

## Main Terms of Certificate of Deposit (CD) Agreement

### Interest Rate (IR) on the Certificate of Deposit (CD)

Type of IR:	Fixed
Annual IR:	Annual __%
Effective IR:	Annual __%

### Other Contract Information

CD amount:	__ (respective currency)
CD Term:	__ Days
CD alienation fee:	0.1% min 50 GEL
CD early withdrawal penalty:	If the Bank agrees to buy back the CD before the maturity date at the Client's request, the Client will incur an early withdrawal charge applicable to a period from early withdrawal to the maturity date and calculated as follows: the interest rate currently offered by the Bank on its CD with the same term as the remaining term of the early redeemed CD (from the date/moment of early withdrawal) plus 3%. If the remaining term of the early redeemed CD does not exactly coincide with any CD term currently offered by the Bank, the interest rate on the Bank's CD with the closest but longer term will apply plus 3%.

The CD Holder has the right to withdraw money from the CD before the maturity date.

#### **For CDs denominated in GEL:**

This Certificate of Deposit (CD) is a standard certificate of deposit and complies with the provisions set for standard CDs issued by commercial banks.

#### **For CDs denominated in foreign currency:**

CDs denominated in foreign currency expose the holders to a significant risk!

Exchange rate fluctuations may significantly reduce the amount of interest in GEL!

This Certificate of Deposit (CD) is a non-standard certificate of deposit and standard CD provisions of commercial banks do not apply hereto.

Information about bank products with similar terms in the national currency is available on the Bank's website: [www.tbcbank.ge](http://www.tbcbank.ge).

If GEL strengthens by annual 15%, the effective IR will be annual \_\_%.

**Please consider that:**

Your deposit is insured under the Deposit Insurance System in compliance with the Law of Georgia on Deposit Insurance System.

If the Main Terms of the Agreement (as provided in this Preamble, including the interest rate) are revised, the customer will be notified thereof via SMS no later than 2 (two) months in advance, while price increase on other financial facilities will be communicated via SMS no later than 1 (one) month in advance.

The Client can make a complaint orally, in writing (fill out a standard Complaint Form or compose a letter of complaint on his/her own) and electronically.

Useful information for clients is available on the National Bank of Georgia's website - [www.nbg.gov.ge/cp](http://www.nbg.gov.ge/cp) and through the hotline – +995 322 406406.

## CERTIFICATE OF DEPOSIT (CD) AGREEMENT

### 1. Subject Matter of the Agreement

1.1 The Bank shall transfer the Deposit of Certificate (CD) to the Client under the terms and conditions set forth herein.

1.2 On 1 January 2018, the Bank joined the Deposit Insurance System created on the basis of the law of Georgia on the Deposit Insurance System. If an insured event occurs, funds available in the deposit/account of a deposit holder will be reimbursed by the Deposit Insurance Agency up to 15 000 GEL, while the rest of the amount will be refunded according to the applicable law. For more information, please visit LEPL Deposit Insurance Agency's website [www.diagency.ge](http://www.diagency.ge).

### 2. CD Terms and Conditions

2.1 The Bank is not obliged to buy back the CD prematurely; 2.2 The CD Holder can transfer/sell the CD to any third person;

2.3 CD Type: Coupon

2.4 CD denomination:

2.5 CD nominal value: (respective currency)

2.6 CD term: \_\_ Days

2.7 CD accrued interest: Annual \_\_%

2.8 CD Effective interest rate: Annual \_\_%

2.8.1 Type of IR: Fixed

2.9 CD interest payment frequency: Monthly

2.10 CD purchase price to be transferred from account:

2.11 Account where to transfer the CD amount upon maturity:

2.12 Account where to pay the interest:

2.13 CD alienation charge: 0.1% min 50 GEL

### 3. Rights and Undertakings of the Parties

3.1 The Bank shall:

3.1.1 Familiarize those willing to purchase a CD with relevant terms and conditions set by the Bank. The terms and conditions are available (can be delivered to the Client) electronically as well;

3.1.2 After the Client buys a CD, make an appropriate record in a relevant register;

3.1.3 If the Client buys a CD, upon the Client's request, provide him/her with a statement from a relevant register (in any form, including electronic);

3.1.4 If the Bank and the Client make a deal electronically after this Agreement has been concluded, provide the Client with the CD terms and conditions in advance electronically;

3.1.5 In case of electronic communication between the Parties, ensure that the system is secure and protected;

3.1.6 If the Client alienates the CD, duly register CD alienation based on the Client's application.

3.2 The Bank is entitled:

3.2.1 Not to provide the services referred to in this Agreement if the Client violates the terms and conditions of this Agreement and/or the applicable laws.

