

**Amendments shall be effective as of February 18, 2021**

**The following amendments were introduced to the Banking Services Conditions published on the web page [www.procreditbank.ge](http://www.procreditbank.ge):**

**1. Paragraphs 2.1, 2.2, 2.4 and 3 of the Article 2<sup>1</sup> of the “Banking Services Conditions” shall be amended as follows:**

“2.1. The client hereby consents and agrees that the bank may process any data of the client, also make information available for the bank shareholders and their controlling entities, make information available for other government and international organizations, make information available for tax consultants, auditors, legal advisers, insurance companies and the third parties providing different services only for the following purposes:

- A contractual or pre-contractual relationship exists with the client;
- Providing any kind of banking services to the Client;
- Offering banking/loan products by the Bank to the Client unilaterally, without application of the Client;
- Monitoring the Client's current loan products and verifying the Client's solvency;
- For the purposes of the Bank, providing different types of research/services/consulting on tax and legal issues / audit;
- Reporting to the bank shareholders;
- Making an expert examinations related to banking services;
- Direct marketing;
- Participating in various (related to Visa, MasterCard, or other banking service) promotional activities;
- processing of data is required for compliance with the obligations, compelled by the legislation, to which the Bank is subject;
- Other cases provided for by legislation.

2.2. This consent is given by the Client for the processing of information with the aforesaid purpose during the required period of time.

2.4. The Client represents that he/she is aware of his/her rights provided by the legislation of Georgia, that the client may, at any time, demand the bank to stop using his/her personal data for marketing purposes; The Client is entitled to request the information on the data processed regarding him/her, request to correct, update, add, block, erase or destroy data if they are incomplete, inaccurate, not updated or if they are collected and processed against the law.

3. The client is aware and hereby consents and agrees that the bank may obtain and process any and all necessary data from the Public Service Development Agency only for the purposes specified by this article during the required period of time under the terms and conditions envisaged by the legislation of Georgia”.

**2. Article 2<sup>2</sup>(1) of the “Banking Services Conditions” shall be amended as follows:**

“1. The video identification service implies remote identification of the Client by the Bank (without visiting the Bank) via relevant software and the video call (hereinafter the “video identification”) against the identity document presented by the Client/person authorized to manage and represent the Client.”

**3. Paragraph 1<sup>1</sup> shall be added to Article 2<sup>2</sup> of the “Banking Services Conditions” in the following wording:**

“1<sup>1</sup>. For the purposes of this article, the term "Client" shall, in each particular case, as the context requires, mean an individual or a legal entity and a person authorized to manage and represent it, who applies to the Bank for banking services through video identification.”

**4. Article 2<sup>2</sup>(2) of the “Banking Services Conditions” shall be amended as follows:**

“2. The Bank shall provide the Client’s video identification to render various banking services, defined by the Bank, to the Client under the procedures and restrictions established in the Bank.”

**5. Article 2<sup>2</sup>(5) of the “Banking Services Conditions” shall be amended as follows:**

“5. For video identification, the Client shall have a valid Georgian citizen’s ID document: ID card and/or biometric passport issued since 2010. If the Client is not a Georgian citizen, he/she/it shall apply to the Bank for video identification with a valid ID document submitted to the Bank at direct identification.”

**6. Article 2<sup>2</sup>(8) of the “Banking Services Conditions” shall be amended as follows:**

“8. The following persons may receive remotely various banking services defined by the Bank through video identification:

- a) An individual who is a citizen of Georgia and holds a valid ID document as specified in paragraph 5 of this article;
- b) An individual who is not a citizen of Georgia but has a citizenship of a country defined by the internal rules of the Bank and holds an active account(s) with JSC ProCredit Bank. Such individuals shall apply to the Bank for video identification with the document defined in paragraph 5 of this article;
- c) A legal entity registered in Georgia, which holds an active account(s) with JSC ProCredit Bank and simultaneously meets all the following conditions:
  - The person authorized to manage and represent the Client has independent (sole) representation powers;

- The person authorized to manage and represent the Client is a citizen of Georgia and holds an ID document specified in paragraph 5 of this article.

d) A legal entity registered in Georgia, which does not have an active account(s) with JSC ProCredit Bank and simultaneously meets all the following conditions:

- It is registered as a limited liability company (LLC) and has only one person authorized to manage and represent the company;
- The person authorized to manage and represent the company is a citizen of Georgia and holds the ID document specified in paragraph 5 of this article;
- All individuals and legal entities in the ownership structure are citizens of Georgia or LLCs registered in Georgia;
- The beneficiary owner(s) is (are) determined under an extract from the Register of Entrepreneurs and Non-entrepreneurial (Non-commercial) Legal Entities;
- The ultimate beneficiary owner is a citizen of Georgia.

