

Pursuant to Article 47 paragraph 5 of the Deposit Protection Law (OGM 72/19), at its meeting held on 2 July 2020, the Managing Board of the Deposit Protection Fund passed the following

Decision on detailed conditions, manner and procedure of the guaranteed deposit payout

(Official Gazette of Montenegro 073/20 as of 21 July 2020)

Article 1

This Decision regulates in more detail the conditions, manner and procedure of the guaranteed deposit payout in the case of the protected event occurrence.

Article 2

The protected event and the obligation of the Deposit Protection Fund (hereinafter: the Fund) to compensate the guaranteed deposits shall occur as of the day the Council of the Central Bank of Montenegro has passed a decision on unavailability of deposits or initiation of bankruptcy proceedings against a credit institution.

Article 3

Depositors shall be entitled to dispose of the guaranteed deposits as of the day of commencement of the guaranteed deposits payout.

Article 4

The Fund shall calculate the amount of the guaranteed deposit for every individual depositor on the basis of data and documents submitted by the credit institution in which the protected event has occurred.

In accordance with the calculation of the guaranteed deposit for every individual depositor, a payment order shall be generated to contain the information on: the depositor, the amount of all deposits (by the account) in euros, including any accrued interest, the amount of all deposits (by the account) in a currency other than the euro as per the exchange rate of the Central Bank of Montenegro as at the protected event date, including any accrued interest, the balance of accrued liabilities of a depositor to the credit institution in which the protected event has occurred as at the protected event date, and the amount of the guaranteed deposit.

Article 5

The total amount of a depositor's deposit shall be calculated by summing all deposits held by the depositor in the credit institution in which the protected event has occurred, including any interest on such deposits accrued up to the protected event date.

All depositor's liabilities as at the protected event date shall then be deducted from the depositor's deposits in the credit institution in which the protected event has occurred.

A depositor whose deposits exceed their liabilities to the credit institution in which the protected event has occurred shall be compensated by the Fund up to the amount of the guaranteed deposit specified in the Deposit Protection Law (hereinafter: the Law).

Article 6

Pursuant to Article 45 paragraph 4 of the Law, the Fund shall pass a decision on the selection of one or more credit institutions for the payout of the guaranteed deposits (hereinafter: the payout bank) no later than within five business days following the protected event date.

The Fund shall provide the payout bank with the Technical instructions to be followed by the payout bank in the procedure of guaranteed deposits payout and allow it a direct access to the database of calculated guaranteed deposits and generated payment orders.

Article 7

In the procedure of the guaranteed deposit payout, the payout bank shall:

- 1) carry out the payout of the guaranteed deposits in line with the Law, this decision, Technical instructions to be followed by the payout bank in the procedure of guaranteed deposits payout, and the contract on the regulation of mutual rights and obligations concerning the performance of the payout bank function that the payout bank has entered into with the Fund;
- 2) verify the identity of the depositor or the person authorized to dispose of the guaranteed deposit;
- 3) determine whether there is a generated payment order in the database for every individual depositor requesting the compensation;
- 4) make the payment of the guaranteed deposit to the depositor or the person authorised to dispose of the guaranteed deposit in accordance with the calculation of the guaranteed deposit.

Article 8

The identification of the depositor or the person authorized to dispose of the guaranteed deposit referred to in Article 7 item 2 this decision shall be made by inspecting their ID card or travel document:

- 1) the authorised person of a natural person for the disposal of a guaranteed deposit shall submit the original copy of a special power of attorney for the disposal of the guaranteed deposit signed by the depositor, and a certified copy of the identification document of the grantor of the special power of attorney;
- 2) the person authorised to represent the legal person shall submit the original or a certified copy of the excerpt from the registry of the legal person with the competent registration authority that shall not be older than 60 days, and the original or a certified copy of the document of registration with the competent tax authority;
- 3) the proxy of the legal person shall submit the original or a certified copy of the excerpt from the registry of the legal person with the competent registration authority that shall not be older than 60 days, the original or a certified copy of the document of registration with the competent tax authority, and a special power of attorney to

dispose of the guaranteed deposits signed by the authorised person and verified by the stamp of the legal person;

