

**Amendment to the General Agreement for Rendering Banking Services to Legal Entities placed at the
web-page of the Bank www.pashabank.ge**

1. Clause 10.2.6 of the General Agreement for Rendering Banking Services to Legal Entities (hereafter “the agreement”) shall be amended and formulated as follows:

10.2.6. if the agreement is terminated prior to date under the initiative of the bank or for the reason of disagreement by the client with the amendments offered by the bank consistent with clause 18.3, 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 amount established by the bank for the respective period”.

2. clause 10.4 shall be added to the agreement as follows:

10.4. Certificate of Deposit (CD)

10.4.1. for the purposes of the present chapter, terms, used in the present agreement and/or in the agreement/covenant processed in its scope/on its basis, unless otherwise deriving from the context or determined by the respective agreements/covenants, shall have the following meanings:

10.4.1.1. **certificate of deposit** – standard and/or non-standard certificate(s) of deposit emitted by the bank in the dematerialized form, determining the commitment of the bank to pay to the holder of the certificate of deposit, on the day determined by the terms of the certificate of deposit, the amount envisaged by the term of the certificate of deposit (face value).

10.4.1.2. **standard certificate of deposit** - certificate of deposit emitted by the bank in accordance with the Order of the President of the National Bank of Georgia N 49/04 dated May 3, 2012 on “Approval of the provisions on standard deposit certificates of the commercial banks”.

10.4.1.3. **non-standard certificate of deposit** – certificate of deposit emitted by the bank, which does not correspond with the requirements of the National Bank determined for the standard certificates of deposit.

10.4.1.4. **zero-coupon (discounted) CD** – type of the certificate of deposit, in case purchased by the client, the settlement amount payable by the client and envisaged by the terms of the certificate of deposit, shall be determined under the beneficial terms as compared with the face value. The amount of the accruable interest shall be determined in the amount of balance existing between the face value and the settlement amount (purchase price), which, the client shall receive along with the settlement amount paid by him/her/it, by the end of the effective term of the certificate of deposit;

10.4.1.5. **coupon (interest bearing) CD** – type of the certificate of deposit, if purchased, the client shall pay the settlement amount envisaged by the terms of the certificate of deposit, which represents the face value of the certificate of deposit by the time of the initial placement of the certificate of deposit. For the period determined by the agreement, the interest shall be accrued to the indicated amount, which the client shall receive with the periodicity determined by the terms of certificate of deposit, the face value shall be received by the end of the effective term of the certificate of deposit;

10.4.1.6. **amount of the certificate of deposit** (settlement amount) – the amount paid by the holder of the certificate of deposit for purchasing the certificate;

10.4.1.7. **face value of the certificate of deposit** (face value) – amount receivable by the holder of the certificate of deposit by the end of the effective term of the certificate of deposit;

10.4.1.8. **registry of the certificate of deposit** – electronic data base of the bank emitting certificate of deposit, where the information determined by the legislation on the certificate of deposit and its owner is recorded;

10.4.1.9. **statement** – the document issued by the bank to the client on the basis of the records stored at the registry of the certificate of deposit, evidencing the fact of certificate holding.

10.4.2. general terms of service

10.4.2.1. terms of issuance of the certificate of deposit are posted at the bank web-page www.pashabank.ge and represents the inseparable part of the respective agreement of the certificate of deposit processed between the bank and the client.

10.4.2.2. on the basis of the present agreement and the respective agreement of the certificate of deposit processed between the bank and the client, the bank shall provide services to the client related to purchase/disposal/repurchase/repayment of the certificate of deposit, consistent with the effective agreement and terms stipulated under the legislation.

10.4.2.3. commensurate with the terms of the agreement, the client is authorized, to purchase the certificate of deposit from the bank under the terms defined by the bank. Furthermore, the bank is authorized, at its discretion to refuse to sell the certificate of deposit to the client.

10.4.2.4. prior to purchasing the certificate of deposit, the client must maintain an active current account at the bank by means of which any settlement related to the certificate of deposit shall be effected (among them, purchase, payment of the interest amount, disposal, repurchase).

10.4.2.5. the holder of the certificate of deposit grants the right to the bank, to withhold the amount from the current account of the holder of the certificate of deposit in non-accepted manner and ensure its transfer to the respective bank account.

10.4.2.6. certificate of deposit may exist only in the dematerialized form.

10.4.2.7. the bank is entitled, to emit the certificate of deposit with or without the right to call for prior to date, determined by the respective agreement of the certificate of deposit.

