

## Agreement on Carrying out Banking Operations for Legal Entities

### 1. SUBJECT OF THE CONTRACT

- 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) banking 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.
- 1.4 Under the rules and procedures established by the bank, the account(s) can be remotely opened, (through the application made by telephone, internet-banking or/and other means of communication) in case if the customer has already opened the account in the bank. Before the relevant documents become available (before submitting them to the bank) for the remotely opened accounts, only the transfer operations are allowed to be performed, except for the cases stipulated by the legislation.
- 1.5

### 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) banking 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 For refunding of the amounts transferred by mistake or/and through breaching of the requirements of the legislation, or/and suspicious amounts;
  - 3.2.3 for payment of funds against settlement of the outstanding debts or obligations of the client towards the bank (the settlement amount in different currencies shall be determined in accordance with the commercial exchange rate established by the bank at the time of carrying out the respective transaction); In addition, the customer accepts that the bank is not liable to write off the amounts from the customer's account(s) without the order of the customer, for the purpose of meeting any liability of the customer;

- 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 (for instance: in case of availability of encashment order).
- 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.
- 3.9 The bank shall have the right to refuse withdrawal of funds if the special order is not signed by a person being a lawful representative (a director or a trustee) of the client at the time of issuance or submission of the order to the bank.
- 3.10 The client hereby grants the bank the right to convert and/or transfer funds within the client's accounts without further instructions of the client if and when needed to perform operations upon the client's instructions.

#### **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 (service, commission and other kind of fees) or as may be determined under additional agreement between the parties.
- 4.2 Upon cancellation of any of the services stipulated hereunder the service fees already paid by the client to the bank shall not be refunded.

#### **5. OBLIGATIONS AND RIGHTS 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 or through the internet-banking or contacting the Call Center of the bank through the telephone code (to the following number: +99532 272727) 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 signed originals or duly certified copies of documents (invoice, agreement, letter, etc.) related to the performed operations by the client. The client shall be responsible for authenticity, accuracy and validity of the documents so presented and supplied;
- 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 commission fees on time;
- 5.1.9 to sign and submit to the bank in no later than 3 (three) calendar days after receipt of the request from the bank any kind of document necessary for the latter to effect its rights and carry out the obligation(s) of the client hereunder.
- 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.
- 5.4 the bank is not obliged to provide client with information on changes (including changes related to the beneficial or indexed interest rates);

## **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 under 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 (including when international transfers are made by the clients):
    - 6.5.1.1 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;
    - 6.5.1.2 Embargo is imposed upon the state, on the territory of which the service bank of the amount recipient (addressee) operates or/and any other restriction is applied, which delays the process of receipt of the amount by the addressee;
    - 6.5.1.3 Correspondence bank (through which the transfer is made) refuses to perform the operation or/and the amount to be transferred is detained/blocked for the purpose of enhancing the illicit income legalization and/or for any other purposes.
  - 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 or accessories), as well as 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 entrepreneurial 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 Agency of National Register, from the Public Services Development Agency and/or other bodies/person having.

## **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 effected 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](http://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 its right stipulated under paragraph 6.6, 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.). A notification sent by the bank to the client's last address prior to receipt of the notification on change of the client's address shall be deemed as properly effected.
- 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 selected by the bank 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, 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 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 or become void, such event shall not affect other provisions of the agreement.
- 8.14 Conditions, tariffs, interest rate 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](http://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 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 by way of submission of execution writ issued by the arbitration within reversion 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 Rules stipulated in paragraph 8.17 shall be in effect in the event of realization of mortgaged and pledged property during insolvency proceedings. Namely, if the sale price of mortgaged and/or pledged property is less than the bank's claim, as a result of satisfying the bank's secured claim from the amount of realization of the mortgaged and/or pledged property, the bank's unpaid claim shall remain secured and the bank shall be deemed a secured creditor.
- 8.19 The bank shall have the right to request commencement of enforcement proceedings towards any property of the client (towards any object or intangible property owned by the client) regardless weather obligations of the client is secured by mortgage or pledge or not.
- 8.20 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 an ability for the client to manage and receive remotely the following services from the bank by means of using the special Internet-site of the bank <https://www.internetbanking.ge>:
    - 9.1.1.1 to have access to the banking information;
    - 9.1.1.2 ability to register for various banking services;
    - 9.1.1.3 ability to carry out various banking operations within the established limits.

- 9.1.2 Through the internet-bank customer can perform various banking operations and/or actions in compliance with the rules, requirements and provisions set forth in this agreement and applicable by the bank by the time of performance 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.
- 9.1.4 Lost/forgotten user names and/or passwords can be restored according to the rule described in paragraph 9.1.3 of this agreement.

