

## GENERAL TERMS AND CONDITIONS

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### I. Basic rules for business relation between Customer and Bank

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#### 1. Scope of application, modifications or amendments to the General Terms and Conditions

##### 1.1 Scope of application

- a) These General Terms and Conditions (hereinafter referred to as GTC) shall apply to overall business relation between the Customer and the Bank.
- b) Special terms and conditions concluded with the Customer, or special terms applied for specific products and services shall prevail over GTC.
- c) In these GTC, the term “Bank” shall have the meaning of Raiffeisen Bank sh.a., while the term “Customer” will include the individuals, physical persons, juridical persons, as per the legal meaning of the mentioned terms.

##### 1.2 Modifications or amendments

- a) The bank shall be entitled to make any amendments in GTC upon its discretion. In such cases the Bank shall notify the Customer in writing, at least 15 days’ prior the entering into force of the amendments.
- b) Modification or amendments to these GTC shall enter into force following the notification of the customer with effect in all present and future business relation between the Customer and the Bank, unless the Bank has received a written objection from the Customer by that time, notifying the termination of the contract with the Bank.

#### 2. Notices

##### 2.1 Notices of the Bank

- a) The notifications, correspondence and the notices, and any other communication of the Bank with the Customer shall be effective when carried out in the address shown by the Customer at the time of account opening, or in another address informed by the customer, if there has been changes related to it.
- b) If there is more than one account holder, the notifications as per the Para a) in above should be sent in the address of any of them, and shall be fully effective for all account holders.

##### 2.2 Customer orders and instructions

- a) Customer orders and instructions generally shall be given in writing and should contain the original specimens of the authorized persons.
- b) Irrespective thereof, the Bank shall be entitled to carry out instructions given via other means of communication (in particular over the phone, via cable, telex, data communication, e-mail, and internet), if the Customer has reached an agreement with the Bank for such services.
- c) Rules related to communication via phone, e-mail, internet etc. are settled in the relevant procedures of the Bank and in Terms and Conditions, made known to the Customer at the moment when he/she applies for such services.

### **3. Obligation to co-operate and liability of the Customer**

#### **3.1 Obligations of the customer to notify the bank**

In overall business relation with the Bank, the Customer shall observe the obligation to co-operate and notify the Bank for the important changes as below. Any violation thereof shall lead to an obligation to pay damages or to a reduction the customers claims for damages vis-à-vis the Bank.

##### **a) Name and address**

- The Customer shall immediately notify the Bank in writing of any changes in his/her name, company name, address or the service address advised by him/her.
- If the Customer fails to notify changes in the address, written communications of the Bank will be deemed to be received if they were sent to the address most recently advised to the bank.

##### **b) Power of representation**

- The Customer shall immediately notify the Bank in writing of any cancellation or changes of any power of representation advised to it, including an authority to dispose of and sign for an account and shall provide appropriate documentary evidence in this regard.
- Any power of representation advised to the Bank shall continue to be effective in its current scope until written notification of cancellation or a change of it.

##### **c) Capacity to enter into legal transactions, dissolution of the company**

- The Bank shall immediately be notified in writing of any loss or reduction in the Customer's capacity (legal capacity) to enter into legal transactions. If the customer is a company or legal entity, the dissolution of the same shall also be advised to the Bank immediately.

#### **3.2 Clarity of Orders**

- a) The Customer shall insure that his/her orders / instructions to the Bank are clear and unambiguous. Modifications, confirmations or reminders shall expressly be marked as such.
- b) If the Customer wishes to give special instructions to the Bank regarding the carrying out of orders she/he shall inform the Bank thereof separately and explicitly, and in case of orders given by means of forms, the instructions shall be given separately, i.e. not on the form. This shall, above all, apply if the carrying out of the orders is extremely urgent or subject to certain periods and deadlines.

#### **3.3 Due care and diligence in using means of telecommunication**

- a) If the Customer gives instructions or other notices via telecommunication s/he shall take appropriate precautions in order to avoid transmission errors and abuse.

#### **3.4 Raising of objections**

- a) The customer shall immediately verify notices of the bank, such as confirmations of his/her orders, communications about the carrying out of the same, statements of account, closing statements and any other accounts as well as mail and payments of the bank immediately as to their completeness and correctness and shall raise objections, if any, without delay.

- b) If the bank receives no written objections within a period of 3 months, the stated notices and services of the bank will be deemed approved.
- c) The Bank in each case informs the Customer about the significance of his/her objection or nonobjection at the beginning of the period. It shall be sufficient if such information is provided on the statement of account.