8.1. After having opened a current account through video identification, the Client will have access to basic banking products. Besides, before personal identification, the Client shall be restricted from conducting banking transactions on an account opened through video identification, except for opening a deposit and conducting the following transactions: money deposits, money transfers between own accounts with JSC ProCredit Bank, conversion from one currency unit to another.

**7. The following paragraphs of the “Banking Services Conditions” shall be deleted: paragraph 9 of Article 2<sup>2</sup>, paragraph 6 of the Article 6, paragraph 26 of the Article 7, paragraph 8 of the Article 7<sup>1</sup>, paragraph 7 of the Article 10, paragraph 51 of the Article 16 and paragraph 40 of the Article 20.**

**8. A following “Note” be added to the Article 16, paragraph 45<sup>1</sup>, subparagraph “1” of the Banking Services Conditions:**

“Note: Exceptions are international companies and foreign websites operating in Georgia, which offer product/service fees in GEL but make payments through foreign financial institutions serving them and process transactions in EUR/USD according to the registration zone”.

**9. The definition of the “Section X” of the Banking Services Conditions be changed as follows:**

**“Section X - Acquiring Services  
General Provisions on Acquiring Services”**

**10. Article 30 of the Banking Services Conditions be replaced with a following Article:**

## “Article 30.

1. The terms used in this chapter have the following meanings:
  - a) **Acquiring** - an activity that ensures, on the basis of the agreement with trade and/or service outlets or other entities (the trading platform organizer, sub-Acquirer), through electronic and technical means, the execution of payment transactions through a payment instrument, the execution of internet payment transactions using the payment instrument details, the execution of cash withdrawal transactions using a payment instrument, and the relevant settlement.
  - b) **Card instrument** – a payment instrument, including a payment card, mobile phone, computer or other technological device, where respective payment application is recorded/integrated and which enables the payer to initiate a card transaction.
  - c) **Payment card** (hereinafter the card) – a category of e-payment instrument issued by the issuer, through which the payer can initiate a card transaction.
  - d) **Payment application** – a software installed in the device or its equivalent, through which the payer can initiate a card transaction and give a payment order.
  - e) **Issuer** - a provider that issues a payment instrument, through which a card transaction can be initiated.
  - f) **Card payment transaction** (hereinafter – the card transaction) - debit and credit transactions performed using a card instrument, including the card details, through the card infrastructure, according to the card scheme, on the basis of which the transaction amount is reflected in the card/credit card account or card balance is changed.
  - g) **POS terminal** – an electronic software and/or technical equipment used 1) to withdraw money from the service provider's office; and/or 2) for making payments by card instrument in trade/service outlets, which may include cash withdrawals in addition to payment for goods/services (except for e-commerce transactions).
  - h) **Card receipt** - a document issued by an ATM or POS terminal, which confirms the payment for goods/services, the cash withdrawals through a card instrument or other card transactions, also provides the relevant information in case of any transaction failure.
  - i) **Offline transaction** - an operation that is confirmed or denied without contact with the issuer.
  - j) **Chargeback** - a financial claim filed by a card issuer against a bank for a refund of a card transaction made by a client.
  - k) Other terms used in this chapter have the meanings defined by the legislation of Georgia.
2. The Bank shall provide the Customer with acquiring services on payments made via POS terminals issued to the Customer by the Bank, by means of Visa International and MasterCard International. The Customer shall pay fee to the Bank for each card transaction performed at the Customer's shop. The amount of fee shall depend on whether a transaction is performed with a card issued by ProCredit Bank Georgia or with a card issued by another bank.
3. The signing of an acquiring agreement and related contracts by the Client implies that the Bank has taken all mandatory measures regarding the Client as established under the Law of Georgia on Facilitating the Prevention of Money Laundering and Terrorism Financing and by-laws issued by the Financial Monitoring Service and the National Bank of Georgia, and has obtained reliable information about the Client's activities.