## 9.2 Identification of the client

- 9.2.1 For the purposes of logging onto the website, the client shall be identified by way of inputting a Company Name, User Name and the Password into the respective fields (hereinafter referred to as "Identification Data"). Failure to properly input such data will result in denying the access to the account and inability to carry out banking operations and registering for additional 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 (Digi Pass Token) provided to the client by the bank for carrying out certain banking operations and/or the use of other codes (including the telephone code given in subparagraph 11.2.1 of this agreement).
- 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 the operations of the client's account(s) is managed by way of a given number of countersignatures, the operation requested through the internet banking will be performed only after electronic approval (authorization) thereof by all required counter signatories. In the event operations may be performed by each of countersignatures independently, regardless of the number hereof, the operation can be approved (authorized) by way of signature of one of the counter signatories.
- 9.2.7 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.
- 9.2.8 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.
- 9.2.9 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.
- 9.2.10 Customer understands and confirms, that any notification sent to the bank through the internet-bank (including the payment order, any application (including for opening/closure of the account or/and pre-payment of the credit)) has the legal force equal to the document printed on paper (in a written form and signed) and confirmed by the authorized person to dispose the account;
- 9.2.11 The client gives an order to and instructs the bank to:
  - 9.2.11.1 provide an access and provide the client with the banking information;
  - 9.2.11.2 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 (One Hundred Twenty-eight) bit data encrypting engine for the purposes of accessing the internet banking;
- 9.3.2 To keep any necessary information for using the internet banking, identification data and the equipments ("Digi Pass Token" etc.), as well as all types of codes related to those equipments given to him by the bank, in a safe conditions and not allow such ones to be used by the third person; to change

a password as soon as the client initially logs onto the internet banking and to maintain its confidentiality;

- 9.3.3 to change a password quite frequently, not to entrust the Identification Data, the password, PIN code and/or any combination generated client's banking devices (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;
  - 9.3.4 To frequently change the password, not to impart with the third person the password, code and/or the identification code of the equipment ("Digi Pass Token" etc.) given to him by the bank, not to keep those data in the memory of the computer or other similar equipment (for instance, mobile phone), not to allow any transfer of the equipments given to him by the bank and/or codes generated through such equipments, or other codes under the disposal of any third person;
  - 9.3.5 Before direct use of the internet-bank to be made sure, that the address indicated in subparagraph 9.1.1 of this agreement is really written in the web-site address column and to double-check the genuineness (authenticity/originality) of this address through the safety certificate;
  - 9.3.6 In case of loss, or exposure of the password, or equipment (including transfer under the disposal of any third person), to notify immediately the bank with regard to the aforementioned;
  - 9.3.7 Not to trust the notifications received to the e-mail address, the authors of which request on behalf of the bank to provide/update the personal/or/and banking data.
  - 9.3.8 to pay timely the fees for using the internet banking service.
- 9.4 The client shall have the right:
- 9.4.1 to register several individuals as users for internet banking that may have full or partial access to the internet banking services;
  - 9.4.2 to refuse use of internet banking in the form stipulated in this agreement.
- 9.5 The bank shall have the right:
- 9.5.1 to make the information about the client's accounts available to it through internet banking;
  - 9.5.2 to perform the operations permitted by the bank for the internet banking upon the client's instructions;
  - 9.5.3 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 its 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 personnem (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.
- 10.2 The client is under obligation:
- 10.2.1 to indicate one or more of its accounts in the application form on registration for automatic transfer services (one of them mandatorily being a GEL account);
  - 10.2.2 to register its 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);



- 10.2.3 to always maintain a balance for automatic transfer services on its account(s) indicated in the application;
- 10.2.4 to pay commission fees in accordance with the current tariffs existing at the bank at the time of transfer.
- 10.3 The client shall have the right:
  - 10.3.1 to be informed on automatic transfers effected on its accounts through the services indicated in the sources of the bank;
  - 10.3.2 to make relevant amendments to the data provided in the initial application on registration for automatic transfer services;
  - 10.3.3 to discontinue using of automatic transfer services in the form stipulated in this agreement.
- 10.4 The bank shall be under obligation:
  - 10.4.1 to provide the client with automatic transfer in accordance with the terms and conditions stipulated in sources disseminated by the bank;
  - 10.4.2 to inform the client (through SMS service) on performed transfers.
- 10.5 The bank she have the right:
  - 10.5.1 to refuse carrying out of transfer (payment) in the event of insufficient funds in the client's account(s);
  - 10.5.2 to refuse carrying out of transfer in cases determined under current Georgian legislation or in the event of outstanding debt towards the bank;
  - 10.5.3 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 BANKING SERVICE**

