

## General Agreement for Rendering Banking Services to Individuals

### 1. Definition of terms

- 1.1. terms used in the present agreement and/or agreement/covenant executed on its basis/in its framework shall have the following meanings, unless otherwise deriving from the context or construed from the respective agreement/covenant:
  - 1.1.1. **bank** - JSC PASHA Bank Georgia, ID code 404433671, address of the head office: Georgia, Tbilisi, Mtatsminda district, Leonidze st. N2/g. Tabidze st. N1. Email – [info@pashabank.ge](mailto:info@pashabank.ge), web page address: [www.pashabank.ge](http://www.pashabank.ge), license # - decree N 27 of the Vice President of the National Bank, dated January 17, 2013;
  - 1.1.2. **client** – person whose name, family name and other identification data and information are provided in the application and in favor of which the banking service is performed;
  - 1.1.3. **party/parties** – bank and/or client and/or additional card holder(s) commensurate with the context;
  - 1.1.4. **third person** – any person other than the client and the bank;
  - 1.1.5. **bank products/service** – provision of the banking service indicated in clause 2.2 of the present agreement/using bank products, individual terms of which are determined by the present agreement and/or other agreement executed/to be executed with the client;
  - 1.1.6. **credit product** – loan/credit of any type (among them overdraft, credit card etc.) disregarding the title, which the bank offers/provides to the client;
  - 1.1.7. **order** – any order/command exercised in the framework of the bank products (written and/or electronic and/or remotely) which is assigned by the client to the bank;
  - 1.1.8. **application** – application of the client to the bank in a form established by the bank (by means of the material document or remote bank servicing) by which the client expresses wish/consent to have the bank exercise and/or suspend/terminate/amend the banking product/service consistent with the terms of the application. Consent/statement made by means of the remote banking service has the legal force same as the material document;
  - 1.1.9. **bank account (hereafter – “account”)** – unique means of accounting monetary resources opened at the bank for the client, which includes current accounts and card accounts;
  - 1.1.10. **single-currency bank account** – an account where the monetary resources are registered in one particular currency;
  - 1.1.11. **multi-currency account** – an account opened for the client where the monetary resources are registered in several currencies separately and which represents a single account from the point of quantity;
  - 1.1.12. **statement**– information on transaction(s) and balance(s) performed on the account;
  - 1.1.13. **payment transaction** – operation of placement, depositing, transferring or withdrawal of monetary resources initiated by the client or the recipient;
  - 1.1.14. **payment order** – order issued by the client or the recipient to the bank to exercise the payment transaction;
  - 1.1.15. **non-accepted debiting funds** – debiting amounts from the bank account of the client without consent (permit) of the client;
  - 1.1.16. **bank card (hereafter – “card”)** - payment instrument produced by the bank to the client which is the ownership of the bank and is designated for exercising various banking transactions by the client;

- 1.1.17. **personified card (hereafter - “nominal card”)** – a card on which the name and family name of the card holder is depicted. Also, the name of the card holder is recorded on the magnetic tape and/or in the microchip of the card.
- 1.1.18. **non-personified card (hereafter – nameless card)** – a card which does not have the name and family name of the card holder reflected. Also, such information is not recorded on the magnetic tape and/or microchip.
- 1.1.19. **supplementary card** – a card, which is issued by the bank to the client and/or other person nominated by the client and which is linked to the existing card account of the client;
- 1.1.20. **pin code** – personal, confidential code enclosed with the card, which together with the card represents the electronic identifier of the card holder (client’s four digit identification code);
- 1.1.21. **stop-list** – international or local list of cards, on which performance of the payment transactions are not permitted and the special regime of servicing is applied;
- 1.1.22. **authorization** – consent of the client to exercise the payment transaction, unless otherwise envisaged by Georgian legislation;
- 1.1.23. **payment instrument** – technical means and/or unity of procedures agreed between the bank and the client, by means of which the client initiates the payment order;
- 1.1.24. **Direct debit / Standing order**– regular payments/transfers from the client’s accounts by the bank on the basis of the client’s payment order;
- 1.1.25. **remote banking service** – relation between the client and the bank without visiting the bank, using telephone, Internet banking and/or other communication media, among them email, short text message (hereafter -SMS service), ATM, express payment apparatus;
- 1.1.26. **Internet Banking** – service by means of which it is possible to exercise various transactions posted by the bank at the special web page of the bank [www.pashaonline.ge](http://www.pashaonline.ge) (without visiting the bank) by the client, according to the regulations established by the bank;
- 1.1.27. **Digipass** – device which is given to the client and which generates single codes, which on the other hand are used at the Internet Banking for authorizations and transactions;
- 1.1.28. **electronic payment certificate** – electronic certificate created by the client and/or bank which represents the basis of performing transaction at the account of the client;
- 1.1.29. **commercial rate** – the rate established for purchasing and selling foreign currency which is established by the bank based on the official exchange rate of the National Bank of Georgia;
- 1.1.30. **special rate (hereafter – spec. rate)** – the rate, individually established for the particular client for purchasing and selling the foreign currency, established by the bank based on the official exchange rate of the National Bank of Georgia and the bank’s **commercial rate**;
- 1.1.31. **conversion** – purchasing one currency as a substitute of another;
- 1.1.32. **commission fee** – payment, service fee established by the bank to the client for using any bank product, the amount and payment terms of which are determined in accordance with the conditions established by the bank and/or particular bank product agreement;
- 1.1.33. **FATCA** – foreign account tax conformity act;
- 1.1.34. **provider** – company providing utility, communication or other types of services;
- 1.1.35. **banking day** – day (other than Saturday, Sunday or official holidays established by the legislation) during which the bank is open and performs regular activities;
- 1.1.36. **operational day** – time span of banking day from the commencement of the banking day until 16:00 of the same day.

## **2. Subject of the Agreement**

- 2.1. The present agreement determines general terms which regulate the responsibilities and rights-obligations of the parties in the process of utilization of bank products/services by the client;
- 2.2. the present agreement provides the following general terms of using bank products/services:
  - 2.2.1. bank account servicing;
  - 2.2.2. card servicing;
  - 2.2.3. Internet banking/Mobile Banking;
  - 2.2.4. telephone servicing;
  - 2.2.5. SMS servicing;
  - 2.2.6. Direct Debit / Standing order;
  - 2.2.7. deposit;
  - 2.2.8. credit products.
- 2.3. for receiving particular services/products outlined in the present agreement the client addresses the bank with respective written application (or uses other form determined by the present agreement) by which it confirms that is familiar, agrees and accepts all terms of the present agreement. In the event the client does not use any of the bank products/services, relevant clause(s) of the indicated product/service shall not be applicable. Relevant terms shall be exercised upon granting the right to use particular bank products/services.
- 2.4. after reviewing the application of the client the bank decides whether to provide relevant service to the client.
- 2.5. the bank is authorized to refuse the client to provide service without providing grounds of refusal.
- 2.6. the bank is authorized to request submission of the additional information and/or documents from the client for the purpose to make a decision. Filling the application by the client, also submission of the additional documents to the bank does not obligate the bank to provide any of the services to the client envisaged by the present agreement.
- 2.7. after adoption of the decision envisaged by clause 2.4 of the present agreement, the parties, upon the request of the bank, may process other supplementary agreements/covenants which shall be the inseparable part of this agreement and which shall outline individual terms of the particular bank product/service as well as additional rights and obligations of the parties.
- 2.8. terms of the present agreement are applicable to each bank product/service and/or any agreement/covenant processed on the basis/in the scope of the present agreement, taking into account specific features existing for the relevant bank product/services and/or those determined by the individual agreement/covenant.
- 2.9. agreements/covenants processed with regard to bank products/services, statements and annexes represent inseparable part of the present agreement. In case of discrepancy (discrepancy implies mutually exclusive provisions and does not mean those complementing each other) between the present agreement and particular agreement/covenant/annex processed on its basis, the priority shall be given to the particular agreement/covenant/annex dealing with the matters which are regulated by such agreement/covenant.
- 2.10. confirmation/application issued by the client by means of remote bank service on bank product/service and/or agreement/covenant terms, also the order issued to the bank through the remote media, is equaled to the signature of the client to the relevant agreement/covenant/order and such statement/agreement/covenant/order shall be deemed as legally binding as of the moment of receiving approval from the client via remote bank services by the bank. Furthermore, the client acknowledges that

the bank may need to make several transactions to perform the order of the client received via remote bank service to which the client expresses consent.

- 2.11. The bank and the client are authorized to process any agreement on use/servicing of such bank products which are not envisaged by the present agreement.
- 2.12. the National Bank of Georgia represents the supervisory body of the bank, the web page of which is [www.nbg.gov.ge](http://www.nbg.gov.ge)
- 2.13. The National Bank of Georgia is not responsible for undue performance of assumed obligations by the bank.
- 2.14. About the system of insuring deposits:
  - 2.14.1. From January 1, 2018, according to the law on insurance of the deposits, funds existing on the account of all physical persons deposits/account despite the amount of deposits/accounts, shall be insured at each commercial bank and shall be reimbursed by the Deposits Insurance Agency in the amount of 5,000 GEL, the remaining amount shall be reimbursed according to the regulations established by the effective legislation. Additional information is provided at the web-page of the Deposits Insurance Agency: [www.diagency.ge](http://www.diagency.ge);
  - 2.14.2. Amounts existing at the account of the client in the bank (among them in foreign currency) shall be summarized and shall be subject to reimbursement by the Deposits Insurance Agency up to 5,000 GEL, in case the amount exceeds 5,000 GEL, the remaining amount shall be reimbursed according to the regulations established by the effective legislation.
  - 2.14.3. amounts of all physical persons at the bank are automatically insured without any additional charges;
  - 2.14.4. The Insurance Agency shall issue reimbursement in the amount of 5,000 (five thousand) GEL no later than in 20 (twenty) calendar days after the occurrence of the insurance case, despite the commercial bank has the respective resources at the given moment or not. The currency of reimbursement is GEL.

### **3. Tariffs**

- 3.1. for the use of the bank products/services outlined in the present agreement, the client is obliged to pay the bank commission/service fee the amount of which is determined consistent with the tariffs established by the bank by the time of performing transaction and/or providing service and/or according to the individual tariffs determined by the bank.
- 3.2. information on established tariffs and payment regulations is provided at the web page of the bank [www.pashabank.ge](http://www.pashabank.ge) and represents inseparable part of the present agreement. Furthermore, the client is obliged, prior to exercising bank transaction, to become familiar with the tariffs established for relevant transactions/services at the branches/service centers of the bank and/or at the web-page. In the event of suspension or termination of the transaction by the bank upon the request of the client, also, in case of termination of any of services by the bank to the client, the service fee paid to the bank shall not be reimbursed to the client.
- 3.3. the bank is authorized to change the effective tariffs and their payment regulations unilaterally about which the client shall be preliminarily informed as per regulations set forth in the present agreement.

### **4. Bank Account Servicing**

#### **4.1. Opening the bank account**

- 4.1.1. for performing the bank transactions determined by the present agreement and for use of bank products, the bank opens the account(s) to the client. The latter may use one or several bank accounts.
- 4.1.2. the accounts are opened on the basis of submission of the application and document(s) by the client as established by the legislation and requested by the bank, for authenticity of which the client is responsible.

Furthermore, the bank is entitled to request additional information at any time. Submission of the additional information does not generate the obligation of the bank to open an account to the client and to provide relevant service.

