of the arbitration shall be the Albanian language

20.5 If you wish to initiate the procedure for resolution of a dispute you have to file a written request to the Legal Department of ProCredit Bank, in which you will summarize the factual and legal basis of your request. Acting through its Legal Department ProCredit Bank shall provide a response to you within 15 days of the receipt of your written request, - if reaching of an agreement is impossible- you shall be notified if ProCredit Bank wishes to resolve the dispute according to Article 20.2 of Article 20.3 of the Conditions. Should we fail to respond then you may choose the manner for resolving the dispute, through arbitration or courts, pursuant to paragraphs 20.2 to 20.4 above.

20.6 Prior to any arbitration or court resolution we may also require that the parties undergo mediation by serving a written notice on the other party to this effect. If such mediation is not concluded successfully within 30 days (or a longer period as agreed by both parties) of such written notice, then the parties may proceed to court or, if ProCredit Bank so opts as specified above, to arbitration.

21. Complaints

You can lodge a complaint by writing to us, filling in a form at any of our branches or calling our Contact Centre. We recommend that you place your complaint as soon as possible from the moment when the transaction and/or the service about which you are complaining has been carried out. Complaints may be lodged:

- By post: ProCredit Bank, Complaints Management Unit, George Bush Str. No. 26, Pristina, Kosovo
- E-mail: customerservice@procreditbank-kos.com
- Phone: +38649 555555; +38138 555555
- Personally, in any office of the Bank



All necessary information regarding the complaints management procedure is available in a brochure including::

- a) How to lodge a complaint
- b) How long it takes for the Bank to respond to the complaint
- c) Languages you can use
- d) Other mechanisms you can use to take your complaint further if the initial response received from the Bank does not fulfil your expectations
- e) If a complaint is received on a non-working day, the next working day will be considered as the first day for complaint analysis

22. Security

22.1 For security purposes, please note the following.

- (a) Keep your PIN and any security details or security device secret and take reasonable care with them, your card and your security device so as to prevent unauthorised use of them
- (b) Do not store your PIN or password or security details on your computer or mobile phone
- (c) Never record or use the PIN or password in a way that may result in them becoming known to another person
- (d) Immediately memorise the PIN and destroy any PIN slip after receiving it
- (e) Choose a password that is different from your passwords for non-banking services as these might more easily become known by others
- (f) Avoid choosing a password or PIN which is easily ascertainable or guessed e.g. birthdays, or names of sports teams, friends relatives or cars
- (g) Tell us immediately if you think someone may know any of your security details or if you lose your card or it has been stolen or if there has been any compromise of security (stealing of information from equipment or over the internet) even if it is not your fault
- (h) Make sure bank cards are immediately signed on receipt
- (i) Do not allow your card to be photocopied or photographed, this is important because both the front and back contain sensitive data such as: card number (front), CVV2 three-digit code (back), etc.
- (j) Take care that there is nothing unusual when using cash machines or card devices in shops, in particular that no other device is attached and that you are not distracted or being watched
- (k) When using e-Banking or making purchases over the internet, make sure your computer screen is secure and nobody else but you can see or use it from the moment of log in until log out to ensure that no unauthorised use/access is possible
- (l) Try to avoid using public computers for making purchases or e-Banking. It is preferable to log in from your home on your own computer
- (m) Do not let a retailer take your bank card out of your sight
- (n) Only access e-Banking by typing in the original web address of ProCredit Kosovo into the web browser. Do not use links provided in e-mails and ensure that you have an up-to-date reputable anti-virus programme

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- (o) When making purchases via the internet, choose reputable retailers and look for security features such as whether the web site has a secure protocol (https://), internet security certificates, etc.
 - (p) When making internet purchases, do not click on any links provided in advertisements or e-mails for internet purchases. Instead type in the address directly into your web browser
 - (q) Follow any additional security guidance that we give you, this includes guidance based on International PCI Data Security Standards
 - (r) Always change your password if you revoke anyone's authority to access your account.
 - (s) Wherever possible, avoid entering your personal details, e.g. passport number, full date of birth, card number, on any web site or other location so as to reduce the risk of identity theft

22.2 Please note that after your initial registration we will not ask you, nor will anyone ask you on our behalf, to disclose your security details or any other detailed personal information in full over the phone or by e-mail. If you receive such a request it may be fraudulent.

22.3 If you are not sure whether a phone call is from us, you should take the name and phone number of the caller and contact our Contact Centre to verify that we were really calling you.

22.4 Telephone calls to Contact Centre may be recorded for security and treatment/quality control purposes.

23. Languages

We conduct our operations in Kosovo in Albanian, Serbian and English, and we will try to accommodate your language of choice, although this may not be possible at all times and at all branches. You can contact our ContactCentre in any of the three languages.

23.1 In case of discrepancies of text hereof, the Albanian version shall prevail.

24. Special offers

Certain services or terms or privileges may have predetermined qualifying or eligibility criteria, e.g. financial limits, minimum turnover, minimum credit, or volumes of transactions, credit ratings or references or loyalty terms. They may also be restricted by geographical location or require certain facilities. These qualifying criteria are generally objective in nature but we reserve the right to exercise discretion in deciding eligibility for a service or sub-service. We may decide to keep the criteria confidential to avoid misuse or deception.

Special offers or discounts may also be in place for a limited period of time. Generally we will notify you if this is the case. Occasionally due to reasons of demand we may reduce or cut short the advertised period or restrict an offer.



PART B – ACCOUNTS AND SERVICES



PART B – ACCOUNTS AND SERVICES

1. Current accounts

Current account is a basic account enabling providing access to banking services. This account is used to operate and carry out banking transactions, for example to receive salary, receive and send transfers, use the loan or Flex funds, use funds transferred from a savings account, use other electronic services and ProCredit Bank cards, etc.

The fees applicable for this account and accompanying services have been set forth in the List of Fees and Charges.

2. Flex savings account and Flex savings account for children

1. Savings accounts are accounts that enable you to save money and may provide interest. In order to open a savings account, you must have a current account with ProCredit Bank, which will serve to credit the interest and you may use the funds from the savings account. The savings account cannot be used for routine transactions except through the current account;
2. The specific conditions related to the savings accounts and terms shall be regulated in writing in the application form and the accompanying documentation and shall constitute a part of your contract, which shall include, but not limited to calculations of interest, e.g. daily, monthly or annual, the right to terminate the agreement prior to maturity, etc.
3. Interest on savings accounts is calculated on daily basis and credited on monthly basis on your current account based on a basic interest, using the following formula: actual number of days/365 or 366 days, depending on the year. This interest shall be calculated starting of the next day . If you withdraw funds, the interest of such date shall not be credited to your account for the amount of funds withdrawn
4. In compliance with the applicable legislation and were required we shall withhold the tax on interest income.
5. If, at any moment, you allow your account balance to drop below the minimum level of required amount (should this be required) to be held in the account during all the time, then the Bank shall reserve the right to stop calculating the interest of your account. Furthermore, the Bank reserves the right to close your account at any time after your account balance falls under the threshold of required amount.