3.3 The CD holder shall:

3.3.1 Maintain an active bank account for payments related to the CD;

3.3.2 Prior to the alienation of the CD, provide the Bank with relevant information and request the registration of CD alienation in a relevant register.

3.3.3 Prior to the alienation of the CD, ensure that the buyer of the CD visits the Bank as stipulated in this Agreement.

3.4 The Client is entitled to:

3.4.1 Alienate the CD in accordance with the terms and conditions stipulated in this Agreement and the applicable laws without seeking the Bank's prior approval. If the Client alienates the CD, he/she shall pay the Bank the charge indicated in Paragraph 2.13 hereof.

#### **4. CD Interest Accrual Terms**

4.1 The CD shall earn discount at the rate indicated in Paragraph 2.9 of this Agreement and in compliance with the rule stipulated in Sub-Paragraph 8.1.1 hereof.

4.2 Upon the purchase of the CD, the price of purchase shall be transferred from the Client's account indicated in Paragraph 2.10.

4.3 Upon the expiry of the CD, the amount equal to the nominal value of the CD shall be transferred to the Client's account indicated in Paragraph 2.11.

#### **5. CD Early Withdrawal**

5.1 If the Bank agrees to buy back the CD before the maturity date at the Client's request, the Client will incur an early withdrawal charge applicable to a period from early withdrawal to the maturity date and calculated as follows: the interest rate currently offered by the Bank on its CD with the same term as the remaining term of the early redeemed CD (from the date/moment of early withdrawal) plus 3%. If the remaining term of the early redeemed CD does not exactly coincide with any CD term currently offered by the Bank, the interest rate on the Bank's CD with the closest but longer term will apply plus 3%.

5.2 In case of early withdrawal, the amount paid by the Bank to the CD Holder can be higher or lower than the price paid by the Client upon the purchase of the CD. The repurchase price depends on the CD term and the date of repurchase.

#### **6. Alienation of the CD to a Third Party**

6.1 The CD Holder is authorized to transfer the CD to any third party of his/her choice, which he/she shall report to the Bank so that the Bank can enter relevant changes into the register and perform relevant instructions/transfers. To sell/transfer the CD to a third person, both the CD Holder and the buyer shall visit the Bank jointly to place a joint order/instruction for CD alienation and purchase. The form of alienation shall be determined by the Bank until the buyer is registered as the CD Holder in the relevant register;

6.2 A CD can be alienated in full or in part (partial alienation is possible if the CD denomination is greater than one unit).

6.3 Partial alienation of a CD with a denomination equal to 1 (one) is not possible.

#### **7. Main Terms of the CD**

7.1 CD may exist only in dematerialized form.

7.2 Any payment related to the CD shall be made in the national currency by non-cash settlement.

7.3 Each CD shall have only one holder.

7.4 The CD may be used as a security instrument.

7.5 After the purchase of a CD, the terms and conditions applicable at the time of purchase shall remain effective until the maturity date.

7.6 An electronic record available in a relevant register of the Bank shall serve as CD ownership evidence.

7.7 The purchase or alienation of the CD by the Client shall be registered in a relevant register run in accordance with the rules and terms approved by the Bank.

7.8 The record made in the CD register shall be closed/deleted after the CD expires or is repurchased by the Bank.

7.9 After the term indicated in the CD statement expires or the CD is repurchased by the Bank at a price agreed with the Client in advance, the CD shall be closed, while the relevant record shall be deleted from the CD register and interest accrual shall stop. If the CD is repurchased, the Bank shall pay the Client the purchase price not later than within 2 (two) banking days from the repurchase. Furthermore, the Bank is not obliged to buy back the CD before the maturity date.