- 4.1.3. consistent with the regulations and procedures established by the bank, account(s) may be opened on the basis of remotely processed application, in case the client already has an account at the bank.
- 4.1.4. in case of opening an account in the foreign currency, the current account in GEL is opened to the client if the latter does not have an account in the national currency.
- 4.2. **Processing Payments and Other Transactions to the Account**
  - 4.2.1. monetary resources may be placed to the account of the client via non-cash and cash payments.
  - 4.2.2. write-off of monetary resources from the account(s) by the bank, as a rule, is exercised upon consent, permit, order or request of the client, according to the regulation set forth by the present agreement and/or legislation.
  - 4.2.3. reflection of the amount(s) deposited and/or transferred to the account(s) of the client or transfer of amount(s) from the client's account is effected by the bank no later than on the following banking day after receiving relevant order and/or during the term envisaged by the legislation.
  - 4.2.4. the time of receiving the payment order is the moment when the bank receives the payment order despite whether it is initiated by the client or the recipient.
  - 4.2.5. after the operational day is over, payment orders received by the bank from the client shall be considered as received on the following banking day which does not represent the constraint to the bank to perform payment order on the day of its submission.
  - 4.2.6. partial execution of the payment order is not acceptable.
  - 4.2.7. for the purpose to perform payment transaction, expression of consent by the client is required, which means signing the payment order by the client or expression of consent by means of the remote bank service media (giving the order to perform bank transaction to the bank through the internet bank and/or other means or performance of respective transaction by the client is deemed as the payment order). By expressing the consent to the respective payment order, the client confirms the accuracy of the data provided in the payment order and full compliance of the order issued to the bank with his/her own will, for which the client shall be accountable.
  - 4.2.8. the client is entitled to cancel the payment order issued to the bank in case the transfer has not been effected yet (which means write-off of the amount from the account of the client) and this does not contradict to the essence of commitment for which it was issued or to Georgian legislation.
  - 4.2.9. the client is informed that in case the bank marks the payment order as "payment order is not subject to cancellation or request by the payer" the client is not authorized to request the payment order.
  - 4.2.10. client shall be informed on receipt, rejection and/or impossibility of performance of the payment order by the bank in a form/manner determined by the bank.
  - 4.2.11. the bank is entitled to reject order and/or refuse to perform the order, if:
    - 4.2.11.1. full identification of the client/provider of the order is not possible.
    - 4.2.11.2. the order does not conform with the requirements set forth by the legislation and/or bank regulations and procedures.
    - 4.2.11.3. the order contains inaccurate information/data;
    - 4.2.11.4. the amount existing at the account for performance of the order, including commission fee, is not sufficient to perform the order and/or the amount indicated in the order exceeds the limits established by the

bank. Furthermore, the parties agree that the bank is authorized to perform the payment order initiated by the client within the limits of permitted overdraft, in case there is relevant balance available;

- 4.2.11.5. the bank suspects about the attempt of performing illegitimate transaction;
- 4.2.11.6. funds existing on the account are subject to public law restriction;
- 4.2.11.7. the indicated is envisaged by the legislation or the client has any kind of monetary liability owed to the bank;
- 4.2.11.8. if there is any other shortcoming/circumstance which makes it impossible to perform the order.
- 4.2.12. rejected payment order shall not be deemed as accepted for the purposes set forth in clause 4.2.4 and Article 13 of the present agreement.
- 4.2.13. payment order, to effect its due performance, should include requisites determined by Georgian legislation. Thereby, electronic payment order, other than legislative requirements, may include other supplementary requisites established by the bank.
- 4.2.14. the bank is authorized to exercise non-accepted debiting of amounts from the client's account in the following cases:
  - 4.2.14.1. to recover any due payment, any bank service fee and/or penalty/fine owed to the bank;
  - 4.2.14.2. to perform the credit liabilities or arrears owed to the bank. Furthermore, the client acknowledges that the bank is not obliged to write-off amounts without the order of the client for the purpose to cover the arrears of the client;
  - 4.2.14.3. to recover amount(s) transferred by mistake and/or suspicions amount(s) in violation of the requirements of the legislation;
  - 4.2.14.4. in occasions envisaged by the effective legislation and/or agreement, covenant and/or other document processed between the client and the bank (for example: bail, collection order);
  - 4.2.14.5. in case of the collection order, for the purpose to cover the collection order, the bank is obliged, in case there is no sufficient amount of collection order currency on the account, without consent of the client, to convert the currency from the other account(s) of the client in the currency of the collection order, at the exchange rate established by the National Bank by the date of payment. Commission fee for performance of the collection order (transfer commission fee, conversion commission fee) is determined by the tariffs established by the bank.
- 4.2.15. if there is any kind of public law restriction registered to the name of the client at the bank and at the same time the client uses overdraft and/or the credit card, public law restriction shall apply to the amount which is placed at respective overdraft and/or credit card account, after registering the public law restriction.
- 4.2.16. if the amount payable as determined by clause 4.2.14 (other than clause 4.2.14.5) and the amount accrued at the account are in different currencies, the bank shall make a conversion at the commercial exchange rate existing at the bank on the date of payment and shall exercise non-accepted write-off of the cost of conversion (if any) service from the account of the client.
- 4.2.17. cash deposit or withdrawal transaction from the account is effected by means of the incoming/outgoing cash order.
- 4.2.18. when exchanging the currency it is possible to purchase one currency with the other from the current account, provided that there is sufficient amount necessary for performing such transaction at the current account.
- 4.2.19. currency shall be exchanged at the commercial or special rate established by the bank by the time of currency exchange.
- 4.2.20. client may obtain the information on currency exchange rates at the web page of the bank [www.pashabank.ge](http://www.pashabank.ge).

## **5. Card Servicing**

### **5.1. Description of Service**

- 5.1.1. card servicing means exercising bank transactions by means of the VISA or Mastercard issued by the bank by the client holding card account or by the person nominated in writing by such client (hereafter both referred as the “card holder”);
- 5.1.2. the type of the card is determined by the signed application of the client related to each particular card product, representing the inseparable part of the present agreement;
- 5.1.3. for processing card transactions, the bank shall open relevant card account(s). Issuance of several cards to one card account is permitted.
- 5.1.4. the bank produces the card on the basis of the respective application filled out by the client and gives to the client for use together with the personal identification code (pin – code) (pin codes are delivered in the sealed envelope or via SMS).
- 5.1.5. The international payment system regulations and terms stipulated by Georgian legislation and the present agreement are applicable to the card servicing.
- 5.1.6. in the event the card holder does not accept the card during 3 (three) months after the card is produced, such card is subject to abolishment. Commission fee paid for producing or servicing the card (if any) shall not be reimbursed to the card holder.
- 5.1.7. card usage period shall be determined according to the term indicated on the card. Effective term of the card expires after the last day of the relevant month of the year indicated on the card passes.
- 5.1.8. card holder is the person to whom the card is issued (could be the client (account holder) or a person nominated by such client). The card holder is identified by the name, family name, signature sample and personal identification code (pin code) depicted on the surface of the card, in case of internet transactions - by means of CVV2 /CVC2 or 3D Secure or code.
- 5.1.9. under the written consent/application of the client it is possible to produce and issue additional card(s) and respective pin code(s) related to the card account to the client as well as to the other persons nominated by the latter. Unless otherwise determined by the bank, client and the card holder only jointly are authorized to request to produce or withdraw an additional card.
- 5.1.10. client shall introduce to the additional card holder the terms of the present agreement. Furthermore, the client is responsible for the liabilities generated to the bank as a result of use of the additional card.
- 5.1.11. client authorizes the bank, to issue information on its own account(s) to the additional card holder(s), also other information which is required for respective usage of additional card(s).
- 5.1.12. obtaining certain type bank service/information by means of the card may be restricted for the additional card holder. Information on restriction(s) shall be provided to the additional card holder from the bank upon request.
- 5.1.13. client/card holder is authorized to use that amount of money which is deposited/transferred to the account. The annual/monthly service commission fee is deducted from the amount, in case of over-spending the amount – related interest rates and penalty (if any) are deducted respectively;
- 5.1.14. disposal of amounts accrued at the card account is possible within the limits established by the bank.
- 5.1.15. bank may have non-personified (nameless) cards as well.
- 5.1.16. in case of issuing nameless cards to the client the bank instantly gives the card holder preliminarily produced card.

- 5.1.17. in case of issuing the nominal card to the client, during two (in the regions – three) banking days after receiving relevant application, the bank produces and issues the nominal card to the card holder.
- 5.1.18. information on the balance(s) existing on the card account/accounts is indicated in the main system of the bank in each currency linked to the card, also in the consolidated currency commensurate with the rate established by the bank.

## 5.2. **Rights and Obligations of the Parties**

### 5.2.1. client is obliged to:

- 5.2.1.1. check SMS by the moment of issuance of the card by which it is possible to receive a pin code or the integrity of the envelope in which the pin code is placed;
- 5.2.1.2. regularly introduce and abide by card usage and security regulations developed by the bank, also not allow assignment (disclosure) of the card and/or pin-code to the third persons;
- 5.2.1.3. reimburse those bank expenses which are related to additional service cost of VISA and Mastercard (if any);
- 5.2.1.4. for using the card, pay bank any commission fee related to card servicing (producing, renewal, including in the international stop-list etc.) and processing card transactions, consistent with the tariff established by the bank and/or international payment systems.
- 5.2.1.5. perform transactions at the card account only within the limits of the available balance. The bank shall impose penalty on intentionally or erroneously overspent amount in excess of the available balance according to the tariff established by the bank for each day of using surcharge amount.
- 5.2.1.6. promptly fill surcharged amount;
- 5.2.1.7. promptly notify the bank about losing the card;
- 5.2.1.8. make card payment transactions via the internet only through web-pages having secure payment certificates. The bank does not bear responsibility for transactions performed by the client at the web pages which do not have secure payment certificates.

### 5.2.2. the client is authorized to:

- 5.2.2.1. receive information on transactions performed on the card account at any time;
- 5.2.2.2. submit justified claim on transactions performed on the card account consistent with clause 5.4 of the present agreement.

### 5.2.3. the client acknowledges that:

- 5.2.3.1. cards emitted by the bank are equipped with non-contact technology;
- 5.2.3.2. throughout the territory of Georgia, non-contact card transaction without pin code is permitted in the amount of 50 (fifty) GEL. Furthermore, the bank does not bear responsibility and does not accept the claim of the client for non-contact transaction(s) performed with the card account of such client up to 50 GEL amount throughout Georgia (despite the number of such transactions performed with the card).
- 5.2.3.3. the bank shall bear no responsibility for:
  - 5.2.3.3.1. disputable situation arising between the card holder and the service object;
  - 5.2.3.3.2. the unsanctioned use of the card as a result of the facts attributed to the client/card holder. Among them for such transactions which have been performed with the lost/stolen card, provided that the card holder did not block lost/stolen card in a timely manner.

## 5.3. **Debiting and conversion of amounts during card transactions**

- 5.3.1. if the currency of the transaction amount is the same as any of the currency at the client's account (USD, EUR, GEL) the amount shall be debited from the respective currency account.
- 5.3.2. if the transaction is made in GEL and there is no sufficient amount at the GEL account, for the purpose to fill the account, transaction amount shall be converted from USD account, in case there is no sufficient balance



on the USD account – from EURO account, according to the commercial rate established by the bank by the date of processing the financial operation.

