

GENERAL TERMS AND CONDITIONS OF CONDUCTING TRANSACTIONS WITH THE SEPA DIRECT DEBIT FOR RECIPIENTS OF PAYMENTS

1. Purpose

The General Terms and Conditions determine the manner and conditions of conducting transactions with the SEPA direct debit.

2. Definition of terms

Bank's business day: The Bank's business day means a day when the Bank of the Recipient of payment is open to conduct transactions with its customers.

Bank of the Recipient of payment: The Bank of the Recipient of payment is a bank which manages a transaction account of the Recipient of payment and which has concluded with the Recipient of payment the Agreement on the Performance of SEPA Direct Debit Payment Services.

Payer's bank: The Payer's bank is a bank which manages the Payer's transaction account.

SDD B2B Scheme: The SDD B2B Scheme determines rules, standards and procedures for the execution of SEPA direct debits where the Payer and the Recipient of payment are legal entities, entrepreneurs or individual proprietors.

Execution date: The Execution date is a date of debiting the Payer's transaction account.

Interbank business day: The Interbank business day is a day when the Bank of the Recipient of payment and the Payer's bank conduct transactions via the banking system.

Instructions: Applicable document entitled Instructions for Use of SEPA Direct Debits (SDD) for Recipients of Payments, which forms a supplement to these General Terms and Conditions.

SDD Core Scheme: The SDD Core Scheme determines rules, standards and procedures for the execution of SEPA direct debits where the Payer is normally a consumer, and the Recipient of payment is a legal entity, an entrepreneur or an individual proprietor.

Payment transaction: The SDD payment transaction.

Payment order: The Payment order is an instruction to the Bank of the Recipient of payment used by the Recipient of payment to instruct their Bank to conduct a payment transaction.

Payment system: The Payment system is a clearing and settlement mechanism enabling interbank settlement of payment orders for SDD.

Payer: The Payer is a legal entity, an entrepreneur, an individual proprietor or a private individual, who gives their Mandate to the Recipient of payment to order a SDD payment transaction to the debit of their transaction account.

Agreement: The Agreement on the Performance of SEPA Direct Debit Payment Services, which is concluded by the Bank of the Recipient of payment and the Recipient of payment.

Recipient of payment: The Recipient of payment is the holder of a transaction account with the Bank of the Recipient of payment, who receives funds under the head of settlement of obligations with the SEPA direct debit.

Mandate reference mark: The Mandate reference mark is a uniform Mandate mark set by the Recipient of payment.

SEPA: SEPA (Single Euro Payments Area) is the environment where consumers, commercial entities and other users of payment services make and receive payments in Euros with providers of payment services, under the same core conditions, rights and obligations as well as usages of the trade irrespective of the fact whether such a payment is made within a country or between countries of the SEPA zone.

SDD: SEPA Direct Debit is a payment service used to debit the Payer's transaction account in the case of which a payment order for SDD is instructed by the Recipient of payment on the basis of the Payer's Mandate.

Mandate: The Mandate is permission which the Payer gives to the Recipient of payment for the conduct of an individual or more payment transactions. By means of the Mandate, the Payer allows the Recipient of payment to submit a payment order to debit the Payer's transaction account in the amount of the obligation incurred by SDD. On the basis of the Mandate, the Payer's bank is authorized to debit the Payer's transaction account.

General Terms and Conditions: General Terms and Conditions of Conducting Transactions with the SEPA Direct Debit for Recipients of Payments.

Business hours: Applicable document entitled Business Hours for Transaction Account Operations, which sets deadlines for the execution of SDD and which forms a supplement to these General Terms and Conditions.

3. SDD schemes

The Bank of the Recipient of payment shall enable the Recipient of payment the execution of SDD for all Payers. In accordance with the Instructions, Agreement and General Terms and Conditions, the Recipient of payment may conduct their transactions via the following schemes for SDD:

- The SDD Core Scheme and
- The SDD B2B Scheme.

The Bank of the Recipient of payment and the Recipient of Payment shall agree in writing on the scheme type for the execution of SDD.

4. Conclusion of the Agreement

The Agreement may be concluded by a legal entity, an individual proprietor or an entrepreneur who has a transaction account with the Bank of the Recipient of payment and who has acquired a Slovene VAT number.

These General Terms and Conditions shall form a component part of the Agreement.