7.10 A relevant written agreement is concluded between the Bank and the Client on CD purchase.

7.11 The Client can view the value of the CD and accrued interest via internet banking. The Client shall not be entitled to use the amount until the CD expires or is repurchased by the Bank.

## 8. Terms of the Agreement

8.1 This Agreement shall be herewith deemed as the Client's application to open a deposit and current (payment) account(s), by signing which the Client confirms that:

8.1.1 This Agreement is an integral part of the Agreement on Banking Transactions published on the Bank's website [www.tbcbank.ge](http://www.tbcbank.ge) (including all amendments and additions thereto), which the Client is familiar with and agrees to.

8.1.2 He/she enters into this Agreement for his/her own needs and not on the instructions or in favour of a third party; he/she does not have any relations with shell banks and the transaction described herein is not suspicious, which means that it was not signed for the purpose of money laundering and the property (including, funds), based on which this Agreement was signed, was not acquired through criminal activities.

8.1.3 He/she agrees that the Bank will open for him/her a payment (current) and/or card account(s) (in any currency) for depositing/transferring funds into the CD account(s) and/or for withdrawing/transferring funds from the CD account(s).

8.1.4 He/she agrees that the bank may not provide him/her with information about changes that are beneficial for the Client.

### **Sub-Paragraphs 8.1.5 and 8.1.6 will appear in foreign currency CD agreements:**

8.1.5 Provided a) the interest rate on the CD is higher than interest rates on CDs on the Georgian market; b) processes such as inflation, economic recession, etc. take place that may lead to the revision (decrease) of interest rates on CDs on the market by more than 5%, the Bank will have the right to revise (decrease) the interest rate on the CD under this Agreement. The Bank will notify the CD Holder of the change via SMS 2 (two) months in advance;

8.1.6 Provided a) the cost of the CD changes materially so that it may generate loss for the Bank and/or threaten its financial stability; b) the terms and conditions of the CD do not/ no longer comply with the Bank's current policy; c) a legislative and/or any other change occurs that deteriorates the Bank's standing, the Bank will have the right to revise unilaterally any term/condition related to the facility/service under this Agreement at any time during the validity period of the Agreement. The Bank will notify the CD Holder of the change(s) via SMS 2 (two) months in advance, while price increase on other financial facilities related to the CD will be communicated via SMS 1 (one) month in advance.

8.2 If a Force Majeure event occurs, the Party shall inform the other Party about the commencement thereof as soon as possible. If the Force Majeure event prevent the Parties from the performance of their respective obligations in due time, the performance of the obligations shall be deferred until the Force Majeure event ceases to exist.

8.3 The Client agrees that if a tax collection order and/or seizure is applied against him/her, the Bank shall follow unconditionally the

instructions of relevant authorities regarding the CD. Furthermore, if a tax collection order and/or seizure is applied against the Client, he/she shall not alienate or subject the CD to encumbrance until he/she submits to the Bank a written approval from the person upon whose demand a tax collection order and/or seizure has been applied.

8.4 The Bank is authorized to use any means of communication (including, electronic, digital, telephone, etc.) to deliver notifications to the Client.

8.5 The Client (user) can make a complaint in writing, verbally or electronically. The TBC Bank Call Center can be reached at +995 322 272727 to make a verbal complaint. Written complaints can be filed by completing a standard complaint form at TBC Bank branches or service centres. Online complaints can be filed through the Internet Bank or at [www.tbcbank.ge](http://www.tbcbank.ge). The complaints will be discussed by the Customer Support Department of TBC Bank within maximum 1 (one) month from the date they are filed and the complainants are identified. The decisions will be communicated to the Owners of the Amount in writing and/or any other media including electronic, digital, telephone, etc. Information about the status of the complaint can be obtained through the TBC Bank Call Center and/or remote channels.

**Paragraph 8.6 will appear in foreign currency CD agreements:**

8.6 If GEL strengthens by annual 15%, the effective IR will be annual \_\_%.

8.7 The Parties hereby agree that any dispute arising out of or in relation to this Agreement will be resolved through negotiations. If the Parties fail to come to an agreement, the dispute will be handled and resolved as prescribed by the Agreement on Banking Facilities between the Parties