- 5.3.3. if the transaction is made in USD and there is no sufficient amount at the USD account, for the purpose to fill the account, transaction amount shall be converted from GEL account, in case there is no sufficient balance at the GEL account - from EURO account, according to the commercial rate established by the bank by the date of processing the financial transaction.
- 5.3.4. if the transaction is made in EURO and there is no sufficient amount at EURO account, for the purpose to fill the account, transaction amount shall be converted from GEL account, in case there is no sufficient balance at the GEL account - from USD account, according to the commercial rate established by the bank by the date of processing the financial transaction.
- 5.3.5. if the transaction currency does not coincide with none of the currencies (USD, EUR, GEL) of the account, the amount shall be deducted from USD account. If there is no sufficient amount at USD account, for the purpose to fill the account, transaction amount shall be converted first from GEL account and then from EURO account, according to the commercial rate established by the bank by the date of processing the financial transaction.
- 5.3.6. the amount from the particular currency account of the multi-currency account shall be utilized also within the limits of approved overdraft (if any) and only after such limit is exhausted, relevant amount shall be searched at the other currency account.

#### 5.4. **Submitting Claims**

- 5.4.1. the client is entitled to appeal the payment transactions from his/her card account and other inaccuracies within 75 (seventy five) or 120 (one hundred and twenty) calendar days after performing payment transaction, consistent with the payment system regulations. After expiry of the indicated term, the transaction shall be deemed as approved by the client and the claims for returning the amount shall not be accepted. Furthermore, claiming of any transaction by the client does not imply unconditional obligation of the bank to reimburse the client the damage incurred as a result of the indicated transactions. Each occasion of appealing transactions by the client shall be reviewed individually taking into consideration regulations established by the respective payment system and the legislation of Georgia.
- 5.4.2. the client is committed, in case of request by the bank, to pay additional cost for investigation of the problem established by the bank in the payment system.
- 5.4.3. in case of positive resolution of the claimed amount, such amount shall be reflected on the card account of the client in no less than 45 days and not exceeding 90 days after submitting a claim.

#### 5.5. **Suspension and Termination of the Card Validity**

- 5.5.1. the bank is entitled to block both main and supplementary card and/or card account and/or suspend payment operations in the event:
  - 5.5.1.1. the client indicated inaccurate information in the application;
  - 5.5.1.2. there is a doubt that by using a card or at the card account non-sanctioned and/or illegitimate transaction is occurring and/or has occurred;
  - 5.5.1.3. it appears that illegitimate transactions have been performed with the card. Also the information evidencing illegitimate use of the card has been received from the international payment system.
  - 5.5.1.4. the scope of transaction exceeds the money withdrawal or settlement limits established for the client's card or the transaction contradicts to the regulations established by the present or international payment system.
  - 5.5.1.5. any of the terms stipulated by the present agreement or card usage regulations have been breached by the card holder;

- 5.5.2. in case of entering PIN code incorrectly in the ATM 3 times the card is automatically blocked due to expiration of daily limit of attempting to enter PIN code;
- 5.5.3. card can be blocked in case the card holder expresses such will, in case the card is lost or stolen. The card holder is obliged in case the card is lost or stolen to promptly notify the bank in writing or by the telephone (at the number +995 322 322 265 000). The bank shall block the card, by entering the card data, using the relevant method determined by the card holder:
- a. in the local stop-list which shall allow blocking of the card in maximum 1 (one) banking day only for the transactions authorized by the bank.
  - b. in the international stop list, which shall allow blocking of the card in the international payment system within maximum 14 (fourteen) banking days.
- 5.5.4. in case of notifying the bank about the card blocking by means of the telephone, the client is obliged, no later than the following banking day, to submit written application to the bank or by means of the internet bank submit an application on losing/staling the card by indicating relevant type of the stop-list (local, international). Otherwise the bank is authorized to remove the card from the international stop-list and consequently the client shall be responsible for any non-sanctioned transaction made on the card account.
- 5.5.5. the bank, at the expense of the client, shall ensure entering the card in the stop-list referred to in the application. The card holder is obliged to pay the commission fee for entering the card in the international stop-list.
- 5.5.6. for any transaction performed prior to exercising action set forth in clause 5.5.3 of the present agreement, the client shall bear responsibility.
- 5.5.7. the bank is entitled to close the card account:
- 5.5.7.1. in case the bank cancels the bank product, about which it shall notify the client.
  - 5.5.7.2. in cases envisaged by clause 5.5.1 of the present agreement and/or other clauses of the agreement.

## **6. Internet Banking/Mobile Banking service**

### **6.1. description of service**

- 6.1.1. Internet Banking service means performing various types of bank transactions and/or action(s) (among them acceptance/approval of various credit/deposit products) by the client remotely, without visiting the bank, using special internet page [www.pashaonline.ge](http://www.pashaonline.ge), consistent with the regulations/terms and requirements established by the bank. List of bank transactions and/or action(s) exercised by means of the Internet Banking and the performance regulations are provided in the guidelines for using internet banking, posted at the official web page of the Internet Banking [www.pashaonline.ge](http://www.pashaonline.ge) and represent inseparable part of the present agreement.
- 6.1.2. for the purpose of using the Internet banking service, the client is committed to submit to the bank the application or relevant consent, along with the application on opening the account, to activate the Internet banking service. Also, the resident client may be registered as the user of the Internet Banking at the special web page indicated in clause 6.1.1. of the agreement, using the single code received by SMS at the telephone number registered at the bank, consistent with the procedures of the bank.
- 6.1.3. the client is aware and confirms that any notification/order (whether payment order or other) sent to the bank by means of the internet banking, any application/request (on opening/closing the account and/or pre-paying the credit, cancelling registered service/products and/or making amendments thereto, receiving (approving) the bank product (among them credit/deposit) offered by the bank, amending the client's data

and any other statements/requests) has the valid legal force equaling to the certificate printed on the paper and endorsed (made in writing and signed) by the person authorized for disposing the account.

## **6.2. client's identification**

- 6.2.1. in case of registering as an internet banking user at the bank, the client shall be assigned the USERNAME for using the internet bank, the PASSWORD (identification data) shall be provided to the client at the mobile telephone number registered at the bank, by means of which the client is identified when accessing the bank's internet page. Client must, after receiving the identification data from the bank, to enter the internet banking web page and change the password provided by the bank.
- 6.2.2. in case of remote registration of the user of the internet bank, the client is identified at the web page of the bank with the personal number and the single code sent via SMS to the mobile phone number registered at the bank subsequent to which the client chooses the identification data (user name and password) and enters in the respective fields.
- 6.2.3. the client acknowledges that for the purpose to secure client's information and transactions, also for receiving/approving the bank product offered by the bank to the client via internet bank (among them, credit/deposit products), the bank is authorized to establish additional mechanisms/requirements for identification of the client. Among them, for providing particular type of services, request use of codes created (generated) by means of devices (Digipass etc.) issued by the bank to the client and/or other kinds of codes, without which the client will not be able to accept/approve offered bank product (among them credit/deposit).
- 6.2.4. the bank and the client are committed to secure the confidentiality of the identification data.

## **6.3. rights and obligations of the parties**

### **6.3.1. the bank is authorized to:**

- 6.3.1.1. by means of the internet banking make information available to the client on its accounts;
- 6.3.1.2. under assignment of the client, perform transactions allowed by the bank in the scope of the internet banking service;
- 6.3.1.3. for the purpose of risk reduction, establish unilaterally restrictions to the active transactions of the client (transfers, conversions) and establish marginally acceptable parameters of such transactions (maximal amount of single transfer, maximal amount of totally transferred amount during particular period, maximal number of transfers, the necessity of approval of transactions of one user by another etc.)

### **6.3.2. the client is committed to:**

- 6.3.2.1. keep secure any information necessary for using internet banking service, document or device, password and the Username, also respective Digipass device (if any);
- 6.3.2.2. not to disclose the password and/or username to the third person, not to store these data on computer or any technical device, by means of which the client accesses the internet page of the bank;
- 6.3.2.3. in case of losing or revealing password, device or any other code (among them in case they are obtained by the third person) the client must notify the bank promptly by means of communication determined by the present agreement on the basis of which the bank shall suspend internet banking service;
- 6.3.2.4. make sure that the address indicated in clause 6.1.1. of this agreement is actually stated in the address field and each time of accessing the internet banking, prior to commencement of work, check the security certificate;
- 6.3.2.5. upon completion of work in the internet banking, exit the program only by clicking the "exit" button;

- 6.3.2.6. not to trust notifications received at email address, authors of which on behalf of the bank request provision/renewal of the personal and/or bank data.
- 6.3.3. the client is aware that in case of disregarding/neglecting the safety measures determined by the bank by the client, the bank waives any responsibility for the inflicted result(s).
- 6.3.4. any kind of claim by the client regarding transactions and services performed via internet banking service shall be accepted according to the regulation stipulated by the legislation.
- 6.4. in case of using Internet banking and presence of the relevant device, the client is entitled to use mobile banking service, taking into account the regulations set forth by the present chapter and the restrictions established by the bank.

## **7. Telephone Service**

- 7.1. telephone service means, without visiting the bank, remotely, commensurate with the procedures and regulations established by the bank, using telephone communication, using various bank services by the client from the telephone number registered at the bank. In particular:
  - 7.1.1. obtaining bank information;
  - 7.1.2. obtaining information on client's account(s) requisites, balances and transactions;
  - 7.1.3. subscribing for various bank services determined by the bank and amending the registered data;
  - 7.1.4. within the limits, making transfers and conversions between the own accounts;
  - 7.1.5. change of the email address and factual/legal address;
  - 7.1.6. opening current and/or deposit account(s);
  - 7.1.7. expressing will to receive, change and/or cancel various bank products (among them credit/deposit) (submission of the application to the bank);
  - 7.1.8. adding amounts to the deposits, consistent with the terms provided in the respective agreement;
  - 7.1.9. submission of the application (expression of request) to produce a new card/renew, block/unblock the card;
  - 7.1.10. renewing, blocking internet bank password;
  - 7.1.11. transferring money on credit/installment card of the client and/or depending on the credit limit established for the card payment of the due amount, among them prepayment;
  - 7.1.12. submission of the application to receive back the amount charged by ATM;
- 7.2. telephone service is activated to the client upon opening the account. The telephone service is applicable to all bank accounts of the client. If the client does not wish to receive a telephone service with regard to any of its accounts, such client must notify the bank in writing or in other forms envisaged by this agreement (among them by notifying via contact center (telephone service center of the bank), by means of the Internet Banking).
- 7.3. the client is entitled to make a call from any telephone number for the purpose to block the bank card and/or for obtain any general bank information. Blocking the bank card shall be effected only after the client is identified.
- 7.4. by this agreement the client expresses consent that any telephone conversation with him/her (also any request/application on obtaining bank information, registration for using service center, amending registered data, receiving bank (among them credit/deposit) products and/or exercising the transaction) shall be recorded at the electronic data base of the bank and in case of dispute such record shall be used as a proof.
- 7.5. the bank, for the purpose of identification of the client, shall use telephone numbers of the client registered at the bank and the questions pre-determined by the bank. The client is identified before providing telephone

service, also any other bank service/upon registering for various bank products (electronic services). Without passing the process of identification, the client shall not receive the telephone service described in clause 7.1 of this agreement, other than the bank information of general nature. Upon each telephone communication with the bank (each time of receiving the telephone service) the client should undergo the identification procedure (give correct answers to the questions (pre-determined by the bank) raised by the contact center operator).