### 3.5 Notification in case of non-receipt of communications

The Customer shall notify the bank immediately if s/he does not receive regular communications from the bank (such as closing statements or statements of securities accounts) or other communications or mail from the bank which the customer would have had to expect in his/her circumstances within the period of time normally to be expected with respect to the agreed form of transmission.

### 3.6 Translations

Any foreign-language instruments shall be presented to the bank even in Albanian Language, both translated and notarized, if the bank so requires.

## **4. Termination of the business relation**

### 4.1. Termination by the Bank

#### a) Ordinary termination (the simple one)

Unless the agreement has been concluded for a definite period of time, the Bank and the Customer shall be entitled to terminate the entire business relation or individual parts thereof at any time giving a reasonable time period of notice.

#### b) Termination for important reasons

- The Bank and the Customer shall be entitled to terminate the entire business relation or individual parts thereof at any time with immediate effect for important reason notwithstanding any agreements to the contrary.
- Important reasons for the termination by the Bank are considered the cases when the Customer is using his/her account for illegal activity in violation of any law, if he/she has violated repetitively the GTC, or specific applied conditions, the customer furnishes incorrect information about his/her financial situation or other essential facts and circumstances, or if the financial situation of the Customer or of a co-debtor deteriorates or is put at risk and the fulfillment of obligations vis-à-vis the Bank is jeopardized as a result thereof, or the Customer fails or is unable to fulfill the obligation to provide or increase collateral.

### 4.2. Legal Consequences

Upon termination of the entire business relation or individual parts thereof the amounts owed hereunder will immediately become due and payable and the Customer shall be obliged to release the Bank from all liabilities assumed for him/her.

## **5. Right of disposal upon the death of a Customer.**

### 5.1 Disposition in favor of heirs

- a) As soon as it receives notice of the death of a Customer, the Bank shall permit disposition on the basis of court decision for the defining of the heirs of the diseased.

- b) Upon the death of the Customer who is the holder of an account with an Authorised Person, the rights of the Authorised Person to act on the account, terminate as well. The Bank is obliged to refuse any bank transaction ordered by the Authorised Person, from the moment of being notified of the Customer's death.

## **II. OPENING AND KEEPING OF CURRENT ACCOUNTS**

### **6. Scope of application**

Unless otherwise provided the following rules regarding current accounts shall also apply to securities accounts.

### **7. Opening and keeping of accounts**

- a) The bank account shall be kept under the name of the account and will have an account number. When opening an account, the future account holder shall prove his/her identity.
- b) The Bank shall be entitled to verify the Customer identity on basis of identification documentary evidences, when opening the account or establishing the business relation, and in any other cases provided by the law.
- c) For the purpose of collecting data from the Customer, the Bank shall be entitled to ask from him/her original documentary evidences or notarized/legalized copies of them.
- d) The Bank shall be entitled, whenever it considers reasonable, to ask from the Customer the submission of additional identifying documentary evidence in order to verify the data advised by the Customer.
- e) The Bank in no case shall be entitled to open anonymous accounts, under the name of a fictive account holder or an account number. The Bank shall be entitled to refuse the opening of an account, if the characteristics of the Customer are not in compliance the standards of the Bank, or for any other reasonable motivation, without being obliged to give explanations to the Customer.
- f) The Bank shall be entitled to identify the Customer, any time he / she appears at the Bank. The Bank shall be entitled to reject the customer's request to carry out financial transactions, if the identity of the Customer is not fully verified.

### **8. Specimen signature**

Persons who are authorized to dispose of or sign for an account shall deposit their signatures with the Bank. Based on the signatures deposited, the Bank shall permit disposition on the account in accordance with the orders given by the authorized persons of the Customer.

### **9. Right of disposal and signing authority**

#### **9.1 Right of disposal**

- a) Only the account holder shall be entitled to dispose the account.
- b) Only persons whose power of representation is based on statutory provisions or persons who hold a written power of attorney explicitly authorizing them to dispose of the account shall be entitled to represent the account holder. They shall be obliged to prove their identity and power of representation.

- c) The accounts of the minors shall be administered by their legal representatives or guardians. Legal limitations to the rights of legal representatives or guardians, shall be respected by the Bank.

## 9.2 Signing authority

- a) The account holder may expressly and in writing grant third parties' authority to sign for the account. The authorized person has the right to sign for the account, within the powers of representation granted by the account holder.
- b) The Customer shall be held liable to immediately advise the Bank for any changes related to the authorized persons. In case the authorized persons carry out any actions while their representative powers are expired, the Bank is released from whatever liability toward the customer and/or third parties, in case it has not been advised at due time by the Customer.