3. “Flex Save for children” Savings account

This is a children savings account. The person liable for actions on this account is the parent/guardian and we will seek the parent or guardian’s approval until the child reaches 18 years of age. Once the child reaches 18 years of age, he/she shall have full rights to money/funds accumulated in the account. After the child reaches 18 years of age, he/she should appear at the Bank to enter into an agreement with the Bank, now as an adult, in order to be independent when dealing with his/her funds and, at the same time, to close the FlexSave for children account. The interest shall be calculated on daily basis and paid every month on the following day of banking services after the end of calendar month to the parent/guardian’s current account.

4. Term deposit accounts

1. A term deposit account for savings is an account where the money (the minimum amount has been set by the Bank) is kept in the deposit for a certain period mentioned in the form you sign/agree to when you are registered. During this time, you shall have no access to the deposited amount (“principal”).

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2. Depending on what the application form or special conditions read, the interest shall be accrued and paid on monthly basis and the principal shall be credited into your current bank account on the date upon which the agreement expires.
 3. When the agreement reaches maturity, if contracted, the deposit will automatically be extended for another term with the same duration based on the same terms and conditions, except for the interest rate which will be set by us based on the prevailing rates at the given time.
 4. In some cases, if you prematurely terminate the agreement on term deposit account, you shall lose the entire or a part of the interest . In cases where the contract is terminated prior to the contracted term, the Bank is entitled to request the Client to pay the interest credited up until that date, otherwise the deposited principal shall be charged on.
 5. If, despite the legal agreement to hold money at ProCredit Bank for a certain period, you wish to take the principal of the term, then you must notify us in writing. If we, at our own discretion, decide to allow you to take all or part of the deposit (which we are not obliged to do—we can, for example, seek that the funds meet our capital requirements), then:
 - 5.1 You shall have no right to the same amount of interest which would belong to you if you had kept the principal untouched for the entire term (not even proportionally). This is because the initial interest rate has been calculated by us on the grounds that we have access to money for a longer period and, on these grounds, we might have made commitments to third parties.
 - 5.2 There will be an additional penalty for violating the contract in compliance with the applicable documents of fees and charges, which will be withheld from the interest already accrued/paid and in case the interest is insufficient or has been paid, then the penalty shall be deducted from the principal. This is because of our loss in relation to third parties and this reflects the violation of the contract by your part. You understand that, if you, for this reason, withdraw the money earlier, then under some circumstances, for example, at the early moments when the term starts to run, you may end up having less money than the amount you deposited.

5. Withdrawals

For your protection and to prevent fraud, we may impose a daily or transaction limit on the amount of cash you withdraw from a cash machine or a branch or the number of times you can use cash machines in one day, the amount of cash you can obtain from retail outlets using your card and/or higher limits on cash. For the same reasons we may occasionally impose limits on branch withdrawals. We may vary these limits without giving any prior notice. We will inform you if you exceed these limits. Details of any fees for using cash machines can be found in our List of Fees and Charges. In certain cases, we are entitled to ask for the reason of withdrawing funds from the account and the purpose of their use.

- 5.1 5.1 If you overdraw without an overdraft arrangement with us or exceed your agreed overdraft, we may ask you to make an immediate payment into your account and we may charge fees until the overdraft is repaid or returns to within the agreed limit.
- 5.2 An unarranged overdraft may occur if you issue instructions for a withdrawal or other payment and this results in your account being overdrawn or your arranged overdraft limit exceeded. Allowing of situations when an unarranged overdraft occurs are subject to Banks' discretion. . The fact that an unarranged overdraft has occurred does not set any precedent; nor does it mean the amount of your arranged overdraft limit has changed. If an unarranged overdraft occurs, a charge will usually be incurred on its occurrence and interest and fees per month or part thereof will be payable.
- 5.3 When determining whether an unarranged overdraft has occurred we look at the cleared balance (plus any arranged overdraft facility). We may disregard credits which have not been cleared at the time we calculate the interest or charges.



5.4 We may terminate your unarranged overdraft at any time, thereafter you will be unable to make further withdrawals and/or you may be required to repay it.

6. Transfers

6.1 You must provide us with all the necessary details to complete a transfer at a branch or via electronic platforms and where required you must use our transfer forms. Transfers between bank accounts within ProCredit Bank in Kosovo during banking hours will be actioned during the working hours. Transfers to other banks will be actioned by us quickly, but as they require the actions of other banks, the funds will take longer to arrive, particularly with international transfers. It should be noted that we cannot control the actions of the recipient bank or the intermediate banks involved in the transfer transaction (the correspondent or counterparty banks) so we can accept no responsibility for their delays. Always consult the list of fees for an international transfer before you authorise it. We charge fees for our costs of transferring the money, but there are also charges for the intermediate banks that are involved in the transfer as well as the recipient bank. There may also be exchange rate implications. If a transfer is returned to you, the amount returned may be less than the amount sent, not only because of the fee (which will still be charged) but also because of possible exchange rate fluctuations. In certain cases, we are entitled to ask for relevant proofs related to national and international transfers.

7. Annulling transfers

- 7.1 You may for good reason request to annul a transfer, direct debit or standing order if the transfer has not yet left the Bank. If the transfer has already left the Bank, we will endeavour to recover the funds but we cannot guarantee to do so. In such circumstances you may still be charged the costs of the transfer. You should not abuse the ability to stop transfers.
- 7.2 If you wish us to cancel a standing order then you may do so by personally visiting a branch or via E-banking electronic platform if applicable. You must provide us with, your account number and number of payee/recipient, amount and any frequency of any regular payment.
- 7.3 If you wish us to annul a direct debit, then you must address such request to the supplier/company wherewith you have entered an agreement. We shall not be liable in case of a dispute between you and the payee/company in relation to a direct debit. You should address any request for refund to the relevant supplier/company.

