

Agreement on carrying out banking operations for individuals

1. SUBJECT OF THE AGREEMENT

- 1.1 The bank shall open account(s) for the client, carry out its banking operations and provide services as described in this agreement according to the terms and conditions stipulated herein.
- 1.2 For the purposes of receiving the services stipulated hereunder the client shall address the bank with the relevant written application (or in any other form provided in this agreement) wherewith it will simultaneously confirm the full awareness of and agreement with the terms and conditions of this agreement thereby acceding to this agreement. The bank shall consider the application of the client and in case of affirmative decision shall commence providing to the client the services as indicated in the application in no later than 2 (two) working days from the receipt thereof.
- 1.3 Opening of the account(s) shall be performed on the basis of the client's application and other necessary documents determined by the legislation (after submitting those to the bank). The client shall be fully responsible for the authenticity of the documents supplied to the bank.

2. TRANSFER OF FUNDS ON AN ACCOUNT

- 2.1 The funds may be transferred into the client's account in cash or through non-cash operations.
- 2.2 In the event the client identification data as stated in an incoming bank order does not fully coincide with the information on the client held with the bank, the funds received will be transferred by the bank to "indefinite account". The bank shall further carry out all necessary investigations in order to determine the recipient of the funds and in case of correction of the inconsistency within two documentary data above will transfer the funds to the client's account. If it becomes impossible to correct the data accordingly, the funds shall be returned to a remitting party.
- 2.3 If the bank transfers funds erroneously to the client's account, the client shall inform the bank and return the funds to the bank promptly after receipt of information on such transfer. The client shall otherwise be held accountable in accordance with this agreement and relevant legislation.
- 2.4 The bank shall perform money transfers to and from the client's account in no later than 3 (three) working days.

3. CHARGING-OFF FUNDS FROM AN ACCOUNT

- 3.1 The bank generally debits funds from an account at the consent, permission, instruction or demand of the client pursuant to the terms and conditions of this agreement.
- 3.2 However, funds can be debited from the client's account without further consent from the client under the following circumstances:

- 3.2.1 for payment of commission fees and/or fines, in accordance with the current tariffs of the bank;
- 3.2.2 in the event the funds are erroneously credited to the client's account by the bank;
- 3.2.3 for payment of funds against settlement of any outstanding debt or obligation of the client towards the bank (in the event the outstanding debt or obligation is determined in foreign currency, its equivalent in national currency shall be determined in accordance with the commercial exchange rate established by the bank at the time of carrying out the respective transaction);
- 3.2.4 in other cases provided by the current legislation and/or agreement, arrangement and/or other kind of document between the client and the bank.
- 3.3 A banking order issued by the client to the bank can be cancelled only with the consent of the bank and only if such order has not been fulfilled yet and if such cancellation does not contradict to the existing Georgian legislation or the nature of the obligation towards which it has been issued.
- 3.4 The bank shall have the right to refuse complying with the client's order and inform the client by any form of refusal to comply with the order if:
 - 3.4.1 it is impossible to fully identify the client;
 - 3.4.2 the order is formulated or issued in breach of the established in the bank rules or contains inaccurate instructions;
 - 3.4.3 the amount indicated in the order exceeds the actual funds available in the account or the limits established by the bank;
 - 3.4.4 the bank suspects that the order is designated for effecting an unlawful operation.
- 3.5 For the purposes of withdrawal of funds from an account, generally the outgoing cash order / check (both standard or special) is used.
- 3.6 In order to withdraw funds from an account the client is entitled to use special form of outgoing cash order (hereinafter the "special order") received in advance from the bank and to be filled in by the client.
- 3.7 The client shall be under obligation to:
 - 3.7.1 maintain safety of the special orders;
 - 3.7.2 not to permit transfer of the special orders to third parties without first filling it in;
 - 3.7.3 follow the rules on filling in of the special orders.
- 3.8 Funds can be withdrawn from the account on the basis of a special order within 180 (one hundred eighty) calendar days from the execution thereof by the client.

4. COMMISSIONS FOR BANKING SERVICES

- 4.1 Financial relations between the client and the bank are subject to the bank tariffs and agreements between the client and the bank. The client shall pay the bank respective commission fees for account management, operations effected from such an account and performing services stipulated hereunder in accordance with current tariffs or fees established by the bank at the time of performing the operation or carrying out the service (service fees).
- 4.2 Upon cancellation of any of the services stipulated hereunder the service fees (commission) already paid by the client to the bank shall not be refunded.
- 4.3 The bank shall have the right to offer to the client the **tariff package**, which implies obtaining the right to utilize several banking services simultaneously and with privileged prices in exchange for paying fixed commission. The client can register for tariff package by way of filling in special application form. By filling in the application on tariff package the client will automatically express its consent to utilization of services listed in tariff package. Thus, submission of the application (as stipulated in paragraph 1.2 hereof) for each service will no longer be required.

5. OBLIGATIONS OF THE PARTIES

- 5.1 The client shall be under obligation:
- 5.1.1 to notify the bank promptly of any change and amendment to the documents and information provided to the bank, as well as to notify the bank in writing of change of persons entitled to manage the accounts or receive information from the accounts and attach the relevant documents to the notification. Prior to the receipt of the notification on the amendment and the attached documents the bank shall perform operations based on the documents and signature samples formerly supplied to the bank;
- 5.1.2 to promptly notify the bank in writing, through the internet-banking or by contacting the bank's service center at +99532 272727 and using the telephone code of any change as to the address, phone number, e-mail address and/or other contact information;
- 5.1.3 upon opening of each new account to supply to the bank the documents required thereby in accordance with the client's tax/entrepreneurial standing;
- 5.1.4 to use account designated for entrepreneurial purposes solely in case of relevant tax/entrepreneurial standing. The client shall otherwise not be entitled to use the account for entrepreneurial purposes;
- 5.1.5 upon the bank's request immediately to present and supply the bank with any and all documents and information related to banking operations;
- 5.1.6 to observe conditions of this agreement;
- 5.1.7 to comply with the procedures described in the sources disseminated by the bank;

- 5.1.8 to pay the service fees (commissions) on time.
- 5.2 the bank shall be under obligation:
 - 5.2.1 to provide the client with information on the status of the client's account upon its request;
 - 5.2.2 to perform the client's instruction according to this agreement and relevant legislation;
 - 5.2.3 to observe the conditions of this agreement.
- 5.3 The client shall be prohibited from using any service provided hereunder for illegal purposes, including for a purchase of goods or service that are prohibited under the laws of Georgia.

6. RESPONSIBILITIES OF THE PARTIES

- 6.1 The parties shall be responsible for full and timely compliance with their duties hereunder in accordance with this agreement and the laws of Georgia.
- 6.2 The bank is responsible to the client for timely and accurate implementation of banking operations. If at the bank's fault a certain amount is incorrectly debited from the account or terms of fund transfer are breached, the bank shall pay to the client a fine at the rate of 0.5 % of the appropriate amount for each delayed banking day or as per the rules established by the legislation.
- 6.3 In the event the client does not comply with its obligations stipulated by paragraph 2.3 of this agreement in timely fashion it shall be responsible to pay the bank a fine at the rate of 0.5% of the appropriate amount for each delayed day.
- 6.4 Payment of the fine does not release the breaching party from performing the duties stipulated hereunder.
- 6.5 the bank is not responsible:
 - 6.5.1 for the failure to perform an instruction, in the event it is caused by any action and/or fault of receiving and/or intermediary bank indicated by the client in "payment order" or any other document or by any reason beyond the bank's control;
 - 6.5.2 for consequences caused:
 - 6.5.2.1 by performing of operations upon the client's instruction;
 - 6.5.2.2 by malfunction in the client's or any other person's personal computer, telephone set and/or other equipment or hardware (its separate parts and/or accessories) and/or by malfunction of a software program;
 - 6.5.2.3 by telecommunications operator, internet provider and/or any other person;
 - 6.5.2.4 by incorrect or incomplete filling in of the order and/or the application by the client;
 - 6.5.2.5 by incorrect or inaccurate information provided by the client to the bank;

- 6.5.2.6 by non-performance of its obligations hereunder by the client;
 - 6.5.2.7 by non-utilization of its rights granted hereunder by the client;
 - 6.5.2.8 by failure on the part of the client to carry out the recommendations issued by the bank.
- 6.6 The parties are relieved from the responsibility for non-compliance with their duties stipulated by this agreement if it is caused by direct influence of insurmountable obstacles, in particular: flood, earthquake, fire, strike, military actions, blockade, acts or actions of the state bodies, etc (force-majeure circumstances). If force-majeure circumstances arise, the parties shall inform each other immediately about such circumstances. The parties shall postpone execution of their obligation hereunder until the eradication of the respective force-majeure circumstances.