- 11.1 Service description
  - 11.1.1 Telephone banking is a service that enables the customer to receive the following services determined by the Bank over the means of telephone communication without the need to visit the Bank:
    - 11.1.1.1 Receive banking information;
    - 11.1.1.2 Become registered for the purposes of using different banking services and make changes to the registered data.
  - 11.1.2 Telephone banking services cover all accounts of the customer. In case if the customer does not wish to receive telephone banking services with respect to any of his account he must notify the Bank about such wish in writing or in any other form provided by in this Agreement.
  - 11.1.3 In order to receive telephone banking services the customer should submit the application to the Bank in accordance with paragraph 1.2 of this agreement.
- 11.2 Identification of the Customer
  - 11.2.1 Special telephone code is given to the customer in a sealed envelope which is to be named in order to identify the customer before any telephone banking services are provided. Without naming the telephone code the customer will receive no services given in subparagraph 11.1.1 of this Agreement (except for the cases described in subparagraph 11.3.4 of this Agreement). During each telephone communication with the Bank (every time when telephone banking services are performed) the customer is required to name only three digits of the telephone code (as instructed by the Call Center operator of the Bank). The customer must not name more than three digits at a time.
  - 11.2.2 Bank is entitled to put additional questions in order to identify the customer.
  - 11.2.3 Bank is obliged to keep the telephone code submitted to the customer in secret and to reject rendering the telephone banking services to the person who will not or cannot (fails to) name the telephone code.
  - 11.2.4 Bank is entitled to refuse to perform any operation ordered through the telephone if there is any doubt (including based on the responses to the additional questions) that the attempt to receive information or perform operation is made not by the customer, but by the third party.

- 11.2.5 Bank will stop performing telephone banking services to the customer if the telephone code named by the customer during the telephone conversation turns out to be wrong for the three consecutive times. The telephone banking services will resume as soon as the Bank contacts the customer through the telephone and identifies him according to the rules determined by the Bank, applying the telephone code or the additional questions.
- 11.2.6 In case the telephone code becomes exposed to the third party due to customer's fault the Bank will not become liable for any consequence(s) that may result from such exposure.
- 11.2.7 In case of loss or exposure of the telephone code the customer is obliged to immediately notify the Bank in a written form about the aforementioned.
- 11.2.8 Bank is obliged to suspend telephone banking services at the customer's accounts as per oral (through telephone) or written notification of the customer with regard to the loss of the code, before the receipt of the new order from the part of the customer. In case of oral notification the identification of the customer will be performed according to the rules determined by the Bank through the telephone code or additional questions.
- 11.2.9 Customer may subscribe to electronic services offered by the Bank at the moment of registration using the code given in paragraph 11.2.1 of this Agreement.

### 11.3 Customer Statements, Orders and Consents

- 11.3.1 Customer makes provisional statement that he will subscribe to the given services only after performing detailed study of the terms and conditions of such services and that the use of the code given in subparagraph 11.2.1 will be deemed to express his agreement with the terms and conditions of those services to which the customer becomes registered through the telephone banking.
- 11.3.2 After contacting the Bank through the telephone and when relevant identification procedures are completed the customer orders and entitles the Bank to do the following:
  - 11.3.2.1 Provide the information with respect to his accounts.
- 11.3.3 Under this Agreement the customer agrees that any telephone conversation that may take place with him (including those related to any of his orders/statements about the receipt of banking information, subscription to services, making changes to the registered data, as well as receipt of banking (credit) product and/or performance of any operation) can be recorded to the electronic database of the Bank which may be used as a proof of evidence in case of dispute. The telephone recordings are deemed to be the property of the Bank and they must be returned to the customer in any form acceptable to the Bank within no later than 15 (fifteen) calendar days after receiving customer's written request and before the expiry of the three-year period since they were made (the mentioned obligation of the Bank applies to the recordings made since 1st of January, 2011 only).
- 11.3.4 Over the telephone communication and within the limits established by the Bank the customer may receive/perform any service/operations described in subparagraph 11.1.1 of this Agreement using the codeword provided in the customer's written application submitted to the Bank. Obligations of the customer under this Agreement with regard to the telephone code fully apply to the codeword as well.

## 12. VISA/MACTERCARD BUSINESS CARDS

### 12.1 Description of the service

- 12.1.1 Business card service implies for performing of banking operation on the client's card account(s) by the client's or any person entitled by him in a written form (hereinafter the "cardholder") through VISA or MasterCard business card (hereinafter the "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 client'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 client 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 Card owner is the person, in whose name the card is issued (he may be the customer himself or any person entitled by him). Card owner is identified through the first name, surname indicated on the surface of the card, through the signature sample printed on it and secret personal identification code (pin-code). The business plastic card also contains the name of the customer.

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 For using the card, the customer is obliged to pay the service fee to the bank under the rates fixed by the bank.

12.1.8 Customer is authorized to have several card accounts and make use of a single card related to one card account only (for the purposes of this paragraph the card account is considered to be the combination of all accounts with common account number opened in different currencies)

## 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 Customer/card owner is authorized to use the available amount at his/her card account with the deduction of the card service fees and minimum balance. In case if the amount is overspent, the customer/card owner will be obliged to pay the commission fees related to such overspending.

