

TBC Bank JSC proposes the following amendments (additions) to the Agreement on Banking Transactions for Individuals (hereinafter the “Agreement”) published on www.tbcbank.ge in compliance with Paragraph 8.5 thereof:

Sub-Paragraph 8.3.5 be added to read as follows:

“8.3.5 To block the Client’s bank account(s) – restrict active transaction from/to the Client’s account(s) (cash payments into the account, in and out transfers, cash conversion, etc.) if the account(s) has/have not had any financial activity for 1 (one) year (for the purpose of this Paragraph, charging a bank service fee from the Client’s account(s) shall not be qualified as a banking transaction). Furthermore, if the Client’s account(s) is/are blocked for this reason, he/she will not be entitled to banking facility(ies)/service(s) (sign-up, use, etc.) unless he/she performs completely all of the actions required by the Bank in advance.”

Sub-Paragraph 8.16 be revised to read as follows:

“8.16 The Parties agree that any dispute arising out of this agreement and or in relation hereto shall be taken to the court for consideration and final judgement if the total value of the dispute is less than 7 000 (seven thousand) GEL or the equivalent in foreign currency (according to the official (NBG) exchange rate as of the date of the claim).”

Sub-Paragraph 8.17 be revised to read as follows:

“8.17 If the place of execution of this Agreement or any agreement signed within the scope hereof is eastern or southern Georgia (Shida/Inner Kartli), Kvemo/Lower Kartli, Mtskheta-Mtianeti, Kakheti, Samtskhe-Javakheti, the Temporary Administrative Unit of South Ossetia), the Parties agree that any dispute arising out of or in relation to this Agreement shall be taken to the court of arbitration for consideration and final decision in accordance with the following rule: 1) if the value of the dispute is from 7 000 (seven thousand) GEL to 50 000 (fifty thousand) GEL or the equivalent in foreign currency (according to the official (NBG) exchange rate on the date of filing the claim), the dispute shall be discussed by the House of Arbitration LLC (ID 411322359); 2) If the value is above 50 000 (fifty thousand) GEL or the equivalent in foreign currency (according to the official (NBG) exchange rate on the day of filing the claim), the dispute shall be taken to the permanent court of arbitration “Tbilisi Arbitration Institute” (ID 205273005).”

Sub-Paragraph 8.17.1 be revised to read as follows:

“8.17.1 If this Agreement or any other agreement concluded within the scope hereof has been executed on the territory of western Georgia (the Autonomous Republic of Ajara, Guria, Imereti, Racha-Lechkhumi and Kvemo (Lower) Svaneti, Samegrelo, Zemo (Upper) Svaneti and the Autonomous Republic of Abkhazia), the Parties agree that any dispute arising out of or in relation to this Agreement shall be taken to the permanent court of arbitration, House of Arbitration LLC (ID 411322359) for consideration and final decision if the total value of the dispute is greater than 7,000 (seven thousand) GEL or the equivalent in foreign currency (according to the official (NBG) exchange rate on the day of filing the claim). Furthermore, the Parties agree that the arbitration venue shall be the city of Kutaisi.

Sub-Paragraph 8.19 shall be renumbered as 8.21 without any revision:

Sub-Paragraph 8.19 shall read as follows:

“8.19 If the aforementioned permanent court(s) of arbitration has/have been closed or suspended by the time of filing the arbitration claim, the dispute shall be taken to the court of law for consideration and final decision. If agreements made between the Parties provide for different rules for arbitration, in the case of a dispute, the Parties shall be guided by the arbitration provision envisaged in the most recent agreement between them.”

Sub-Paragraph 8.20 shall be renumbered as 8.22 without any revision:

Sub-Paragraph 8.20 shall read as follows:

“8.20 If a dispute arising out of this Agreement is subject to court jurisdiction on any grounds whatsoever (including based on the agreement between the Parties, a provision hereof, etc.) and will be heard in the court, the Parties agree that pursuant to Paragraph 268.11 of the Civil Procedure Code of Georgia, if the Bank wins the claim related to the dispute arising out of this Agreement, the judgement made by the Court of First Instance shall be executed immediately.”