8. Payments into your account

Deposits or transfers

- 8.1.1 We may refuse to accept a payment into an account if we deem it reasonable or are required to do so by public authority regulations, such as those of the CBK, if we suspect that the money is counterfeit or its origin is illegal or it would facilitate crime. We will also confiscate (without compensation) cash because we are required to do so by the public authority regulations if we believe the money to be counterfeit and/or may file reports concerning your handling of counterfeit cash. This applies whether or not you were at fault or were aware that the cash was counterfeit. We are not liable for errors of judgment in this regard, including for any damage to your reputation or any losses you may suffer.
- 8.1.2 By depositing cash into your account, you are declaring to us that your use of it is legitimate and that it is not counterfeit. For deposits in a total sum over 10.000 Euros, you must fill in the respective form of the Central Bank on the source of the income to be deposited

8.1.3 Cash paid will be credited to your account and will become available for withdrawal or transaction purposes. We will credit transfers on receipt. The timing of their arrival depends on third-party banks.

8.1.4 If a payment is made into your account by mistake then we reserve the right to withdraw or reverse it in compliance with the applicable laws. If you have made use of the funds in the meantime you are still liable to make up the difference and repay us/the payer. We will notify you as soon as possible.

9. Direct debit instructions

It is your sole responsibility to give us detailed, clear and up-to-date instructions in good time. We will follow your instructions as far as possible but we will use our discretion in the event of any dispute between a business and a customer and will not in any way be liable for such dispute or the use of our discretion.



PART C – ELECTRONIC BANKING, CARDS



PART C – ELECTRONIC BANKING, CARDS

These terms apply in addition to the General Terms and Conditions above when you apply for or use these specific services. There may also be further conditions detailed on relevant agreements whereof you shall be notified at the time of application.

1. Electronic banking

1. Banking services may be carried out on the banking electronic platform. You may authorise us to accept and act on your instructions after the approved authenticated security procedure has been followed.
2. The use of the security authentication procedure is deemed to be an instruction from you which we can rely on in the same way as face to face instruction or a signature.
3. You are responsible for all instructions you have provided to us between the time of logging on by means of the security procedure and the time you log out of the service.
4. The reports sent to you via the e-Banking service may only confirm the receipt of transaction orders or serve as information that the transfer has been carried out.
5. Account statements and reports sent via e-Banking are provisional and in case of eventual errors may be corrected by us later.
6. The security code (token, SMS, TAN and other applicable measures in the future) will have a fixed validity period of which you will be informed at the time of delivery. There may be a charge for the security code, which will be notified to you when you take up the service and is detailed in the Fees and Charges document.
7. You must:
 - (a) Ensure your computer and other hardware that you use comply with all the standards and requirements we notify you of from time to time
 - (b) Not attempt to change any software provided by us
 - (c) Ensure you have your own anti-virus programmes and checks
 - (d) Follow any guidance or procedures that we give, check the completeness and accuracy of all data before you send them, and are responsible for any errors you make or incomplete information you enter
 - (e) Notify us without delay if you lose the security code or if it ceases to work properly.
8. The records we have of any instructions you give us by computer or other electronic devices will be final evidence of your instructions and of the time they are given unless there is an obvious mistake.
9. If you enter the wrong password and/or security code more than five times you may be logged out of the service and will be required to follow security procedures to obtain new passwords.

2. Cards

General provisions on cards

1. This clause applies to ProCredit cards used to withdraw and deposit cash at bank and on ATMs which may also be used with authorised retailers who have the appropriate device in the country or abroad as well as for other transactions that can be carried out by the credit card. The bank cards shall be delivered to you or persons you have authorized through the bank offices, other bank's authorized agencies, or third parties such as the mail service or other companies contracted by the bank to provide logistics services.
2. The fees for using your card are set out in our Fees and Charges document. They include issuance fee, maintenance/annual fee, charges for replacement PINs and cards (except where this is our fault) and making internet purchases, as well as for use of the card at cash machines if applicable. It will generally be cheaper to use your card at a ProCredit cash machine rather than at a third-party bank machine.
3. The exchange rate for withdrawing non-euro cash with your card, where this is possible, will be set by the Bank (see our website) or on occasion by the third-party bank or Visa/MasterCard. Similarly, fees and exchange rate differences may apply if you use your card with retailers abroad (including purchases over the internet).
4. When using a card with a Maestro, Visa or MasterCard symbol outside the ATM network and/or POS terminals in Kosovo or abroad, the terms and conditions of those institution and the institution providing the service in question shall apply.
5. The act of entering a PIN code when using a cash machine or a retailer's device has the effect of a legally binding signature and authorises us to make the payment from your account. A retailer may ask you to verify your identity. On occasion you may also be asked to sign a purchase or payment voucher.
6. The Bank will offer you the possibility of performing transactions on internet through '3D Secure' in cases when businesses/internet websites support this option. It is important that your telephone number at the bank be correct so that when applicable you receive via SMS the security code to be used as additional information when carrying out transactions.7. You should be given copies of the sales slips. You should check them against your account statements and must retain them for any potential queries. Any queries must be made to us within 30 days of the event occurring.
8. Some retailers do not have a direct telephone or GPRS connection to the Bank and they may therefore accept your card on an offline basis, for example by using carbon paper charging slips. The risk of any fraud or of the transaction not completing lies with you. Therefore, only use this method of transaction with retailers that you trust and that you can return to easily in the event of complaints.
9. The card will be embossed with its period of validity. You cannot use your card before or after its period of validity or after we inform you that we have withdrawn the card or if you have reported it lost or stolen or when your account is closed. The Bank may re-issue the card upon your request or automatically if its period of validity has expired. i It remains your responsibility in any case to timely submit the application for a new card.
10. The card remains our property. It should be used only by the named cardholder and is not transferable to another person. We can ask you to return the card to us or we can withhold it or ask others to do so at any time.
11. The Bank may set and change your card limit regardless of how it is used upon notifying you in advance. The Bank applies a daily limit for debit cards in combination with limits on weekly withdrawal or deposit and payment on POS terminals.
12. All limits are mentioned on the Bank webpage and if you wish to change the limit of your debit card, you may submit a request through the Contact Centre (within the working hours published on our webpage) or at a branch and then the Bank will decide whether it will grant the limit you have requested.