5. The Payer's Mandate

The Recipient of payment shall obtain a written Mandate of the Payer before ordering a payment order for SDD.

The Recipient of payment shall define the uniform Mandate reference mark and notify the Payer thereof. The Recipient of payment shall begin to apply the mark for the Payer with all SDD.

The Mandate may be issued in the paper or electronic form. The Mandate in the paper form shall be physically signed by the Payer. The Mandate in the electronic form shall be signed in a safe and reliable electronic manner and it shall be properly electronically archived.

The Mandate must contain data determined by the Instructions.

The Payer's Mandate shall expire if, following this Mandate, the Recipient of payment did not submit payment orders for the SDD execution within the last 36 months.

The Recipient of payment shall undertake to check the validity of the Payer's Mandate prior to each submission of a SDD payment order.

The Recipient of payment shall store the Mandate for at least 36 months following the last submission of a SDD payment order for an individual Payer.

The Recipient of payment shall settle an amendment of the Mandate with the Payer in case the Payer informs them about the change of the Payer's bank. In the case of status changes concerning the Bank of the Recipient of payment, the Payer's bank or the Recipient of payment

which would result in a change of data in the Mandate, the Recipient of payment shall settle the change of the Mandate with the Payer.

The Recipient of payment shall be obliged to provide a copy of the Mandate no later than within 7 working days on call of their Bank. In case they do not provide a copy of the Mandate for SDDs to which the Payer objects as unauthorized, the Bank of the Recipient of payment shall debit them for the amount of reimbursement.

6. Informing the Payer

The Recipient of payment shall be obliged to notify the Payer about the intended SDD no later than 14 calendar days prior to the SDD Execution date or within deadlines agreed upon by the Recipient of payment and the Payer. The notice must contain data determined by the Instructions.

7. SDD execution

The form and contents of a payment order for SDD shall be defined in the Instructions.

The Recipient of payment prepares payment orders for SDD in accordance with the Mandate acquired by the Payer.

Deadlines for submitting payment orders for SDD to the Bank of the Recipient of payment shall be defined in the Business hours.

In case the Recipient of Payment submits to the Bank of the Recipient of payment a payment order for SDD outside Business hours, the first following Interbank business day shall be deemed the date of receipt and the Execution date shall be appropriately adjusted.

The Bank of the Recipient of payment may reject a payment order for SDD submitted by the Recipient of payment if the payment order has not been prepared in accordance with the Instructions.

A payment order for SDD may be rejected prior to the interbank settlement also due to:

- Technical reasons which are discovered by the Bank of the Recipient of payment, the Payment system or the Payer's bank and which prevent the execution of the payment order,
- The fact that the Payer's bank cannot process the payment order for SDD for reasons specified in the applicable legislation or the Instructions.

The Bank of the Recipient of payment shall authorize the transaction account of the Recipient of payment on the Execution date if the Payer's bank does not lodge an objection or rejection.

8. Objection lodged by the Payer

The Payer may submit to the Recipient of payment an objection prior to the Execution date. After receiving the objection, the Recipient of payment may not submit such a payment order for SDD to the Bank of the Recipient of payment, or, in accordance with the Business hours, they submit to the Bank revocation of the payment order if the payment order has already been submitted.

9. Revocation

The Recipient of payment shall submit to the Bank of the Recipient of payment revocation in accordance with Business hours for the payment order for SDD. The Bank of the Recipient of payment does not execute a payment order for SDD if the order has not been sent yet to the Payment system in accordance with the Business hours, or if the order has not been prepared in accordance with the Instructions.

10. Cancellation

After a payment order for SDD has been executed, the Recipient of payment may submit to the Bank of the Recipient of payment a payment order for the cancellation of SDD in accordance with the Business hours and the Instructions. On the basis of the payment order

for the cancellation of SDD, the Bank of the Recipient of payment debits the transaction account of the Recipient of payment, and the Payer's bank returns the cancellation amount on the Payer's transaction account.

The Bank of the Recipient of payment may reject the order for cancellation of SDD submitted by the Recipient of payment if the order has not been prepared in accordance with the Instructions.

11. Refund of funds

The Payer may require with their Bank a refund of funds under the head of the executed SDD, costs and interest of authorized as well as the unauthorized payments in accordance with the applicable legislation and the Instructions.