7. CLIENT INFORMATION AND BANKING SECRECY

- 7.1 The client declares that at the moment of receipt of its application by the bank as per paragraph 1.2 hereof the information submitted to the bank by the client (including information on its entrepreneurial activity, its status as a taxpayer) is authentic, accurate, complete and exhaustive. The client shall immediately notify the bank of any change in its identification data, contact information, status or activity.
- 7.2 The bank shall be under the obligation to keep in confidence the information connected with banking operations and accounts of the client and which became known to the bank as a result of business dealings with the client, except for the cases stipulated by the legislation, or if the information concerns usual banking operations and bringing out of such information does not violate the client's interests (in accordance with Article 863 of Georgian Civil Code). This duty of the bank remains in force after the termination of this agreement.
- 7.3 The bank shall not be responsible for consequence(s) resulting from receipt of information by other party sent by the bank according to contact information supplied to the bank by the client.
- 7.4 For the purposes of improvement of the services the client grants the bank the right to require and receive information regarding the client (including personal data) from the Agency of National Register at the time of opening account(s), carrying out banking operations and/or providing services to the client.

8. VALIDITY OF THE AGREEMENT AND OTHER CONDITIONS

- 8.1 This agreement shall come into effect upon confirmation by the bank of receipt of the application stipulated in paragraph 1.2 of this agreement and shall continue to be in force indefinitely.
- 8.2 The client may at any moment close the account or discontinue using any or all of the service provided for hereunder subject to delivery of 10 (ten) calendar days advance written notice prior to closure of the account or discontinuation of using the relevant service to the bank.
- 8.3 The bank may at any moment:

- 8.3.1 terminate the validity of this agreement subject to delivery of 10 (ten) calendar days advance written notice to that effect to the client;
- 8.3.2 change the conditions, characteristics of and/or fees (in the event of change of established fees by the bank) for services stipulated by this agreement, offer to the client or discontinue providing any and all services provided for hereunder;
- 8.3.3 close the client's account if the client breaches its obligations hereunder, if within 6 (six) months there was no balance in the account and/or if the client has not performed any operation through the account (for the purposes of this paragraph transfer/deduction of service fees payable to the bank by the client from the account shall not be deemed as carrying out of the operation). In the event of closure of the account by the bank, the remaining funds on the account shall be returned to the client;
- 8.4 This agreement may at any time be terminated subject to the parties' agreement or in other cases stipulated by the current legislation.
- 8.5 The bank retains the right to introduce amendments to this agreement through 10 (ten) calendar days advance placement of relevant information on the web-site of the bank at www.tbcbank.ge and/or at the premises of the bank's branches and service centers.
- 8.6 In the event stipulated under paragraph 8.5 hereof the client shall have the right to terminate this agreement at any time within 10 (ten) calendar days from the placement of respective information on the bank's web-site and/or bank's branches and service centers, in accordance with the procedures set forth in paragraph 8.2 hereof.
- 8.7 In the event the client fails to use his/her right stipulated under paragraph 8.6, the amendments proposed by the bank shall be deemed to be accepted by the client and the agreement amended accordingly. The bank shall have the right to make amendments to this agreement immediately after placement hereof on the web-site in case such an amendment does not worsen the client's condition.
- 8.8 Any notification hereunder shall be made in writing or in any other form stipulated by this agreement. The written notification is delivered to the other party to the last address known to the sender. For the purposes of delivery of notifications the bank may also use other means of communication (including electronic, digital, telephone, etc.). 8.9 Any issues not directly governed by this agreement shall be settled in accordance with the current legislation of Georgia.
- 8.10 Any dispute and disagreement between the parties are to be resolved by negotiations. In case an agreement between the parties is not reached, such dispute shall be referred to Tbilisi City Court or to arbitration as per agreed conditions on arbitration stipulated by paragraph 8.16 hereof.
- 8.11 The parties hereby agree, that:
- 8.11.1 the bank shall have the right to request immediate enforcement of the decision (including payment order) of the Court of first instance, in accordance with Article 268.1¹ of Georgian Civil Procedural Code;

- 8.11.2 information placed on the web-site of the bank and the information protected in the bank's database (in computer programs) as well as electronic and printed out copies of those information prepared by the bank and signed by the director of the bank or his/her lawful representative shall have evidentiary purpose and shall confirm the existence and non-existence of those dealings which are stipulated by the given agreement.
- 8.12 This agreement supersedes any other agreements that may have existed between the parties concerning the subject matter of the present agreement.
- 8.13 In the event any provision hereof is declared and/or become void, such event shall not affect other provisions of the agreement.
- 8.14 Conditions of serving the client and bank's recommendations are described in more detail in the sources disseminated by the bank (including booklets, brochures, the web site of the bank, etc.). In case of the discrepancy between the information given in information sources and the contents of the present agreement, the terms of this agreement shall prevail.
- 8.15 Text of this agreement is placed on the bank's web-site www.tbcbank.ge. Upon request of the client the signed version of this agreement shall be delivered.
- 8.16 The parties hereby agree, that:
- 8.16.1 In the event of any dispute, disagreement or request between the parties, including issues related to failure to observe, violation, termination or invalidity of this agreement, the bank shall have the right to refer to the arbitration "Moravi" for dispute resolution and final award. In the event the aforementioned arbitration is liquidated or its right to act is suspended/ terminated at the time of filing of the claim, the bank shall have the right to refer to arbitration "Dispute Resolution Center" for the dispute settlement. In the event the aforementioned arbitration is liquidated or its right to act is suspended/ terminated at the time of filing of the claim, the bank shall have the right to refer to arbitration "Tbilisi Arbitration-Mediation Chamber" for the dispute settlement. In the event both of the aforementioned arbitrations are liquidated or their right to act is suspended/ terminated at the time of filing of the claim, the bank shall have the right to refer to arbitration "Court of Independent Arbitration" for the dispute settlement. In the event both of the aforementioned arbitrations are liquidated or their right to act is suspended/ terminated at the time of filing of the claim, the bank shall have the right to refer to arbitration "Chamber of Tbilisi Arbitration" for the dispute settlement. In the event both of the aforementioned arbitrations are liquidated or their right to act is suspended/ terminated at the time of filing of the claim, the bank shall have the right to refer to arbitration "Chamber of Arbitration of Georgia" for the dispute settlement;
- 8.16.2 The dispute shall be considered by sole arbitrator, appointed by a Chairman of the Arbitration (the award shall be final and not subject to further challenge);
- 8.16.3 Place of arbitration shall be Tbilisi;
- 8.16.4 Language of arbitration shall be Georgian;

- 8.16.5 Arbitration proceedings and delivery of award may be effected either based on the hearing or on presented materials (by way of summary judgment);
- 8.16.6 Term for delivery of award shall be set as 30 (thirty) calendar days from filing of a claim;
- 8.16.7 The party shall be notified regarding holding of arbitration meeting (hearing) at least 3 (three) calendar days prior to such meeting;
- 8.16.8 The notification can be effected by any means of communication (in writing, through telephone, through e-mail, etc.);
- 8.16.9 Before commencement of arbitration proceedings or on any stage of such proceedings before delivery of final award the bank may solicit to the arbitration on utilization of interim measures;
- 8.16.10 the interim measures granted by the arbitration as may requested by the bank are of mandatory character and shall be executed on the basis of execution writ issued by the arbitration without reversion of such to the Court and without its recognition by the latter;
- 8.16.11 In order to protect bank's business reputation and/or its legal interests it shall have the right to publish, at its sole discretion deliver to the Court, administrative organ(s) or any other person any documents, evidences, written and/or verbal statements used during the arbitration proceedings, as well as any documents issued by the arbitration (including arbitration award).
- 8.16.12 A statement on the competence of arbitration shall be made prior to presentation of counter claim.
- 8.16.13 A respondent shall present a counter claim (response) within 5 (five) calendar days from receipt of an arbitral claim.
- 8.16.14 the arbitral award shall not necessarily contain a motivation part (reasoning);
- 8.16.15 arbitration regulations constitute an integral part of this agreement on arbitration;
- 8.16.16 in case of discrepancy between the arbitration regulations and this agreement on arbitration the terms hereof shall prevail.
- 8.17 In the event the client has any obligations towards the bank, in order to secure observation of such obligations, the bank will transfer into its ownership mortgaged and/or pledged property or effect realization thereof. In the event market value of mortgaged and/or pledged property is less than aggregate amount of secured claim at the moment of transfer of ownership title on mortgaged and/or pledged property to the bank (as to the mortgagee and/or pledgee) or the amount received from realization of mortgaged and/or pledged property does not fully cover the secured claim, the secured obligations shall be deemed satisfied within the amount equal to the market value or the amount received from the realization of mortgaged and/or pledged property, as the case may be.

