Essential Terms and Conditions of the Agreement

Authorized Business Overdraft Agreement No ___

The city of __________ **___ ___ 20__**

Loan interest rate

Annual interest rate of business overdraft (the same as loan or overdraft): -- %

Type of interest rate: Fixed

Effective interest rate:

Effective interest rate (Approach 1): ---%

Effective interest rate (Approach 2): ---%

Assumptions used to calculate the effective interest rate by Approach 1: The maximum overdraft limit is withdrawn on the very first possibility. The overdraft amount is fully withdrawn. The overdraft is repaid at the end of the term.

Assumptions used to calculate the effective interest rate using Approach 2: The maximum overdraft limit is withdrawn on the very first possibility. The overdraft amount is withdrawn by card at trade outlets. The overdraft is repaid at the end of the term.

Financial costs:

Insurance costs: --

Loan disbursement fee: --

Cash withdrawal fee: --

Card payment at trade outlets: --

Security Agreement registration costs: --

Notarial costs: --

Origination fee: --

Other contractual information:

Total loan amount: GEL ---------

Total repayment amount: GEL ---------

Loan and Loan Agreement validity period: -- months

The consumer IS entitled to reject this contract without specifying any grounds within 14 (fourteen) calendar days from the conclusion/delivery of this contract. For detailed information please see Article 8[1] of the „Additional Contractual Conditions" posted on the official website www.procreditbank.ge.[1]

The consumer is NOT entitled to reject this contract under the law of Georgia „On the protection of Consumer Rights" and/or 09.03.2021 order of the President of the National Bank of Georgia on "The Regulation on the Protection of Consumer Rights in the Provision of Services by Financial Organizations".[2]

Late payment fee: ___% of the overdue loan amount per each day in arrears. In addition, the calculated amount of the penalty charged/provided by this Agreement and the financial

[1] If the consumer has right to reject the contract

[2] If the consumer has NO right to reject the contract

sanction of any form shall not exceed the maximum amount established by law in every case of overdue payment.

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.

In case of dissatisfaction or remark, the customer may file a complaint orally, in free written, standard written or electronic form, or apply other mechanisms provided for by legislation for filing complaints. The complaint is responded to within no more than 1 (one) month after the receipt.

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

Authorized Business Overdraft Agreement No _____

The city of __________ **___ ___ 20__**

Article 1

1.1. **THE BANK: JSC ProCredit Bank**; identification number: 204851197

1.2. **THE BORROWER: (Full name/name, P/I / I/N ______________)**

1.3. For the purposes of this Agreement, the term "Borrower" may encompass either a single borrower or a group of borrowers (co-borrowers), as per the specific context. Borrowers/Co-borrowers are jointly and severally liable debtors or joint debtors.

1.4. The borrowers agree on the following:[3]

Article 2

2.1 The Bank shall authorize business overdraft (the same as credit or overdraft) on the Borrower's current account No ------------------- in the national currency. Authorizing business overdraft means to grant the Borrower the right to spend funds over the account balance under the terms and conditions and during the period provided for by this Agreement:

The Borrowers agree that the entire loan amount will be deposited into the current account of (the Borrower's first name and surname) with the Bank (current account number). In connection with this, they are providing the Bank with an irrevocable order.[4]

2.1.1 Total overdraft amount: GEL ---

2.1.2 Type of interest rate: Fixed

2.1.3 Total repayment amount: GEL ___

2.1.4 Amount to be withdrawn from the total loan amount, less financial expenses: GEL ___

2.1.5 Closing date of the Overdraft and the Overdraft Agreement: --/--/---

2.1.6 Purpose: Payment of current costs

2.1.7 Interest rate: __% per annum

2.1.8 Effective interest rate (Approach 1): ____%

2.1.9 Effective interest rate (Approach 2): ____%

2.1.10 Insurance costs: GEL ____

2.1.11 Loan disbursement fee: __

2.1.12 Cash withdrawal fee: __

2.1.13 Card payments at trade outlets: __

2.1.14 Security Agreement registration costs: __

2.1.15 Notarial costs: --

2.1.16 Origination fee: --

2.1.17 The following assumptions have been used to calculate the effective interest rate:

2.1.17.1. Assumptions used to calculate the effective interest rate by Approach 1: The maximum overdraft limit is withdrawn on the very first possibility. The overdraft amount is fully withdrawn. The overdraft is repaid at the end of the term.