- 7.6. the bank is authorized to refuse to provide telephone service to the person who fails pass the identification procedure.
- 7.7. in the event the bank representative suspects that the third person other than the client is making attempt to obtain information or enforce the transaction, the bank is authorized to refuse to perform the telephone order(s).
- 7.8. for the purpose to identify the client, the bank is entitled, at own discretion to establish additional mechanisms (requirements) in case of disregard of which the client will not be able to receive the service described in clause 7.1 of the present agreement, other than the bank information of general nature.
- 7.9. the client orders the bank and gives the right, while establishing telephone communication with the bank and after passing relevant identification/verification procedures to:
  - 7.9.1. provide to him/her information on his/her accounts;
  - 7.9.2. under the assignment of the client, to perform transactions allowed by the bank within the limits of telephone service;
- 7.10. the client is authorized, at any time, to request from the bank to stop telephone calls for the purpose of providing service and/or offering product(s)and registering. For registering such request, the client should perform one of the below listed actions:
  - 7.10.1. visit bank branch/service center;
  - 7.10.2. register request at the contact center;
  - 7.10.3. send notification to the bank via internet bank.
- 7.11. the bank is obliged, no later than in 10 (ten) working days after receiving the request from the client indicated in clause 7.10 of the agreement, stop making telephone calls to the client for the purpose to offer services and/or products and registration.

## **8. SMS Service (Short Message Service)**

- 8.1. SMS service is the remote bank service by means of which the client receives information, advertisement and/or notifications determined by the legislation sent by the bank.
- 8.2. SMS is activated upon opening an account to the client. The client receives SMS at the mobile telephone number registered in Georgia which is registered at the bank program and by means of which the present service is provided.
- 8.3. after activation of SMS service, it applies to all accounts which the client shall open in future. In such case, SMS service shall be provided consistent with the terms of the present agreement;
- 8.4. the client agrees to receive any information, among them advertisements, via SMS service.
- 8.5. the client is committed to:
  - 8.5.1. promptly notify the bank on change of the mobile telephone number registered at the bank, also on loss of the mobile telephone device;

- 8.5.2. not allow assignment of his/her own mobile telephone device, SIM card or such other devices to the third persons, at which the client receives SMS service. The bank is not responsible for disclosing the information to the third persons which is provided to the client via SMS.
- 8.6. the client is authorized to request from the bank to stop sending SMS containing advertisements:
  - 8.6.1. by visiting the bank branch/service center;
  - 8.6.2. calling the contact center;
  - 8.6.3. sending notification via internet bank;
  - 8.6.4. by activating the function of deactivating the notifications consistent with the terms of SMS.
- 8.7. the client is aware that there will be some kind of information still delivered, notwithstanding that such client has requested registration for SMS service and/or cancellation of SMS services consistent with clause 8.6, taking into account that this may be requested according to effective regulations and/or such information is related to various bank products and transactions.
- 8.8. the bank is authorized to:
  - 8.8.1. send to the client advertising, informative SMS and those determined by the legislation;
  - 8.8.2. send to the client SMS on various bank products and transactions (among them the amount of debt, payment date, overdue amounts and/or performed direct debit / standing order services. Furthermore, the bank is not obliged to send such notification to the client and in any circumstance, whether the bank receives the notification or not, the client is obliged to cover credit (loan, overdraft, credit limit and/or other credit product) on time and make other payments (interest payment, penalty, commission fee etc.).
- 8.9. the bank is obliged to:
  - 8.9.1. no later than in 10 (ten) working days after receiving the notification set forth in clause 8.6 of the present agreement, stop sending advertisement SMS to the client.
  - 8.9.2. on the basis of the notice submitted by the client regarding change of telephone number, loss of mobile phone device and/or SIM card to suspend SMS service to the client until the application on restoration of the service is submitted by the client.

## **9. Direct Debit / Standing Order**

- 9.1. when requesting the direct debit /standing order services, the client gives the bank order (material or electronic) to write-off amount from the account(s) of the client and transfer to relevant account(s) for the purpose to pay for utility services or for other purposes from one or several bank accounts of the client, at the date(s) determined by the client, without subsequent consent of the client.
- 9.2. the client is entitled to choose particular or variable date of performing the order, the amount of order can be both fixed or variable.
- 9.3. the parties agree that for performing direct debit /standing order, the electronic payment certificate(s) created by the bank shall have the legal force equaling to those printed on paper and signed by the person authorized to dispose the account.
- 9.4. Direct debit / Standing order by the bank shall be effected only in case there is sufficient amount available at the account. The partial transfer shall not be effected by the bank.
- 9.5. priority of direct debit /standing order is determined according to the initial registration date/time of the order.
- 9.6. the client is committed to indicate the particular account while using direct debit /standing order services from where the transfer shall be made and shall always keep balance at the indicated account sufficient for

direct debit / standing order services, taking into account commission fee, in respective currency. Furthermore, the client agrees to allow bank use the available balance of the overdraft from the respective account in case of absence of sufficient amounts. In such case, the interest rate shall be accrued to the used overdraft amount determined by relevant agreement.

- 9.7. the client acknowledges that for the purpose to make changes to the existing order, it is necessary to cancel registered order and register the new order.
- 9.8. the client is authorized to cancel the order issued to the bank no later than the previous banking day of enforcing the order.
- 9.9. the client is entitled to receive information about direct debit /standing order services made from his/her account by means of communications determined by the present agreement.
- 9.10. the bank is entitled not to make direct debit /standing order (settlement) in cases envisaged by effective legislation of Georgia or in case of indebtedness to the bank.
- 9.11. the bank sends information on status of the order of direct debit /standing order (completed, impossible to complete etc.) to the client at the telephone number registered at the bank. The bank is not responsible for not receiving such notification by the client or for any detriment incurred consequently.
- 9.12. the bank is not responsible for any detriment incurred as a result of performed and/or mistakenly performed direct debit /standing order, provided that the above indicated is caused by the lack of sufficient amounts at the account of the client and/or the client has submitted inaccurate information to the bank and/or the damage was incurred due to any reason of the service provider company.

## **10. Deposit**

### **10.1. Service Description**

- 10.1.1. deposit service means opening the deposit account by the bank to the client (hereafter – “depositor”) on the basis of the application of the depositor and under the respective deposit agreement, commensurate with the procedures and regulations established by Georgian legislation and the bank and accrual of the interest rate to the amounts deposited at the account.
- 10.1.2. for the purpose to use the deposit, it is mandatory to open a current account to the depositor. The latter is committed not to close the current account at the bank during the effective term of the deposit. If the current account of the depositor is closed prior to expiration of the effective term of the deposit for any reason, the bank is authorized to terminate the deposit under regulations determined by the present agreement.
- 10.1.3. by placing deposit at the deposit account the bank assumes the ownership right thereto and undertakes the responsibility to accrue interest and return in the same currency, according to the regulations and terms established by the agreement. The interest rate is accrued to the deposit is accounted for 365 days in a year (in the leap year for 366 days) consistent with the deposit agreement processed between the parties for each particular deposit.
- 10.1.4. Calculation of the interest to be accrued to the deposit commences from the day following the date of depositing or transferring the amount at the account, under the regulations determined by relevant agreement.
- 10.1.5. after expiration of the effective term of the deposit agreement, the bank shall transfer the deposit amount and the accrued interest to the depositor in the same currency, unless otherwise envisaged by the legislation and the present agreement. If the depositor terminates the deposit prior to due date, the bank shall transfer to the latter the amount no later than in 5 (five) banking days after receiving the request.

- 10.1.6. prior to expiration of the effective term of the deposit, the depositor is entitled to mortgage the monetary resources of the deposit account in favor of the bank to secure those liabilities which have arisen or may arise between the depositor/third person and the bank.
- 10.1.7. the depositor is obliged, to notify the bank on full or partial withdrawal of the deposit (among them by means of telephone, email or internet bank) no later than 5 (five) banking days earlier.
- 10.1.8. the bank is authorized to:
  - 10.1.8.1. dispose the amount accrued at the deposit account on own behalf and at own discretion;
  - 10.1.8.2. according to the regulations, amount and periodicity established by the legislation, in favor of the budget, transfer the income tax for the interest rate accrued at the deposit (if such exists);
  - 10.1.8.3. for the purpose to perform obligation(s) deriving from any agreement executed with the bank or from the legislation, without further consent or permit of the depositor, after such obligation is generated, at any time to exercise non-accepted write-off amounts from the call deposit of the depositor.
  - 10.1.8.4. in the event the term deposit is used by the depositor or other third person to secure liabilities owed to the bank, prior to expiry of the effective term of the deposit agreement, shall cover the liabilities owed to the bank directly from the deposit account, without transferring the amount to the current account of the depositor.
- 10.1.9. if the depositor is represented by the representative in relation with the Bank, the bank shall not be responsible for the actions (among them withdrawal of the deposit or/and interest) of the representative unless the bank was aware of the cancellation of the representation.
- 10.2. **Term Deposit**
  - 10.2.1. term deposit, limits the access of the depositor to the amount placed at the deposit account for the period determined by the agreement. The depositor cannot withdraw amount or add amount to the initial balance.
  - 10.2.2. the interest rate is accrued to the balance existing at the deposit account.
  - 10.2.3. interest rate accrued to the term deposit is transferred to the respective account at the beginning of term, monthly or at the end of term, commensurate with the deposit agreement executed between the depositor and the bank.
  - 10.2.4. the bank is authorized not to allow withdrawal of the deposit amount or its part by the client prior to expiry of the effective term of the deposit, unless otherwise established by the relevant agreement.
  - 10.2.5. in the event the depositor requests return of the deposit prior to expiry of the effective term of the deposit and the bank does not exercise the authority determined in clause 10.2.4. the interest rate shall be accrued to the deposit according to different (reduced) interest rate determined by the respective agreement. Furthermore, if the depositor has already withdrawn the interest amount, the portion of the interest amount pre-paid from the deposit (the difference between already received and to be received interest) shall be deducted.
  - 10.2.6. if the agreement is terminated prior to date under the initiative of the bank, the interest rate shall be accrued to the term deposit commensurate with the actual number of days of using the term deposit, according to the interest rate established by the bank for the respective period.
  - 10.2.7. the bank is entitled to notify the depositor on expiry of the effective term of the deposit via SMS or in other form envisaged by this agreement. The notification shall be sent to the depositor at the mobile telephone number recorded in the application submitted to the bank by the moment of opening the deposit by the depositor. The client is committed to notify the bank on change of such number, otherwise the bank shall bear no responsibility for the consequences.
- 10.3. **Accumulative deposit**



10.3.1. accumulative deposit is the term deposit type and the term deposit conditions established by the present agreement apply thereto, with the difference that for the accumulative deposit it is possible to add amount, however the amount can not be withdrawn prior to expiration of the term/termination of the agreement. Accumulative deposit interest rate is transferred to the relevant account after the effective term of the deposit expires.

**10.4. Demand deposit (savings deposit)**

10.4.1. in case of demand deposit, the depositor may as necessary dispose the amount existing on the deposit. The depositor is authorized to withdraw or add amounts to the deposit, under terms envisaged by respective agreement.

10.4.2. the interest rate shall be accrued to the balance existing at the deposit account by the end of each transaction day.

10.4.3. it is possible to place/withdraw amounts from the demand deposit directly from the deposit account. The amount can be transferred from the demand deposit account only to the own account(s) of the client.