- 8.18 The client hereby consents to participate in bank's incentive events and agrees with its terms, unless the client expressly refuses in writing such participation.

9. INTERNET BANKING

9.1 Description of the service

9.1.1 Internet banking service implies ability for the client to manage and receive remotely the following services from the bank by means of using the Internet-site of the bank at <https://www.internetbanking.ge>:

9.1.1.1 to have access to the banking information;

9.1.1.2 to register for various banking services;

9.1.1.3 to carry out various banking operations within the established limits.

9.1.2 The client will be able to effect various banking operations as stipulated by this agreement and in accordance with rules, requirements and conditions existing at the bank at the time of carrying out of the operation.

9.1.3 For the purposes of obtaining internet banking services the client shall address the bank with the application as per paragraph 1.2 of this agreement.

9.2 Identification of the client

9.2.1 The client will be provided with data placed in sealed envelope necessary for utilization of internet banking (hereinafter referred to as "Identification Data"), through utilization of which the client shall be identified when logging onto the website of the bank. Failure to properly input such data in special "log in" field on the website will result in denying the access to the account and inability to carry out banking operations and registering for services.

9.2.2 For the purposes of securing information and operations of the client, the bank shall have the right to create additional mechanisms for proper identification of the client, e.g. require the use of additional code created (generated) by a special device provided to the client by the bank for carrying out certain banking operations.

9.2.3 The bank and the client shall be under obligation to maintain confidentiality of the Identification Data.

9.2.4 In the event of loss of the Identification Data, the client shall immediately inform the bank of such occurrence (in any form stipulated by the present agreement) to ensure receipt of renewed Identification Data.

9.2.5 In furtherance of the client's notification on loss of the Identification Data, the bank shall ensure suspension of access to the client's accounts by the internet banking until receipt of new instructions from the client.

- 9.2.6 In the event of opening of a new account with the bank by the client, internet banking will be extended to such account *automatically* through use of the existing Identification Data.
- 9.2.7 The client hereby declares and confirms that the client shall familiarize itself fully with the terms and conditions of appropriate services before registering for such services; the use of the Identification Data mentioned in paragraph 9.2.1 of the present agreement, and the expression of the will for registration will be deemed to be the client's consent and acceptance of all conditions of those services for which it will be registered through the internet banking website.
- 9.2.8 Any claims with respect to the operations through internet banking shall be accepted only within 45 (forty five) days after the performance of the respective operation.
- 9.2.9 The client acknowledges and confirms that payment order carried out through internet-banking shall have the legal force equal to the document having been printed on the paper and executed *in personem* (produced in writing and signed) by the person(s) authorized to manage of the account.
- 9.2.10 Through the internet contact with the bank the client gives an order and grants the right to the bank to:
- 9.2.10.1 provide an access and provide the client with the banking information;
- 9.2.10.2 carry out banking operation upon the client's relevant instructions within the limits established for internet banking services.
- 9.3 The client shall be under obligation:
- 9.3.1 to use only a modern version of the Internet browser, which uses at least 128 bit data encrypting engine for the purposes of accessing the internet banking;
- 9.3.2 to maintain safety and confidentiality of any information necessary for using the internet banking, including the Identification Data and equipment given to the client by the bank (Digi Pass Token and etc.), as well as all types of codes associated with this equipment;
- 9.3.3 to change a password as soon as the client initially logs onto the internet banking and to maintain its confidentiality;
- 9.3.4 to change a password quite frequently, not to entrust the password, the code and/or the identification code of banking devices provided to the client (Digi Pass Token and etc.) to third parties, not to save these data in the computer's memory, not to allow transfer of the banking devices to third parties;
- 9.3.5 before logging onto the internet banking, to ensure that the address field clearly displays the web-address of the bank's internet banking <https://www.internetbanking.ge> and to double-check the authenticity of this address through the safety certificate;
- 9.3.6 to inform the bank immediately in case a password, any code or any device is lost or compromised;

- 9.3.7 not to trust any notifications received by e-mail which may require on behalf of the bank that personal banking data is submitted or renewed.
- 9.4 The bank shall have the right:
- 9.4.1 to make the information about the client's accounts available to him/her through internet banking;
- 9.4.2 to perform the operations permitted by the bank for the internet banking upon the client's instructions;
- 9.4.3 to establish restrictions unilaterally on any active operation of the client (transfer, exchange) and to require additional validation parameters necessary for performance such operations (the maximum sum of a single transfer, the maximum amount of total transfer funds for the certain period, a maximum quantity of transfers, necessity for dual confirmation by separate individuals representing the client, etc.).

10. AUTOMATIC TRANSFERS

10.1 Description of the service

- 10.1.1 Automatic transfer service implies a transfer by the bank of the funds from the client's account without further consent of the client, on the basis of fixed amount determined by the client in the application form or of information provided by the client's creditor to the bank on the client's debt.
- 10.1.2 The parties agree that the payment order created (generated) by the bank for the purposes of automatic transfer services shall have the legal force equal to the document having been printed on the paper and executed *in personem* (produced in writing and signed) by the person(s) authorized to manage of the account.
- 10.1.3 The bank shall carry out the automatic transfer services in accordance with requirements and conditions stipulated in this agreement, the application on registration for automatic transfer service and the sources disseminated by the bank.
- 10.1.4 For the purposes of obtaining automatic transfer services the client shall apply to the bank with the application as per paragraph 1.2 of this agreement.
- 10.1.5 The client is under obligation:
- 10.1.5.1 to indicate one or more of his/her accounts in the application form on registration for automatic transfer services (one of them mandatorily being a GEL account);
- 10.1.5.2 to register his/her foreign currency account as an auxiliary account in the event automatic transfer services are used for payment of funds determined in foreign currency (in its equivalent in national currency);
- 10.1.5.3 to always maintain a balance for automatic transfer services on his/her account(s) indicated in the application;

- 10.1.5.4 to pay service fees in accordance with the current tariffs existing at the bank at the time of transfer.
- 10.1.6 The client shall have the right:
 - 10.1.6.1 to be informed on automatic transfers effected on his/her accounts through the services indicated in the sources of the bank;
 - 10.1.6.2 to make relevant amendments to the data provided in the initial application on registration for automatic transfer services;
 - 10.1.6.3 to discontinue using of automatic transfer services.
- 10.1.7 The bank shall be under obligation:
 - 10.1.7.1 to provide the client with automatic transfer in accordance with the terms and conditions stipulated in sources disseminated by the bank.
- 10.1.8 The bank she have the right:
 - 10.1.8.1 to refuse carrying out of transfer (payment) in the event of insufficient funds in the client's account(s);
 - 10.1.8.2 to refuse carrying out of transfer in cases determined under current Georgian legislation or in the event of outstanding debt towards the bank;
 - 10.1.8.3 to determine the rules of notification of the client on performance of transfer or unilateral termination or partial termination of automatic transfer services without informing the client thereupon in the event of inability to perform any of automatic transfer services for the client related or any other reason, through sources disseminated by the bank (including booklets, brochures, the web site of the bank, etc.).