## 10. Types of account

### 10.1 Number of accounts

A Customer may open several accounts under his/her name, at the same currency or at different ones, in the same branch or in different branches.

### 10.2 Escrow accounts

The escrow accounts serve for depositing funds as per written agreements between the Bank, the Customer and third parties. In case of escrow accounts, the Banks shall act as an escrow agent in accordance to the settled conditions of the relevant agreements.

### 10.3 Foreign currency account

- a) If the Bank keeps a foreign currency account for the Customer, transfers in the respective foreign currency shall be credited to such accounts unless a different transfer instruction has been given.
- b) If no foreign currency account exists, the Bank shall be entitled to credit foreign currency amounts in national currency applying its exchange rate in force on the day the transactions takes place, unless expressly instructed for the contrary by the Customer.

## 11. Statements of account

- a) The Bank is obliged to provide the Customer with a statement of account on a monthly basis, showing in details all the transactions performed in the account for the respective period. The Customer is obliged to withdraw the statement at the Bank.
- b) The Customer should submit written objections to the Bank with regard to the balance of the account or specific transactions shown in the statement, within three months from the last day of the month when the contested transaction has taken place. If the Bank receives no written objections, the account statement will be deemed approved and accepted by the Customer.

## 12. Block debit / sequestration of accounts

- a) The Bank shall be entitled to suspend the transactions performed in the account (block debit), in cases when the customer fails to submit the required documents, or when there are disagreements regarding representation powers.

- b) Suspension will be in force till the submission of the required documentation or the settling of the disagreement.
- c) The Bank shall be entitled to block / sequester an account in case of mandatory execution on the amounts resulting in the bank account, in accordance with legal and sublegal acts regarding the mandatory execution; or upon written order of the State Authorities entitled to such right by law.
- d) In cases of account blocking/sequestration according to point 13.3 the Bank shall notify the Customer in writing.

### **13. Offsetting**

#### 13.1 Offsetting by the Bank

- a) If the Customer has more than one account, even in different currencies, the positive and negative balances are compensated in a reciprocal way. The Bank reserves the right to debit the balances of the Customer accounts in order to close the debtor balances of one or more Customer accounts.

### **14. Inactive accounts**

- 14.1 If the customer has not performed any transaction with the account for more than 180 days, the account turns automatically into inactive status. The account will be reactivated in case of its crediting, or upon the Customer's request. The Bank is entitled to close the inactive account in case its balance is zero or a debit balance reimbursing beforehand the commissions and debit interests estimated during this period.

## **III. GIRO TRANSACTIONS**

### **15. Transfer instructions**

- a) Transfer instructions shall state the receiving bank, the account number IBAN, SWIFT code, and the complete name of the beneficiary's account.
- b) Payment orders must be signed by the person who has the legal right and the authority of the customer signature. Physical presence in the Bank of Corporate and SE customers, for depositing these orders is not a requirement and a necessity. In such cases the customer can choose to send other persons to physical present to the Bank for depositing the completely payment orders. The bank has no obligation whatsoever to identify or verify them. The customer is aware and understands that this payment method represents high risk and it is its own and only responsibility to show maximum care and discretion on how and who will deposit such orders as well as make sure that these individuals do not leave the Bank without the processed copy of the payment order. In this framework the customer gives its unconditional and irrevocable approval that the Bank takes no responsibility in case of any eventual damage or loss suffered by the customer as a result choice by his side.
- c) Acceptance of a transfer instruction by the Bank alone shall not lead to any rights of a third party vis-à-vis the bank.
- d) The Bank shall only be obliged to carry out a transfer instruction if sufficient funds to cover the total amount are available in the Customer's account stated therein (credit balance, credit line granted).

#### **16. Credit entries and right to cancel**

- a) In case of a valid existing account maintenance agreement, the Bank shall be obliged and irrevocably entitled to accept amounts of money on behalf of the customer and credit the same to his/her account.
- b) The instruction to provide a Customer with an amount of money shall be carried out by the Bank by crediting the amount to the account of the beneficiary unless otherwise indicated in the instruction.
- c) The bank shall be entitled to cancel any credit entries made due to an error on its part at any time. The right to cancel shall not be eliminated by a balancing of the account which took place in the meantime. If the right to cancel exists, the Bank may deny disposal of the amounts credited.

#### **17. Debit entries**

In the event of transfer instructions, debit entries shall only be considered a confirmation that the instruction has been carried out.

#### **18. Bank liability**

The Bank will not be held liable for any loss or damage caused to the Customer as a consequence of the delay or failure of the Bank to fulfill its obligations due to those circumstances beyond its own due diligence, including but not limited to: natural misfortunes, extraordinary events, social riots, failure of systems or impossibility for transmission or communication to third parties.