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 Application to make additional card is signed by the person entitled by the customer from the one side and by the person in whose name the card is to be issued from the other (card owner).

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 such accounts shall be determined by the client.

12.2.6 The client 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.

12.2.7 After transfer of the amount(s) mentioned in subparagraph 12.2.6 of this Agreement, to the card account, within the term fixed by the bank, bank will produce and issue the card to the card owner together with the pin-code, accompanied by the relevant documentation and/or information material.

12.2.8 In case the client or 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 client as per paragraph 11.4.6.1 of this agreement.

12.2.9 In case when the representative entitled by the account owner (customer) and the card owner is not the same person:

12.2.9.1 Card owner is freely authorized to receive the card which was made for him, block the card which was made for him, unblock (when the card has been blocked due to entering wrong pin-code only), receive the card detained by the ATM (when the card owner has forgotten the card made for him in the ATM or if such card has been detained due to malfunction of the ATM);

12.2.9.2 Request to make a new card for the card owner is to be submitted jointly by both the representative entitled by the account owner (customer) and the card owner.

## 12.3 Funds Standing to the Card Account, Unsanctioned 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

client shall immediately transfer funds to the card account compensating the overspent minimum balance.

12.3.2 The funds standing to the credit of 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 card linked to the account in accordance with the procedures 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.

12.3.5 The client shall repay the amount corresponding to overcharge or unsanctioned overdraft up to the minimum balance immediately upon occurrence of the same

12.3.6 The client shall pay to the bank the interest for using the unsanctioned overdraft in accordance with annual tariffs established by the bank for using of unsanctioned 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 client or the cardholder, in case of the loss or theft of the card. The cardholder or the client 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) in accordance with the options given below at the request of the cardholder or the client:

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 and/or the client the bank shall have the right to suspend or block the card(s) at any time.

12.4.3 Within the validity period as shown on the card the client 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 and/or the client 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 Bank is entitled to close card account when:

12.4.6.1 Under the written application of the card owner or after 30 (thirty) days from expiry of validity of the card, if the card owner does not present the written application for extension of the card validity during the mentioned period. In such cases, the card account will be considered to be closed and the amounts will be refunded to the card owner within no later than 30 (thirty) days from transfer of all the cards (including the additional card(s)) to the bank and only after the outstanding debt is fully repaid to the bank

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. The client is entitled to refuse of monitoring on its card for the defined time period by filing special application to that effect.

#### 12.5 Rights and Obligations of the Parties

12.5.1 Both the client and the cardholder are 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 In case of un-recognition of the operations (transactions) performed using the card, to apply to the bank in a written form within 45 (forty five) calendar days from the performance of such operation (transaction). Otherwise the claims for refunding the amount will not be accepted. In addition, customer/card owner is not entitled to claim against the transactions performed through the internet. Customer is obliged to pay the additional service fee related to investigation of the problem by VISA and MasterCard.
- 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 block the card and/or card account (stop the operations) in case if the bank has the doubts, that non-sanctioned or illegal operations are and/or have been performed through the card or at the card account;
- 12.5.4 The bank is not responsible:
  - 12.5.4.1 for any disputes between the cardholder and/or the client and vendors.
  - 12.5.4.2 for unauthorized use of the card due to the fault of the cardholder and/or the client, including during the suspension period of the monitoring over the card upon the cardholders' and/or the client's request.
- 12.5.5 In case of collection order or arrest is placed on any of the accounts of the customer/card owner, the credit limit or/and overdraft allowed at the customer's/card owner's account is considered to be automatically cancelled. In case of fulfillment or cancellation (revoking) of the collection order or lifting (revoking) the arrest, the bank will be entitled to unilaterally restore the credit limit and/or overdraft.
- 12.5.6 The condition stipulated in paragraph 12.5.5 shall cover all types of cards, including VISA and MasterCard as well as any other type of cards together with any kind of credit product linked thereto.

### **13. SHORT MESSAGE SERVICES (SMS SERVICES)**

- 13.1 Description of the service
  - 13.1.1 The SMS service implies for receipt of certain banking information by the bank at its relevant phone from the cell phone number of the client indicated in the respective application submitted to the bank.
  - 13.1.2 Customer will receive services automatically if he/she possesses any bank account and/or makes use of at least one banking product
  - 13.1.3 The SMS service is regulated under provisions of this agreement, including exceptions stipulated under this Article 13.
  - 13.1.4 This Article 13 shall apply to all existing and future accounts of the client with the bank.
- 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 its cell phone and/or SIM card by third parties;
    - 13.2.1.3 in case of change and/or loss of its cell phone and/or SIM card and/or cell number to inform promptly the bank in writing accordingly.
  - 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) on change of cell number or 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 for

renewal of the SMS service the client shall be identified by way of code word 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 incorrect (in breach of this agreement or provisions stipulated in sources disseminated by the bank) notification sent to 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, it 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. ELECTRONIC BANKING (BANK-CLIENT)**

14.1 Description of the service

14.1.1 Electronic services implies performing the banking operations on the basis of payment documents produced by way of electronic means.