4. The conclusion of an acquiring agreement between the Bank and the Client implies that the Bank has obtained all the necessary permits and licenses from the relevant card schemes required to provide services to the Client.
5. Rights and obligations of the Client:

The Client shall be obligated to:

- 5.1. Meet the legal requirements of the Bank relating to the provision of acquiring services, the protection of consumer rights, the security and protection of the user, card and other confidential information.
- 5.2. Compensate the Bank for any damage inflicted thereto directly or indirectly, including and not limited to any amount imposed on the Bank and/or paid by the Bank in the consequence of violation of the Agreement, this Rule, the legislation of Georgia and the rules established by the relevant card systems. Compensation shall be paid immediately upon receipt of the relevant notice/request of the Bank, either within the timeframe set by the Bank or within the timeframe specified by the agreement between the parties.
- 5.3. Before signing the acquiring agreement by the Client, or making amendments/additions to the agreement, also at each renewal of the agreement, at the request of the Bank, submit all documents and provide all required information to the Bank, also allow access for the Bank representative to trade/service outlets in confirmation of the fact that the activity/service complies with the law.
- 5.4. Actually provide the services that are consistent with the scope of the Client's activity specified in the acquiring agreement. The obligation includes the notification to the Bank, in writing or via Internet Banking, of any amendments or additions thereto or removal and/or cancellation of any part thereof, 10 (ten) working days before the changes. The amendments/additions described in this paragraph shall be valid after the relevant changes are made in the agreement.
- 5.5. During the monitoring conducted by the Bank, cooperate with the Bank and provide it with the requested information/documents, also allow the Bank representatives to inspect the inspection site, show him/her the service process and fulfil all legal requirements of the Bank arising from the monitoring purposes. Default on this obligation shall be interpreted as a violation of a significant requirement of the agreement and the Bank may suspend and/or terminate the acquiring agreement.
- 5.6. Follow the security rules and procedures for using the POS terminal and conducting card transactions. The Client is responsible for any damages caused by improper observance of security measures and procedures, including and not limited to information loss, damage and/or access by third parties.
- 5.7. Attend and/or ensure the attendance of its employee(s) at the training planned by the Bank, also ensure the allocation of appropriate space for the training with the intervals and duration determined by the Bank; and, if an employee who has access to the POS terminal and card transactions conducted through the POS terminal changes, notify the Bank in writing or via Internet Banking no later than 10 (ten) business days. The Bank shall not be responsible for any damage caused by the Client in breach of the above obligation, including and not limited to the

damage inflicted indirectly; and the Client shall be responsible to pay the said damage in full, including the one inflicted by the Client to the Bank for the breach of the above obligations.

- 5.8. Assist the Bank in investigating the cause of any disputed transaction. Provide relevant information immediately, also give the relevant authorized representative of the Bank unhindered access to the relevant device located within the facility held/owned by the Client.
- 5.9. Before conducting a card transaction, make the transaction amount visible to the payer on the POS terminal screen. Do not conduct the transaction if it is impossible to meet the above requirement and immediately notify the Bank of the deficiency.
- 5.10. The Client is required to have a current account with the Bank for the entire duration of the agreement. This obligation includes opening an account (if absent and/or closed), maintaining the account and paying a maintenance fee set by the Bank. The Bank shall credit the relevant amount of the acquiring service to the above account. In case of closing the account, the Bank is authorized to suspend or terminate the acquiring service and agreement with the Client.
- 5.11. Follow the safety rules for using the POS terminal:
  - a) make sure that no unknown device is connected to the POS terminal;
  - b) verify and make sure that no unauthorized or unknown transaction has taken place;
  - c) not transfer to any third party and not allow a third party or an employee (who has not undergone relevant training) access the POS terminal;
  - d) to eliminate the technical deficiency of the POS terminal, allow access only for a Bank employee or a person relevantly authorized by the Bank;
  - e) protect users' card data from damage, loss, unauthorized acquisition or other threats;
  - f) cancel the completed transaction only after presenting the relevant card;
  - g) comply with the requirements set forth in this Rule, the Agreement and the rules for using the POS terminal transferred by the Bank.
- 5.12. Not carry out or complete a card transaction that has already started if the card is expired, blocked or lacks standard card details, also if the card is suspicious or damaged.
- 5.13. If the transaction is performed using the card magnetic stripe, not allow the transaction to be completed if the signature on the card and the receipt do not match. Also, not allow a card transaction to be conducted using a magnetic stripe without the cardholder's signature.
- 5.14. In case of a suspicious transaction, ask the customer to present an identity document and not complete the transaction if the person presenting the card and the person holding the card are different.
- 5.15. To create all conditions necessary to install POS terminals at shops.
- 5.16. Not to give a POS terminal to a third party. The Customer shall pay the Bank the total cost of the POS terminal if it is lost or given to a third party.
- 5.17. To accept valid **Visa International and MasterCard International** plastic cards, in accordance with current Georgian Legislation, with International Payments System (Visa and MasterCard) rules and with the requirements of the agreement and this document.
- 5.18. To check if the information printed on the POS card receipt is identical to the data printed on a payment card.