13. If you submit a request to Contact Centre for changing your card limit, then, in order to confirm your identity, the Bank will ask you to provide your identification code which you received at the time when you opened your bank account with the Bank. If you have not yet received the identification code, you may receive it at any time at the branches of the Bank.
14. The Bank may set limits, including the number of repeated use of your card on ATMs in order to prevent a potential deceit. In case of payments made using MasterCard debit cards, the number/amount of contactless and PIN-less payments that may be made is limited to minimize the potential risk of card misuse.
15. We do not guarantee that you can obtain cash or undertake transactions with your card and we accept no liability for any consequences of our refusal to approve a transaction or if you are unable to use the card for a transaction or transfer (including at the retailer's discretion). Nor are we liable for any loss or damage you suffer (whether material or reputational) as a result, including as a result of the way you are informed of this. Nor are we liable if your card is blocked because it is believed to be lost or stolen or being misused, even if it is later discovered that this was not the case.
16. The Bank offers the option of online payments using a debit card (but does not guarantee that the payment will be carried out because the successful payment may depend on third parties as well with which the Bank has no direct agreement) and for these types of payments, it applies special monthly limits which are contained on the Bank webpage.
17. If the Bank deems it appropriate, we may suspend or limit the use of your card at any time. You will be notified of this action before we take it or, should this be impossible, we will endeavour to inform you after taking action. We may suspend a card if a wrong PIN has been entered thrice consecutively.
18. If you believe that your card is destroyed, misused, lost, stolen, falsified, copied, or that the PIN or card or security details have been misused or compromised, you must report this immediately to the ContactCentre available 24/7 or at one of our branches. You must also notify the Bank immediately if you become aware of any abuse or fraud related to the PIN/password which enables authorized persons to gain access or if you notice that a transaction, which you have not authorized, has taken place, or if you notice any error or discrepancy in your transactions.
19. You may be asked to provide additional security details. You may, if you wish, make a report to a police station but you should never give them your PIN or password details or any information that could allow anyone to use the card; also, make sure you contact the ContactCentre or a ProCredit branch before you contact the police.
20. If you report your card lost, compromised or cloned or the details are stolen then you are liable for all transactions or potential financial losses caused by its use before you report but you will not be liable for transactions made with it after reporting the incident to the Bank (unless these were authorised by you/ another permitted cardholder or action was taken in a situation of deceit). If you FAIL to make a report to us then you are liable for the cost of ALL transactions made using the card or its details, even if the loss, theft, cloning, compromise or failure to report was not your fault or you were unaware of the problem.
21. If you have lost your PIN, we may offer you the possibility of setting the new PIN. There may be a charge for setting the PIN (see the list of fees and charges).
22. You are liable to pay for all amounts charged to your account via the card or using its details (even if the details on the sales voucher are wrong or no sales voucher is signed) unless you can prove it was our omission or the transaction occurred after you made a theft/loss/compromise/cloning report.
23. In order to keep track of your card usage, you may subscribe to the SMS notification service. This will notify you by mobile phone text message of any transactions in excess of certain chosen limits. This service will also notify you of the balance in your account. We are not liable for any resulting privacy breaches or for any problems caused if your phone is lost or stolen or is used for any unauthorised person.

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24. A retailer or supplier of services may ask you or us for authorisation (PIN or signature or a check by us) before accepting payment by your card. We may refuse to authorise your transaction if we believe there is good reason, including reported loss or theft or unusual transaction patterns that suggest fraud or theft, or if you are in breach of these Terms and Conditions or if you have insufficient funds in your account.
 25. A debit from your account for transactions made with the card will usually take effect immediately or on the following working day. In some cases, however, the debit to the account may be delayed because it depends also on third parties with which the Bank has no direct agreement. If you receive a refund from a retailer (including an internet retailer) then a fee may still be deducted for processing the original purchase as well as for the refund and exchange rate differences when receiving the money might affect you receiving an amount smaller than the transaction you had originally carried out. There may also be some delay in the refund reaching your card account if a third party is involved. The exchange rate used by ProCredit is displayed on our web site or available via the ContactCentre; however, third-party banks/ Visa/MasterCard may use different exchange rates.
 26. Once you have authorised a transaction using your card you cannot usually stop the transaction.
 27. If you use your debit card in such a way that the requested amount would exceed the funds in your account or an agreed overdraft limit, we will treat this as an informal request for an unarranged overdraft. Our rules governing unarranged overdrafts shall apply.
 28. You should take up any complaint with the retailer concerned, including for non-delivery or poor quality or performance of anything you buy, remembering to produce the receipt. We are not liable for:
 - Problems with the goods or services purchased using the card. Should this be the case, please contact the retailer.
 - The authenticity of any cash given to you by any retailer using the Cash Back facility
 - Problems with your mobile phone top up (please contact your mobile provider).
 29. The authorized persons to whom the card and PIN have been issued must comply with these Terms and Conditions and you will be fully responsible for their actions and for any transactions carried out using the additional card.
 30. If the card use is terminated, you remain responsible for all transactions made with the card before you inform us of it. You remain responsible for the acts of your additional authorised cardholder(s) until you have notified us of your wish to terminate their authorisation.
 31. We may issue you a withdrawal or deposit code to enable you to withdraw/deposit money on ATMs and/or into or from your bank account. If your code is lost/stolen, you must immediately notify the Bank to have your code blocked, by visiting the nearest branch of the Bank.
 32. We may immediately terminate the use of your card, withdrawal or deposit code, or the use of a card by an additional cardholder/s if you breach these conditions and in particular if you misuse the card/codes. In addition, if you do not use the card for a reasonable period of time, we may terminate the use of your card.

3. Credit rights with a credit card

- 3.1 With a credit card, we permit you to defer payment for the transactions made with the card.
- 3.2 Before authorising you to make payments in this way we will require you to provide cover up to at least your spending limit by either (i) blocking funds in your account equivalent to the amount of your approved spending limit (which means that you cannot access it or spend it unless/until you terminate the credit card agreement) or (ii) taking out a loan from or an arrangement with your employer/business. In the latter case we may require the business to sign additional loan agreements or provide collateral. The business loan may be part of a framework agreement.



- 3.3 Your spending and repayment record for the use of loan shall be reported to the Credit Registry service of Kosovo, and may influence your chances to take out a loan in the future.
- 3.4 You may obtain the monthly account statement of all transactions made with the card, which is available on the E-banking platform or at a ProCredit Kosovo branch. Unless you have a Visa Revolving card (in which case see below) you must repay the amounts of used funds by the 5th of the following month regardless of whether or not you have collected the statement.
- 3.5 If you fail to settle any required payment in full or have insufficient funds then your card may be blocked and/or we may withhold the unused amounts from any other account/s you have with us. Furthermore, you may be charged a default interest rate (set in the list of fees and charges) for days in arrears until the debt is paid off in compliance with the applicable laws.