14.1.2 For the purposes of receiving electronic services the client shall address the bank with the application as per paragraph 1.2 of this agreement.

14.1.3 The parties acknowledge and confirm that settlement documents effected through electronic services constitute the basis of operations carried out on the client's accounts and shall have the legal force equal to the document having been printed on the paper and confirmed in personem by an authorized person.

14.1.4 Carrying out of electronic services is subject to rules existing at the bank, which shall be delivered to the client upon request.

14.1.5 The orders of the client on debiting the funds from the client's accounts is effected by way of an electronic copy of a document, which shall be submitted to the bank in accordance with terms and conditions stipulated in the agreement.

14.1.6 Financial relations between the client and the bank are subject to the bank's current tariffs.

14.1.7 Electronic settlement documents received by the bank during the operation day shall be performed on the same date, whereas the electronic settlement documents received by the bank after the operation day shall be performed on the following operation date.

14.1.8 The client shall record an electronic copy of the document subject to submission to the bank on the magnetic strip in file format by way of special digital key and PIN code saved on software supply disc provided by the bank. The relevant file shall be submitted to the bank through means of electronic communication.

14.1.9 The electronic key is equal to private signature, which secures the information and confirms the formation of the document by the client.

14.1.10 As a result of verification of coding and precision of the signature and after it is decoded, the file shall be formatted into electronic document, subject to further control for its syntactical accuracy.

14.1.11 The bank shall have the right to refuse performing the client's instruction, in the event it is effected and submitted in breach of the established by the bank rules. The bank shall notify the client upon the refusal and the reason thereof;

14.1.12 In the event of successful completion of all stages of control the bank shall receive the document and carry out the instruction in accordance with the established general rules. The payment document shall be deemed as received by the bank solely subject to confirmation thereof by the bank by means of electronic notification.

14.1.13 In the event of the payment performed through electronic settlement document it has to be ensured that such document together with all its required fields can be recreated on paper.

14.1.14 The client shall be responsible on accuracy of required fields of electronic settlement document.

14.1.15 The bank grants to the client administrator's rights towards the program installed at the latter's hardware. The administrator has the right to determine the quantity of the users and any limitation to be imposed on the access rights thereto.

- 14.1.16 The client shall change the PIN code provided by the bank at least every 3 (three) months.
- 14.1.17 As a result of expiration of validity term of the PIN code or in case of loss thereof the client shall obtain a new code by applying to the bank in writing.
- 14.2 The client shall be under obligation:
- 14.2.1 to maintain normal functioning of devices and other program software necessary for the services provided for hereunder. The bank shall not be responsible for any consequences resulting from deterioration of client's devices;
- 14.2.2 to maintain integrity of software provided by the bank, as well as the integrity of other programs related to it. The bank shall not be responsible for failure to perform operations resulting from malfunction of the client's hardware, in which case the program will issue a relevant notification;
- 14.2.3 to maintain safety of special secret digital key provided by the bank and the PIN code known solely to the client;
- 14.2.4 In the event of loss of magnetic strip or the PIN code provided by the bank to notify the bank within 1 (one) banking day, the bank shall otherwise not be responsible for acting upon the documents received from third unauthorized party;
- 14.2.5 to keep the hard copies of all the electronic documents sent to the bank and upon request of the bank immediately to deliver such documents to the bank.
- 14.3 The bank shall be under obligation:
- 14.3.1 to provide the client with software package and connect it to the electronic settlement system in no later than 5 (five) banking days from receipt of the client's request;
- 14.3.2 to control encoding of the received files and accuracy of electronic signature. The bank shall refuse receipt of the file in case it detects default in encoding or signature saved therein. The client shall be notified on such refusal and its grounds by electronic means.
- 14.4 The bank shall not be responsible:
- 14.4.1 for the integrity of software of the client. In case of breach of integrity and in the event the integrity cannot be reinstated the client shall be reconnected to the electronic settlement program anew.
- 14.4.2 for the functions granted to the user based on its access level and for operations performed (the administrator (the client) shall bear the full responsibility).
- 14.5 In case the bank receives document containing incorrect encoding or inaccurate signature for more than three consecutive times, it shall unilaterally terminate electronic services provided for the client, until the bank and the client determine the reason for such default.

