

## Essential Terms and Conditions of Agreement

### Certificate of Deposit Agreement No \_\_\_\_

The city of \_\_\_\_

\_\_\_\_ 20\_\_

#### Certificate of Deposit (CD) interest rate

- Type of CD interest rate: **Fixed**
- Annual CD interest rate: \_\_\_\_%
- Effective CD interest rate: \_\_\_\_%

#### Other contractual terms

- Nominal value of CD: EUR/USD/GEL \_\_\_\_
- Validity of CD: The CD is issued for \_\_\_\_ months and the repayment date is \_\_\_\_ / \_\_\_\_ / \_\_\_\_.
- If the CD has been redeemed before its maturity date, the Bank shall pay the certificate holder one-fourth of the interest accrued on the CD for the completed period.
- *(This Certificate of Deposit (CD) is a standard CD and its terms comply with the requirements of the Standard CD provisions of commercial banks.) or (This Certificate of Deposit (CD) is a non-standard CD and the requirements of Standard CD provisions of commercial banks do not apply to it.)<sup>1</sup>*
- Your CD is insured within the Deposit Insurance System established on the basis of the Law of Georgia on the Deposit Insurance System.
- In case of changes to the essential terms and conditions of this Agreement, the Bank shall notify the customer no less than 2 (two) months before the change, and in case of increase in the price of another financial product – no less than one month before the increase, in writing or via email or Internet Banking or short text message or telephone call. Besides, after the CD issuance, it is not allowed to make any changes and/or additions to the terms of the CD, including the amount, currency, term and/or interest rate.
- The CD Holder may file a complaint orally, in free written, standard written or electronic form. The complaint is responded to within no more than 1 (one) month after its receipt.
- **A foreign currency deposit poses a significant risk to the depositor!**
- **Fluctuations in exchange rates may significantly reduce the GEL-denominated interest earnings.**
- **Effective interest rate in case of potential 15% annual appreciation of GEL: --%<sup>2</sup>**

Information useful to customers can be found on the website of the National Bank of Georgia – [www.nbg.gov.ge/cp](http://www.nbg.gov.ge/cp) or via hotline – 032 2406406.

<sup>1</sup> The paragraph will be recorded depending on whether the Certificate of Deposit is standard or non-standard.

<sup>2</sup> The provisions in red colour refer only to foreign currency deposits.

Certificate of Deposit Agreement No \_\_\_\_\_

The city of \_\_\_\_\_

\_\_\_\_\_ 20\_\_\_\_

**ProCredit Bank**

**The Depositor**

Do hereby enter into this agreement (hereinafter - the Agreement) as follows:

1. The Bank issues a No ----- Certificate of Deposit in dematerialized form in favor of the CD Holder, which gives rise to its obligation to pay the CD Holder the amount specified in the CD Conditions on the day specified in the CD. The ownership of the CD by the CD Holder is confirmed by an extract issued by the Bank from the CD Register, which is handed over to the CD Holder and confirms the legal relations between the parties.
2. Type of CD: Interest-bearing
3. Type of CD interest rate: Fixed
4. Nominal value and currency of CD: EUR/USD/GEL \_\_\_\_\_
5. The CD is issued for \_\_\_\_\_ months and the repayment date is \_\_\_\_ / \_\_\_\_ / \_\_\_\_.
6. Date of purchase/registration of the CD: - / - / ----
7. Annual CD interest rate: \_\_\_\_ %
8. Effective CD interest rate: \_\_\_\_ %
- A foreign currency deposit poses a significant risk to the depositor!
- Fluctuations in exchange rates may significantly reduce the GEL-denominated interest earnings.
- Effective interest rate in case of potential 15% annual appreciation of GEL: --%<sup>3</sup>
9. Frequency of interest accrual and crediting: Accrual of interest starts from the day following the date of the CD issuance (*subject to monthly crediting of interest*) **or** (*Frequency of crediting interest once a year, annually from the date of the CD issuance*)<sup>4</sup>
10. The CD Holder shall place on the current account No \_\_\_\_\_ the funds required for purchasing a CD in the amount of EUR/USD/GEL \_\_\_\_\_, which the Bank will deduct from the Depositor's account as a fee for the purchase of a CD.
11. The CD Holder may alienate the CD during its validity period according to the tariffs/conditions available at the Bank at the date of alienation.
12. If the CD has been redeemed before its maturity date, the Bank shall pay the certificate holder one-fourth of the interest accrued on the CD for the completed period.  
(If the CD is issued with a monthly interest rate, in case of early redemption, the interest payable to the certificate holder will be adjusted considering the interest already paid)
13. Early redemption of the CD is the right of the Bank but not the obligation.
14. (*This Certificate of Deposit (CD) is a standard CD and its terms comply with the requirements of the Standard CD provisions of commercial banks.*) **or** (*This Certificate of Deposit (CD) is a non-standard CD and the requirements of Standard CD provisions of commercial banks do not apply to it.*)<sup>5</sup>
15. The CD interest rate is calculated on a daily basis on the nominal amount of the CD, from the day following the issuance of the CD until the closing date of the CD, inclusive. Accrued interest shall be credited to the CD Holder's account No -----, at the intervals specified in Article 9 of this Agreement.
16. After the closing of the CD, the Bank shall redeem/encash the CD and transfer the nominal value of the CD to the CD Holder account No \_\_\_\_\_, while the accrued interest to the CD Holder's account No \_\_\_\_\_.

<sup>3</sup> The provisions in red colour refer only to foreign currency deposits.

<sup>4</sup> One of the paragraphs will be recorded after having agreed on the condition of interest accrual on the CD.

<sup>5</sup> The paragraph will be recorded depending on whether the Certificate of Deposit is standard or non-standard.

17. The Banking Services Conditions (hereinafter the BSC) apply to this Agreement and form an integral part hereof. The Banking Services Conditions are available both in the Bank's offices and on the Bank's official website at [www.procreditbank.ge](http://www.procreditbank.ge). The Depositor hereby confirms to have read the BSC, approves and undertakes to fulfill them.
18. After the CD issuance, it is not allowed to make any changes and/or additions to the terms of the CD, including the amount, currency, term and/or interest rate. Unless otherwise specified in the Agreement, further to the terms of the CD, the Bank reserves the right to unilaterally amend this Agreement at any time to bring it into compliance with the new rules/decisions established by the Bank, changed market conditions, banking practices and/or legislation.
19. In case of changes to the essential terms and conditions of this Agreement, the Bank shall notify the customer no less than 2 (two) months before the change, and in case of increase in the price of another financial product – no less than one month before the increase, in writing or via email or Internet Banking or short text message or telephone call.
20. In case of dissatisfaction or remark, the CD Holder may file a complaint orally, in free written, standard written or electronic form. Complaints can also be filed by filling out a complaint form (available at the Bank's offices) or by registering a complaint form on the Bank's official website at [www.procreditbank.ge](http://www.procreditbank.ge) or by applying other grievance mechanisms provided by law. Complaints are reviewed by the structural unit responsible for protecting the customer rights at the Bank. Complaints are responded to within no more than 1 (one) month from the receipt.
21. This Agreement is made in duplicate, one copy for each party and each copy bearing the same legal effect.