11. TELEPHONE SERVICES

- 11.1 Description of the service
 - 11.1.1 Telephone banking service implies ability for the client to manage and receive remotely the following services from the bank by means of using telephone connection:
 - 11.1.1.1 to have access to the banking information;
 - 11.1.1.2 to register for various banking services and to make amendments to the registered data;
 - 11.1.1.3 to carry out various banking operations within the established limits.
 - 11.1.2 The telephone banking is extended to all existing accounts of the client. In the event the client does not wish to use telephone banking services with regard to any of his/her accounts, he/she shall be under obligation to inform the bank in writing or in any other form determined by the present agreement thereupon.

- 11.1.3 For the purposes of obtaining telephone banking services the client shall address the bank with the application as per paragraph 1.2 of this agreement.
- 11.2 Identification of the client
- 11.2.1 The client shall be provided with special telephone code placed in the sealed envelope, by naming of which the client shall be identified before performance of telephone services. Failure to name the telephone code will result in denying the access to the account and inability to carry out banking operations and registering for service(s). The client shall name solely three numbers (in accordance with instructions given by the telephone service center operator) during each telephone connection with the bank (for obtaining each telephone service). The client shall not name more than three numbers each time.
- 11.2.2 For client identification purposes the bank shall have the right to use additional questions.
- 11.2.3 The bank shall be under obligation to maintain confidentiality of the telephone code submitted to the client and to refuse performance of telephone services to a person failing to name the telephone code.
- 11.2.4 In the event the bank suspects (including, on the basis of answers to additional questions) that the attempt to access to the information or carrying out the operation is made by a third party, other than the client, the bank shall have the right to refuse performance of telephone instructions.
- 11.2.5 In the event during telephone conversation the client fails to name the correct telephone code for three consecutive times, the bank shall suspend performance of telephone service to the client. The bank shall reinstate the telephone service, solely after the client contacts the bank through the telephone and the bank identifies the client according to established rules, with the help of telephone code and by posing additional questions to the client.
- 11.2.6 In the event the telephone code is compromised to third party due to the fault of the client, the bank shall bear no responsibility for the consequences resulted therefrom.
- 11.2.7 The client shall be under obligation to inform the bank immediately in case the telephone code is lost or compromised.
- 11.2.8 In furtherance of the client's verbal (through telephone) or written notification on loss of the telephone code, the bank shall ensure suspension of performance of telephone services on the client's accounts until receipt of new instructions from the client. In case of verbal notification the client will be identified in accordance with the established by the bank rules by way of using telephone code or posing additional questions.
- 11.2.9 In case the client opens a new account with the bank, the telephone banking will be extended to such account through use of the existing telephone code. In such event no new agreement will be executed between the bank and the client and terms and conditions of this agreement will apply to the new account.

11.2.10 The client shall be entitled to register as a consumer of electronic services offered by the bank at the time of the client's registration by way of using code determined in paragraph 11.2.1 of the present agreement.

11.3 Declarations, instructions and consents of the client

11.3.1 The client declares in advance that he/she will register as a consumer of relevant services solely after thorough familiarization with the terms and conditions of such services and the expression of intention to register by way of using code stipulated in paragraph 11.2.1 hereof will be deemed the client's consent and acceptance of all conditions of services registered through telephone services.

11.3.2 By calling at the bank and after going through relevant identification procedures the client hereby instructs the bank and grants the right to:

11.3.2.1 provide with the information on the client's accounts;

11.3.2.2 carry out banking operation upon the client's relevant instructions within the limits established for telephone services.

11.3.3 The client hereby consents that any of his/her requests on receipt of information on the client's accounts, on registration for utilization of services, on amendment to the registered data or on carrying out of operations shall be protected in the bank's electronic database and such kind of record shall have evidentiary purposes (shall be used as an evidence) in the event of dispute. The record shall be deemed property of the bank and the bank shall be under obligation within 3 (three) years from its generation to provide to the client upon his/her written request the record in the form acceptable for the bank in no later than 15 (fifteen) calendar days from receipt of the written request (the stated obligation of the bank shall apply to the records implemented from January 1, 2011).

11.3.4 The client shall have the right to obtain services determined in paragraph 11.1.1.1 within the limits established by the bank through the code word stipulated in the application on opening a bank account filled in by the client.

12. PLASTIC CARDS

12.1 Description of the service

12.1.1 Plastic card service implies for performing of banking operation by the client (hereinafter the "cardholder") through VISA or MasterCard plastic card (hereinafter the "card"), except for business card, issued by the bank.

12.1.2 On the basis of this agreement the client is entitled to receive one or several cards, whereas a particular type of each such card shall be determined by an executed application for each particular card, constituting an integral part of this agreement.

12.1.3 While the card is issued the cardholder's mobile number shall automatically be registered at the bank's SMS service (terms and conditions on using the SMS service is provided in the

sources disseminated by the bank). The cardholder has the right to refuse using the stated service making relevant indication in the application form.

- 12.1.4 Terms of use are further subject to bank's sources made on the basis of VISA and MasterCard international payment procedures and which shall be handed in to the cardholder together with the card. VISA and MasterCard international payment systems terms and procedures constitute an integral part of this agreement.
- 12.1.5 The cardholder shall be the person to whom the card has been issued. The cardholder is identified through his/her full name and signature sample as appears on the card, as well as the secret personal identification code (PIN code).
- 12.1.6 The validity of the card is determined by the validity term appearing thereupon. The card shall expire on the last day of the month shown on the card.
- 12.1.7 The annual service fee for the first year shall be paid before issuance of the card. The annual service fee for the following year(s) shall be paid at the first anniversary of the issuance of the card; such fee shall be automatically deducted if within 15 days of the first anniversary the cardholder fails to cancel and return the card to the bank as per paragraph 12.4.6.1 below.
- 12.2 Procedures related to the card
 - 12.2.1 For each type of card the relevant bank account(s) shall be open at the bank.
 - 12.2.2 The cardholder is authorized to use the funds standing to the card account except for the funds corresponding to fees payable for the use thereof and the minimum balance. In case of spending over such limit, additional fees payable in connection with such overspending shall further be deducted from the principal amount.
 - 12.2.3 For risk reducing purposes further restrictions may be imposed on using of card and card account by way of establishing additional limits by the bank.
 - 12.2.4 Additional card linked to the card account may be issued subject to the cardholder's instruction. The additional card shall be issued and the name of its holder shall be determined in accordance with the application signed by the cardholder.
 - 12.2.5 The bank shall have the right to either link different currency accounts to the same card or several same or similar types of cards to the same account. The priority among the currencies shall be determined by the cardholder.
 - 12.2.6 The cardholder shall file a relevant application, pay minimum balance amount and the amount corresponding the annual service fee for the card as determined by the bank for the purposes of obtaining the card (either basic or additional).
 - 12.2.7 From the date of transfer of the funds on card account as per paragraph 12.2.6 and within the term determined by the bank, it shall issue the card and shall transfer the card to the cardholder the PIN code for the card to be accompanied with the relevant documentation (with rules on using of the card).

12.2.8 In case the cardholder fails to collect the card within 90 (ninety) days from the date of issuance thereof, the bank will have the right to destroy such card. The annual service shall be retained by the bank. The minimum balance and other amounts standing to the card shall be returned to the cardholder as per paragraph 12.4.6.1 of this agreement.

12.3 Funds Standing to the Card Account, Unsanctioned and Automatic Overdraft

12.3.1 The minimum balance in the amount to be frozen on the card account for the validity term of the card. The minimum balance is determined according to the type of card, to the terms and conditions established by the bank on the basis of VISA and MasterCard international payment system's recommendations. In case of spending over minimum balance as a result of any banking operation, the cardholder shall immediately transfer funds to the card account compensating the overspent minimum balance.

12.3.2 The funds standing to the card account can be used within the limits determined by the bank; any use of the minimum balance is permitted only upon cancellation of all cards linked to the account in accordance with the rules established by the bank.

12.3.3 In case of the transaction in the currency other than the card account currency, such transaction will be converted and debited accordingly. The exchange rate within the bank's system shall be the rate established by the bank at the day of the transaction and beyond such system, the exchange rate of VISA or MasterCard.

12.3.4 Unsanctioned Overdraft is a negative balance created on the client's card account without the bank's authorization, except as determined by paragraph 12.3.6 of this agreement.

