

## Standard Conditions for Bank Services

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### 1. Definition of terms

- 1.1. **Statement** - information on the flow of money on the Account.
- 1.2. **Account** – the current account of the client in the Bank.
- 1.3. **Bank** - JSC Credo Bank, identification Code: 205232238; actual address: N27 Tabukashvili Street, Tbilisi.
- 1.4. **Transfer** – transfer of the amount on the Account through non-cash payment to the **beneficiary's** relevant Bank Account.
- 1.5. **Payment** – payment of the amount by the **Client to the Beneficiary**, by evading the Client's Account.
- 1.6. **Application** – Application **by the Client to the Bank** (in the form **defined by the Bank**), requiring from **the Bank** to carry out/suspend/terminate/change the services by the **Bank product** in accordance with the conditions determined by the Application.
- 1.7. **Order** – any indication **to the Bank by the Client and/or the Beneficiary**, including the **payment order**, by which the **Client and/or the Beneficiary** orders the **Bank** to carry out any action within the framework of the **Bank product**.
- 1.8. **Deposit insurance agency** – LEPL Deposit Insurance Agency.
- 1.9. **Website** – the website used by the Bank: [www.credo.ge](http://www.credo.ge).



- 1.10. **Legislation** – applicable legislative and subordinate normative acts of Georgia, also international agreements and treaties within the system of the normative acts of Georgia.
- 1.11. **Client** – a person whose identification data and other types of information are given in the Application.
- 1.12. **Conversion** - the purchase of currency by means of another currency.
- 1.13. **Limit** – within the framework of using the **Bank products, any type of limit established by the Bank** (including in terms of amount, quantity, etc).
- 1.14. **Third Person** – any person, **except for the Bank and the Client**.
- 1.15. **Beneficiary** – a person for whose benefit **the payment and/or transfer** is made.
- 1.16. **Party/parties** – **the Bank** and/or **the Client** (in accordance with the context).
- 1.17. **Operation** – any action, carried out on the basis of the order within the framework of the **Bank product** and/or on the basis of the Bank's initiative.
- 1.18. **Banking day** – the period of the day (except for Saturday, Sunday or official public holidays **under the legislation**, unless the **bank decides otherwise in the exceptional cases**), when most of the **service centers of the Bank are open** and carry out their activities.
- 1.19. **Bank product** - any type of service proposed **to the Client by the Bank on the basis of the agreement**.
- 1.20. **Payment order** – **an order**, on the basis of which it is requested: a) **to transfer, withdraw** the amount **from the account**; or b) **to transfer, deposit** an amount **on the account**; or c) to make **payment** of the amount **without** transferring to **the account**.
- 1.21. **Commission** – amount payable **to the Bank** in exchange of the use of Bank products **by the Client**, as per Annex 1 of the standard conditions.
- 1.22. **Standard conditions** – standard conditions for the services with the **Bank products** stipulated under the given document.
- 1.23. **Force-majeure** – natural disaster, fire, interruption of electricity supply, failure of devices, the damage of software, war, administrative-legal act and/or **circumstances that cannot be overcome by the bank** and that are beyond the reasonable control of the bank which: a) are not related to the bank's errors and negligence, b) have begun or developed after the entry into force of the agreement, and c) directly affect the complete and proper fulfillment of the obligations under the agreement.
- 1.24. **Money remittance** – **the operation of payment**, when the transfer of the mentioned amount is carried out directly for the beneficiary, and for the beneficiary's provider, by evading the **account**. Besides, within the framework of the service with money remittance, the Client may directly represent the beneficiary of the amount, and the payer may be the **Third Person**.
- 1.25. **Agreement** - **statement** and **standard conditions** and their annexes (including amendments and addenda to be made in the future) jointly.