2.1.17.2. Assumptions used to calculate the effective interest rate using Approach 2: The maximum overdraft limit is withdrawn on the very first possibility. The overdraft amount is withdrawn by card at trade outlets. The overdraft is repaid at the end of the term.

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[3] In the case of co-borrowing

[4] in the case of Co-borrowing

2.1.18 In case of overdue payment of any kind of amount due by the Borrower, the Bank is authorized to impose on the Borrower a penalty of -% of the overdue loan amount per each day in arrears. Besides, the calculated amount of penalties provided/charged by this Agreement and the financial sanctions of any form shall not exceed the maximum amount established by law at each time of overdue payment.

2.1.20. Type of credit: Business Loan

2.1.21. The consumer IS entitled to reject this contract without specifying any grounds within 14 (fourteen) calendar days from the conclusion/delivery of this contract. For detailed information please see Article 8[1] of the „Additional Contractual Conditions“ posted on the official website www.procreditbank.ge.[5]
The consumer is NOT entitled to reject this contract under the law of Georgia „On the protection of Consumer Rights“ and/or 09.03.2021 order of the President of the National Bank of Georgia on "The Regulation on the Protection of Consumer Rights in the Provision of Services by Financial Organizations".[6]

2.2 The Borrower shall pay the interest accrued on the loan on the last day of each month, and repay the withdrawn limit (loan disbursed) before the overdraft closes. Interest accrued during the last incomplete month of the Agreement must be paid before the Agreement expires. If the Borrower violates the provision of this paragraph, the Bank may, in its sole discretion, terminate the Agreement and request full repayment of the debt, or redistribute for the Borrower the debt under a payment schedule for no more than 48 months.

2.3 The Bank may request immediate repayment of the overdraft amount at any time. In such case, the Borrower shall, upon receipt of the relevant notice from the Bank, or within the period specified in the notice, but no later than three months after the notice, repay the overdraft amount in full, including interests accrued and all related expenses.

2.4 Interest shall be accrued and a late payment fee shall be imposed on the withdrawn overdraft amount, until its full repayment, per each day in arrears, as defined in this Agreement (this requirement shall apply even after the Agreement expires or terminates early).

2.5 Payment shall be made in the following order: first, all of the Bank fees, then default interest (if any), interest accrued, and lastly, the principal amount. This order may change at the discretion of the Bank.

2.6 Interest may be charged on interest for the late payment of the amount due.

2.7 Upon maturity or in case of late payment, the Bank may, directly/without the Borrower's further consent, debit the banking product amount and the interest accrued thereon, also any other fees or penalties/default interests due from the amounts available on the Borrower's current account, savings deposit (except for term deposit, if the loan is not secured by term deposit) and/or any other accounts, as well as from the overdraft amount authorized on the Borrower's account(s) (unused balance). In addition, if the amount to be written off without acceptance differs from the liability currency, the Bank shall be authorized to translate, at the Borrower's expense, one currency unit to another at the commercial exchange rate applicable at the Bank.

2.8 Agreed collateral and joint liability:

2.8.1 As the parties agree, the Borrower's/Borrowers' performance of obligations under this Agreement shall be secured with the mortgage, pledge, assignment, etc. agreements signed and/or to be signed in the future.

2.8.2 The Borrower's performance of obligations under this Agreement shall be secured by the joint guarantor(s), together with the Borrower, with the agreement(s) concluded and/or to be concluded with them in the future.

2.9 It is mandatory to insure the collateral if the Bank so requests.

Article 3

3.1. The Bank may unilaterally terminate this Agreement, for which, the bank pursuant to the legislation of Georgia shall notify the Borrower prior to the termination and demand the Borrower to repay the existing debt in full, including accrued interest and penalties, if:

3.1.1. The loan repayment term or the condition of targeted use of the loan has been violated;

3.1.2. The obligations under this Agreement, as well as the obligations under the collateral agreement and/or guarantor’s joint liability agreement, have not been fulfilled, including by third parties;

3.1.3. The financial/material condition of the Borrower or joint guarantor will deteriorate (including confiscation of property, or restriction of the right to use), or such a risk will be created and the Borrower will not provide additional collateral;

[5] If the consumer has right to reject the contract
[6] If the consumer has NO right to reject the contract

3.1.4. The purpose of the Borrower is to defraud the Bank or provide the Bank with false/incorrect information about the Borrower's liabilities, economic and/or financial condition; obtain credit; increase the amount and/or obtain credit on preferential terms;

3.1.5. The Borrower has violated one of the requirements of paragraph 2.2;

3.1.6. The Borrower has 100% withdrawn overdraft on the borrower's account in the last one month.

3/1.1. The Borrowers commit to jointly and equally fulfil the monetary obligations outlined in this Agreement within the specified terms and conditions so that they participate in the fulfilment of the entire obligation. Accordingly, the Bank reserves the right, at its discretion, to request the entire obligation to be met by any Borrower or Joint Debtor.