4. SMS Top Up

1. This service allows you to top up credit with certain named retailers e.g. telecom, internet, cable TV providers with whom ProCredit Bank has an agreement and with whom you or other beneficiaries have a contract.
2. You may be required to use a specific compatible mobile phone provider, if so, you will be notified when you subscribe for the service.
3. You must first register with ProCredit Bank the respective mobile phone number(s) authorised to send service requests and the financial time limits for any top up (which can be specific to a beneficiary and specific service). ProCredit Bank or the retailer may, however, set restrictions or limits – for example it might not be possible to upgrade to a higher internet service via the SMS TopUp and the number of authorised phones you can register may be restricted. You will be informed about any restrictions when you visit the branch to subscribe or when you wish to make changes to the phones or limits.
4. You should inform ProCredit Bank if the phone number(s) or limits have changed by visiting your branch or, if applicable, through electronic platform services to register the changes.
5. After you have subscribed for the service and the phone numbers and limits have been registered, messages may be sent from the authorised mobile phone(s) to the retailer's specified mobile service number. The messages must contain data in the form required by the retailer. You should receive a confirmation or error or denial response from the retailer. If you have sufficient funds in your account then the amount will be deducted, otherwise the request will be denied. The request will also be denied if your limit has been reached. Your account will be debited for all transactions requested from the authorised mobile phones to the retailer, up to the limits agreed with ProCredit Bank.
6. The charges for this service are set out in our List of Fees and Charges and may be changed as set out in these Conditions. You may be required to pay additional telecommunications charges, for example if the phone is used to make a request from outside Kosovo.
7. ProCredit is not liable for any acts, errors, delays or omissions by the retailers nor for the quality or availability/uptime or the contractual terms of any of the retailers' products or services or for any contractual disputes with the retailer or retailer pricing issues or changes. You as the contracting party should take up these issues with the retailer. Furthermore, ProCredit Bank is not liable for any delay, downtime or errors in the SMS system or issues with or interception of or security of any telecommunications or IT systems, whether to or from the retailer or others.
8. You are responsible for the security of and access to the authorised phones and for the accuracy of the data transmitted. In particular you may still be liable to pay for service fees as well as fees resulting from a number being mistyped thus causing a third-party beneficiary to be credited or if someone else makes use of the authorised phone. If an authorised phone is lost or stolen or you suspect unauthorised use, you should notify the ContactCentre without delay.

PART D – GENERAL TERMS OF LOANS



PART D – GENERAL TERMS OF LOANS

1. Contract

1.1 Contents of Contract

When you apply for and your credit exposure is approved by ProCredit Bank SH.A., your contract consists of the following documents including any amendments to them from time to time:

- (a) Application form, loan agreement/special conditions, your payment plan, loan amortization plan, and any guarantor document
- (b) Collateral agreements - mortgage agreement and/or pledge agreement
- (c) General Terms and Conditions of ProCredit Bank SH.A.

In the event of any discrepancies, the order of interpretation shall be as above, with the application form and loan agreement and any special conditions prevailing over the other documents.

1.2 Financial Details

The amount of the loan, details of disbursements from us, the duration of the loan and the times and amounts for repayment, and the rate of interest and any administration fees and any specific purpose for the loan are set out in the loan agreement.

1.3 Security/Collateral

Unless otherwise stated in the loan agreement:

- (a) The loan will be secured with all of your present and future property, including income and right of receipts under contracts including employment contracts and any co-borrower's property and the property of your guarantor(s).
- (b) We may request that you sign a document providing a lien or right over your salary or future work income which enables us to withdraw money directly from your salary at source if you do not repay the loan.
- (c) This security in (a) and (b) and any other security we require such as yours, or your co-borrower or guarantor's personal property or assets, including but not limited to, bank accounts referred to, under these conditions, as "collateral" and other more detailed conditions set out below.
- (d) We may ask you, your spouse at any time and the guarantor and his/her spouse to sign additional documents or to take steps that may be necessary to perfect, register or enforce the collateral. You confirm that you will notify us if any property is jointly owned and, at the same time, provide details about the name of the joint owner, or any new owners in the future, including the details of any spouse.

1.4 Definitions All mentions of "you" in these Terms and Conditions include (i) you as the individual (ii) any primary borrower and any co-borrower. "We" and "us" refer to ProCredit Bank SH.A., with Kosovo business registration number 70050026 and, where relevant, the ProCredit group as defined in the General Terms and Conditions. "Client advisor" refers to the officer allocated by us from time to time to manage your loan. "Loan" refers to the principal, interest and any fees or expenses as such may change from time to time.

1.5 Financial and other obligations on you, the borrower

In addition to other obligations in the General Terms and Conditions and the Loan Agreement you must:

- (a) Pay the administration fees and make the repayments of the loan to the designated ProCredit Bank account in strict accordance with the payment plan attached to the loan agreement
- (b) Provide promptly any documents necessary for disbursements of the loan and comply with the disclosure requirements below
- (c) Maintain your personal account with ProCredit
- (d) Comply with all applicable laws, including but not limited to obtaining all relevant permits (including construction permits), construction law standards, safety standards, vehicle registration laws and taxation laws
- (e) Act honestly and in good faith with us throughout this agreement
- (f) Allow us to inspect and monitor at any time any use of borrowed funds where the loan is for a specific purpose and any collateral and provide us with related documentation on request, including unlimited access to re-assess the collateral.

2. Disbursement

The loan will be disbursed to you after any collateral or pledge is provided and registered (see below) and any further documents required by you are provided and the signature of any co-borrower(s) or guarantor(s) is obtained. The loan will be disbursed in one tranche unless there is a disbursement schedule which will be followed. A new loan amortization plan may be signed to reflect the date of disbursement. If the loan is disbursed in parts, the instalment (part) will be disbursed after meeting the specified conditions for disbursement of the instalment. Requirements set by the Bank must meet the level required by the Bank. The Bank shall have full discretion to decide whether the conditions for the disbursement of parts for the undisbursed loans are fulfilled, and the right to request the fulfilment of additional conditions. Furthermore, the Bank does not guarantee the release of any or all parts of the loan. The Bank reserves the right to reject the disbursement of one or all parts of the loan at any time and if it deems it necessary.

3. Events of default

- 3.1 An event of default is: a breach of a loan arrangement is considered to be a sufficiently serious breach and we can take any one or more of certain steps as set out in Section 4 below.
- 3.2 The following situations constitute events of default:
 - (a) You are in breach of any part of your contract with us, in particular the loan agreement.
 - (b) You are late making any payment or part of any payment.
 - (d) You make or have made false or misleading statements or provide or have provided misleading information or you failed to properly disclose information to us as required under “Disclosure” below.
 - (c) You used some or all of the funds from the loan for any other purpose than the permitted purpose.
 - (d) You are threatened by a creditor with insolvency or are unable to pay your debts as they fall due.