- 4) the person authorised to represent a business entity without legal personality shall submit the original or a certified copy of the excerpt from the registry of the firm with the competent registration authority that shall not be older than 60 days, and the original or a certified copy of the document of registration with the competent tax authority;
- 5) the proxy of a business entity without legal personality shall submit the original or a certified copy of the excerpt from the company registry from the competent registration authority that shall not be older than 60 days, the original or a certified copy of the document of registration with the competent tax authority, and a special power of attorney to dispose of the guaranteed deposits, signed by the person authorised for representation and verified by the stamp of the firm;
- 6) the person authorised to represent a condominium shall submit the original or a certified copy of the excerpt from the registry of the condominium with the competent registration authority that shall not be older than 60 days;
- 7) the proxy of a condominium shall submit the original or a certified copy of the excerpt from the registry of the condominium with the competent registration authority that shall not be older than 60 days, and a special power of attorney to dispose of the guaranteed deposits, signed by the person authorised for representation and verified by the stamp of the condominium;
- 8) a parent of a minor shall provide the original or a certified copy of the extract from the birth registry of the minor to whom the guaranteed deposit is made, and the original consent of the other parent approving the disposing of the guaranteed deposit;
- 9) the guardian of a minor shall submit the original or a certified copy of the extract from the birth registry of the minor to whom the guaranteed deposit is made and the original or a copy of the decision on granting the custodianship over the minor;
- 10) the guardian of a natural person who has been deprived of legal capacity and to whom the guaranteed deposit is made shall submit the original or a copy of the decision on granting the custodianship over the person.

The special power of attorney shall be certified by a notary and/or a local or a foreign competent authority, the authorized person of a diplomatic or consular post of the country issuing the power of attorney, or by the State of Montenegro.

The special power of attorney shall be issued on the form presented in Annex 1 (in case of a private depositor) or on the form presented in Annex 2 (if the depositor is a legal person, a business entity without legal personality or a condominium) hereof.

A proxy may dispose of the guaranteed deposits only on the basis of a special letter of attorney granting the disposal of the guaranteed deposit.

A proxy may not dispose of the guaranteed deposits on the basis of the letter of attorney that the proxy held during the regular business of the credit institution in which the protected event has occurred.

Article 9

The compensation of the guaranteed deposits to natural persons shall be non-cash or cash.

Non-cash compensation may be made by transferring funds to an account in the payout bank or an account in another credit institution.

If the compensation of the guaranteed deposit is made by transferring funds to the account in the payout bank or another credit institution, the depositor or their proxy authorised to dispose of the guaranteed deposit shall sign the generated payment order executed in three copies, fill out and sign the payer's order on the payout bank's form executed in three copies.

If the guaranteed deposit is compensated in cash, the depositor or the person authorized to dispose of the guaranteed deposit shall sign the generated payment order executed in three copies, fill out and sign the payer's order on the payout bank's form executed in three copies.

Article 10

The compensation of the guaranteed deposit to legal persons, business entities without legal personality, and condominiums may be made only as non-cash payment.

Non-cash compensation may be made by transferring funds to an account in the payout bank or an account in another credit institution made to the same name as that indicated in the generated order for the payment of guaranteed deposit.

If the compensation of the guaranteed deposit is made by transferring funds to the account in the payout bank, the person authorised to represent the legal person, the business entity without legal personality, the condominium, or the person authorised to dispose of the guaranteed deposit shall sign the generated payment order executed in three copies, fill out and sign the payer's order on the payout bank's form executed in three copies, and stamp it.

If the compensation of the guaranteed deposit is made by transferring funds to an account in another credit institution, the person authorised to represent the legal person, the business entity without legal personality, the condominium, or the person authorised to dispose of the guaranteed deposit shall furnish a photocopy of the document on the depositor's active account in the other credit institution to which the transfer shall be made, sign the generated payment order executed in three copies, fill out and sign the payer's order on the payout bank's form executed in three copies and stamp it.

Notwithstanding paragraph 1 of this Article, if non-cash guaranteed deposit payout to a non-resident legal person cannot be made due to the internal procedures of the payout bank or some other justified reasons, the guaranteed deposit of that person may be paid out in cash.