- 5.19. Keep card receipts, also information and documents related to card transactions within 3 years from the date of signing/creation and submit them to the Bank within 2 working days upon request. All the details mentioned in the above documents shall be read clearly. Card receipts shall be signed by the cardholders (cardholder signature is not required if the payment transaction is conducted using a PIN code).
- 5.20. To return POS terminal(s) to the Bank immediately but within no later than 10 (ten) business days if so requested by the Bank and/or in the case of termination of the agreement. In case of non-fulfillment of this obligation, the Bank is authorized to charge, and the Customer shall be obliged to pay a penalty of 0,5% of the remaining Bank-owned POS terminal value per each day in arrears.
- 5.21. Keep confidentiality of any information related to card transactions. This obligation implies that the Client's employees must also keep confidentiality of information.
- 5.22. To perform a transaction only in the presence of the Cardholder/Card User and/or with his/her consent. Identify the cardholder/Card User by PIN code, signature, by identification documents if required, and not allow use of the card by an unauthorized person.
- 5.23. In case of return of goods and/or refusal of service in connection with a card transaction incorrectly performed by the cardholder or the Client, with the consent of the Client to the return and/or refusal, conduct a credit transaction on the card. In such a transaction, the Client shall not be allowed to issue the amount in cash. For similar cases, the rules and instructions for the counter-transaction to be made by the Client on the POS terminal are given in the manual for using the POS terminal and the Client shall follow the relevant procedure.
- 5.24. Maintain the turnover specified in the special provisions (Articles 31 and 32 of this document) for each POS terminal.
- 5.25. If the Customer and his/her employees have come into possession of the Bank's confidential information during the term of this Acquiring Agreement, not to disclose this information and not to use it for their own or a third party's purposes or for any other purposes.
- 5.26. The Client and its employees, who have received the Bank's confidential information within the acquiring services, are obligated not to disclose and not to use such information for own or any third party's personal or other purposes. This obligation shall be valid even after the suspension/termination of the agreement concluded between the Bank and the Client, also after the termination by the Client of the employment/service contract with its employee. The Client shall take into account the above obligation in the agreement concluded and/or to be concluded with its employee and shall be responsible for any damage that occurs due to the violation of this obligation directly or indirectly.
- 5.27. Shall not change a price on goods/services, if the payment is done by using Card, not Cash.
- 5.28. Shall not provide false information to cardholder about the malfunction of POS terminal in order to avoid the use of POS terminal. The Bank reserves the right to make controlled purchases at the Customer's trade facility in order to monitor compliance with this obligation and the Customer agrees to allow this.

The Client shall be authorized to:

- 5.29. Refuse to perform a card transaction if it considers the transaction to be suspicious, also if the card is expired, blocked, damaged or lacks standard card details, has no signature (in the presence of the appropriate field, in case of the magnetic stripe transaction) and in other cases.
- 5.30. Request and have access to the transactions conducted in its favour by visiting the Internet Banking and/or the Bank branch (service point). This type of access allows the Client to calculate, at any time, the fee to be paid and compare it with the transactions recorded in its internal system.
- 5.31. Request appropriate training for the replaced/new employee and do not allow the employee to work with the POS terminal before the training.
- 5.32. Receive technical services/support from the Bank as part of the acquiring and resulting services.
- 5.33. Require the Bank to fulfil its obligations under the agreement and the legislation of Georgia.
6. The Bank is authorized to:
- 6.1. Require the Client to submit any information, document that confirms the legality of its activities and its ability to ensure the protection of card transactions and card transaction data.
- 6.2. Independently, at its own discretion, determine the periodicity of monitoring of the Client, trade/service outlet.
- 6.3. If the machinery available at the trade/service outlet and the condition of the outlet is insufficient to protect user, card and other confidential information, require the Client to purchase and install additional equipment, if necessary, and take additional security measures, non-compliance with which shall be the grounds for suspension or termination of the acquiring agreement.
- 6.4. Reduce the sums deposited to the Customer's account by chargeback amounts (a chargeback is a financial claim by a card issuer against the Bank regarding the return of a card transaction amount by the Customer; such a claim arises, for example, if the cardholder rejects a transaction on his/her account, etc.) unilaterally, at any time, without the Customer's additional consent and notification. And, if the funds available on the Customer's account(s) are not sufficient to fully cover the chargeback claims, the Bank may, at its own discretion, without the Customer's additional consent and notification, block the Customer's accounts for as long as the chargeback claim is fully repaid, also deduct unlimited amounts available on/transferred to the Customer's accounts until the debt is fully repaid.
- 6.5. In the circumstances provided for in the previous paragraph, if the Client does not timely repay the claim amount received in the form of a chargeback, the Bank may to charge and the Client shall pay a penalty of 0.5% of the outstanding amount per each day in arrears.
- 6.6. Without limitation and prior agreement with the Customer, inform International Payments Systems (Visa and MasterCard) and/or law enforcement authorities and/or members of International Payments Systems (Visa and MasterCard) about any suspicious, illegal or unauthorized card-related action by a Customer, in order to deter possible acts of fraud or legalization of illicit incomes.
- 6.7. With or without prior agreement with the Client, at any time, conduct inspections at the Client's trade/service outlets to control the operation of the POS terminal and the Client's fulfilment of contractual obligations or the legislation of Georgia.
- 6.8. Except in the cases listed in this chapter, suspend the provision of services and/or reimbursements to the Client in the following cases:
- 6.8.1. Upon receipt of information about fraudulent, false, unlawful, illegal, unsanctioned and/or unauthorized transactions, within 180 days from such transactions;