### **IV. CONSIDERATION OF SERVICES AND REIMBURSEMENT OF EXPENSES**

#### **19. Consideration**

##### 19.1 General rules

- a) The Bank shall be entitled to demand consideration from the Customer for its services, in particular, interest, fees and commissions.
- b) This shall also apply to expedient services rendered by the bank without instruction but in case of emergency or to the benefit of the Customer or in connection with the settlement of the estate of the deceased Customer.

##### 19.2 Amount of consideration

- a) The Bank shall be entitled to adequate consideration for its services, the amount of which will be determined by the Bank and displayed in the form of a tariff containing the cost for certain typical services.
- b) The statutory obligation of the Bank to state such prices in a consumer credit agreement or a consumer current account agreement shall remain unaffected thereby.

##### 19.3 Change of consideration for ongoing services

- a) The bank shall be entitled at its reasonable discretion to change the consideration charged to customers for ongoing services (interest, account keeping fee, etc.) by taking into account all relevant circumstances (in particular, changes in the legal framework, changes in the money market or capital market, changes in the refinancing cost, changes in the staff expenses and operating expenditure etc.).
- b) The interest payable by consumers may be changed in accordance with the terms to be specifically agreed with the Customer.

- c) Any change of consideration shall enter into force after notification in written of the Customer. In its notification the Bank will advise the Customer of the change desired from time to time and will point out that after expiration of the stipulated period his/her acquiescence will be deemed consent to the change.

## **20. Reimbursement of expenses**

20.1 The Customer shall bear all expenses, and costs, in particular taxes, legal fees, postal fees, insurance fees, notary fees, fees for registration in IPRO, consultancy services in business administration matters, resulting from his/her relationship with the bank.

## **V. COLLATERAL**

### **21. Right to Collateral**

- a) The Bank shall be entitled to demand from the customer the provision of appropriate collateral for all claims under the business relation with him/her within an appropriate period of time, i.e. even if the claims are conditional, limited as to time or not yet due.
- b) The customer is obliged to guarantee the fulfillment of his/her obligations toward the Bank, including the mortgage of immovable properties owned by him/her, the pledge on movable properties, or other guaranties as per the modalities agreed between the parties and in respect to the specific agreements reached by the parties with that purpose.
- c) The guarantee of the loan shall be made through mortgage on immovable properties which belong to the customer, and on third parties' properties, as well. The Customer / Mortgager recognized as lawful owner of the property, should mortgage the property, including no other liens and obligation assigned prior to the loan. The Customer / Mortgager is obliged not to sell the mortgaged property, or to dispose it by whatever way, as a whole property or in particular parts of it, and other rights on the property.
- d) The Customer / Mortgager has no right to decrease the value of the mortgaged property, but only to increase the collateral. The Bank is fully entitled to those rights recognized by the law related to the mortgaged property, including the improvements, additional constructions and other existing premises and the future ones as well.
- e) The Bank is entitled to demand from the Customer to insure his/her collateral and his/her life against any risk with one of the insurance companies that the bank may consider reasonable. The Customer shall accept that any compensation deriving from insurance agreement belongs to the Bank, and that he/she have no rights on that compensation.

### **22. Securing charge**

- a) If the loan is guaranteed through a securing charge on the Customer movable properties, the Customer should agree to transfer to the Bank the ownership title on the movable property and the civil fruits derived by the same property in order to guarantee the payment and the complete fulfillment of the obligations toward the Bank.
- b) If the security consists of a charge over a bank deposit or treasury bonds, the Customer shall authorize the Bank to dispose of the deposit and the treasury bonds with no notification, in case of nonfulfilment of obligations.

### **23. Increase of Collateral**

- a) If circumstances occur or become known subsequently which justify an increased risk assessment of the claims vis-a- vis the Customer, the Bank shall be entitled to demand



- the provision or increase of collateral within a reasonable period of time. This shall, in particular, be the case if the economic situation of the Customer has deteriorated or threatens to deteriorate or if the collateral available has deteriorated in value or threatens to deteriorate.
- b) In case the Customer fails to satisfy this demand, the Bank shall be entitled to terminate the contract and to ask the immediate payment of the loan amount and the other due obligations.

#### **24. Release of collateral**

Immediately upon the Customer's request, the Bank will release collateral to the extent it has no justified interest in keeping it as security.