4. Consequences of events of default

If an event of default occurs, we may at your expense (and you agree to assist us at your expense without delay should such events occur) take one or more of the following actions either immediately or at a later date:

- (i) Suspend or terminate all undisbursed parts of the remainder of loan funds;
- (ii) Withdraw irrevocably or temporarily suspend the application of any privileged interest or other privileged arrangements
- (iii) Require payment of any overdue amount and fees, with such payment to be completed within 24 hours or within any other period stated by us
- (iv) Charge an administration fee as set out in our List of Fees and Charges
- (v) Block any of your accounts or the accounts of your co-borrower(s) or the accounts of the guarantor(s) or prevent specific transactions via such accounts or redirect any of your transactions or funds from one account to another, including to pay the amounts due
- (vi) Charge additional interest (to reflect your default and encourage you to remedy the default) as set out in the loan agreement or our List of Fees and Charges or increase the annual interest rate (to reflect the higher enforcement costs risks for us) and/or change the repayment arrangements so that payments become due earlier (we will then provide you with a new payment schedule)
- (vii) Either withdraw irrevocably or temporarily suspend the application of any privileged interest or other privileged arrangements or suspend any disbursements
- (viii) Bring any relevant legal action against you (including the co-borrower or guarantor) and enforce the collateral partly or entirely;
- (ix) Ask you to provide additional collateral or increase the registered amount/maximum sum against such collateral
- (x) Ask you to sign any relevant authorisation or other document to protect our position or rights
- (xi) At your expense remedy any breach or take any preventative measures which would reduce our loss or potential loss
- (xii) Report you to the CBK in the register of credits (CERs) in the lowest category
- (xiii) Suspend or terminate this agreement

None of the above removes or reduces any additional or supplementary rights that we may have according to the law.

The fact that we do not immediately take action or delay doing so does not affect our right to do so at a later date.

5. Applying for a loan – the importance of full and frank disclosure and your warranties

5.1 When applying for the loan, you must disclose to the loan officer in writing all relevant information and provide all documents that could affect our decision to grant the loan or the terms/rates of the loan.

5.2 You declare/guarantee that:

- a) All information provided in the application form and in any accompanying documents (including any financial statements, business records, information on collateral, cadastral or property documents) and details of any spouse immediately before and during this contract is accurate, representative and reflects the real situation.

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- b) All documents you have provided to us are genuine, unaltered and up-to-date and reflect the real situation and nothing has occurred which would mean that new ones should be obtained or those disclosed should be updated.
 - c) You are, and you will remain in the future aware of environmental protection requirements and comply with all applicable environmental, health and safety requirements of Kosovo.
 - d) In particular but without limitation you have properly disclosed in writing to the loan officer the following matters:
 - 1) Your/your household income and all relevant outgoings/expenses of your household and business;
 - 2) Details of any other loans (whether formal or informal) or debts of you/your household and your business(es), including where you are guarantor (whether in Kosovo or elsewhere)
 - 3) Any financial problems that you/your household have or had and any past defaults by you/your household on loans
 - 4) Anything else which may affect your ability to repay, including:
 - 4.1 Any criminal or civil investigations or claims, including any investigations by a public authority, or legal actions existing or pending against you or your family or business or any circumstances which may lead to a criminal or illegal action in the future
 - 4.2 Any notice from a public authority, including a notice of expropriation or anything in the urban/other development plan that might affect the collateral
 - 4.3 Any illness of/to any member of your household who contributes to the earnings or which may result in a major strain on your household resources
 - 4.4 Whether any building or part of a building (whether owned by you or not) is illegal or does not meet construction standards
 - 4.5 Details of any businesses (whether operational or not) which is/was run by or for or in the name of you/your household including closed/dormant businesses

6. During the loan – Keeping us informed

- 6.1 You need to inform us in writing during the loan of any important changes to the information that you provided on the application whereby if this were known before you submitted your application it might have affected our decision on whether or not to give you a loan initially or which might affect your ability to repay the loan on time or might affect the value of your collateral. You must also tell us if you will not pay timely or will trigger an event of default (see Section 3 and 4 above) and provide us with information that we reasonably request and that is necessary for us to monitor your financial situation to ensure we are repaid in full, including details of all bank accounts held by you. For loans disbursed for a specific purpose we may require you to provide evidence of how the loan has been spent, including invoices from third parties.

7. Loan for specific purpose

If you have taken out a loan for a specific project or purpose and wish to or need to make a change to the project or purpose, then you must obtain our consent. You should write to us to seek consent, providing the reasons and submitting any relevant documentation. We will reasonably consider your request.



8. Expenses

- 8.1 All present or future costs, fees or taxes incurred in relation to complying with the terms of the loan, including, but not limited to, costs of registration, notification, verification, notaries, lawyers, courts, copying, cadastral expenses, couriers/transport, auctioneers, estate evaluation and re-evaluation agents, insurance and any costs we incur in enforcing or executing the loan agreement and any collateral and any credit or transaction taxes imposed currently or in the future (including any costs after the end of the loan such as de-registration costs in the cadastre or pledge registry) shall be to the account of and paid for by you and we may add these expenses to the loan if we deem it appropriate or require payment of them in cash or on account.
- 8.2 Where there is any foreign currency transaction involved then we may adopt the most appropriate foreign exchange rate and any commissions or selling fees shall be at your expense.