## 15. DEPOSIT SERVICES

- 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, 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 its 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 profit 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 towards the bank 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 term deposit agreement without further consent or authorization of the depositor.
- 15.3.2.4 To open a client's operational account (current, card, realization or other similar) without his/her additional consent and/or a demand deposit account in any currency in the case, if it occurs that the client has no such account and/or additional opening of such account is needed (in this case, this agreement and/or any application signed by the client, by which the client joins this agreement, will be considered as the client's application for opening of an operational account (current, card, realization or other similar) and/or a demand deposit account);
- 15.3.2.5 The amount that has been deposited or credited to the client's operational account (current, card, realization, etc.) and/or demand deposit account on purpose of deposit opening on the account and/or adding funds to the deposit, to be transferred automatically (without the depositor's additional consent) to the depositor's and/or any person's deposit account that is referred in the deposit/transfer document;

15.4 **Special Provisions on Term ("Term", "Term +", "Golden") 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) week from the submission thereof, the agreement between the bank and the depositor shall automatically be terminated.
- 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 14.4.5 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 14.4.5.
- 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 its cell phone number provided in the application. 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.

15.5 **Special conditions on Demand Deposits**

- 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 notice by way of disseminating the relevant information at its branches and service centres or through placement on web site at [www.tbcbank.ge](http://www.tbcbank.ge).

## **16. GENERAL CONDITIONS OF CREDIT PRODUCTS**

- 16.1 On the basis of this agreement the client is entitled to use the credit products services stipulated under Article 17 hereof.
- 16.2 This Article 16 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. Credit products of other types, usually, are issued on the basis of an agreement on credit product services, signed by the bank and the client, which does not exclude issuing of any other credit product directly or based on this agreement.
- 16.3 In order to receive a credit product, the client had to apply to the bank through the application (receiving of some products is allowable based on the application, submitted through the electronic means of communication (phone, internet, E-mail etc.). The bank considers the client’s application and decides about issuing or not issuing the credit product (the bank is not obliged to explain reasons of any refusal).
- 16.4 After receiving the credit product the client (debtor) will be obliged to return it and pay the interest profit according to the agreed terms with the bank.
- 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 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 client hereby authorizes the Bank to:
  - 16.7.1 Change the rule given in paragraph 16.7;
  - 16.7.2 determine itself the commitment order (priority) for the client's responsibilities that is unilaterally decide, what amount (volume) and which credit product related to debt should be covered by the client by means of the amount(s) issued and/or credited to the client's account(s), which means that the client authorizes the bank to determine the commitment order (priority) for the client's responsibilities.
- 16.8 The delayed payment fee shall not accrue on the credit product, in case the payment date falls on a holiday. In that event
- 16.9 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:
  - 16.9.1 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);
  - 16.9.2 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);

- 16.9.3 to request the transfer of mortgaged and/or pledged property to the bank and carry out direct sale or other kind of alienation 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 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.
- 16.10 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 the payment of all outstanding credits together with associated payables (interests, fines, etc.).
- 16.11 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.
- 16.12 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.
- 16.13 In the case if the bank does not change the credit covering schedule, the client is obliged to continue paying amount to the bank according to the existing schedule, in spite of having previously paid the amount to the bank.
- 16.14 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.
- 16.15 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).
- 16.16 The parties hereby agree on the following:
  - 16.16.1 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 free 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;
  - 16.16.2 fees and/or commissions on refinancing and advance repayment shall be determined by the agreement executed between the parties;
  - 16.16.3 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 its 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).
- 16.17 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:
  - 16.17.1 to execute an insurance agreement with any person acceptable to the bank in accordance with the pre-determined conditions and tariffs of such provider;
  - 16.17.2 to carry out the insurance in accordance with the requirements of the bank;
  - 16.17.3 to indicate the bank as a sole beneficiary in the insurance policy.
- 16.18 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.
- 16.19 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.

- 16.20 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).
- 16.21 The client grants the bank an unconditional right to provide the guarantor(s) and/or the ledgor/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.
- 16.22 In accordance with the agreement made between the bank and credit bureau (hereinafter the "bureau"), the bank shall have the right:
- 16.22.1 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;
- 16.22.2 to acquaint himself with the information recorded at the bureau database on the client (including, with the client's credit history).
- 16.23 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.
- 16.24 In the event the client breaches its 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.
- 16.25 In the case if the client violates a commitment made through any agreement, or it will be required in order to protect the bank's business reputation or/and legal interests, the bank is entitled to submit the client-related information, as well as any document signed by the client, to the court/arbitrage/national bureau of enforcement and/or use it.
- 16.26 The bank is entitled:
- 16.26.1 In order to fulfill any arose duties, at any moment after the duties occurrence to write off (in a non-accept manner) a sum from the client's any account without the client's consent. In the case if the debt is set in a currency that is different from the currency on the account, the equivalent is determined based on the currency rate, set for the moment of the write-off;
- 16.26.2 to transfer the service fees to be paid by the client to the National Agency of Public Registry, MIA Service Agency and/or other administrative body and/or other credit granting-related fees (including insurance premiums), without the client's further consent (non-accept manner) from any account of the client to the relevant person's account;
- 16.26.3 in order to pay a relevant sum to the person, from whom the client acquires an item or receives any services, using the bank-granted credit, to write-off the relevant sum from the client's any account without the client's further consent (non-accept manner), to convert the sum into the national currency, deposit it to the client's GEL account and transfer to the relevant person's account.