## 2. General conditions for the use of Bank products

- 2.1. On the basis of the Agreement, **the Bank** shall render **to the Client** the agreed **Bank product service**, and the Client shall undertake to **pay commission to the Bank**.
- 2.2. For the purposes of the use/termination/suspension/change of the Bank product, **the Client shall apply to the Bank**. For the purposes of excluding any doubt, the Parties agree that **the Application of the Client** to the Bank **shall not entail** the bank's **unconditional liability** to automatically meet the requirements under the application. The requirements under the Application shall be deemed met after the **Bank sends to the Client appropriate notification** and/or from the moment of the performance of the relevant action, in accordance with the procedures and rules established in the Bank.
- 2.3. The supervisory body of the Bank is represented by the National Bank Georgia, with the following website address: - [www.nbg.gov.ge](http://www.nbg.gov.ge).
- 2.4. The National Bank of Georgia shall not be held responsible for the improper fulfillment of the bank obligations.

- 2.5. **The conditions** for rendering services through the bank products, which are **not defined by the given Agreement**, shall be regulated **by the legislation** and the **procedures determined by the Bank**.
- 2.6. **The remote** (electronic) **confirmation** of the application and/or order by the client (if the mentioned procedure is admitted by the Bank) shall have the legal force which **is equal to the signature** of the tangible document.

### 3. Rights and obligations of the Parties

- 3.1. The Bank shall be authorized, **without the Client's additional consent**, to:
- 3.1.1. Cancel/suspend at any time, completely or partially, the service by a Bank product and/or **to change its conditions**.
- 3.1.2. **Assign**, completely or partially, **the rights and obligations** under the Agreement, to the **Third Person**.
- 3.1.3. **Deduct from the Account** any amount for covering, fully or partially, **any indebtedness** (based on the Agreement and any other contract between the Parties) of the Client before the Bank. Besides, if the amount on the **Account and the claim** of the Bank before the Client **are in different currencies**, the Bank shall be authorized to make **conversion** on the basis of the commercial exchange rate determined by the Bank, and to use the converted amount to cover the client's liabilities fully or partially.
- 3.1.4. **If the Client has any type of liabilities** (both matured or non-matured) before the Bank, the Bank shall have the right not to fulfill financial liabilities before the Client (if any) and **may make deductions for such liabilities**, whether or not one of the claims is due for the moment of making a deduction, on which the **Bank shall notify the Client**.
- 3.1.5. In accordance with the **Legislation** and the **procedures determined by the Bank**, the Bank shall be authorized to require from the Client to submit **any additional information/document** on him/her and/or to renew the existed information / document and/or cancel them, before the receipt of such information/document, and/or suspend the implementation of the operation.
- 3.2. **The Client** shall be obliged:
- 3.2.1. **Not to give the Bank** such **order** and/or not to carry out such action, which may be followed by the **overspending of the amount available on the Account**. Besides, for any reason, in the case of the onset of the mentioned circumstances, the Client shall be obliged to pay to the Bank daily interest rate in the amount of 0.5% of the overspent amount.
- 3.2.2. **In the case of the change of information** (including the Client's personal data, contact/communication channel/details) on the basis of the Application and/or information provided to the Bank by any other means, **immediately inform the Bank** thereon, otherwise the Bank shall use the data available for that moment, for which the Client shall be fully responsible to compensate for damages (if any).
- 3.2.3. **To read in advance the list of activities included in the list of exclusions** (information on the mentioned list is available at any service center of the Bank and **at the Website**). Besides, the Client shall confirm that during the entire period of the validity of the Agreement, he/she shall not be engaged in the activity specified in the list of exclusions.
- 3.2.4. To ensure that the Client fully and properly **adheres to the Legislation**, and where there is a violation of the legislation, he/she immediately informs the Bank thereon.
- 3.2.5. To comply with each instruction of the Bank, which is necessary to meet the requirements of the Foreign Account Tax Compliance Act (FATCA), the aim of which is to **meet the requirements under the US Tax Legislation and the Inter-governmental Agreement between the USA and Georgia (IGA)**.
- 3.2.6. If he/she is a **citizen of the USA** and /or a tax payer resident of the USA, he/she **shall submit to the Bank the form of the Request for the USA Tax Payer Identification Number and Certification**, which has been prepared by the USA Revenue Service (the form is available on the following e-mail address: [Http://www.irs.gov/pub/irs-pdf/fw9.pdf](http://www.irs.gov/pub/irs-pdf/fw9.pdf)) or the replacement form (Form W-9), which shall be submitted by the Bank to the Client.