10.4.4. interest rate accrued to the demand deposit shall be transferred to the account indicated by the depositor once a month, on the last day of each calendar month. Interest rate can be deposited at the deposit account, as established by respective agreement.

**11. General terms of the credit products**

11.1. on the basis of this agreement, the client may use credit products/credit determined by the bank.

11.2. general terms of the credit relations are outlined in this agreement, the particular terms are determined and regulated under the respective credit product agreement executed between the parties.

11.3. in case of using revolving credit product (overdraft, installment card, line of credit) the client shall be authorized to cover and utilize again pre-approved amount, under the regulations and terms established by respective agreement.

11.4. for receiving the credit product, the client should address the bank with an application. Consistent with the regulations of the bank, acceptance of application for certain products and consequently of the product is allowed using electronic means of communication (telephone, internet banking, email etc.). Bank shall review client's application and shall make a decision to issue or refuse to issue a credit product (the bank is not obliged to explain the grounds of refusal).

11.5. the client is authorized to:

11.5.1. fully cover the base amount of the credit determined by the credit product and the accrued interest rate until the date established by respective agreement, according to the regulation envisaged by the present agreement;

11.5.2. request and in reasonable period receive exhaustive and complete information on credit product. Namely, credit type, effective interest rate, charges related to taking a credit, penalty etc.

11.6. the client authorizes the bank, without additional consent of the client, to provide information on client's liabilities towards the bank to the client guarantor and/or to any person whose property is used as collateral for client's liability/liabilities, and/or to give to such persons upon request, copies of respective agreement(s) executed between the bank and the client.

11.7. after receiving the credit product, the client (borrower) shall be liable to return respective amount and pay interest rate according to the terms agreed with the bank.

11.8. Credit amount, interest rate, commission and/or penalty is calculated and paid according to the regulation established by respective agreement. The bank may give a schedule to the client, which is the document of informative nature, according to which the client shall pay the base amount of the credit and the interest rate.

- 11.9. for covering the credit product by the client, the amount allocated to the bank or available at the account of the client shall be prior used to cover the commission fee (if any), penalty (if any), then the accrued interest rate, base credit amount and finally other expenses (among them insurance, if any). The client authorizes the bank to change the above indicated sequence unilaterally, at the discretion of the bank.
- 11.10. the interest rate is accrued to the actual debt of the client owed to the bank and is calculated according to the actual number of days of using the product for 365 days (in leap year 366 days). Under the particular agreement/covenant terms processed on the basis of this agreement, fixed as well as variable interest rate can be established.
- 11.11. monetary liabilities of the client, as a rule, are met with the amounts accumulated on his/her account(s).
- 11.12. if the due amount is not paid on time, the client shall be liable to pay the bank penalty for delay which may include both fixed and daily penalty, the amount of which shall be determined under the respective credit product agreement.
- 11.13. penalty is not imposed on the credit product if the payment date coincides with the non banking day. In such case, the client shall be responsible to deposit due amount at the relevant account (pay) on the following banking day.
- 11.14. the client acknowledges that in the event any kind of public law restriction applies to the amount existing/deposited (paid) to cover credit liabilities, the credit liabilities of the client shall not be deemed as performed to the bank and the client shall be committed to cover respective account under the terms envisaged by the agreement, otherwise the penalty envisaged in clause 11.13 shall be applied to the client for overdue payments.
- 11.15. unless otherwise determined by the bank, accrual of the interest rate and the penalty shall continue and shall be subject to payment in case of delaying the credit repayment, notwithstanding the validity or termination of the agreement, until the moment the debt envisaged by the agreement is covered by the client forcedly or voluntarily.
- 11.16. if by the moment of accrual (payment) of the commission and/or penalty as envisaged by the respective agreement/covenant of the credit product, the legislation establishes lower rate of commission fee and/or penalty than those determined by the agreement/covenant, the maximal interest rate of the commission fee and/or penalty established by the legislation shall apply (if any).
- 11.17. the client is committed, before making pre-payment for the base amount of the credit product, accrued interest rate thereto, commission and penalty (if any), also before pre-payment of any other kind of arrears (among them, full or partial return of the credit and/or before refinancing from other finance organizations), and in case of credit line and overdraft, only before refinancing from the other financial organizations, inform the bank on above indicated in writing (material or electronic means). Furthermore, if the amount of credit product and/or overdraft envisaged by the credit agreement, credit line agreement and/or overdraft agreement does not exceed 2,000,000 (two million) GEL or its equivalent in other currency (at the exchange rate of the National Bank of Georgia established by the date of submission of the written application to the bank), the bank shall ensure covering of the above indicated liabilities on the date of submission of the written application or if the written application was submitted on non-working day, no later than the following banking day. In any other cases, the bank is authorized, to ensure covering of the above indicated liabilities in no later than 14 (fourteen) calendar days after submission of the written application.
- 11.18. unless otherwise established by the legislation, the bank is authorized, in case of re-financing or pre-payment with own resources by the client of the bank product issued by the bank, to charge and request payment of

the commission and/or penalty from the client, in addition to covering the base amount, in the following amount, taking into consideration the remaining term of the agreement by the moment of pre-payment of the amount:

- a. if 6 to 12 months are left before the end of the agreement, not more than 0.5% of the amount issued to the remaining base amount of the credit at the moment of payment;
- b. if 12 to 24 months are left before the end of the agreement, not more than 1% of the amount issued to the remaining base amount of the credit at the moment of payment;
- c. if more than 24 months are left before the end of the agreement, not more than 2% of the amount issued to the remaining base amount of the credit at the moment of payment;

11.19. the bank shall not charge the commission fee envisaged in the clause above, provided that:

- a. up to 6 months are left before the end of the agreement;
- b. the bank product is re-financed fully or partially with the new credit product issued by JSC PASHA Bank Georgia;
- c. the credit product pre-payment is requested by the bank;
- d. the credit product pre-payment or re-financing is caused due to disagreement of the client to the changes to be made to the bank product agreement by the bank.

11.20. in case of submitting the application on pre-payment of the credit to the bank, the client/borrower shall be obliged to submit to the bank any information/document, which will directly or indirectly provides the opportunity to prove the fact of credit refinancing or disproves the fact of credit refinancing.

11.21. in the event the relevant credit terms envisage refinancing commission fee and the bank suspects that the re-financing is taking place, the bank shall be entitled to request from the client/borrower additionally at any time after receiving the application of the client/borrower on pre-payment of the credit, submission of any information/document related to refinancing of the credit, no later than in 2 (two) banking days after the request was made.

11.22. direct and/or indirect pre-payment (earlier than the agreed date) of the credit received from JSC PASHA Bank Georgia personally and/or by means of the other person(s) using the amount issued by any financial institutes (commercial bank, micro finance organization, credit union and/or other person) directly and/or indirectly, and/or by means of other person(s) shall be deemed as credit refinancing.

11.23. the parties agree that:

11.23.1. the bank is not obliged to prove the fact of re-financing and its preserves the right, in case of receiving credit refinancing information from any sources, to make a decision to impose relevant commission fee and/or penalty to the client/borrower, meaning that the responsibility of proving the fact of absence of refinancing is borne by the client/borrower;

11.23.2. the amount of commission fee and/or penalty for pre-payment and refinancing is determined by the agreement executed with the client/borrower, although it should not exceed the limits established by the legislation;

11.23.3. in the event the client/borrower proves the fact of absence of refinancing by means of addressing the court, the bank shall be obliged to return only the commission fee and/or penalty debited by means of non-accepted method and the client/borrower cancels the request to compensate the damage incurred as a result of bank actions (by breaching the present contractual obligations by the bank).

11.24. the bank is entitled to:

- 11.24.1. for the purpose to make a decision on credit issuance and/or for performance of the obligations assumed by the client towards the bank (among them to return the credit) request and receive any kind of personal information stored with the third person(s) or at administrative bodies about the client;
- 11.24.2. for the purpose to perform any assumed obligation, at any time after such obligation is originated, without further approval of the client, to write-off the amount (non-accepted method) from any account of the client, among them from the available balance of the overdraft and/or credit line. In the event the overdue payment is registered in the currency different from the currency existing on the account, the equivalent shall be determined by the commercial exchange rate established by the bank by the moment of writing-off the amount by the bank.
- 11.24.3. payable service fee owed by the client to the National Agency of the Public Registry, Service Agency of the Ministry of Internal Affairs, Insurance organization and/or other administrative bodies and/or other kinds of payables related to credit issuance, without further consent of the client shall be transferred (non-accepted method) to the account of the respective person from any account of the client;
- 11.24.4. for the purpose to pay the amount to the person from whom the client purchases the item with the credit issued by the bank or receives the service, to deduct relevant amount from any account of the client without further consent of the client (non-accepted method), if necessary make a conversion, transfer the amount to the GEL account of the client and transfer to the account of the respective person;
- 11.24.5. not to issue and/or temporarily restrict issuance of credit, if the client and/or the owner of the collateral have legal restrictions, among them tax foreclosure/hypothecation and/or there is any kind of restriction registered to the property of the client and/or collateral (among them intangible assets, account(s));
- 11.24.6. in the event client fails to repay the credit received from the bank in the agreed term, accrued interest rate, penalty (if any) and/or any type of commission fee established by the bank:
  - 11.24.6.1. request to direct enforcement to any property of the client (any item owned by the client and intangible assets, among them accounts) disregarding whether the client's liability (bank request) is secured or not with the property right (hypothecation/mortgage). Furthermore, the bank is authorized, at its own discretion, to direct enforcement/payment firstly to that item or intangible asset of the client, which does not represent the object of collateral for the client's liabilities;
  - 11.24.6.2. request takeover of the mortgage and/or hypothecation object and after assigning the item directly accept the hypothecation and/or mortgage object into ownership or use other enforcement regulation envisaged by the Civil Code. If by the moment when the bank (as a mortgagor) receives the hypothecation and/or mortgage object into ownership or sells it, the value of hypothecation and/or mortgage property is less than the amount of secured request or if the amount received as a result of selling the hypothecation and/or mortgage object is not sufficient to fully cover secured request, the secured request shall be deemed as met only with the amount equaling to the hypothecation and/or mortgage item value or the amount received from the sale of hypothecation and/or mortgage object.
- 11.24.7. terminate credit relation with the client and/or any, several or all additional agreements/covenants and/or request client to return the base amount of the credit along with the accrued interest rate and penalty (if any) in the event any of the below listed circumstances are present:
  - 11.24.7.1. client breaches any liability assumed under the present agreement, any agreement/covenant executed on the basis/under this agreement or under any document processed with the bank. Among them, any condition precedent, supplementary term and/or request of the bank to the client is not met (breached).
  - 11.24.7.2. the client breaches the obligation to pay the amount according to the schedule enclosed with any additional agreement processed on the basis of/under this agreement;