3/1.2. The total liability arising from the Agreement encompasses the principal amount of the credit/loan/banking product, accumulated interest, penalties, damages resulting from non-compliance or inadequate fulfilment of any obligation, costs borne by the Bank for the search, storage, and sale of property, inclusive of judicial, extrajudicial, arbitration, and enforcement expenses, as well as direct and indirect damages.

3/1.3. The Bank is authorized to settle the outstanding amount and the accumulated interest, along with any other payments, penalties or fines, by debiting the Borrower’s current account, savings account, and/or any other relevant account(s) held by the Borrower (not requiring additional consent from any Joint Debtor) without further authorization, including in a currency different from the obligation. Furthermore, should the currency for the debit differ from the currency of the obligation, the Bank is authorized to convert the amount from one currency to another, at the expense of any Joint Debtor of the account holder, using the commercial exchange rate of the Bank.[7]

Article 4

4.1 The Borrower agrees that the Bank may enforce its right in any property (including unsecured property) owned by the Borrower and/or the joint guarantor. In addition, to satisfy the Bank’s claim against the Borrower, the enforcement shall not necessarily first apply to the collateral, and then to any other property of the Borrower. Enforcement may be initiated on other property owned by the Borrower if the Bank so decides.

4.2 Any breach of this Agreement (or non-compliance with the terms of this Agreement) by the Borrower entitles the Bank to obtain satisfaction of claims under the agreements entered into to secure this Agreement (which form an integral part of this Agreement).

4.3 If the proceeds from the sale of mortgaged/pledged property are not sufficient to cover the mortgage/pledge claim, the parties agree that the secured claim shall not be deemed to be satisfied in full but rather satisfied to the extent covered by the proceeds from the sale of the mortgaged/pledged property.

Article 5

5.1 Complaints can be submitted by filling out a free written or standard written complaint form (available at the Bank offices), as well as electronically, or by registering the complaint form on the Bank's official website at www.procreditbank.ge. Any complaint shall be responded to within no more than 1 (one) month from the receipt, after having reviewed it by the structural unit responsible for the protection of consumers' rights at the Bank.

5.2 (deleted)[8] (All disputes arising out of or in connection with this Agreement shall be settled by the courts of law of Georgia at the Bank's place of business, according to applicable legislation)[9].

5.3 There is no obligation of notification if the terms and conditions are changed in favour of the Borrower.

5.4 Any changes or additions to this Agreement shall be made in writing. However, adherence to the written form requirement and/or notification of changes/additions shall not be mandatory when the changes are made in favour of the Borrower. The Bank may also unilaterally make changes and/or additions to the Agreement if the Borrower, Co-borrower, Joint Guarantor (if the loan is secured by joint guarantee) and/or the owner of collateral does not fulfill the contractual obligation.

5.5 'Additional Contractual Conditions' defining various conditions and rights/obligations of the parties shall also apply to this Agreement. 'Additional Contractual Conditions' constitute an integral part of this Agreement and are binding upon the parties. 'Additional Contractual Conditions' are available both at the Bank offices and on the Bank website at

[7] Sections 3/1.1. – 3/1.3.: in the case of Co-borrowing
[8] If any dispute arising from the Agreement is referred to arbitration;
[9] If any dispute arising from the Agreement is referred to court;

www.procreditbank.ge. By signing the Agreement, the Borrower confirms that he has read, understands and accepts the 'Additional Contractual Conditions', has no claims and agrees to comply with them.

5.6 The Bank may process any (including banking, commercial, personal and biometric) data of the Borrower(s) under the procedure defined in and for the purposes of the 'Additional Contractual Conditions', inter alia, request information from JSC CreditInfo Georgia, transmit information about the Borrower and/or this Agreement/banking product to JSC CreditInfo Georgia, receive the Borrower's personal data from the LEPL Public Service Development Agency.