- 3.2.7. If he/she is not a citizen of the USA and /or a tax payer resident of the USA, but he/she **was born in the USA** he/she shall **submit to the Bank the form of Certificate** of Foreign Status of Beneficial Owner for USA Tax Withholding and Reporting (Individuals), which has been prepared by the USA Revenue Service (the form is available on the following e-mail address: [Http://www.irs.gov/pub/irs-pdf/fw8ben.pdf](http://www.irs.gov/pub/irs-pdf/fw8ben.pdf)). Together with an appropriate explanation (on the refusal to keep the citizenship of the USA, or the reason why the citizenship of the USA has not been obtained) or the document confirming the loss of the citizenship of the USA, or the replacement form (Form W-8 BEN) which is issued by the Bank for the Client.
- 3.2.8. If he/she is not a citizen of the USA and/or a tax payer resident of the USA, but he/she **possesses the registration/actual address in the USA and/or a telephone number, which is registered in the USA** and/or the representative authorized to open an account has registration/actual address in the USA and/or the Client gives the Bank a Payment Order for making transfers to the bank accounts in the USA, shall **submit to the Bank the form of Certificate** of Foreign Status of Beneficial Owner for USA Tax Withholding and Reporting (Individuals) which has been prepared by the USA Revenue Service (the form is available on the following e-mail address: <http://www.irs.gov/pub/irs-pdf/fw8ben.pdf>) or the replacement form (Form W-8BEN), which shall be submitted by the Bank to the Client. If the Form W-9 or the Form W-8BEN are not submitted within 14 (fourteen) calendar days after signing the appropriate Application, the Bank shall not be held responsible for the failure to submit such form, for additional liabilities imposed on the Client in accordance with the Tax Legislation of the USA.
- 3.2.9. To inform the Bank, within 30 (thirty) calendar days, on any circumstance that may entail the change of information reflected in the above forms provided to the Bank.
- 3.3. **The Parties agree that:**
- 3.3.1. If within the framework of the Agreement, the service rendered by the Bank on the basis of any type of Bank Product requires the inclusion of the Third Person (for example a mobile operator, Internet provider, communal service provider, etc), the Bank shall not be held responsible for the actions of the Third Person and for the quality of service.
- 3.3.2. If the Bank **has several types of payments due**, based on the Agreement and on any other contract with the Bank (including based on credit contracts, the **sequence of the payment** by the Client shall be **determined solely by the Bank**.

#### **4. General rules for current accounts, receiving assignments, implementing operations and for using other bank services**

##### ***Current account***

- 4.1. **On the basis of the Application** on the consent on **Standard Conditions**, the request to open an account shall be automatically made, and if such request is met, a single currency and/or multi-currency account shall be **opened for the Client** (in accordance with the conditions required by the Application).
- 4.2. With the help of the **Account** the Client shall be able to manage his/her **own funds**.
- 4.3. If the amount is deposited **on the Account mistakenly**, the Client shall have no right to fully or partially spend the deposit and **shall immediately notify the Bank thereon**. If the amount deposited on the Account is mistakenly spent, the Bank shall be authorized to require from the Client the payment of the penalty in the amount of 0.5% of the spent amount, for each day the amount was used, until the spent amount is fully refunded.
- 4.4. In the case of the request of the Client, the Bank shall be obliged to issue a Statement.
- 4.5. **The Bank shall be authorized:**
- 4.5.1. In the case the **amount is deposited** on the Account **mistakenly**, to **write off and/or block** the mentioned **sum** and/or the Account without the Client's additional consent.
- 4.5.2. **To fully or partially block the Account at any time** (suspend and/or restrict the operation on the Account), **if the Client violates the obligation** before the Bank based directly on the Agreement, and on any other contract with the Bank, on the

Legislation, the conditions with regard to any Third Person, and/or if the Bank has a reasonable doubt that there is (are) a single or several above mentioned circumstances.