12.3.5 The cardholder shall repay the amount corresponding to unsanctioned overdraft up to the minimum balance immediately upon occurrence of the same.

12.3.6 Automatic Overdraft is a credit source provided by the bank to the cardholder, to be authorized in case the cardholder meets all the requirements established by the bank in accordance with its credit policy.

12.3.7 In the event of the cardholder utilized the automatic overdraft he/she shall be under obligation to return the spent (obtained in the form of a credit) amount in accordance with the conditions determined by the bank on repayment of the automatic overdraft.

12.3.8 The cardholder shall pay to the bank the interest for using the unsanctioned or automatic overdraft in accordance with annual tariffs established by the bank for using of unsanctioned or automatic overdraft and being in effect at the moment of occurrence thereof, based on 365 (three hundred and sixty five) in a year calculation method. The interest shall accrue from the date of establishment of unsanctioned overdraft until repayment thereof.

12.4 Suspension and Cancellation of the Card and the Card Account

12.4.1 The card shall be suspended upon request of the cardholder, in case of the loss or theft of the card. The cardholder shall promptly notify the bank on the loss of the card in writing or by calling the bank at: +99532 272727. The bank shall than suspend the card (block the card) at the request of the cardholder in accordance with the options provided below:

- 12.4.1.1 Local stop list provides blocking of the card up to 1 (one) banking day insofar only the authorized transactions are concerned;
- 12.4.1.2 International stop list provides full blocking (unauthorized transactions) of the card up to 14 (fourteen) banking days.
- 12.4.2 In case of breach of the terms of this agreement or of using the card by the cardholder the bank shall have the right to suspend or block the basic as well as the additional card(s) at any time.
- 12.4.3 Within the validity period as shown on the card the cardholder shall indemnify the bank against any loss occurred for any unauthorized operation performed with the blocked card solely unless listing thereof in an international stop list.
- 12.4.4 The cardholder may object to any transaction from the blocked card in the event of listing thereof in an international stop list.
- 12.4.5 The cardholder shall be responsible for paying the fee for stop listing.
- 12.4.6 The card account shall be closed:
 - 12.4.6.1 Upon written application of the cardholder or in 30 (thirty) days upon expiration of validity term of the card, unless within the stated term the cardholder requests in writing extension of the validity term of the card. In this case the account will be deemed closed and all funds shall be returned to the client no earlier than 30 (thirty) days only after all the card(s) (including additional cards) are surrendered to the bank and after the bank deducts any amounts it is owed. In the event the card account is the basic account for tariff package and the cardholder does not have any other alternative account, which can be indicated as a basic account (current/card account), the tariff package shall be automatically closed together with the account. Thus, all the conditions available through tariff package product shall no longer be valid.
 - 12.4.6.2 Upon termination of the agreement between the bank and VISA or MasterCard. In such case the bank shall notify the cardholder of such event within 5 (five) banking days.
- 12.4.7 The bank shall monitor the transactions performed with the card by way of special software supply – monitoring module, meaning that the bank shall have the right to temporarily suspend the validity of the card if it suspects of any unlawful/unauthorized transaction (monitoring). The cardholder is entitled to refuse of monitoring on his/her card for the defined time period by filing application to that effect.

12.5 **Rights and Obligations of the Parties**

- 12.5.1 The cardholder is under obligation:
 - 12.5.1.1 to ensure that the envelope with the PIN code in it is not compromised;
 - 12.5.1.2 to keep any documents related to the transaction made using the card for 6 (six) months from the date of such transaction and present those to the bank upon request.

- 12.5.1.3 to apply to the bank in writing with respect to any authorized transaction within 45 (forty five) calendar days from the date of such transaction. Any delayed claims shall be rejected. The cardholder shall have no right to claim against transactions made through internet. The cardholder shall pay for any additional service provided by VISA or MasterCard on investigating the report.
- 12.5.1.4 not to permit transfer (disclosure) of the card and its PIN code to third parties;
- 12.5.1.5 to reimburse to the bank any expenses in connection with any additional card services provided by VISA or MasterCard, if any.
- 12.5.2 In case of return of the challenged funds, the bank shall be under obligation to return such funds to the client's account within 90 (ninety) days.
- 12.5.3 The bank shall have the right:
 - 12.5.3.1 to transfer funds remitted by vendors and service sales points (Casinos, gambling houses, etc.) that are over the minimum balance within 30 (thirty) days from the date of such remittance.
 - 12.5.3.2 to suspend (block) the card in case it suspects that unauthorized transactions with the card or on the card account are taking place.
- 12.5.4 The bank is not responsible:
 - 12.5.4.1 for any disputes between the cardholder and vendors.
 - 12.5.4.2 for unauthorized use of the card due to the fault of the cardholder, including during the suspension period of the monitoring over the card upon the cardholders' request.
- 12.5.5 In the event of a collection order or pledge on any account of the cardholder (the client) the credit limit and/or overdraft permitted on the cardholder's (the client's) account shall automatically be terminated. In case of effecting or abolishing of the collection order or the pledge the bank shall at its sole discretion reinstate the credit limit.
- 12.5.6 The condition stipulated in paragraph 12.5.5 shall cover all types of plastic cards, including VISA and MasterCard plastic cards, "Instalment Cards", "TBC Card" as well as any other type of plastic cards together with any kind of credit product linked thereto.
- 12.5.7 In the event the client is an employee at industry/organization, which is using the bank's payroll project the client/the cardholder hereby grants the right to the director (authorized representative) of the industry/organization to act on behalf of the client/the cardholder and to:
 - 12.5.7.1 sing and submit to the bank application on issuance/extension of payroll plastic card and/or permission on overdraft/credit limit and/or payment order on the basis of which the funds transferred onto the client's/the cardholder's payroll account in national currency will be exchanged (converted) into the foreign one in accordance with the exchange rate determined by the bank;

12.5.7.2 receive/accept from the bank and deliver to the client payroll plastic card, PIN code and/or telephone code.

12.5.8 The director (authorized person) of the industry/organization where the client/the cardholder is employed shall have the right to transfer the authority described in paragraph 12.5.7 of this agreement to the industry/organization accountant and/or to any other party.

13. SHORT MESSAGE SERVICE (SMS SERVICE)

13.1 **Description of the service**

13.1.1 The SMS service implies ability of the client to receive remotely the following services from the bank by sending special short message from cell phone number indicated in the respective application submitted to the bank to the specially determined number:

13.1.1.1 to have access to the banking information;

13.1.1.2 to carry out various banking operations within the established limits.

13.1.2 For the purposes of receipt of SMS services the client shall address the bank as per paragraph 1.2 hereof or contact the bank at: +99532 272727 using his/her code as determined in paragraph 11.2.1 of this agreement. The client shall indicate his/her cell phone and account number to be used for the purposes of SMS service either in the application or during telephone conversation with the bank.

13.1.3 The SMS service is regulated under provisions of this agreement, including exceptions stipulated under this Article.

13.1.4 This Article 13 shall apply to all accounts of the client with the bank. In the event the client opens a new account at the bank the SMS service shall be performed in accordance with the same conditions stipulated herein. In such event no new agreement shall be executed between the bank and the client and the conditions determined herein shall be extended to the new account.

13.2 **Rights and Obligations of the Parties**

13.2.1 The client shall be under obligation:

13.2.1.1 to send SMS to the cell phone number of the bank according to terms and conditions disseminated by the bank in its sources;

13.2.1.2 not to permit disposal of his/her cell phone and/or SIM card by third parties;

13.2.1.3 in case of change and/or loss of the cell phone, SIM card and/or cell number to inform promptly the bank by calling at +99532 272727, in writing, through internet banking or bank-client.

13.2.2 The bank shall be under obligation:

13.2.2.1 In furtherance of the client's notification (verbal (through the phone), written or through internet banking/ bank-client) on loss of the cell phone and/or SIM card, to ensure suspension of SMS service until receipt of new instructions from the client. In case of client's verbal request the client shall be identified by way of telephone code or additional questions posed by the bank.