10.4.2.8. in case if the certificate of deposit is callable, the bank is authorized to repurchase the certificate before its due date consistent with the preliminarily determined call terms, in such case the bank pays to the client the amount of the certificate of deposit and the interest amount accrued by the given period.

10.4.2.9. in case the bank enforces the call right, the call premium may be determined, the amount of which is defied for each particular case, commensurate with the remaining term of the certificate.

10.4.2.10. in case the bank call for the certificate of deposit, the client must, within 5 (five) business days after receiving respective call, visit the bank to accomplish the certificate of deposit repurchase operation. If the client does not visit the bank within the established period, the bank is authorized to repurchase unilaterally the certificate of deposit and transfer respective amount to the current account of the holder of certificate of deposit.

- 10.4.2.11. the bank is authorized to repurchase the certificate of deposit owned by the client, at the price agreed with the client. Furthermore, the bank is not obliged to repurchase the certificate of deposit prior to the due date.
- 10.4.2.12. the client may use the certificate of deposit as the means of collateral only with the prior written consent of the bank. Furthermore, the client must, upon use of the certificate of deposit as the means of collateral, transfer to the bank the document evidencing such.
- 10.4.2.13. in the event certificate of deposit is used as the means of securing the liabilities assumed by the client and/or any other third person to the bank, in case of breaching assumed liabilities, the bank is authorized to recover existing indebtedness from the certificate of deposit, by means of withdrawal in non-accepted manner, without placing the amount to the current account of the holder of the certificate of deposit.
- 10.4.2.14. after the term indicated in the certificate of deposit expires or after repurchase/call/withdrawal in an non-accepted manner, the certificate of deposit shall be repaid, after which the relevant record of the certificate of deposit shall be revoked and the accrual of interest envisaged by the terms of the certificate of deposit shall stop (if any);
- 10.4.2.15. the bank shall, upon expiry of the effective term of the certificate of deposit, return to the holder of the certificate of deposit the face value of the certificate and accrued interest amount (if any), in case of disposal/repurchase – the agreed price.
- 10.4.2.16. if the date of amount issuance coincides with the non-banking day, the bank shall ensure issuance of the face value/interest on the following banking day.
- 10.4.2.17. termination of the agreement prior to date and call of the amount of the certificate of deposit prior to date from the bank, prior to expiration of the effective term of the certificate of deposit is not accepted. The agreement can be terminated prior to date only in case the bank repurchases/calls/withdraws in non-accepted manner.
- 10.4.2.18. the client is aware that repurchasing/calling of the certificate of deposit is the right of the bank and not its obligation.
- 10.4.2.19. unless otherwise determined by the respective agreement, the bank is authorized, at any time to amend unilaterally the present terms and/or conditions of issuing certificate of deposit, commensurate with the changes/regulations/decisions effected by the bank, amended market terms and/or legislative regulations. The client shall be notified about the changes according to the rule established by the present agreement.
- 10.4.2.20. if the client disagrees with the changes offered by the bank, the bank shall redeem the certificate of deposit at the interest rate existing by the respective term.
- 10.4.3. accrual of the interest amount**
- 10.4.3.1. the amount of interest effective at the bank by the moment of entering into the agreement, rule on its accrual, issuing and disposal is determined by the terms of the certificate of deposit and the respective agreement;
- 10.4.3.2. interest rate shall be accrued in the currency of the certificate of deposit. The interest accrual commences from the banking day following the certificate of deposit settlement date and continues through the certificate of deposit deadline;

10.4.3.3. interest is calculated commensurate with the factual days of the term of the certificate of deposit, accounting for 365 (three hundred sixty five) days a year.

10.4.4. Disposal of the certificate of deposit

10.4.4.1. the holder of the certificate of deposit is authorized to dispose the certificate of deposit following the terms established by the legislation, unless the certificate of deposit is used as a means of securing the bank claim. Furthermore, the bank is authorized to repurchase the certificate of deposit with the priority right.

10.4.4.2. certificate of deposit is disposed without processing additional agreement and the acquisition/disposal of the certificate of deposit by the client is registered at the certificate registry, the regulations and terms of functioning of which are determined by the bank.

10.4.4.3. disposal of the certificate of deposit by the client is registered at the certificate registry on the basis of the disposal form of the certificate of deposit jointly submitted to the bank by the client and the new acquirer of the certificate of deposit, the form and contents of which are determined by the bank.

10.4.4.4. partial disposal of the certificate of deposit is not accepted”.