## 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 Besides, the client is obliged, using the code given in the 11.2.1 subparagraph of this agreement, to contact the bank call centre (by telephone: +99532 2272727) after expiring of 3(three) banking days after submitting the application, in order to receive information on the credit limit granting 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 after the moment of utilizing the credit limit or its part, the card owner becomes obliged to pay the monthly due payment amounts to the bank. The monthly due payment amount, usually, comprises: insurance premiums amount, the utilized credit limit part and the interest profit credited for the utilized credit limit
- 17.6 The monthly due payment amount should be paid according to the paragraph 17.3 of this agreement, in the time periods specified in the information sent by the bank to the client for.
- 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.
- 17.8 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. PAYROLL PROJECT**

- 18.1 Description of the service
- 18.1.1 The payroll project service implies the transfer of funds upon the client's request from its current account to the accounts of the client's employees (hereinafter the "employees") through the special system – payroll program module (hereinafter the "module").
- 18.1.2 The client may, at its discretion pay its employees' commissions for card issuance and withdrawal of funds from the accounts.
- 18.1.3 The payment operations performed by the bank from the client's account through its payroll program module are carried out by way of special program agreed in advance between the parties (by way of disc, compact disc, "bank-client" program, internet banking, EXCEL file or file with db extension).
- 18.1.4 Upon the client's wish the bank shall convert funds transferred on the employees' accounts (transfer from GEL account to foreign currency account) with the established exchange rate.
- 18.1.5 The client shall contact the bank regarding the module through its director or any other person authorized by the client. The client shall grant the relevant person the above authorization in the form offered by the bank.
- 18.1.6 For the purposes of obtaining the module services the client shall petition to the bank with the application as per paragraph 1.2 of this agreement.
- 18.2 The client shall be under obligation:
- 18.2.1 to submit to the bank information regarding the funds subject to transfer to the employees' accounts by way of device containing an electronic information (compact disc, etc.) in the form of electronic file pre-agreed by the parties;
- 18.2.1 in the event the client wishes to transfer salaries of the employees' accounts, to submit to the bank payment order with the aggregate amount of salaries to be transfer on the employee's accounts as well as employees registry (list) printed out from the electronic file as per paragraph 18.2.1 stating the employees account numbers, amounts and currencies in which the bank shall convert the salaries transferred to the employees accounts according to the exchange rate of the bank.
- 18.2.2 to inform immediately the bank in writing on termination of employment relation with the relevant employee;
- 18.2.3 to pay in full the bank service commissions of cards procured for the employees within the payroll program (before expiry of the card's validity term), in the event the client refuses to use services provided in this Article and/or this agreement within one year from commencement of using payroll program module services;