13.2.3 The bank shall have the right:

13.2.3.1 to refuse carrying out the client's instruction in the event of insufficient funds standing to the client's account and/or incorrect (in breach of this agreement or provisions stipulated in sources disseminated by the bank) notification sent to the bank or existence of any outstanding debts towards the bank;

13.2.3.2 to send to the client advertising messages;

13.2.3.3 to send to the client messages on credit amounts (loan, overdraft, credit limit and/or other credit products), payment date, liabilities and/or effected automatic transfers (the bank shall not be under obligation to send the above notifications and in any event, regardless whether the client has received the above notification or not, he/she is under obligation to pay on time the credit (loan, overdraft, credit limit and/or other credit products) as well as other related payables (interest, fines, commissions, etc.).

14. MOBILE BANKING SERVICE

14.1 Description of the service

14.1.1 The mobile service implies ability of the client to receive remotely the following services from the bank by using program recorded (installed) into his/her cell phone:

14.1.1.1 to have access to the banking information;

14.1.1.2 to register for utilization of various banking services and to make amendments to the registered data;

14.1.1.3 to carry out various banking operations within the established limits.

14.1.2 For the purposes of receiving the mobile banking service the client shall record on his/her cell phone memory special computer program (hereinafter the "program") indicated on the bank's website and further activate it.

14.1.3 The mobile service is regulated under provisions of this agreement, including exceptions stipulated under this Article.

14.1.4 This Article 14 shall apply to all accounts of the client with the bank.

14.2 **Identification of the client**

- 14.2.1 The client shall register for banking service by using code stipulated in paragraph 11.2.1 of this agreement.
- 14.2.2 The client shall change the code with a new password (the “password”) right after its initial utilization for further use of mobile service.
- 14.2.3 The client shall maintain confidentiality of created by him/her password and not to allow transfer thereof to third parties.
- 14.2.4 Before passing his/her cell phone to another party the client shall erase from the cell phone memory the recorded program.
- 14.2.5 The client is under obligation to immediately inform the bank in writing in case the code is compromised or the cell phone is lost.
- 14.2.6 In the event the telephone code or the password is compromised to third party due to the fault of the client, the bank shall bear no responsibility for the consequences resulted therefrom.
- 14.2.7 In the event the client notifies the bank verbally (through telephone), in writing or through internet-banking on the compromise of the code or loss of the cell phone, the bank shall suspend performance of mobile service on the client’s account until receipt of new instructions from the client. In case of verbal notification the client shall be identified by way of telephone code or by posing additional questions to him/her.
- 14.2.8 In case the client opens a new account with the bank the mobile service will be performed by way of using the password generated as per paragraph 14.2.2 of this agreement. In such event no new agreement will be executed between the bank and the client and terms and conditions of this agreement will be extended to the new account.

14.3 **Declarations, instructions and consents of the client**

- 14.3.1 The client declares in advance that he/she will register as a consumer of relevant electronic services solely after thorough familiarization with the terms and conditions of such services and the expression of intention to register through the program using the code stipulated in paragraph 11.2.1 of this agreement or the password generated by the client in accordance with paragraph 14.2.2 hereof will be deemed the client’s consent and acceptance of all conditions of services for which he/she will be registered.
- 14.3.2 The client hereby consents that any of his/her requests (instructions) on receipt of information on the client’s accounts, on registration for utilization of services, on amendment to the registered data or on carrying out of operations shall be protected in the bank’s electronic database and such kind of record shall have evidentiary purposes (shall be used as an evidence) in the event of dispute. The record shall be deemed property of the bank and the bank shall be under obligation within 3 (three) years from its generation to provide to the client upon his/her written request the record in the form acceptable for the bank in no later than 15 (fifteen) calendar days from the receipt of the written request.

- 14.3.3 While carrying out utility payments through the mobile banking the client shall be under obligation to follow the fill in format of subscriber's number, the bank shall otherwise have right to cancel the transaction and return the paid funds onto the client's account.

15. DEPOSIT SERVICE

15.1 **Description of the service**

- 15.1.1 Deposit service implies opening of a deposit account upon the client's (hereinafter the "depositor") application and accrual of interest on the funds standing to the credit of such deposit account.

- 15.1.2 The depositor is entitled to term and demand deposit as well as its modified services.

15.2 **Calculation of Interest on the Deposits**

- 15.2.1 The interest shall accrue to the deposit to be calculated be calculated on 365 days in a year basis in accordance with each particular deposit agreement executed by the parties and sources disseminated by the bank (including booklets, brochures, information placed on the web site of the bank, etc.).

- 15.2.2 The interest shall accrue to the funds held on the deposit account commencing with the next working day after the date of crediting the funds.

15.3 **Obligations and Rights of the bank**

15.3.1 The bank is under obligation:

- 15.3.1.1 to accept funds and pay the interest accrued thereon in accordance with the terms and conditions of this agreement;

- 15.3.1.2 upon the expiration of the term of the deposit or in no later than 7 (seven) calendar days from the depositor's request (according to the type of the deposit), to pay to the depositor all the funds standing to the deposit account, including the accrued interest, such payment to be performed in the same currency as the funds held in the deposit account.

15.3.2 The bank shall have the right:

- 15.3.2.1 to use, freely, on his/her own behalf and in its sole discretion, the funds standing to the credit of the deposit account;

- 15.3.2.2 to withhold and transfer to the state budget income tax payments (if any) on the amounts payable to the depositor in accordance with the applicable rules, in the amount and within the periods as determined by the laws of Georgia.

- 15.3.2.3 in case there exists a matured obligation of the depositor arising by operation of law or of any agreement with the bank, to cover such obligations from the depositor's any deposit account

and/or to terminate the deposit agreement without further consent or authorization of the depositor.

15.4 Special Provisions on Term (“Term”, “Term +”, “My Objective”, “Child”, “Golden”, “Bonus”) Deposits

15.4.1 In the event of the term deposit the interest shall accrue to the balance maintained on the deposit account.

15.4.2 Accrued interest on the term deposit shall be paid to the account indicated by the depositor in advance, on monthly basis or upon expiry of the term of deposit in accordance with the agreement executed by and between the depositor and the bank.

15.4.3 In the event the depositor chooses to receive accrued interest on monthly basis, the accrued interest shall be credited to the client’s account on each date of the month when the deposit was opened.

15.4.4 In the event the funds indicated by the depositor in the application are not deposited within 1 (one) day from the submission thereof, the agreement between the bank and the depositor shall automatically be cancelled.

15.4.5 In the event of premature withdrawal of the funds from the deposit, the bank shall recalculate the interest accrued to the funds at the interest rate that is lower as compared to the standard interest rate.

15.4.6 In the event of premature withdrawal of the funds from the deposit as per paragraph 15.4.5 above, the depositor shall pay to the bank a breaking fee, which shall equal to the funds representing the difference between sums to be accrued under standard terms and recalculated as per paragraph 15.4.5.

15.4.7 In case of agreement between the parties, upon expiry of the term deposit it shall be automatically extended for the further term of the deposit agreement. In case of extension (prolongation) of the deposit the date of each new deposit shall coincide with the expiry date of the previous one, whereas the accrued interest, subject to withholding and deduction of the income tax payable thereof to the state budgets (if any) shall be deposited to the principal deposit (with the form of capitalization) or shall be transferred to the depositors other account at the depositor’s discretion. The automatically extended deposit shall be subject to the relevant terms and conditions existing at the bank at the time of such extension.

15.4.8 The bank shall have the right to notify the depositor on expiry of the deposit term through SMS or by any other form stipulated in this agreement. The SMS shall be sent to the depositor on his/her cell phone number provided in the application at the time of opening the deposit account. The depositor is under obligation to inform the bank on change of the cell phone number, the bank shall otherwise not be responsible for the consequences occurred thereupon.

15.4.9 The interest rate for the “Child” deposit shall be fixed for one year term from opening thereof. Upon expiry of such term the interest rate for the deposit shall be amended in accordance with the interest rate for the “Child” deposit established by the bank at that time. The interest

on additional tranches credited to the deposit after expiry of one year term from opening thereof shall accrue in accordance with the interest rate determined for “Child” deposit by the bank at that time.

15.4.10 The interest shall be accrued on the tranches credited to the “Term +” deposit in accordance with the interest rate determined by the bank for the “Term” deposit of relevant period remaining until expiry of the deposit term.