- 11.24.7.3. the client undertakes the obligations without prior written approval of the bank, by which he/she creates hazard to performance of obligations assumed under the present agreement and/or agreement/covenant processed on its basis;
- 11.24.7.4. the client improperly uses credit product/received credit (if any);
- 11.24.7.5. the capital, assets of the client is significantly reduced or significant changes are made to the ownership of the client without prior written approval of the bank;
- 11.24.7.6. property and/or financial conditions of the client, its guarantor, any party to the agreement executed for securing any agreement/covenant on the basis of the present agreement and/or those of the guarantor significantly worsens or the threat of occurrence of such circumstance is present;
- 11.24.7.7. for securing the present agreement and/or any party to the agreement processed under the present agreement or its legal successor breaches any of the agreement terms;
- 11.24.7.8. object(s) of collateral to the any agreement/covenant processed under the present agreement and/or on its basis is devastated, damaged and/or its value is diminished;
- 11.24.7.9. enforcement proceedings start against the client;
- 11.24.7.10.any of the bank account of the client or client's own property (any item or intangible assets) are seized or any measures for securing claim, decision enforcement and/or tax liability enforcement are applied to the client or its property.
- 11.24.7.11.any object mortgaged to secure the agreement/covenant processed under the present agreement and/or owned by the client and/or intangible assets are encumbered by any right, liability and/or restriction (among them tax foreclosure/hypothecation right, seizure etc.);
- 11.24.7.12. there is a threat of liquidation or declaring insolvent the client, its guarantor, any party and/or guarantor to any agreement executed for securing the agreement/covenant on the basis of the present agreement or any of the indicated persons make decision on liquidation;
- 11.24.7.13.any authorized body withdraws the assets or its significant part from the client, or makes nationalization of such assets or otherwise expropriates;
- 11.24.7.14.any statement made by the client and/or any information provided to the bank appears to be significantly inaccurate or misleading (incompatible with the reality);
- 11.24.7.15.any of such circumstance occurs, which may jeopardize performance of the obligation(s) assumed by the client, its guarantor and/or party to the agreement processed for securing agreement/covenant executed on the basis of the present agreement or timely payment of the amount by the client;
- 11.25. the client is requested to promptly notify the bank on any circumstances referred to in clause 11.24.7 of the present agreement, also on such conditions which may influence the continuation of the credit relations.
- 11.26. the bank is obliged to:
  - 11.26.1.under the regulation established by the legislation, notify the client on termination of the credit product agreement and anticipated legal consequences, give the reasonable term to perform breached obligations;
  - 11.26.2.in case of request of the client, without any additional charge, provide the client information on used limit, interest rate, payable amount etc.

## **12. Rights and Obligations of the Parties**

### **12.1. The client is obliged to:**

- 12.1.1. for any kind of bank service/for use of bank product to pay the bank the commission fee and/or any other fee, necessary for receiving the bank service;

- 12.1.2. promptly notify the bank on changes and additions made to the documents and information submitted to the bank, among them on change of the contact data (legal/actual address, telephone number, email etc.). Also, keep the devices necessary for communication and the network (among them mobile phone, computer, internet) in operable/active regime. Otherwise, the bank shall bear no responsibility for the consequences/damages caused for this reason;
- 12.1.3. promptly notify the bank in writing regarding disposal of the account, performing transactions on the account, on change of the persons authorized to receive information about the account and/or change of their authorization and submit respective written documents to the bank. The obligation to notify outlined in the indicated clause applies to all those documents submitted to the bank and under which the client is authorized to act on his/her own behalf. Prior to submission of these documents to the bank, the bank performs transaction to the accounts on the basis of the previously submitted documents and the signature sample.
- 12.1.4. when opening each account, to submit the bank requested documents regarding client's tax/entrepreneurial status. Also, promptly notify on change of the above indicated status.
- 12.1.5. use the accounts opened by the bank for him/her for the entrepreneurial purposes only in the event he/she has a relevant tax/entrepreneurial status and the bank is preliminarily informed on this. Otherwise, the client is requested not to use his/her accounts for entrepreneurial activities;
- 12.1.6. when performing transactions to the account(s), to submit full, exhaustive and accurate information to the bank on the purpose of the transaction/payment and submit to the bank any requested document (copies of documents proving grounds for transfer).
- 12.1.7. submit to the bank any requested document for performance of the transaction, which is needed by the bank for thorough identification of the client, for establishment of the nature of the transaction, purpose, type of transfer and compatibility of the subject transaction with the legislation.
- 12.1.8. notify the bank about accidentally transferred money to his account within 1 (one) banking day after receiving information on transfer of money accidentally to his/her account and return back such amount;
- 12.1.9. in advance and promptly inform the bank on change of citizenship/residence, moving registration to the other country, exiting tax regulations of Georgia, registering at the other country or at the offshore zone, or any such circumstance which substantially changes its legal/tax payers status throughout the territory of Georgia. In case any of the indicated circumstances occur, the bank shall be authorized to terminate the present agreement prior to the due date and/or any other agreement/covenant processed on its basis, with associated legal consequences;
- 12.1.10. fully abide by the terms and conditions set forth herein and the regulations/procedures for use of bank products established by the bank;
- 12.1.11. provide to the bank information deriving from the requirements established by the agreement "between the Government of Georgia and US Government to improve the international payment obligations and enforce foreign account tax consistency act (FACTA)";
- 12.1.12. compensate the bank any kind of damage incurred to the bank as a result of breach of terms of the present agreement and/or any other agreement/covenant processed under such agreement and/or requirements of the legislation;
- 12.1.13. use the payment instrument consistent with the terms established for such payment instrument;
- 12.1.14. follow the payment instrument security measures assigned to him, ensure protection of personified means of such instrument;
- 12.1.15. in the event of losing, stealing, illegitimate appropriation or revealing the fact of the illegitimate use of the payment instrument, within the shortest period after disclosure, notify the bank or the person determined by the bank on such fact.
- 12.1.16. periodically become familiar with the information posted at the web page of the bank, among them, statements, changes and additions.

12.2. **client is authorized to:**

- 12.2.1. receive an abstract on the balance of the account and the performed transactions;
- 12.2.2. issue orders to the banks to carry out transactions at the accounts, which are not prohibited by the legislation;
- 12.2.3. use services/products offered by the bank;
- 12.2.4. terminate the present agreement under the rule established by the present agreement, by means of sending preliminary written notice to the bank;
- 12.2.5. at any time, with respective application request bank to terminate the service of particular bank product/service, among them, closing the account, only in case the client does not have any overdue liability owed to the bank (financial or other) deriving from particular bank product/service.
- 12.2.6. by using any remote channel/electronic means of communication of the bank, submit the request to receive the copy of the credit/deposit product agreement processed between the client and the bank (among them credit/deposit product agreement received by means of remote channels) and receive the copy of the respective agreement remotely and/or at the relevant branch/service center of the bank.

12.3. **the bank is authorized to:**

- 12.3.1. request any information and document from the client regarding opening the account, for the purpose of full identification of the client and establishing conformity of the transaction(s) exercised on the account(s) of the client/to be performed with the legislation.
- 12.3.2. perform transactions to the client's account(s) under the regulations established by the legislation;
- 12.3.3. under the order of the client and/or without, under the regulations of the present agreement and those envisaged by the legislation, write-off amounts from the client's account(s);
- 12.3.4. at own discretion and/or in cases envisaged by the legislation, refuse the client to provide account service;
- 12.3.5. not perform the order of the client, in the event the client fails to produce the information requested by the bank and/or the bank suspects the inconformity of the transaction with the legislation;
- 12.3.6. offset liabilities of the client to the bank through any liabilities owed by the client to the bank;
- 12.3.7. offer the client, using remote channels (among them, internet bank, ATM, telecommunication means etc.) and offer and activate various bank products and services;
- 12.3.8. store the communication of the client with the bank (both material and electronic) and telephone records. Furthermore the client confirms that the data (information) outlined in the present clause may be used by the bank as a proof, it represents the ownership of the bank and has a legal force;
- 12.3.9. terminate the present agreement and/or any agreement processed on its banks and/or close any account of the client opened at the bank in the event:
  - 12.3.9.1. the (documented and/or electronic) information about the client existing at the bank and/or submitted by the client turns out to be inaccurate;
  - 12.3.9.2. any of the conditions precedent, additional conditions and/or any request of the bank to the client are breached.
  - 12.3.9.3. there is no amount of commission fee on the account determined by the bank and necessary for account servicing and/or closing and there will be no transaction performed on the account for at least one year;
  - 12.3.9.4. closing the account is determined by the court decision;
  - 12.3.9.5. the successor of the client presents the inheritance certificate;
  - 12.3.9.6. the client breaches terms and obligations envisaged by the present agreement and/or other agreement/covenant processed on its basis;
  - 12.3.9.7. the client refuses to submit/does not submit in the period determined by the bank and/or provides inaccurate/incomplete information deriving from the requirements of the "agreement between the Government of Georgia and US Government to improve the international payment obligations and enforce

foreign account tax consistency act (FACTA)” and/or otherwise violates the requirements deriving from the indicated act;

12.3.9.8. the indicated is envisaged by the present agreement and Georgian legislation;

12.3.10. unless otherwise established by clause 12.3.9 of the present agreement, at own discretion and unilaterally, without additional consent from the client, fully or partially revoke and/or temporarily suspend bank product(s) service at any time, on which it shall notify the client, consistent with the terms envisaged by the agreement.

12.4. **the bank is obliged to:**

12.4.1. timely and by accurately observing the information presented by the client, perform bank transactions and during such transactions follow the requirements of the effective legislation;

12.4.2. upon request of the client, submit abstract from the bank account and/or any other information on its account and transactions made to the account;

12.4.3. upon request, provide information to the client about the tariffs established for the bank service and the service commission fee;

12.4.4. fully abide by the terms of the present agreement;

12.4.5. undertake all possible measures to ensure security of the payment instrument and prevent its illegitimate use;

12.4.6. not make the personified security specifications of the payment instrument and the means available to the other persons, other than the owner of this instrument;

12.4.7. clearly inform the client requirements of the payment instrument security;

12.4.8. at any time ensure receipt of the notification determined by clause 12.1.5;

12.4.9. upon the receipt of the notifications determined in clause 12.1.5 by the client, promptly prevent further utilization of the payment instrument.

### **13. Responsibilities of the Parties**

13.1. For failure or undue performance of the liabilities assumed under the present agreement, the parties shall bear responsibility under the present agreement and the regulations established by the effective Georgian legislation.

13.2. the client is prohibited to use services envisaged by the present agreement in a way incompatible with the law;

13.3. the bank is accountable to the client for accurate and timely performance of the bank transactions. In the event the payment transaction is performed incorrectly intentionally or by the act of guilty on behalf of the bank, the latter shall pay penalty in the amount of 0.1% of the respective amount for each overdue day, or at the amount determined by the legislation.