9. Obtaining and registering collateral

- 9.1 You agree to:
- (a) Provide us with all evidence of ownership of property and collateral including full lists with detailed registration numbers where relevant and to notify us of any changes
 - (b) Provide us with details of your collateral and to assist with the registration of your collateral, including registration of any pledge agreement and mortgage agreement in the relevant registries
 - (c) Pay any relevant fees or taxes for evaluation, re-evaluation, registration and (if relevant) enforcement of the collateral
- 9.2 Unless otherwise agreed in the loan agreement the resale value of the collateral which is pledged or mortgaged should be sufficient to cover the loan, interest, damages and fees which are outstanding and not repaid and/or which may become due in the future. If for any reason the value of the collateral falls or is likely to fall below this amount or is for any reason insufficient to repay the loan, then you and any guarantor must take all steps to increase the collateral accordingly without delay and you must both sign and register such further assignments, pledges or mortgages as are required and your spouses must also sign the documents or provide formal delegations of authority over the joint assets.
- 9.3 The maximum sum registered in the mortgage or pledge registry must be sufficient to cover all payments outstanding under the loan including the principal, interest, default fees and any enforcement costs. If, for some reason, including but not limited to an event of default, a change in the interest rate or a rescheduling of the loan repayments, we believe that the maximum sum is not sufficient we may notify you and require you at your expense to execute amendments to and assist with the registration of amendments to the mortgage or pledge agreements or documents for registration.
- 9.4 To make the collateral fully enforceable, or to notify third parties, we may require additional mortgage and pledge agreements to be signed and registered as described in those agreements before you can receive the loan or during the loan to meet contractual requirements. Pledge and/or mortgage agreements may sometimes repeat obligations mentioned in the General Conditions or the loan agreement. In any event those agreements should not be understood as reducing the obligations under the loan agreement or these conditions.
- 9.5 By signing the loan agreement you agree that we may register the pledge agreement and/or mortgage agreement with the applicable authority (in the case of the mortgage agreement with the cadastre authority) and you agree to sign any additional documents or take any further action necessary to register the pledge or mortgage and renew any registration of them.
- 9.6 Any mortgage shall also extend to any fruits of the property, any rights it has (including any easements) and any compensation for the property, including compensation for expropriation or diminution in value from any authority.

10. Maintaining the collateral

- 10.1 You agree to maintain the collateral and not to undertake any action to undermine the value of the collateral and not to sell or dispose of it. Collateral which is the inventory of a business may be sold in the ordinary course of business. We may take any reasonable measures at your expense (which may be charged via the loan) to minimise or prevent any material reduction in commercial value of the collateral. As part of this obligation you agree, at your expense, to legalise any illegally constructed building parts as soon as the law permits. You also agree to register the legalised building in the cadastre, provide us with all relevant papers, and enable us to make amendments to any mortgage so that the legalised building or part thereof can also be covered by the mortgage in priority to any municipality rights.
- 10.2 The collateral cannot be transferred to other persons, sold or restricted by any rights, relocated or replaced or leased, except if we give permission in writing in advance. You shall ensure that any amendments agreed to by us are then recorded in the registries to the extent relevant or required by us, including any upgrades or replacements to the pledged or mortgaged items.
- 10.3 If we so require, you agree to take out insurance on the collateral in a sum which meets our requirements and to formally state ProCredit Bank's interest in the matter by informing the insurer that we are the lender and hold a lien on the asset/property. You agree that the mortgage or pledge shall extend to any proceeds from insurance, whether we are noted on the policy or not, so that in the event of loss or damage to the collateral you (or we on your behalf) will claim the insurance and we have the right to the proceeds. You hereby assign us with all rights of claim against the insurance company.
- 10.4 We may ask to see the insurance policy and evidence of payment of the insurance premiums at any time and we may insist on this before we disburse any part of the loan and for its whole duration. We may also require amendments to the loan agreement, administration fees or interest rates if the insurance is delayed or does not exist. If you do not take out insurance after receiving formal notice from us instructing you to do so by a given deadline, then we may take out insurance on your behalf and thus fulfil your obligation and add the cost of the premium to the loan principal and we will provide you with the relevant documents.

11. Negative pledge – re-pledging prohibited by agreement

You agree not to formally or informally pledge, mortgage, guarantee or assign any of the collateral (including but not limited to the pledged and mortgaged assets) or rights in or from the collateral to any third party until the loan and all related payments to us are fully met. We may grant consent to another re-mortgage in some circumstances in writing.

12. Enforcement of the collateral

- 12.1 If we believe that there is sufficient risk that we will not receive the payments stipulated under the loan agreement, we may take steps to take possession of any collateral in accordance with pledge or mortgage agreements. You hereby grant us and/or our agents right of entry and access to enforce collection of the collateral.
- 12.2 You hereby assign and cede to us all your rights such that we can realise and enforce the collateral. You agree to assist us when we carry out enforcement by signing any additional documents we or our agents present to you and by hereby authorising us to sell the collateral to the extent permitted by law. You hereby waive to the extent permissible under applicable law any rights to prior notice of enforcement by us or to your prior purchase of the collateral asset.



13. Interest and payments

- 13.1 Payment shall be deemed made when the due funds deposited in the bank account designated for paying the instalment have been withdrawn by us.
- 13.2 Payments we receive from you or on your behalf (including from any co-borrower/guarantor) shall be applied as follows:
- (a) the costs we incur in enforcing the loan, including any costs to maintain the collateral
 - (b) default interest or
 - (c) interest, and
 - (d) principal of the loan
- 13.3 Interest is calculated on a daily basis (including date of disbursement and date of payment by the borrower). It is payable monthly unless the loan agreement says otherwise.
- 13.4 Unless otherwise stated, interest is calculated on a simple interest basis using the method actual/365 or 366 days, depending on the year.
- 13.5 Passing on of some changes if the ProCredit costs increase.

If during the term of the relevant loan any one or more of the following occurs:

- a. The costs of ProCredit Bank to obtain funds from international markets increase by more than 200 basic points for the a 6-month or shorter period; or
- b. Our costs to obtain funds in Kosovo (such as average annual rates on 12-month bank deposits in Kosovo) increase by more than 200 basic points for a 6-month or shorter period;
- c. The EURIBOR rate increases by more than 200 basic points for a 6-month or shorter period; or
- d. Inflation rate in Kosovo changes by more than 2%, with such rate being declared by the institutions of the Republic of Kosovo; or
- e. The public authorities or courts in Kosovo impose clearly identifiable material additional costs or charges on ProCredit Bank or banks specifically or businesses generally, thereby increasing ProCredit Bank's costs of doing business;
- f. As compared with the date of the loan agreement or (if later) the last time the interest rate under this agreement was set or changed using the relevant sub-clause, then we may pass on the cost of this increase (to the extent the law permits) via a proportionate or appropriate increase in the interest rate charged to the borrower under this agreement for an equivalent or appropriate period. In any event, you shall be notified of such change 30 calendar days in advance. If you do not agree to the change, you have the right to visit our bank within 30 days from the date upon which you were notified of the change and prepay the loan (loan facility) without any prepayment charges. However, if you do not visit the Bank within the 30-day period, after the expiry of the 30-day period, the Bank shall apply an increased interest rate and, if applicable, it will send you via mail or other communication means the new payment schedule.