15.5 **Special conditions on Demand Deposit**

15.5.1 In case of saving deposit the interest shall accrue on the balance existing on deposit account at the end of operation day.

15.5.2 In case of “my safe” deposit interest shall accrue on the least balance existing on the deposit account commencing from the first day of calendar month until (inclusive) the last day of the same month.

15.5.3 Accrued interest on the demand deposit (meaning the saving and the “my safe” deposits) shall be credited to the indicated account of the depositor’s on the monthly basis, on the last day of each calendar month. In the event the last day of the calendar month is a holiday, the accrued interest shall be credited on the following working day.

15.5.4 The depositor can freely, without any restrictions deposit onto the demand deposit account and/or withdraw/transfer the funds therefrom (within the depositor’s account).

15.5.5 The bank shall have the right to amend the interest rate on demand deposits and/or the method of accrual of interest rate unilaterally, at its sole discretion by way of 2 (two) calendar days advance dissemination of the relevant information at its branches and service centres or through placement of such on web site at www.tbcbank.ge.

16. GENERAL CONDITIONS OF CREDIT PRODUCTS

16.1 On the basis of this agreement the client/the cardholder is entitled to use the following credit products: consumer and student loans, prompt installment, credit limit permitted on plastic card or overdraft, installment card and “TBC card”.

16.2 This Article determines general rules for credit products contemplated in paragraph 16.1, whereas more detailed terms and conditions thereof are stipulated under relevant paragraphs of this agreement.

16.3 The client’s financial obligations are generally performed by way of the funds accumulated on his/her account(s).

16.4 In the event the client has no current account at the bank, application on credit products shall at the same time be deemed as application on opening of a current account. The bank shall open current account for the client prior to performing any of the credit services.

16.5 The funds transferred by the client/the cardholder to the bank for covering the credit products or funds existing on the client’s/the cardholder’s accounts shall firstly be applied for

the payment of insurance premium, thereafter of delayed payment fee (if any), thereafter of the interest and at the end of principal amount of the credit (The bank shall reserve the right to change the payment order indicated in this paragraph).

- 16.6 In the event of failure to pay monthly payments on time the client/the cardholder shall be under obligation to pay to the bank the delayed payment fee, whether fixed or on daily basis, which amount shall be determined in accordance with tariffs existing at the bank at the time of the occurred delay.
- 16.7 The delayed payment fee shall not accrue on the credit product, in case the payment date falls on a holiday. In that event the client shall perform the payment on the following working day.
- 16.8 In the event the client/the cardholder does not cover the credit obtained through utilized credit product, accrued interest, fines (if any), insurance premium within the term agreed with the bank or fails to pay on time any commission determined by the bank, the bank shall have the right:
- 16.8.1 to satisfy its claim by way of realization any of the client's/the cardholder's assets (this right shall not in any manner restrict the right of the bank under paragraph 3.2 hereof);
- 16.8.2 to request at any time that the client/the cardholder to enter into a mortgage or pledge agreement with the bank in order to secure the payment of liabilities incurred by way of credit line (in such event the client/the cardholder shall execute the relevant agreement in no later than 5 (five) working days from the request. Subject to the agreement the client/the cardholder shall mortgage or pledge the property subject to transfer of title thereupon to the bank, which shall not have a value less than aggregate amount of utilized credit product, accrued interest and fines and shall provide the registrations of the bank's rights at the public registry. Expenses for execution of the agreement(s) and registrations of relevant rights shall be borne by the client/the cardholder);
- 16.8.3 to request the transfer of mortgaged and/or pledged property to the bank and carry out direct sale or other kind of alienation of the mortgaged/pledged property in accordance with Georgian civil code and cover the credit with the amount remaining after payment of all realization expenses. In the event the amount obtained as a result of realization of the mortgaged/pledged property does not fully cover the client's outstanding liabilities the bank shall have the right to commence execution towards any of the client's/the borrower's property.
- 16.9 In case the client/the borrower fails to pay monthly payments, accrued interest, fines or insurance premiums on time or in the event of any other material grounds the bank shall have the right to terminate unilaterally the credit and/or the relevant agreement and request the client/the borrower payment of all outstanding credits together with associated payables (interests, fines, etc.).
- 16.10 The client is entitled to advance repayment of mortgage credit, consumer credit and/or auto-credit (for the purposes of paragraphs 16.10-16.15 hereinafter referred to as the "credit"), including advance full or partial return and/or refinancing of the credit by submitting the relevant written notification to the bank in 10 (ten) calendar days prior to estimated payment date and upon receipt of consent from the bank to that effect.

- 16.11 In the event of partial advance repayment of the credit by the client, the bank shall have the right to amend automatically the payment schedule (create a new schedule), whereupon the client shall be under obligation to make payments according to new schedule.
- 16.12 In the event of submission of application on advance payment, the client/the borrower shall be under obligation to further supply the bank with all necessary information/documents directly or indirectly proving with the ability to determine the fact of refinancing or absence of other refinancing arrangements.
- 16.13 In the event the agreement provides for refinancing fees and the bank suspects the fact of a possible refinancing of such credit, the bank shall have the right to request at any time from the client/the borrower the delivery of any kind of information/documents within no later than 2 (two) banking days from the date of the receipt of the client's/the borrower's application of advance payment of the credit.
- 16.14 Refinancing of the credit shall mean advance repayment (payment before the agreed term) of the credit at JSC "TBC bank" carried out directly and/or indirectly, personally and/or through other person(s) by way of the funds obtained directly and/or indirectly, personally and/or through other person(s) from any other financial institution (commercial bank, microfinance organization, credit union and/or other entities).
- 16.15 The parties hereby agree on the following:
- 16.15.1 the bank shall not be under obligation to prove the fact of refinancing and shall have the right to make decision on imposition of the refinancing fee and/or relevant commission to the client/the borrower on the basis of information held by the bank derived from any kind of source whatsoever. The client/the borrower shall bear the burden of proof on the absence of the refinancing;
- 16.15.2 fees and/or commissions on refinancing and advance repayment shall be determined by the agreement(s) executed between the parties;
- 16.15.3 in the event the client/the borrower proves the non-existence of refinancing through the court, the bank shall be under obligation to reimburse to the client/the borrower solely the commissions and/or fees deducted without authorization of the client/the borrower. The client/the borrower hereby waives his/her right of claim in connection with the damage occurred as a result of the bank's actions (in breach of the bank's obligations hereunder).
- 16.16 In the event the bank request the client a submission of an insurance policy in connection with the use of a credit product, the client/the cardholder shall be under obligation:
- 16.16.1 to execute an insurance agreement with any person acceptable to the bank in accordance with the pre-determined conditions and tariffs of such provider;
- 16.16.2 to carry out the insurance in accordance with the requirements of the bank;
- 16.16.3 to indicate the bank as a sole beneficiary in the insurance policy.

- 16.17 In the event the client/the cardholder fails to pay the insurance premium according to the terms and conditions of this agreement such failure shall be deemed as a delayed payment.
- 16.18 in the event of material deterioration of the terms of insurance or increase of insurance fees the client/the cardholder shall have the right to request the bank in writing the cancellation of the mandatory insurance requirement. The bank shall make decision on above cancellation unilaterally taking in consideration its credit rules and policies.
- 16.19 The client/the cardholder hereby consents to the right of the bank to deduct from any account of the client/the cardholder the insurance premium in accordance with conditions stipulated under paragraph 3.2 subject to monthly payment for the benefit of insurer (insurance company).
- 16.20 The client grants the bank an unconditional right to provide the guarantor(s) and/or the pledgor/mortgagor securing the financial liabilities of the client hereunder with the information on the client's liabilities with the bank secured by the guarantee and/or pledged/mortgaged property of such person to whom the information is submitted.
- 16.21 In accordance with the agreement made between the bank and credit bureau (hereinafter the "bureau"), the bank shall have the right:
- 16.21.1 to provide the bureau with the negative and/or positive information with regard to the client. The client shall thereupon be recorded in the database of the bureau;
- 16.21.2 to acquaint himself with the information recorded at the bureau database on the client (including, with the client's credit history).
- 16.22 For the purpose of decision to be made with regard to the client's credit and/or performing the liabilities of the client towards the bank (including repayment of the credit), the bank shall have the right to request and obtain any kind of private information on the client through third person(s) and administrative entities.
- 16.23 In the event the client breaches his/her obligations under any agreement with the bank or if needed for the protection of bank's business reputation and/or its legal interests exists, the bank shall have the right to deliver to the Court/the arbitration and/or use the information on the client.