- 4.5.3. **To close the Account**, if there has **not been an operation** on the Account during **the last 12 (twelve) months**, and meanwhile if there is no amount on the Account required for covering Account service fees and/or commissions for closing the Account.
- 4.5.4. To use the amount available on the Account in the form of a credit resource, and in the case of the request, to make the mentioned amount immediately available for the Client.

#### ***Receipt of the Order and carrying out the operation***

- 4.6. The Bank may receive **the Order from the Client and the Beneficiary**, and the Order shall be deemed received by the Bank from the moment of the **registration in the Bank's software system**.
- 4.7. The order may be provided to the Bank in **the tangible and intangible (electronic) form**, in accordance with the procedures determined by the **Legislation and the Bank**.
- 4.8. The Bank shall fulfill the Payment Order within **2 (two) banking days**, unless otherwise provided for by the Legislation and/or the procedures established by the Bank. The Bank shall also retain the right, without a prior explanation for the Client and/or a consent, **to cancel and/or suspend** the completion of the **Payment Order**, if the said Payment Order does **not contain the details** determined by the Legislation and/or the Bank procedures, also if the Bank deems it feasible to cancel and/or suspend the Payment Order, **due to its dubious nature**.

#### ***Money remittance***

- 4.9. The Client may, at the service center of the Bank, to use the service of the money remittance in accordance with the procedures determined by the Bank.

#### ***Insurance of deposits***

- 4.10. Form 1 January 2018, in accordance with the Law on the System of Insurance of Deposits, the amount available on the **Client's deposit/account**, despite the number of deposits/accounts, shall be insured in the Bank and shall be compensated in the amount of GEL 5000 by the **Deposit Insurance Agency**, and the rest of the amount shall be compensated in accordance with the procedure provided for by the Legislation. You can find additional information on the website of the Deposit Insurance Agency: **www.diagency.ge**
- 4.11. The amount (including in the foreign currency) available on the account **shall be summed** and the amount not exceeding GEL 5000 (five thousand) shall be subject to insurance by the Deposit Insurance Agency, and if the amount exceeds GEL 5000 (five thousand), the remaining amount shall be compensated in accordance with the procedures provided for **by the Legislation**.
- 4.12. The amount on all Accounts of the Client **shall be insured** in the Bank **without additional fees for insurance**.
- 4.13. The insurance money shall be compensated no later than 20 (twenty) calendar days after the onset of the insurance case, whether or not the Bank has appropriate money reserves for that moment. **The compensation shall be carried out in GEL**.

## **5. Responsibility of the Parties**

### **5.1. The Parties agree that:**

- 5.1.1. Within the services provided for by the **Agreement and the Bank Product**, the Bank shall be released from the responsibility to compensate **for damages for the Client** if such damages **are not caused by the Bank's fault**.

- 5.1.2. In the case of the **overdue payment** of the Commission by the Client, the Bank shall be authorized to require from the Client the payment of penalty in the amount of 5% of the **Commission payment overdue**, for each day overdue. Besides, the mentioned claim of the Bank may be reflected by sending the notification to the Client, and by deducting **relevant penalty from the Account**, without sending prior and/or additional notification to the Client.

## 6. Force-majeure

- 6.1. **No Party shall be held responsible** for the complete or partial non-fulfillment of the obligations under the Agreement, if this was caused due to **Force-Majeure** circumstances.
- 6.2. If the **Client has Force Majeure** Circumstance, he/she shall be obliged to **immediately (but no later than 10 calendar days)** notify the Bank in writing thereon, otherwise, the Client shall lose the right to rely on the Force-Majeure Circumstance as on the grounds that releases from the responsibility for failing to fulfill the obligations.