- 6.8.2. if the cardholder, card issuer (issuer), card payment system (Visa and MasterCard international systems) objects a transaction conducted by using the POS terminal, until the situation is clarified and resolved, but no later than the deadline established by this chapter for reviewing a complaint;
- 6.8.3. If the Customer's actions harm the interests of the Bank and/or International Payments System (Visa and MasterCard);
- 6.8.4. Non-fulfilment or untimely fulfilment of the Customer's obligations;
- 6.8.5. if the Client fails to provide adequate information, documents and warranties to protect the legality of its business, also the card instrument and card transaction data. In this case, the service shall be suspended until the Client fully meets the above requirements, but no longer than the period specified by the Bank. After the expiration of that period, the Bank is authorized to terminate the existing service or not to sign a new agreement;
- 6.9. If, at the time of notification of the circumstances under subparagraphs 6.8.1. and 6.8.2 by the Bank, the amounts have already been disbursed to the Customer, debit the relevant amount from the Customer's accounts, as per the rule established herein; the debited amounts shall be returned to the Customer if the circumstances under subparagraph 6.8.1 are not confirmed within 180 days and/or the objection under subparagraphs 6.8.2 turns out to be groundless.
- 6.10. If the Bank and/or International Payments System (Visa and MasterCard) confirm, in accordance with the rules of the latter, that fraudulent, false, unlawful, illegal, unsanctioned and/or unauthorized transactions were made with the card (regardless of whether the term under subparagraph 6.8.1. has expired or not) and/or the objection under subparagraph 6.8.2 is grounded, suspend the service to the Customer, not disburse/stop disbursing amounts to the Customer, and if the amounts are already disbursed and not debited as per paragraph 6.9., debit relevant amounts from the Customer's accounts as per the rule established herein.
- 6.11. If the Customer requests and provides relevant evidence, appeal the claim/objection made under subparagraphs 6.8.1 and 6.8.2 of this document in accordance with the procedures and conditions of International Payments Systems (Visa and MasterCard).
- 6.12. Besides the grounds listed in this article, suspend and/or terminate the provision of service, and/or disbursement in the presence of relevant grounds set forth by Georgian legislation and/or International Payments Systems (Visa and MasterCard).
- 6.13. Evaluate, at its sole discretion, the compliance of any transactions made by the Customer via International Payments Systems (Visa and MasterCard) with this document in terms of Georgian legislation and procedures set by International Payments Systems (Visa and MasterCard); and decide unilaterally whether to make the amount of transaction conducted via International Payments Systems (Visa and MasterCard) available on the Customer's bank account(s).
- 6.14. Block, at its sole discretion, the amount of transaction made by the Customer via International Payments Systems (Visa and MasterCard) on the Customer's account(s) within 180 days without further notice to the Customer.
- 6.15. Replace/remove POS terminals from a shop.
- 6.16. Refuse to fulfil its assumed obligations if the Customer does not fulfil its obligations or does not fulfil them in a timely manner.