Sub-Paragraph 8.20.1 shall be renumbered as 8.22.1 without any revision:

Sub-Paragraph 8.22.2 be added to read as follows:

„8.22.2 The Bank will sell mortgaged/pledged property in line with the rules provided for in Mortgage/Pledge Agreements (including via Specialist, based on the Writ of Execution issued by a notary, through direct acquisition, etc.)”

Sub-Paragraph 8.21 shall be renumbered as 8.23 without any revision:

Sub-Paragraph 8.22 shall be renumbered as 8.24 without any revision:

Sub-Paragraph 8.23 shall be renumbered as 8.25 without any revision:

Sub-Paragraph 12.1.10 be revised to read as follows:

“12.1.10 The Client is aware that the implementation of a rewards project/programme as indicated in 12.1.9 hereof, as well as accrual and redemption of bonus points on the Client’s card under such project/programme is not the Bank’s obligation and consequently, does not engender the Client’s right to hold the Bank responsible for any action in relation to a rewards project/programme /to the accrual/redemption of bonus points. Therefore, the Bank may, at its own discretion, restrict accrual and/or redemption of bonus points on the Client’s card and/or cancel the points (including in the case of a suspicious transaction). The Bank may likewise exercise its right hereunder if the Client uses the card that accrues bonus points for entrepreneurial purposes.”

Sub-Paragraph 16.26.1 be revised to read as follows:

“16.26.1 Draw an amount from any of the Client’s accounts by direct debit, without the Client’s further consent in order to settle any of his/her liabilities before the Bank anytime after such a liability arises (the Client’s account(s) in the same currency as the Client’s liability will be debited on a priority basis to settle the liability). If the currency of the liability is different from the currency of the Client’s account, the equivalent amount is established based on the Bank’s exchange rate at the moment of drawing.”

Sub-Paragraph 18.33 be added to read as follows:

“18.33 The Client confirms that he/she is closely familiar with the terms and conditions / tariffs of the Ertguli credit card published on <https://www.tbcbank.ge/web/ka/web/guest/ertguli-card>.”

Paragraphs 20.1 and 20.2 be revised to read as follows:

“20.1. The Card Security Service is a banking facility aimed at protecting customers – the Cardholders – from the consequences of a third party’s unlawful use of the card at ATMs, POS terminals and via the Internet in Georgia as well as abroad, and/or from an error that may occur during a transaction carried out by the Client, pursuant to terms and conditions envisaged in this Agreement and the Card Security Service Application. The service applies to payment card(s) selected/indicated in the Card Security Service Application and the account(s) linked thereto.”

“20.2. Under this Service, the Bank will refund the Cardholder for an unlawful use of the card and/or the failed transaction pursuant to terms and conditions envisaged in this Agreement and the Card Security Service Application and within respective refund limits.”

Paragraphs 20.8 and 20.9 be revised to read as follows:

“20.8. The card security service becomes valid immediately after the card security service fee is deducted from the cardholder’s account (or upon charging the tariff plan price if the tariff plan covers the card security service). Each subsequent fee will be charged after 1 (one) calendar year has passed from the date of drawing the fee in the previous calendar year.”

“20.9. The card security service fee will be deducted from the account linked to the respective card (to which the security service applies) by direct debit (without the Client’s further consent). Furthermore, if there is insufficient balance in the account to which the card security service applies, the Bank may draw the amount from any other account of the Client (may debit any other account of the Client). For the purpose of charging the fee, the term of the security service shall be deemed started on the card security service registration date (the effective date thereof) and continue until the expiry date of the card. If the Client buys the card security service less than 1 (one) calendar year before the card expires, the Bank will provide the card security service until the expiry date of the card in return for the annual fee charged.”

Paragraph 20.12 be revised to read as follows:

“20.12. The number of refunds under the card security service:

20.12.1. In the case of failed transactions: max. two refunds per card annually, from the effective date of the card security service (within the respective security service limit), but not more than 6 refunds annually for all cards of the Client.

20.12.2. In the case of an unlawful third party use of the card: The card security service applies on a one-time basis and terminates upon the first event of an unlawful use of the card. Furthermore, if the Client has already used the maximum number of failed transaction refunds, an unlawful third party use of the card is not subject to refund.”