## 7. Payment

- 7.1. The payment between the Parties, **on the basis of the Agreement**, shall be carried out in cash and through the bank transfer, in the **National currency of Georgia**, on the basis of the official exchange rate determined by the National Bank of Georgia for the date of payment, unless the Legislation provides otherwise.
- 7.2. If the date of payment does not comply with the Banking Day, the payment shall be carried out on the following Banking Day.

## 8. Communication

- 8.1. Unless otherwise **provided for by the Legislation** and/or the particular **Bank Product**, any notification within the Agreement shall be provided by the Bank to the Client in one of the below given forms: **by placing information** on the Website and/or service centers of the Bank, **on the electronic mail** of the Client referred to in the Application, **by sending an SMS** on the telephone number and address and/or other contact details, also by sending a notification to other contact details observed by the Client after the conclusion of the Agreement.
- 8.2. The **Client shall send a notification** to the Bank in accordance with the conditions determined for the relevant Bank Product, and any particular condition is not envisaged by the Bank Product, the notification may be provided to the Bank by the Client in writing, **to the service center of the Bank** and/or by sending a notification **to the legal address of the Bank**.
- 8.3. The notification sent by the Bank **on the contact details of the Client shall be deemed fully and properly sent** and delivered to the Client, whether or not the Client has actually received the mentioned notification, which may be caused due to intentional non-submission of the notification by the Client or by his/her authorized representative, as well as due to the change of the contact details by the Client (including the residential address).

## 9. Confidentially and procession of the Client's personal data

- 9.1. The Parties agree that **any information from the Agreement shall be confidential** and it shall not be permitted to disclose such information, **fully or partially, to the Third Person**, without the prior consent of the other Party. **Besides, the mentioned restriction** shall not apply to information:
- 9.1.1. If in accordance with the conditions under the Agreement the disclosure is permissible for the Third Person.
- 9.1.2. If such information **was known** to the Party **before the conclusion of the Agreement**, in compliance with the requirements of the Legislation.
- 9.1.3. The transfer of which to the Third Person **is compulsory in accordance with the legislation**.
- 9.2. **For the purposes of evading any suspicion**, the Bank shall be authorized, without additional consent from the Client:
- 9.2.1. To submit information (including, but not limited to, identification data of the Client and his/her shareholders/founders and of persons **with the authority to represent them**, information on the current liabilities, their security means/items, and on the current/completed proceedings in a court, arbitration courts and/or other dispute resolution bodies) to JSC Credit Info (identification Code 204470740), and/or any other person with the same functions.
- 9.2.2. To give consent to JSC Credit Info and/or any other body with similar functions, to transfer information under sub-paragraph 9.2.1 of the **Standard Conditions provided by the Bank**, to the Third Person, who, on the basis of the relevant transaction, shall provide JSC Credit Info and/or other body with similar functions, with the mentioned information.
- 9.2.3. To find from JSC Credit Info Georgia and /or other person with similar functions information defined by sub-paragraph 9.2.1 of the Standard Conditions.
- 9.2.4. For the purposes of proposing/rendering the Client the bank services related to the Bank Product and/or any other bank service (including credit, deposit service, etc), to verify the client's personal data against the electronic database of the LEPL Service Development Agency.
- 9.2.5. To transfer any information on the Client available to the Third Person, if the mentioned transfer is necessary for the **protection of the Bank's rights and legal interests**, for the purposes of the concession of any claim against the Client for the Third Person (including in the process of negotiations with the Third Person) **for the purposes of the monitoring of the fulfillment of obligations undertaken on the basis of the Agreement** and/or for the purposes of offering to the Client any service/product and/or for providing information to the Client.