13.4. the bank is responsible for all risks associated with sending payment instrument and/or its personified security specifications and means;

13.5. the bank shall bear no responsibility for:

13.5.1. any damage, among them to the third persons, incurred as a result of breach of any term of the present agreement and/or agreement/covenant processed on its basis by the client;

13.5.2. outcomes (among them, those incurred as a result of failure of the client to perform its obligations towards any person), provided that they are caused by:

13.5.2.1. performing transaction with client's order;

13.5.2.2. inaccuracy of the information provided by the client to the bank (among them, information provided in the payment order or any document submitted to the bank), wrong and/or incomplete filling of the application and/or statement;



- 13.5.2.3. not exercising the rights granted to the client under the agreement;
- 13.5.2.4. malfunctioning of the computer, telephone device and/or other devices (their parts and accessories) owned by the client or any other person, program application, for the reason of the internet provider, telecommunications operator and/or any other person;
- 13.5.2.5. any action of the recipient bank and/or intermediary bank recorded in the data provided by the client to the bank and/or due to any other reason not attributed to the bank;
- 13.5.2.6. any restriction, which is established at the territory of the state where the addressee serving bank and/or intermediary bank is located, which restricts and/or fully blocks receipt of the money;
- 13.5.2.7. deriving from the requirements established for the transfer transaction and/or transferrable money and/or its portion, prevention of facilitation of illegitimate revenues legalization, financing of terrorism, agreement between the Government of Georgia and US Government to improve the international payment obligations and enforce foreign account tax consistency act (FACTA)” and/or blocking, debiting or by other reasons;
- 13.5.2.8. for refusal of the correspondent bank (by means of which the transfer is done) to perform transaction and/or for delay of transaction performance/completion;
- 13.5.2.9. for failure to perform or incorrectly perform payment order, caused by provision of inaccurate data by the client in the payment order;
- 13.5.2.10. for the result caused for the reason of rejection of the security measures offered by the bank by the client. In such circumstance the client shall be fully responsible.
- 13.6. the bank is responsible towards the client for correct performance of the payment order initiated by the client, unless the circumstances envisaged in clause 13.5.2.9 are present, or the bank has correctly indicated the requisites of the recipient and the recipient provider has received the payment transaction amount (the bank has deposited the amount indicated in the payment order at the recipient provider account).
- 13.7. if the bank has correctly performed the payment order of the client, in such case the recipient’s provider is responsible for the accuracy of the payment transaction towards the client and/or recipient.
- 13.8. if the bank, against the requirements of clause 13.6 has inaccurately performed the payment order, it is obliged to refund the client incorrectly transferred amount and the commission fee related to this transaction;
- 13.9. if the client is the recipient and the bank is responsible for incorrect performance of the payment transaction commensurate with clauses 13.6-13.8 of this agreement, the bank shall transfer the amount at the account of the client.
- 13.10. the client is entitled to request from the bank to reimburse the relevant amount of unauthorized or incorrectly performed transaction consistent with the provisions of the present clause, provided that more than 40 days have not passed since the date of unauthorized transaction or more than 180 days have not passed since the date of incorrectly performed transaction and the client has notified the bank about unauthorized or incorrectly performed transaction shortly after receiving the information about such transaction.
- 13.11. if the client declared about the unauthorized or incorrectly performed payment transaction after the respective term established in clause 13.10 has passed, after such term, the bank shall, within the scope of its capabilities, assist the client to return unauthorized or incorrectly transferred amount. The present clause does not generate the claim of the client towards the bank to request compensation of damage, return of the amount or performance of other actions from the bank by means of the court order.
- 13.12. the bank, consistent with the requirements of the present clause, is obliged to reimburse the client the amount of unauthorized payment transaction, unless otherwise established by clause 13.14. The compensation amount owed to the client shall be determined consistent with this clause 13.13.
- 13.13. the client is responsible for the damage incurred by misappropriation or illegitimate use of stolen or lost payment instrument as a result of unauthorized transaction throughout territory of Georgia not exceeding

100 GEL, unless otherwise established by clause 13.14. For the purposes of this clause, transaction performed by means of the internet throughout territory of Georgia shall be deemed as performed, provided that it has been effected by means of the payment instrument issued in Georgia and the internet page belongs to the citizen of Georgia, legal entity registered in Georgia or other organizational formation envisaged by Georgian legislation which is not a legal entity.

- 13.14. the client is fully responsible for the damage associated with the unauthorized payment transaction, which is caused by his/her guilty act, also for failure to perform the obligations set forth in clause 12.1.14 intentionally or due to negligence.
- 13.15. the client shall bear no responsibility for stolen, lost, misappropriated or illegitimately used payment instrument, also for the damage incurred as a result of disregard of the security measures or personified security means of the payment instrument, provided that:
  - 13.15.1. the transaction has been performed consistent with the terms of the agreement after the bank received the notification, provided that such damage is not caused by guilty act or intended action of the client.
  - 13.15.2. the bank has not ensured receipt of the notification if such damage is not attributed to the guilty or intended action of the client.

#### **14. Statements and Guarantees of the Parties**

- 14.1. the parties hereby state and guarantee that they shall carry out their activities legitimately, in good faith and following the high ethical standards.
- 14.2. the client declares and acknowledges that:
  - 14.2.1. by signing the application, the information and documents submitted by such client are true, accurate and exhaustive. The action of the client is not aimed at deceiving the bank. Also it is known to it him/her that providing false and/or inaccurate information/data to the bank is the crime according to the Criminal Code of Georgia and represents sufficient grounds for termination of this agreement and/or agreements/covenants processed on its basis;
  - 14.2.2. while entering into this agreement, he/she is not under the influence of mistake, cheat, violence or threat used against him/her;
  - 14.2.3. has not participated and is not participating in any court process (as a plaintiff, defendant or the third person) by which he/she creates hazard to performance of client's obligations, to the client's property and/or assets;
  - 14.2.4. has fully become familiar and agrees to the terms provided by the present agreement. Also, is informed about the terms of using relevant bank products/services and also on all possible financial expenses, the significant risks associated with using credit product and agrees to enter into the present agreement and into any kind of agreement/covenant processed on its bases/under its scope.
  - 14.2.5. shall not refuse to perform obligations envisaged by the present agreement and any agreement/covenant processed on its basis, also shall not assign its obligations to the third person;
  - 14.2.6. shall provide the bank the information deriving from the requirements established under the agreement between the Government of Georgia and US Government to improve the international payment obligations and enforce foreign account tax consistency act (FACTA);
  - 14.2.7. shall process the present agreement and agreements/covenants on its basis solely for own needs and shall not act under assignment of the other (third) person or in favor of such person, does not have relations with the fictional bank ("Shell Bank") and the deal reflected in this agreement and/or in agreements/covenants to be processed on its basis is not suspicious, meaning that it is not effected for the purpose to legalize illegitimate revenues and the property (among them monetary resources) on the basis of which respective deal has been made and/or shall be made has not been obtained/generated from the criminal actions;
  - 14.2.8. agrees to receive certain type of information disregarding whether he/she requested or not registration to SMS service and/or stopping receiving SMS consistent with clause 8.6, taking into account that this may be

requested on the basis of effective regulations and/or such information is related to various bank products and transactions;

14.3. the client expresses consent and gives the unconditional right to the bank:

14.3.1. on the basis of the present agreement, during the effective term of using credit product(s), any time, despite the number of searches, process information about the consumer (client) stored at the credit information bureau(s), among them at JSC Credit Information Bureau Creditinfo Georgia (ID/code 204470740, hereafter – Creditinfo);

14.3.2. at the telephone numbers of the client registered at the bank, at the email and other contact address, with the intervals determined by the bank, send SMS, voice and/or other advertisements (direct marketing) until the bank receives from the client other instruction, in a written and/or electronic form agreed between the parties and/or established by the legislation. Furthermore, it shall not be deemed as direct marketing and the client shall not be authorized to request the bank to stop sending various advertisement/information notifications if the indicated advertisement/information notifications are delivered to the client directly from the bank service centers or at own electronic channels of the bank (among them ATM, internet bank etc.);

14.3.3. JSC PASHA Bank Georgia, under the regulations established by the legislation, for the purpose to provide effective and uninterrupted bank services to the client and in the due capacity for achieving this goal, shall receive personal data of the client necessary for the bank from the electronic data base of the LEPL State Services Development Agency;

14.3.4. For the purpose to evaluate the solvency, JSC PASHA Bank Georgia shall request from LEPL Revenues Service and receive any information about the client existing at the electronic database of the revenues service;

14.3.5. Under the regulations and terms established by Georgian legislation, process the information provided in the present document and stored at the bank, also, information about the client stored at the credit bureau(s), for the purposes of analyzing the solvency of such client. The client acknowledges the rights envisaged by Georgian legislation, that in case of request from the client, the data processor is obliged to correct, renew, add, block, delete or cancel data, provided that they are incomplete, inaccurate, outdated, or if they have been collected or processed against the law. Such consent is one-time and is effective for 30 days after issuing the consent. Furthermore, the client confirms that the bank shall collect/process all credit/non-credit and other relevant information related to the client which is related to submission of information to the Creditinfo and receiving information according to the regulations and terms envisaged by Georgian legislation. Information determined by the present clause is processed for the purpose of analyzing the solvency of the client and shall be made available to the credit issuing organization(s) enrolled in the bureau and to the information receiving/providing persons under the regulations established by the legislation.

14.3.6. process (data processing – any action exercised over the data using automatic, semi-automatic, non-automatic means, in particular, collecting, recording, depicting on a photo, audio recording, video recording, organizing, storing, change, restoration, requesting, using or disclosing by means of transferring data, spreading or otherwise making available, grouping or combination, blocking, deleting or cancelling) information about the client (information – any information containing client's bank, commercial, personal and biometric data) for the following purposes:

14.3.6.1. providing any kind of banking service to the client;

- 14.3.6.2. identification of the client and/or making secure;
- 14.3.6.3. without application of the client, by the bank, unilaterally, offering bank/credit products to the client;
- 14.3.6.4. monitoring of the client's current credit products and verification of the client's solvency;
- 14.3.6.5. for the purposes of the bank, exercising various types of researches/services;
- 14.3.6.6. conducting expertise related to bank services;
- 14.3.6.7. direct marketing (direct marketing – offering commodity, services, employment or temporary employment by means of post telephone calls, email or other telecommunication means);
- 14.3.6.8. recording information in the Creditinfo database about the client;
- 14.3.6.9. participation in various encouraging competitions (Visa, Mastercard and other bank service related)
- 14.3.6.10. other occasions envisaged by the legislation and the present agreement;
- 14.3.7. during the effective term of this agreement, at any time, without additional consent of the client, without restriction (in any amount and volume) request and receive any kind of personal information (data, records and/or certificates) existing at any person or administrative body about the client;
- 14.4. the client expresses the consent that for the purpose to simplify the service provision by the bank, by means of the express payment terminal, on the basis of identification with the personal number, receive unlimited information about banking products of the client (among them deposit, credit products), current debt, without showing the total arrears, also, information on accounts, without showing the balance. Furthermore, in case of identification only with the account number, shall receive information regarding exclusively this account.
- 14.5. the bank shall bear no responsibility if the information about the client is obtained by the third person by means of express payment apparatus/ATMs, by entering information necessary for client's identification.