In case of a request for a refund of the executed SDD, the Bank of the Recipient of payment shall settle the claim from the bank balance on the payment account of the Recipient of payment and inform them thereof. If the Bank of the Recipient of payment is unable to offset this claim, the Recipient of payment shall be obliged to settle the claim on call of the Bank of the Recipient of payment.

Refund of funds of executed SDD payment orders shall not be possible if the Payer has issued their Mandate in accordance with the rules concerning the B2B Scheme.

12. Repayment of funds

In case the Payer's bank demands a repayment of the SDD amount from the Bank of the Recipient of payment and the Recipient of payment has already received the payment, while the debiting of the Payer's transaction account was not possible, the Recipient of payment shall be obliged to immediately return the received funds to the Bank of the Recipient of payment.

13. Informing the Recipient of payment

The Recipient of payment shall be informed about a payment received under the head of the executed SDD, the executed repayment and a refund by means of an account statement.

The Bank of the Recipient of payment shall inform the Recipient of payment about the unexecuted SDD in accordance with the Instructions.

14. Complaints

The Recipient of payment shall settle complaints in relation to the unexecuted SDDs resulting from the Payer's actions directly with the Payer, while they settle other complaints with the Bank of the Recipient of payment.

The Bank of the Recipient of payment shall ensure a correction for the incorrectly executed payment transactions resulting from its fault and inform the Recipient of payment thereof. If the Recipient of payment objects to the correction, the Bank of the Recipient of payment shall restore the situation to the one prior to the correction and otherwise exercise the claim towards the Recipient of payment under the head of the unjustified authorization of the account.

15. Remunerations

The Recipient of payment shall be obliged to repay the Bank of the Recipient of payment costs and to pay remunerations for the execution of SDD in the manner and in accordance with the applicable tariff of the Bank of the Recipient of payment or in accordance with the arrangement concluded in the Agreement.

16. Security interest

The Bank of the Recipient of payment may require from the Recipient of

payment adequate additional security interest if:

- The volume of business increases following the conclusion of the Agreement or
- The financial position of the Recipient of payment aggravates as estimated by the Bank of the Recipient of payment or
- There occurs a change in the legal and organizational structure of the Recipient of payment thus increasing the risk of claims under this Agreement not being settled upon their maturity.

The Recipient of payment shall be obliged to provide the Bank of the Recipient of payment with additional security interest no later than within 7 working days.

The Bank of the Recipient of payment and the Recipient of payment may agree on the volume and conditions of additional security interest by means of a special agreement.

The Recipient of payment shall not be able to require the cancellation of security interest before the end of the 15-month period following the last executed SDD in case the Agreement is terminated.

17. Rights of the Recipient of payment Bank

The Recipient of payment shall agree and authorize the Bank of the Recipient of payment to offset all its claims under the head of repayments and refunds of the already executed payment orders for SDD and other claims of the Bank of the Recipient of payment arising from this contractual relationship from any bank balance the Recipient of payment has with the Bank of the Recipient of payment.

18. Protection of Personal Data and Confidential Information

The Bank is the controller of personal and other confidential data of the Recipient of payment, which is acquired in establishing a business relationship and continued operation with the Recipient of payment.

For the purpose of performing mutual contractual relations and the purposes of marketing, the Bank processes, keeps, transmits and protects personal and other confidential data in accordance with the law governing the protection of personal data, the EU General Data Protection Regulation (Regulation (EU) 2016/679-GDPR), the law governing banking, the law governing commercial companies and other regulations relating to the protection of personal and confidential data and business secret and in accordance with its internal acts.

More detailed information, the rights of individuals relating to the processing of personal data and contact details are set out in the General Information on the Processing of Personal Data. General Information on the Processing of Personal Data in force at the relevant times is available at the Bank's premises and on its website (www.unicreditbank.si).

19. Preliminary and Final Provisions

The Recipient of payment shall immediately inform the Bank of the Recipient of payment in the event of any change of data.

The Recipient of payment and the Bank of the Recipient of payment may terminate the Agreement on a consensual basis.

Each contracting party may terminate the Agreement giving 15 days' notice.

The Bank of the Recipient of payment may terminate the Agreement unilaterally and without notice if the Recipient of payment violates provisions of the Agreement, the General Terms and Conditions or the Instructions.

The Recipient of payment shall undertake to settle all their obligations incurred under the head of this contractual relationship also after the Agreement has been terminated.

The General Terms and Conditions shall apply as from May 25 2018.