## 10. Claims and Disputes

- 10.1. Any claim and dispute **related to the Agreement** shall be made by the Parties via one of several communication channels defined by the Agreement. The Party receiving the claim shall, **within 1 (one) month** from the receipt of the claim and/or **identification of the author of the claim**, fully or partially grant the claim or state his/her grounded refusal on the granting of such claim.
- 10.2. The Client may **observe the claim** in the service centers of the Bank, and by means of the **Website, official Face Book site** of the Bank and/or by means of a **telephone center (Number: 032 2424242 )**
- 10.3. The Bank shall review the claim in accordance with the procedures determined by the Legislation and the Bank, and the response shall be sent to the Client within 1 (one) month after the receipt of the claim.
- 10.4. Any dispute within the scope of the Agreement shall be initially resolved by means of amicable negotiations. **In the case the dispute is not resolved** on the basis of mutual negotiations, and/or where any Party considers that the negotiations have no consequences, each Party shall be authorized to address the court directly, without negotiating it with the other Party, in accordance with the procedures **defined by the Legislation**.
- 10.5. The Parties agree that the decision taken by the first instance court in favor of the Bank shall be immediately enforced.

## 11. The change of the conditions of the Agreement

- 11.1. The Bank shall be authorized, at any time, to change the **conditions of the Agreement** (including the conditions of any bank product and the amount of commission) on the Website, service centers (and/or in any other form defined by the Bank) by way of placing appropriate information, unless other procedure is established by the Bank for the Product and/or by the Legislation for the provision of information to the Client. In the case the mentioned change: a) **does not worsen the condition of the Client**, the Bank shall be released from the obligation to send a prior notification, where the mentioned change enters into force on the Banking Day that follows the delivery of the notification to the Client and/or from the day of its promulgation, unless the Bank determines other conditions (or term); b) **worsen the condition of the Client**, the **Bank shall be obliged to inform the Client on the mentioned change in advance, no less than 1 (one) month earlier**, via e-mail, SMS, courier's service and/or a communication channel defined by a particular loan product. Besides, if the Client does not agree with the worsened conditions, he/she shall be authorized to inform the Bank on the changes before the entry into force of such changes and to stop using the relevant Bank Product, otherwise the change requested by the Bank shall be deemed confirmed by the Client.
- 11.2. The Bank **shall not be held responsible to inform the Client in advance** on the change of the terms of the Agreement, which: a) **does not worsen the Client's conditions**; b) **is related to the change of technical procedures** determined by the Bank within the scope of use of the Bank Product; c) **is related to the introduction of new Bank Products** and/or to the change of the conditions of the existed Bank Products (**except for the increase of commissions**).

## 12. Effective period and termination of the Agreement

- 12.1. **The Agreement shall enter into force** from the moment of signing the Application for consent to the Standard Conditions by the Client and shall be in force until the **obligations undertaken by the Parties are fully fulfilled**.
- 12.2. **The conditions** related to separate Bank products shall enter into force from the **signature of the Application** for the Bank Product by the Client and from the date of confirming (among them, by way of sending a notification, and by way of certain action) by the Bank and shall be valid until the obligations undertaken by the Parties under the **Bank Products are fully performed**.

## 13. General Provisions

- 13.1. In the case of **inconsistencies between the Standard Conditions and the Annexes of the Bank Products**, the conditions defined **by the annexes** of the Bank Products shall **prevail**.
- 13.2. **On the basis of the Agreement** the Client shall fulfill the obligations personally. The Client shall not be authorized to assign his/her rights and obligations **to the Third Party fully or partially**, without the prior written consent of the Bank, though the mentioned restriction does not exclude **the Bank's authority to obtain any performance** (matured and non-matures claim) from the **Third Person**.
- 13.3. In the case where any provision of the **Agreement** cannot be applied on the Client due to his/her status, the mentioned shall not cause the cancellation of the entire Agreement and **only those provisions shall apply** to the Client, which, based on his/her status, may be applied on such Client.
- 13.4. All matters that are not regulated **by the Agreement** shall be regulated on the basis of **the Legislation**.