17. CREDIT LIMIT

- 17.1 Granting the credit limit on the card account shall be deemed as granting the client the right to use the credit sources within the established limits.
- 17.2 In order to obtain the credit limit the cardholder shall petition to the bank with the relevant application. The cardholder shall indicate in the application the maximum amount of credit limit the cardholder wishes to obtain; credit limit currency; term for return of utilized credit limit; interest rate (in accordance with the rate established by the bank) and other information.

- 17.3 As a result of receipt of the cardholder's application the bank shall consider granting of the credit line and in case of affirmative decision shall grant to the cardholder the right to utilize the credit line permitted on the account in accordance with the terms and conditions established by the bank. The information on the above shall be submitted to the cardholder in any form determined by this agreement. The client is further under obligation to contact the bank's telephone service center at +99532 272727 by way of using code stipulated in paragraph 11.2.1 of this agreement after 3 (three) working days from submission to the bank of the application in order to obtain information with regard to permission of credit limit on his/her card account.
- 17.4 The cardholder shall pay to the bank interest for the utilized credit line. The annual interest rate shall be determined in accordance with established tariffs for use of credit line being in effect at the time of utilization of such, based on 365 (three hundred and sixty five) in a year calculation method. The interest on utilized sum shall accrue from the date it occurred until the date of full repayment thereof.
- 17.5 The cardholder shall be under obligation to perform monthly payments payable to the bank. The monthly payable amount shall include: insurance premium, part of utilized credit line and interest accrued on such utilized credit line.
- 17.6 The client shall pay the payable amount before the date of each month as indicated by the cardholder in the application on credit line permission.
- 17.7 The bank shall have the right:
- 17.7.1 In the event of material change of circumstance upon which the bank has permitted the credit line, breach of cardholder's obligations hereunder and/or force-majeure at any time, without the prior consent of the cardholder to unilaterally suspend and/or cancel validity of the card or cancel/reduce credit line and/or to request the cardholder repayment of utilized amount together with the accrued interest and fines within no later than 14 (fourteen) calendar days from so informing the cardholder.
- 17.7.2 On its initiative and without the prior notification to the cardholder to allow credit line on the cardholder's card account, increase the existing credit line or the validity term thereof. The cardholder declared the consent on the above right of the bank by signing the relevant application.
- 17.7.3 The cardholder shall pay the commission for granting the credit line, increasing the existing credit line, increasing the validity term of existing credit line or the information related thereto in accordance with the relevant tariffs determined by the bank.

18. INSTALLMENT CARD

- 18.1 The installment card is an international Visa Electron type of chip card with permitted credit limit (hereinafter the "installment limit") in national currency subject to the client's application.

- 18.2 Each utilized installment limit (for each effected transaction) shall have a separate 10 (ten) months payment schedule, according to which the client shall repay utilized funds with its accrued interest in equal tranches.
- 18.3 While repaying the utilized funds the client has the right to simultaneously use the installment limit all over again.
- 18.4 Repayment of the installment commences on the following month from utilization of the installment limit however, no later than the date chosen by the client.
- 18.5 Repayment of the installment shall be performed within 10 (ten) months from its utilization or in the client's discretion in advance (in the event of advance payment of the installment limit the client shall repay the interest accrued for the ten month period fully).
- 18.6 The repayment sum payable each month shall be calculated in the following way: the utilized installment funds shall be increased by increasing interest and shall thereafter be divided on ten.
- 18.7 Each repayment sum for the following month may differ from the one of the previous month. Each monthly payable installment sum will be added to one another.

19. TBC CARD

- 19.1 "TBC card" is JSC TBC Bank's international Visa classic/ Visa Gold/ MasterCard Standard/ MasterCard Gold type credit chip card with permitted credit line in national currency, having a grace period of no more than 55 (fifty five) days.
- 19.2 The grace period implies that in the event the client repays the funds utilized in the previous calculation period within the grace period no interest rate shall be accrued thereon. The client shall otherwise be obliged to repay minimal amount payable each month on no later that 25th day from the bank's calculation (billing) date.
- 19.3 In the event the calculation date coincides with holiday the calculation of the payable amount shall be performed on the next working day.
- 19.4 Requisite minimal payable amount shall be reimbursed on no later that 25th day from the following calculation date.
- 19.5 The bank shall have the right to terminate at any time validity of "TBC card" and in such event the client shall be under obligation to reimburse the bank fully the credit utilized by way of "TBC card", all accrued interest thereon and fines (if any) within 180 (one hundred eighty) calendar days from receipt of the bank's relevant notification.
- 19.6 While carrying out the first transaction a commission fee for the card shall be payable on the first stage, whereas the commission fees for the following years shall be paid upon expiry of each year, on the date when the limit was permitted. In the event of utilization of credit with

interest the amount equal to accrued interest and the fine (if any) will be blocked on the calculation dated until the payment date.

20. CONSUMER LOAN

- 20.1 The consumer loan is a bank credit extended to the client by the bank under simplified terms as stipulated in this Article.
- 20.2 For the purposes of obtaining the consumer loan the client (the borrower) shall submit to the bank the relevant application or contact the bank's telephone service center at +99532 272727.
- 20.3 The bank will consider the client's application and decide whether to extend the consumer loan or to refuse to such grant (the bank shall be under no obligation to provide with the reason for the refusal).
- 20.4 In the event of affirmative decision on extending the consumer loan the bank shall transfer the credit amount onto the client's (the borrower's) account.
- 20.5 After the client (the borrower) receives the credit, he/she shall be under obligation to repay the loan together with accrued interest in accordance with the terms and conditions agreed with the bank.
- 20.6 The client hereby consents that his/her telephone application (recorded conversation) will be protected in the bank's electronic database and such kind of record shall have evidentiary purposes (shall be used as an evidence) in the event of dispute. The record shall be deemed property of the bank and the bank shall be under obligation to provide to the client upon his/her written request the record in the form acceptable for the bank in no later than 15 (fifteen) calendar days from the receipt of the written request (the stated obligation of the bank shall apply to the records implemented from January 1, 2011).

21. PROMPT INSTALLMENT

- 21.1 The prompt installment is a credit extended by the bank directly to the trade spots for the purpose of purchasing utility objects/domestic techniques/furniture/services.
- 21.2 In the event of issuance of the prompt installment the credit amount will be transferred to the trade spots immediately, without the cash payment to the client.
- 21.3 According to the category of the client the participation may be required. The bank will determined the stated categories and conditions for the participation in its sole discretion.

- 21.4 In the event of advance payment of the credit there shall be no commissions imposed. In case of advance payment the client's financial liabilities towards the bank shall remain unchanged.
- 21.5 The objects purchased by way of the prompt installment shall serve as a security for performance of the client's/the borrower's obligations as per the relevant prompt installment agreement, to be pledged for the benefit of the bank.

22. STUDENT LOAN

- 22.1 The student loan is a consumer loan extended to the client and aimed to finance studies at higher educational establishment in Georgia selected by the bank. The borrower can be a student, parent of the student, a relative or any other party.
- 22.2 The loan shall be immediately transferred onto the account of educational establishment, without the cash payment to the client.
- 22.3 Price creating interest on the student loan is fixed and is not subject to term of the loan.
- 22.4 The interest payable by the borrower is not subject to reduction in the event of advance payment.
- 22.5 The student loan with grace period is the consumer loan extended to the client with the grace period, which shall be issued by the bank with the purpose of financing the studies at the higher educational establishment existing in Georgia selected by the bank.
- 22.6 During the grace period the borrower performs monthly payments of solely the interest accrued on the credit, whereas after the grace period elapses the borrower shall pay the principal amount together with accrued interest performed in equal monthly payments in accordance with the time periods determined by the bank.
- 22.7 Terms and conditions described in paragraphs 22.2, 22.3, 22.6 of this agreement shall apply to the student loans with grace period.