## **15. Confidential information, bank secret, personal data**

- 15.1. the parties shall not disclose the confidential information during the effective term of the agreement and afterwards, without prior written consent of the other party. Confidential information implies documental or other information deriving from the present agreement and/or any other agreement related thereto, among them, personal information about the client.
- 15.2. this restriction does not apply to the information:
  - 15.2.1. which is known to the information recipient party prior to disclosure of respective information by the other party;
  - 15.2.2. which shall not be disclosed by the parties following the requirements of the legislation or for its purposes;
  - 15.2.3. which is disclosed by any of the party via court/arbitration to exercise/protect own rights and/or with regard to development of such processes;
  - 15.2.4. which can be obtained legitimately from the other sources, among them from the public sources;
  - 15.2.5. which can be provided to the third persons consistent with the present agreement and/or any clause of any associated document.
- 15.3. the bank shall bear no responsibility for the outcome(s) caused by receipt of the notification by the other person sent according to the contact information provided to the bank by the client;
- 15.4. the client expresses the consent that without additional preliminary or further consent or acceptance by the client, the bank is authorized to:
  - 15.4.1. to transfer any document of the client (among them personal information, agreement, statement etc.) to the state archive or to the commercial organization of such profile for the storing purposes, which shall ensure

archiving of the supplied documents according to the international standards and storing under the safe conditions by fully adhering to the confidentiality regulations;

- 15.4.2. give any information about the client and any agreement/document processed with the client to the bank auditors, consultants, advisors, persons providing various services to the bank (among them, those guiding contractual obligation(s)) and other physical or legal persons of similar category, as necessary, which, on the other hand, assume the responsibility to protect the confidentiality of the information provided by the bank;
- 15.4.3. give information about the client to respective persons, following FATCA regulations;
- 15.4.4. transfer any information about the client (among them, client's bank accounts, performed transactions, balances on the accounts, data on client's liabilities) and any agreement processed with the client to the court, arbitration and/or persons interested in purchasing/syndicating the bank requirements based on the agreement and/or in reassigning the bank liabilities of the client and/or in establishing monitoring on performance of the contractual obligations by the client and/or to the third persons (in cases envisaged by the legislation);
- 15.4.5. in the event the client fails to perform any of the liabilities assumed towards the bank on time and/or duly, for the purpose to manage problematic asset(s), provide any information about the client and any agreement processed with the client to the problematic assets management companies having contractual relations with the bank, which on their behalf, assume the responsibility to protect confidentiality of the information provided by the bank;
- 15.4.6. give information (among them client's personal data) necessary to provide services (among them for offering various bank/credit product(s)) to the client by means of remote bank service channels (ATM, express pay terminal etc.) to the payment service provider(s) having contractual relations with JSC PASHA Bank Georgia, which on their behalf, assume the responsibility to protect confidentiality of the information provided by the bank;
- 15.4.7. provide information to the client's guarantor(s) and/or any person, whose property is used as collateral for performance of the client's liabilities, regarding the client's liabilities towards the bank and/or upon request give copy/copies of respective agreement(s) processed between the bank and the client (among them bank credit agreement to any person enlisted in this clause);
- 15.4.8. transfer information (among them personal data of the client) necessary for offering and providing various services to the client (among them offering various product(s)) to the bank affiliate companies or other related enterprises(s), which on their behalf, assume the responsibility to protect confidentiality of the information provided by the bank;
- 15.4.9. for the purpose of performing and processing card transactions, issue client's personal data and any information about transactions performed by such client (among them, about client's bank accounts, balances existing on the accounts etc.) to the processing center existing in the foreign country.

## **16. Force-Majeure Circumstances**

- 16.1. Parties shall be exempt from the liability arising from full or partial failure to perform contractual obligations during the effect of the insurmountable force [force majeure], provided that such failure is caused by the direct impact of the insurmountable force. Force majeure shall include the circumstances which did not exist by the time the present agreement was processed and the parties were not in the position to prevent or overcome such occurrence or impact. In particular: natural disasters, fire, strike, military action, blockade, malfunctioning of devices, damage of program software, adoption of the legal acts which make it impossible to perform contractual obligations etc.
- 16.2. if any of the above indicated circumstances have direct impact on the effective terms of performance of assumed contractual obligations, in such case, performance of the assumed liabilities shall be deferred until liquidation of force-majeure circumstances.

- 16.3. the party, to which is facing the force-majeure circumstances is obliged to notify the other party within the reasonable term but no later than 5(five) banking day, about the relevant force-majeure circumstance(s) and its/their presumable duration, otherwise, it shall loose the right to allege to presence force-majeure, as a ground for exempting from the liability.
- 16.4. with regard force-majeure circumstance(s) referred in the notification, unless they are not generally acknowledged facts (circumstances) or the other party suspects their authenticity, within 30 (thirty) calendar days after receiving the notice on the force-majeure circumstance(s) by the respective party or after sending the notice by the respective party on expression of doubt about presence of the force-majeure circumstance(s) to the other party, the existence of the force-majeure circumstance(s) should be validated by the authorized body determined by the legislation.
- 16.5. if the effect of force-majeure continues longer than 30 (thirty) calendar days from the date of receiving the notice on force-majeure circumstance(s) by the respective party or the conclusions of the respective body on presence of the force-majeure circumstance(s), in 15 (fifteen) calendar days after passing the indicated 30 (thirty) calendar days the parties should decide the fate of the agreement, otherwise any party to the agreement shall be authorized to terminate the agreement, according to the regulation determined by this agreement.

## **17. Claims and Disputes**

- 17.1. client (consumer) has the right to address the bank with the claim in verbal, written or electronic form. For expressing the verbal claim, the consumer may address JSC PASHA Bank Georgia telephone service center – contact center (+995 322) 322 265 000. Standard written form of the claim can be submitted to the bank branches and service centers. Claims can be submitted electronically by means of internet bank or web page of the bank [www.pashabank.ge](http://www.pashabank.ge) . Maximal term of review of the claim of the client, no later than one month after submission of the application and identification of the applicant. Claims are reviewed by the Operations Department and Compliance Department of JSC PASHA Bank. The client shall be notified on the decision adopted with regard to the claim in writing and/or by other means of communication (electronic, digital, telephone etc.). Information about the process of the claim hearing can be obtained at any branch/service center and/or via remote channels. Communication between the client and the bank with regard to the claim is exercised at the following email address of the bank: [consumercare@pashabank.ge](mailto:consumercare@pashabank.ge)
- 17.2. any disagreement between the parties is resolved by means of negotiations. In case of failure to reach the agreement, the parties shall appeal to the court. The bank is authorized to ensure immediate enforcement of the decision adopted by the first instance court with regard to disputes arising from the present agreement and/or from any agreement/covenant deriving therefrom, consistent with the regulation established by procedure legislation of Georgia.

## **18. Final Provisions**

- 18.1. the present agreement shall be put into effect as of the moment of approving the application indicated in clause 2.3 by the bank and is effective for the infinite term.
- 18.2. unless otherwise determined by the particular agreement/covenant, the present agreement and/or any agreement/covenant processed on its basis/in its scope, shall be terminated:
  - 18.2.1. when the events set forth by the present agreement occur and/or in cases envisaged by the legislation;
  - 18.2.2. upon agreement by the parties;
  - 18.2.3. by sending the notice on termination by one party to the other, 1 (one) month earlier, upon the initiative of the either party. Furthermore, in the event of termination of the agreement, the client is committed to fully cover any kind of debt owed to the bank within 5 (five) calendar days after receiving notification.

- 18.3. the bank reserves the right, to make amendments and modifications to the contents/terms of the present agreement and/or agreement/covenant processed/to be processed on the basis of the present agreement, also change/establish any commission fee, by posting at the official web-page of the bank [www.pashabank.ge](http://www.pashabank.ge) or at the branches/service centers buildings of the bank, 1 (one) month prior to their enforcement/implementation. The notification is also permitted in any form envisaged by clause 18.4 of the present agreement. The client is entitled before 1 (one) month expires, at any time to terminate the agreement/covenant and pay the bank any due payables/debts fully (except when the client has the obligation to keep the current account for the same effective term of the agreement as provided in the other agreement processed between the bank and the client). Otherwise the changes (amendments) offered by the bank shall be deemed as accepted by the client and the agreement/covenant shall be deemed as amended consistent with the offered terms. The bank does not have the obligation envisaged by this clause, when the agreement terms/commission fee change in favor of the client, also to that new service, which does not substitute and/or change the payment service(s) envisaged by the present agreement. Amendment of the agreement by the bank in favor of the client does not require the consent of the client, any kind of approval by the latter and/or sending any notification to such client. The client may rely on any amendment made in favor of the client solely when the bank officially and in a written form approves relevant agreement modifications. Client, at any time, has the right to request information from the bank on modifications of the agreement terms in his/her favor. Any change made in favor of the client, upon decision of the bank shall be put into effect immediately or from the date determined by the bank.
- 18.4. any official communication between the parties shall be made in writing. The written form equals to sending of the notification by the bank via internet bank and/or email. Also, it is possible to send notifications by means of SMS.
- 18.5. receipt of the notification under the present agreement and/or agreement/covenant processed on its basis, other than directly envisaged cases, shall be deemed as delivered:
- 18.5.1. on the date of its receipt by the addressee, provided that acceptance of notification is confirmed by the addressee (among them by means of electronic document, receipt, other means of notification etc.)
- 18.5.2. if the receipt of the notification is not confirmed by the addressee, any such notification shall be deemed as duly sent and received by the addressee:
- 18.5.2.1. by means of the courier or post in case of sending written notification – a. if the notification is sent by the bank, within 3 calendar days after sending or on the delivery confirmation date (whichever occurs the first), b. if the notification is sent by the client, on the following banking day of registering the notification at the bank chancellery;
- 18.5.2.2. in case of sending notification by the bank by means of the internet bank, the notification shall be deemed as delivered within 3 days after the sending date, disregarding the date of actually becoming familiar with the notification. The client is obliged, regularly, at least once a month become familiar with the notifications received from the internet bank;
- 18.5.2.3. in case of sending via email, SMS and/or other electronic means – a. if the notification is sent by the bank, on the second banking day after sending date; b. if the notification is sent by the client, from the date of confirming receipt of notification by the bank.
- 18.6. if the notification is sent by the bank, it shall be deemed as received in cases when the party sending the notification receives back the notification if the addressee does not reside at the indicated address/provided in the contact data, the addressee refuses to receive the notification or abstains from its receipt.
- 18.7. the parties shall proceed communication at the address/contact data determined by the agreement and/or by the agreement/covenant processed on its basis or at any other address/contact data, which is notified in writing by one party to another (among them via email), also at any other address(es) of the client known to the bank. The parties shall, in case of change of addresses or any of their data, timely inform the other party,

otherwise, communication made by the party at the indicated address (sending notification) shall be deemed as duly accomplished.

- 18.8. numbering of the titles and phrases of the present agreement and/or agreement/covenant processed on its basis shall be conventional. The purpose of the numbering is to systematize the document and ensure its legibility and this shall not affect the interpretation of the terms of the present agreement and/or the entire agreement. Terms used in singular tense shall imply those in plural tense and vice versa.
- 18.9. If any of the clauses of the agreement and/or agreement/covenant processed on its basis is invalidated, this shall not affect the validity of the rest of the clauses of the agreement/covenant. Instead of invalidated clause, that clause shall be used which will better ensure achievement of the goal envisaged by the respective agreement.
- 18.10. the client is not entitled, without prior written consent of the bank, to concede its contractual rights and/or obligations to the third person(s) fully or partially. Furthermore, this does not exclude the right of the bank, at own discretion, to accept performance of liabilities envisaged by the agreement/covenant.
- 18.11. the bank is authorized, at any time to concede/assign the rights and/or liabilities determined by the present agreement and/or by the agreement/covenant processed on its basis to third persons at any time;
- 18.12. terms of the present agreement and/or of the agreement/covenant processed on its basis are fully applicable to the legal successors/heirs of the parties.
- 18.13. while regulating those issues, which are not envisaged by this agreement, the parties abide by the effective legislation of Georgia.
- 18.14. terms of the present agreement shall prevail over any agreement and covenant prior processed between the parties over the same matter.
- 18.15. the present agreement is made in English language, terms of which are posted at the bank web page: [www.pashabank.ge](http://www.pashabank.ge). Upon request, the client shall receive a signed counterpart. Text of the present agreement in Georgian language is also posted at the same bank web page. In case of discrepancy between the texts Agreement executed in Georgian language and its terms shall prevail over the texts composed in any other languages.