Paragraph 20.14 be revised to read as follows:

“20.14. The card security service is valid until the card expiry date, with exclusions provided for in this Agreement and/or the Card Security Service Application. The card security service terminates upon the cancellation of the card irrespective of causes thereof. Furthermore, the Bank may cancel the card security service in the events provided for in this Agreement (including in Paragraphs 20.19; 20.20; 20.21) and/or the Card Security Service Application.”

Paragraph 20.17 be revised to read as follows:

“20.17. The Cardholder claim review period and terms of refund / other important terms:

20.17.1. The Bank will review the Cardholder’s claim and issue a refund within 3 (three) business days in line with the respective card security service refund limit(s).

20.17.2. The Client authorizes the Bank to file a claim (initiate a dispute) on behalf of the Client in the Visa and/or MasterCard international network(s) against a transaction/ unlawful action performed with the Client's payment card. Furthermore, the Client agrees that if the claim is satisfied, VISA and/or MasterCard may refund the claimed amount to the Bank and the refund may remain with the Bank.

20.17.3 The Client is aware that unless the dispute initiated by the Bank in the Visa and/or MasterCard international payment network(s) against a transaction/ unlawful action performed with the Client's payment card has a successful outcome, Visa / MasterCard will not refund the claimed amount(s) to the Bank. Furthermore, if there is evidence of the Client’s guilt / implication in the transaction / unlawful action performed, the Bank may claim back the refund it has issued to the Client. Unless the Client agrees to return the refunded amount, the Bank may suspend/cancel the card security service for all of the Client’s cards;

20.17.4. The Client authorizes the Bank to contact the merchant and claim the refund of the Client’s payment (to the Bank) in line with terms and conditions envisaged in this Agreement and the Card Security Service Application, provided the Client is disputing over Services not Provided / Merchandise Not Received or Not as Described or Defective Merchandise (service);

20.17.5. The Client agrees that if the Bank refunded the Client for Services not Provided / Merchandise Not Received or Not as Described or Defective Merchandise (service) and after the refund the merchant provided the Client with the services/merchandise or remedied the defect, the Bank is entitled to claim back the refunded amount and deduct the sum from any account of the Client by direct debit (without the Client’s further consent).

20.17.6. Exclusions reviewed within 3 (three) business days and refunded within max. 55 (fifty five) business days):

20.17.6.1. Release of funds placed on hold;

20.17.6.2. Funds retained in an ATM (abroad);

20.17.6.3. PIN-based transactions;

20.17.6.4. 3D-Secure transactions;

- 20.17.6.5. Ecommerce transaction settlement failure (online sales proceeds are not settled to the merchant's account);
- 20.17.6.6. Transfers to the treasury and state organizations;
- 20.17.6.7. Broker transactions;
- 20.17.6.8. Transactions of payment service providers;
- 20.17.6.9. Delayed capture of payments;
- 20.17.6.10. Dynamic Currency Conversion (DCC) refund claims;
- 20.17.6.11. Cash withdrawal by customers at the Bank's facilities."

Sub-Paragraphs 20.19.4 and 20.19.5 be revised and Sub-Paragraph 20.19.6 be added to read as follows:

„20.19.4. The Cardholder fails to ensure that the lost/stolen card is blocked immediately.

20.19.5. The Client is found guilty of fraud or an accessory thereto.

20.19.6. The Client does not forthwith report to the Bank a suspicious/unlawful use of the card and/or a failed transaction and does not file a written statement containing relevant proof within 60 (sixty) calendar days.”

Paragraph 20.22 be revised to read as follows:

“20.22 If the card or the balance therein is protected from an unlawful use by a third party insurer (or there is such offer from a third party security service provider), the Cardholder's refund claim (for an unlawful use of his/her funds) shall be addressed to the aforementioned third party in the first place. Furthermore, pursuant to rules and limits stipulated herein, the Bank has the obligation to refund for an unlawful use of the funds only if the third party insurer/ security service provider does not fully refund the unlawful payment. If the third party insurer/ security service provider refuses cash refund, the Cardholder shall submit to the Bank the evidence of refund refusal from the third party insurer/ security service provider along with his/her refund claim, after which the Bank will provide the refund of the funds used unlawfully pursuant to rules provided for herein.”