- 18.2.4 to pay to the bank withdrawal fees of the funds from employees cards procured within the terms of payroll project, in the event it is indicated in application on payroll program module.
- 18.2.5 Submit to the bank the copies of the employees' personal identification documents (ID cards, or passports) and the copies of taxpayer's certificates (if any), the conformity of which to the original documents shall be certified by signature of the client's authorized representative;
- 18.2.6 Timely provide the client's employees with the complete, accurate, understandable and necessary-for-decision-making information on the bank services and products, which will not incite the employees (customers) to make such decisions that they wouldn't make under the condition of holding accurate and complete information;
- 18.2.7 Provide the client's employees with the information on currency risk when the employees' (customers') revenues are not hedged against exchange rate changes. Furthermore, in case of foreign currency deposit placement/credit receipt, provide the employees (customers) with the information on the products under similar conditions in the national currency;
- 18.2.8 Before signing the agreement, introduce each employee (customer) to the financial costs set forth in the agreement and after obtaining explicit consent, enter into the agreement therewith.
- 18.2.9 Receive from the bank and give the client's employees the plastic cards with PIN codes, dialing codes, internet banking codes in sealed envelopes, Smart Club cards and other documents, also ensure that the holders sign the plastic cards;
- 18.3 The bank shall be under obligation:
  - 18.3.1 to transfer funds to the employees accounts in no later than 3 (three) working days from receiving an order stipulated in paragraph 18.2.2 of this agreement.
- 18.4 By signing this agreement, the client and the bank agree that in order to properly observe the obligations as per paragraph 18.2.5 – 18.2.10 hereof, the bank representative in relationship with the client's employee within 30 days upon the date of execution of this agreement (only within the limited powers set forth in paragraphs 18.2.5 - 18.2.10 hereof) shall be the client who by signing the application for participation in payroll program will assume the obligations under paragraphs 18.2.5-18.2.10 and will nominate (appoint) among the client's employees the person who will immediately perform the duties set forth in paragraphs 18.2.5 – 18.2.10 of this agreement in the name of the bank and be under obligation to:
  - 18.4.1 to personally copy personal identification documents of the employees and certify the accuracy of the copies to the original in accordance with Article 8.2 of Regulations approved by Order No. 95 of Financial Monitoring service and to the Georgian legislation on facilitating the prevention of illicit income legalization;
  - 18.4.2 to be present personally during signing of application on participation in payroll program by the employees and upon request of the bank confirm thereto (or to any other person nominated by the bank) immediately in writing or in any other form requested by the bank that a person indicated in the relevant application has indeed in person performed the signature.
  - 18.4.3 to submit to the bank certified copies of employees' personal identification documents in no later than 5 (five) calendar days after such certification.
  - 18.4.4 Receive from the bank and give the client's employees the plastic cards with PIN codes, dialing codes, internet banking codes in sealed envelopes, Smart Club cards and other documents, also ensure that the holders sign the plastic cards;
  - 18.4.5 Perform the duties set forth in paragraphs 18.2.5 – 18.2.10 of this agreement in good faith, fully and properly.
- 18.5 If the client involves a new employee in the payroll program, the client shall be deemed the bank representative again having the limited powers under paragraphs 18.2.5 – 18.2.10 of this agreement; and the person nominated (appointed) in compliance with paragraph 18.4 of this agreement shall perform the duties set forth in paragraphs 18.2.5 – 18.2.10 of this agreement in terms of a new employee of the client

## 19. ENCASHMENT

- 19.1 Service description

- 19.1.1 The encashment services consider transportation (encashment) of the client-owned cash and valuables on the client's demand.
- 19.1.2 The encashment service conditions are described in detail in the Annex #5-8 of this agreement, which is an inseparable part of this agreement;
- 19.1.3 In order to use the encashment services, the client has to submit an application to the bank according to the paragraph 1.2 of this agreement.
- 19.2 The client is obliged:
  - 19.2.1 To open an operational (current) account in the bank, if using the encashment services;
  - 19.2.2 To inform the bank about the need of the encashment services in writing in 24 (twenty-four) hours in advance;
  - 19.2.3 Strictly follow the conditions, described in the Annex #5-8 of this agreement;
  - 19.2.4 Meet the bank's cash office committee claims regarding the cash amount/quantity of the valuables and/or suitability of the bank notes;
  - 19.2.5 Timely deliver the cash/valuables to the bank representative and sign the relevant documents after check-counting the cash/valuables;
  - 19.2.6 Maintain the schedule confidentiality of the cash/valuables delivery and transporting away by the bank;
  - 19.2.7 Properly check the document certifying the representative's authority;
  - 19.2.8 Provide an isolated parking with a free, illuminated entrance, usually on the ground floor;
  - 19.2.9 To hand the cash/valuables over to the bank only in sealed bags;
  - 19.2.10 Timely pay the service fees (commission charge) to the bank;
  - 19.2.11 If damaged foreign currency notes are found among the cash, handed over to the bank for the encashment, to pay the bank a commission charge for accepting the damaged foreign currency notes, based on the rates existing for the moment, when the bank has received the damaged notes;
  - 19.2.12 Maintain confidentiality of the text of this agreement and information relating to it (this obligation shall remain in force even after termination of this agreement).
- 19.3 The client is entitled:
  - 19.3.1 After informing the bank previously, attend the final check-count of the cash/valuables in the bank or at other destination. If the client is not attended during the final check-count of the cash/valuables, and during such check-count a shortfall of the cash/valuables will occur, the client responsibility for the incorrect information falls on the client, the cash/valuables actually registered by the committee will be credited to the client's account, and a certificate will be issued regarding the shortfall of the cash/valuables.
- 19.4 The bank is obliged:
  - 19.4.1 To provide qualitative encashment services to the client;
  - 19.4.2 To ensure integrity of the sealed bag upon their receipt from the client.
- 19.5 The Bank shall be entitled to:
  - 19.5.1 Refuse services (encashment) on the client in the case if a damaged seal is revealed on the bag, or/and in the case if the location of the building (the facility), considered for the encashment, is not acceptable for the ban.

**Parties to the Agreement**

<b>The Bank</b>	<b>Client</b>
JSC TBC Bank	
Identification number:	Identification number:
Address:	Address:
Telephone number:	Telephone number:
	e-mail:

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Signature

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Full name distinctly

Signature

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Full name distinctly