In the case under paragraph 5 above, the payment shall be made to a person authorized to represent the non-resident legal person or to a person authorized to dispose of the guaranteed deposit who is obliged to sign the generated payment order executed in three copies, as well as to fill out and sign the payer's order on the payout bank's form executed in three copies.

Article 11

In case of death of a depositor, the depositor's successor(s) shall furnish the credit institution in which the protected event has occurred with the original or a certified copy of a final court decision on inheritance.

Article 12

If a depositor considers that their guaranteed deposit has been miscalculated, the depositor may file an objection with the Director General of the Fund on the form

provided in Annex 3 herein within 8 days following the receipt of the generated payment order from the payout bank.

The Director General shall decide on complaints to the calculation of the guaranteed deposit no later than within 15 days.

Article 13

The Decision on Detailed Conditions, Manner and Procedure of the Guaranteed Deposit Payout (OGM 76/17, 86/17 and 17/19) shall be repealed as of the day of entry into force of this Decision.

Article 14

This Decision shall enter into force on the eighth day following that of its publishing on the Official Gazette of Montenegro.

**No. 184/4
Podgorica, 2 July 2020
Deposit Protection Fund,
Managing Board
Chairman
Vesko Lekić**

SPECIAL POWER OF ATTORNEY

I hereby authorise _____, personal ID number _____
(Name and Surname)
_____, from _____, Street _____, No. _____, ID/Passport no. _____ issued by _____, to dispose on my behalf and for my account of the funds up to the amount of the guaranteed deposit defined in the Deposit Protection Law (OGM 72/19) held with the credit institution _____ that is the payout bank for
(Name of credit institution)
compensation of deposits held with _____, the credit
(Name of credit institution)
institution in which the protected event has occurred, and to sign all documents necessary for the realization of payment, including accepting payment in cash or to the account of their choice.

In _____, date _____

Grantor

(Name and Surname)

(Personal ID number)

(Place and Address)

(ID/Passport no., issue date, issuer)

ANNEX 2

Pursuant to Article ____ of the By-Law _____ (Note: or another act) of _____, address _____,
(Depositor`s name)

VAT/Personal ID no. _____, as the person authorised to represent on the basis of the registration no. _____ dated _____ with the Central Registry of Business Entities (Note: in case of another competent authority, indicate its name), I hereby grant the following

SPECIAL POWER OF ATTORNEY

I hereby authorise _____, personal ID no. _____
(Name and Surname)

from _____, Street _____ no. _____, ID/Passport no. _____ issued by _____, to dispose of the funds of _____ up to the amount of the
(Depositor`s name)

guaranteed deposit defined in the Deposit Protection Law (72/19) held with the payout bank _____ that is the payout bank for
(Name of credit institution)

compensation of deposits of _____, the
(Name of credit institution)

credit institution in which the protected event has occurred, and to sign all documents necessary for the realisation of payment via transfer of funds to the grantor`s account in the payout bank, to an account in another credit institution, or by accepting the payment in cash.

In _____, date _____

Grantor

(Name and Surname of the Grantor - Depositor)

(Name and surname of the authorised person)

(Title)

(Signature)

L.S.

The objection to the calculation of guaranteed deposit shall be supported with the following:

1. A photocopy of the objector's identification document (if the objection is filed by a natural person) or a photocopy of the special power of attorney for disposing of the guaranteed deposit and a photocopy of the identification document of the proxy (if the objection is filed by the authorized person);
2. A photocopy of the identification document of the person authorized to represent the objector and the excerpt from the registration authority (if the objection is filed by a legal person, a business entity without legal personality, a condominium) or a photocopy of a special power of attorney for disposing of the guaranteed deposit and a photocopy of the identification document of the proxy (if the objection is filed by the authorized person);
3. Generated payment order taken at the payout bank;
4. A photocopy of the deposit document (a contract, payment card or similar);
5. Other documents to evidence the facts indicated in the objection.

A filled out objection to the calculation of guaranteed deposit, as supported with the listed documents, shall be submitted to the Deposit Protection Fund at the address Miljana Vukova bb, Podgorica, either personally or by registered mail, within 8 days following the receipt of the generated payment order from the payout bank.