5.7 Any electronic signature, confirmation of the transaction by the signatory through Internet Banking agreed through email and/or any other reliable means of communication agreed between the parties, shall have the same legal force as the personal signature on the material document and the transaction shall be valid from the moment of confirmation. Confirmation of the transaction in this form cannot be made disputed due to the absence of a physical signature on the material document.

5.8 In case of significant changes to the terms and conditions of the Agreement, the customer shall be informed at least 2 (two) months before the change, and in case of price increase of other financial product - no less than one month in advance by letter, e-mail, Internet Banking, text message service or phone call.

5.9 The supervisory body of the Bank is the National Bank of Georgia, domiciled at No1 Zviad Gamsakhurdia Sanapiro st, Tbilisi.

5.10 The Borrower declares to have read the terms and conditions of personal data processing available in the branch/on the website of the Bank and gives his consent to process his personal data to the extent necessary.

5.10 The borrowers confirm that they are aware of the terms and conditions governing the processing of their personal data, as set out in the branch/on the bank's website, and consent to the processing of their personal data to the extent necessary for the purposes set out in this document. [10]

5.11 This Agreement is entered into by and between the parties in two equally binding copies. One copy shall be kept with the Bank and the other shall be given to the party (parties).

Article 6.

6.1. If this agreement is executed in Western Georgia, encompassing the territory of the Autonomous Republic of Ajara, Guria, Imereti, Racha-Lechkhumi and Kvemo Svaneti, Samegrelo, Zemo Svaneti, and the Autonomous Republic of Abkhazia, any disputes arising from this agreement (including but not limited to disputes concerning non-fulfillment, cancellation, termination, invalidity of the agreement's terms, the existence, validity, and termination of the arbitration agreement) shall be submitted to permanent arbitration in the following manner:

6.1.1 The dispute shall be reviewed and resolved by Arbitrage House LLC (ID No. 411322359);
6.1.2 Should Arbitrage House LLC be dissolved, suspended/ceased to operate, or unwilling to address the dispute at the time of arbitration claim/petition submission, the dispute shall be escalated to Tbilisi Arbitration Institute LLC for consideration and resolution (ID No. 205273005);
6.1.3 In the aforementioned circumstance, the location for dispute resolution shall be the city of Kutaisi;

6.1.4 Should both aforementioned arbitral authorities be dissolved, suspended/ceased to operate, or unwilling to address the dispute at the time of arbitration claim/petition submission, the dispute shall be escalated to the general courts of Georgia for consideration and resolution, under the relevant legislation of Georgia, contingent upon the bank's location.

6.1 If this agreement is executed in Eastern Georgia, encompassing the city of Tbilisi, Shida Kartli, Kvemo Kartli, Mtskheta-Mtianeti, Kakheti, and the Samtskhe-Javakheti territory, any disputes arising from this agreement (including but not limited to disputes concerning non-fulfillment, cancellation, termination, invalidity of the agreement's terms, the existence, validity, and termination of the arbitration agreement) shall be submitted to permanent arbitration in the following manner:

6.1.1 Should the limit of the framework agreement as stated in subsection 2.1.1(a) of this agreement be USD 500,000 (five hundred thousand dollars) or less (or the equivalent in any other currency), any dispute shall be considered and resolved by Tbilisi Arbitration Institute LLC (ID No. 205273005). If the limit is greater than USD 500,000 (five hundred thousand), the dispute shall be considered and resolved by Dispute Review Center LLC (ID No. 204547348).

6.1.2 Should, at the time of submission of the arbitration claim/petition, any of the arbitral authorities involved in the case (e.g. Tbilisi Arbitration Institute LLC) be dissolved, suspended/ceased to operate, or unwilling to address the dispute, the matter shall be escalated to the other arbitral authority for consideration and resolution, and reciprocally.

[10] in the case of Co-borrowing

6.1.3. Besides, according to the current arbitration agreement, the parties agree that the dispute in the mentioned case shall be considered in the city of Tbilisi.

6.1.4 Should both aforementioned arbitral authorities be dissolved, suspended/ceased to operate, or unwilling to address the dispute at the time of arbitration claim/petition submission, the dispute shall be escalated to the general courts of Georgia for consideration and resolution, under the relevant legislation of Georgia, contingent upon the bank's location.