14. Term and termination

- 14.1 The loan agreement continues indefinitely and may not be terminated by you until the loan (including interest), administration fees, all costs, claims and expenses are repaid in full.
- 14.2 If you wish to repay the loan early, however, then you need to inform us in writing at least 30 days beforehand. This requires our consent and, except in cases which you are replacing this loan with another loan with us and insofar as the law is not violated, one of the following early repayment penalties will be imposed at our discretion:
- (a) 50% of the interest that would otherwise have been due over the remaining term of the loan; or
 - (b) An amount we calculate which compensates us for any costs or losses (including loss of profit) that we incur as a result of the early repayment including administration costs and/or because we have made commitments to a third party and/or may not be able to re-lend the sum at the same or a higher rate; or
 - (c) In any event at least EUR 100 (one hundred) to cover our administration costs or a fee set out in our List of Fees and Charges
- 14.3 We may terminate or annul the loan agreement in whole or in part without notice if you or your guarantor commit a breach of contract.
- 14.4 Other rights for termination of the agreement are excluded to the extent the law allows.

15. Co-Borrower

By signing the loan agreement, the co-borrower provides and undertakes the same warranties and obligations that you do and is equally bound by the loan contract. All references to “you” or the “borrower” also includes the “co-borrower” where relevant. The co-borrower is not a guarantor, however, which means that the co-borrower is liable to make a payment even if the borrower has not defaulted.

16. Guarantor

- 16.1 The guarantor hereby undertakes to guarantee and assume responsibility for the obligations of the borrower if the borrower defaults on the loan in any manner or if an event of default occurs. This guarantee extends not only to the principal and interest but also to all other costs, expenses, penalties and fees that the borrower is liable to pay. We may directly pursue the guarantor if you default on the loan without having to first enforce against any collateral or to take any legal action against you as the borrower. The guarantor authorises the lender to impose a lien on, block/freeze funds up to the sum in question, debit his account(s) with ProCredit and the ProCredit group and any accounts he/she may hold in the future, including with other banks, to meet any obligations of the borrower under this agreement. The guarantor will not be given notice until after the account is debited.
- 16.2 The guarantor confirms that:
- (i) All information provided to us by he/she, including but not limited to his/her address are correct and he/she will notify us without delay if any information becomes incorrect, including if the address changes
 - (ii) He/she will notify us if he/she is aware that you/the borrower is becoming insolvent or is likely to breach or has breached any of the borrower’s obligations or warranties or if the collateral is likely to be impaired or is impaired in any way
 - (iii) The spouse of an individual guarantor has signed the loan agreements or collateral documents if appropriate or has formally delegated the right to the guarantor to administer joint assets



- 16.3 We may additionally pursue the guarantor for breaches of any of the warranties set forth in the loan Terms and Conditions.
- 16.4 Any forbearance or time extension or similar granted to the borrower or co-borrower or other guarantors shall not affect or reduce the obligations of the guarantor.
- 16.5 If there is more than one guarantor, then the provisions in Section 16 apply to all guarantors.
- 16.6 If the guarantor fails to pay, then we may also enforce default interest against the guarantor at the same rate assigned to you, the borrower, for any default.
- 16.7 As regards the guarantor, we shall have all the rights of set-off, of lien on all of the guarantor's assets, accounts negotiable instruments, bills of lading, shares and other instruments to the extent they are held or managed now or in the future by us/the ProCredit group in the same way as we have against the borrower under the loan terms in relation to his/her assets.
- 16.8 The rules on collateral in Sections 8 to 16 of these loan terms shall apply to the guarantor with respect to the collateral of the guarantor.
- 16.9 The guarantor may not terminate the loan agreement until the debts related to the loan agreement are paid in full.

17. Communications and notices for loan issues

- 17.1 Amendments to the loan must be made in writing signed by authorised persons of both parties which in the case of the Bank includes two Bank officers, the loan officer, Branch Manager or Head of Departments.
- 17.2 Notices relating to the loan must be in writing and sent by courier, delivered by hand or registered mail or via electronic platforms.

18. Special conditions for specific loans

18.1 EURIBOR loan

Në një kredi me EURIBOR, norma e interesit në kredi mund të ndryshojë më shpesh për të pasqyruar ndryshimet In a EURIBOR loan, the interest rate on the loan may change more frequently to reflect changes in the European financialmarket. Unless otherwise stated, the interest rate is set/changed on 1 January and 1 July each year, or if those days are not business days, the next business day ("the reference date") and the rate is the aggregate of:

- (i) The six-month EURIBOR rate on the reference date; and
- (ii) The agreed percentage margin per annum in the loan agreement.

ProCredit Bank reserves the right not to change the interest rate if there has been a change of no more than 2% in the EURIBOR rate since the last review.

In any event the nominal interest rate will not fall below the minimum figure provided for in the loan agreement or if there is no minimum figure provided, then it will not fall below 10%.

EURIBOR is the European interbank offered rate as published on the Thomson-Reuters screen to the third decimal place.

18.2 Cost of Funding loan

In a cost of funding loan the interest rate under the loan may change based on the cost of funding of the Kosovo banks and/or ProCredit Bank. Details of this section will be set out in the loan agreement. A minimum interest rate may be applied as set forth in your loan agreement, or if none has been defined, then a minimum nominal interest rate of 10% may be applied.

18.3 Overdraft (Flex Funds)

1. Flex Funds enable clients to use a certain amount of money up to a previously Bank-approved limit, even when they have no money in their current account. This amount is usually based on the client's monthly salary.
2. The actual amount borrowed varies depending on the use and your interest will be calculated on a daily basis based on the amount borrowed on that day. Interest is payable monthly. The interest rate is based on a pro-rated amount of the annual rate stated on the overdraft application form/agreement.
3. If you exceed the overdraft limit and use a non-permitted overdraft, you may be charged an additional administration fee as set forth in our Fees and Charges document.
4. We may reduce the amount of your overdraft facility or terminate the overdraft in full without notice to you and without providing any reason for doing so. We may also increase the rate of interest charged if an event of default occurs to reflect the additional risk of us not recovering the funds or we may charge default interest at the rate set forth in the agreement for the same reason and to encourage you to repay your debt. You may also be charged fees published in our Fees and Charges schedule to reflect the costs we incur for notifying you of the event of default.
5. At the end of the overdraft period or upon our termination of the overdraft you must repay the amount lent in full along with any interest. If we agree the overdraft facility will be renewed or it may be restructured into an ordinary term loan.
6. You may terminate the overdraft without notice to us and in such instance you must immediately repay all funds and pay all fees, including an early termination fee to cover our administration costs.