#### **25. The rights of the Bank in case of default**

- a) When is observed one of the cases of default, which are defined in the relevant provisions settled in special contracts reached between the Bank and the Customer, the Bank is entitled to carry out all the actions it considers reasonable and/or ask immediate payment of the amount from the Customer.
- b) In case the Customer fails to fulfill his/her obligations toward the Bank, the Bank is entitled to debit at any time, without an advance notification, any account held by the Customer at complete fulfillment extent and/or to initiate the procedures of mandatory execution of the loan, as it is provided by Civil Procedure Code Provisions.

### **VI. FOREIGN CURRENCY LOANS**

#### **26. Foreign Currency Loan payment back**

- a) Foreign Currency Loan shall be paid back in the currency in which they were granted by the Bank. The Customer should be informed on the risk of foreign currency loan at the time of loan disbursement. The Customer should read carefully the present information before signing the contract.
- b) The Bank is entitled, in cases when the customer fails to pay back the consecutive installment, to debit his/her account in any currency and to convert an outstanding debit balance into the currency of loan payment in order to enable the payment of consecutive installment. The exchange risk is to be born by the Customer.

### **VII. SPECIAL TYPES OF OPERATIONS AND SERVICES**

#### **27. Scope of application**

- a) According to its banking licence and to its policies the bank offers several services for the Clients. A specific part of these services is offered only for determined categories of clients, based on the Bank categorization.
- b) The terms and conditions for these services are specified in the special agreements that are stipulated for this purpose, on which the Client is informed when he applies for these services, and in the international rules, when they are applicable.

## **VIII. DEPOSITS' INSURANCE**

### **28. Information on deposits' insurance**

- a) Bank customer's deposits, both private individuals and business entities, are insured by the Deposit Insurance Agency, according to provisions of Law No 53/2014 date 22.05.2014 "On the Deposits' Insurance", changed. The Agency compensates the insured deposits in cases when the Supervisory Authority (Bank of Albania) decides the liquidation of the Bank or the Bank voluntarily decides to go under liquidation process.
- b) The Agency compensates the insured deposit in accordance with the above mentioned law up to ALL 2,500,000 (two million and five hundred thousands), for each depositor, despite the number and the value of his/her deposits. The level of the compensation for each client/depositor is calculated on the aggregate amount of his/her insured deposits placed in the bank, regardless the number and the currency of his/her deposits.
- c) The insured deposits held by each depositor in the insured subject on the intervention date are aggregated. In accordance with Law "For deposits insurance" (changed), the aggregation process consists on calculating the total insured deposits amount of the depositor (private individual, business entity) on the insured subject, subtracting the amount of all past due obligations of the depositor toward the insured subject on the intervention date of the Supervisory Authority (Bank of Albania).
- d) The compensation process of the insured deposits starts immediately as the Agency is officially notified in written form by the Bank of Albania for the intervention decision or for the voluntarily liquidation decision of the Bank. The compensation process is realized in accordance with the procedures foreseen in the Law "For deposits insurance" (changed) and in the respective sublegal acts. The compensation concludes no later than three months since starting date of the compensation process.
- e) The compensation of the insured deposit is done: i) through bank transfer of the amount of the compensating portion of the deposit on another insured bank; ii) cash payment of the ALL amount in accordance with the compensation level; iii) through another agent insured bank.
- f) The Deposits Insurance Agency is the institution created aiming to realize the insurance of the deposits of the clients and their compensation in accordance the legal requirements. The primary role of the Deposits Insurance Agency is: i) protecting the depositors from the bankruptcy of the banks where they keep their savings; ii) the compensation of their deposits up to the legally précised level.

## **IX. CONFIDENTIALITY OF CUSTOMER INFORMATION**

### **29. Confidentiality**

- a) The Bank shall guaranty the confidentiality related to the customer information and personal date.
- b) The Bank is obliged to disclose the information upon the Customer's authorization, or at the request of the authorities which have this right by law.
- c) The obligation of the Bank to keep the confidentiality of the Customer information shall be effective even after the termination of the relation between the Bank and the Customer.

**X. THE PLACE OF EXECUTION, RULING LAW, THE PLACE OF DISPUTES  
SETTLING**

**30. The Place of execution**

The place of execution for both parties shall be the offices of that branch of the Bank, at which the transaction is concluded.

**31. Definition of applicable law**

All the relations between the Customer and the Bank shall be subject of the Albanian Law.

**32. The place of disputes settling**

The Customer may submit his/her complaints against the Bank at District Court of Tirana where the seat of the Bank is registered.

These General Working Conditions are written in Albanian and English languages.

In case of discrepancies in interpretation between two versions, the albanian version shall prevail.

I declare that I have received a copy of these General Terms and Conditions, today on \_\_\_\_\_.

**The Customer**

\_\_\_\_\_  
Signature

**The Bank**

\_\_\_\_\_  
Signature