- 6.17. The Acquiring Service Agreement and Agreement on Activation of POS Terminal Pre-Authorisation Function (hereinafter Pre-Authorisation Agreement) may also terminate if:
- 6.17.1. The Customer does not refund the chargeback amount charged on the Customer's account within 10 (ten) working days from the date of chargeback;
  - 6.17.2. The Customer grossly violates or, at least twice during the calendar year, violates the requirements set by Acquiring Service Agreement and/or Pre-Authorisation Agreement, this document and/or rules set by the International Payments Systems (Visa and MasterCard);
  - 6.17.3. The Customer or any party to Security Agreement breaches the obligations assumed by Security Agreement(s);
  - 6.17.4. The value of property mortgaged under Security Agreement reduces for reasons independent of the Bank, or the risk of such a reduction arises, and the Customer does not provide adequate collateral or does not fill up the existing collateral within a period specified by the Bank in a written notification to the Customer;
  - 6.17.5. The terms and conditions set forth in Article 31 of this Document are violated;
  - 6.17.6. At mutual written agreement between the parties, at any time;
  - 6.17.7. In other cases provided for by this document, Georgian legislation, International Payments Systems (Visa and MasterCard).
- 6.18. When the Bank terminates Pre-Authorisation Agreement, if the Customer has an outstanding debt to the Bank, undertake to send the appropriate notice to the Customer (notification shall be made under the procedure set by this document and to the contact details agreed between the parties) and request payment of the debt immediately or within the time limits specified in the notice.
- 6.19. Upon receipt of the notice, the Customer shall pay the debt immediately or within the time limits specified in the notice. Otherwise, Bank is entitled to apply to the court as required by law claiming to sell the property (if any) mortgaged in security for obligations.
- 6.20. If the obligations arising from Pre-Authorisation Agreement are secured by Security Agreement on obligations secured by funds available on the account and the Customer breaches the contractual obligations, Bank is entitled to fully satisfy its claim from the collateral unilaterally, without the Customer's additional consent or notification, at any time and for multiple times.
- 6.21. During the period of termination of Pre-Authorisation Agreement, Bank is entitled to block funds deposited into the Customer's account until such time as the Customer/Mortgage Owner fully fulfills the obligations under the relevant agreements.
- 6.22. In the event of termination of Pre-Authorisation Agreement and cancellation of pre-authorization feature, Bank is entitled to not issue a letter/consent of termination/cancellation of Security Agreement, also maintain the funds available on the collateral account, until 180 (one hundred and eighty) days expire.
- 6.23. If any breach of Pre-Authorisation Agreement and obligations assumed thereunder takes place during 180 (one hundred and eighty) days from cancellation/termination of pre-authorization, due to which the Bank is authorized to satisfy its claim from the collateral, not issue a consent of termination/cancellation of Security Agreement or not transfer funds from the collateral account into the Customer's current account and fully satisfy its claims from the funds available on the collateral account and/or mortgaged property.

- 6.24. If no breach of Pre-Authorisation Agreement and obligations assumed thereunder takes place during the period set forth in the preceding subparagraph, the Bank shall be liable to issue a letter of release of collateral and/or transfer funds from the collateral account into the Customer's current account within 5 (five) business days from written application of the Customer or collateral owner. Accordingly, the fee for cancellation of right in the Public Registry shall be paid by the applicant.
- 6.25. If court or enforcement proceedings have been initiated because of non-payment of debts, any expenses incurred shall be covered by the proceeds from the sale of the mortgaged property. If the proceeds from the mortgaged property are not sufficient to fully cover the claim, the secured claim shall not be considered fully satisfied but shall be considered satisfied only to the extent of available funds, while the obligation for the remaining non-satisfied claim shall remain valid.
7. The Bank shall be obligated to:
- 7.1. Provide the Client with the necessary information and means to receive payments by the card instrument.
  - 7.2. Conduct relevant training for the Client, or an employee or employees specified by the Client, retrain new employee(s) before starting work with the POS terminal, in accordance with significant changes in the POS terminal software, also at the request of the Client.
  - 7.3. If conducting the training under the decision of the Bank, provide information to the Client about the content of the training and other data in advance, before the start of the training, through any communication channel agreed.
  - 7.4. Periodically check the fulfilment of the obligations undertaken by the Client.
  - 7.5. If the Client breaches the obligations under the agreement, consider terminating the agreement and the service.
  - 7.6. Within 5 (five) working days after signing the agreement, transfer and install the POS terminal, which is the property of the Bank and will be transferred to the Client for use during the relevant period of the agreement. At the transfer-installation of the POS terminal(s), a relevant delivery and acceptance certificate shall be concluded by and between the Bank and the Client/Client representative. The Bank shall fulfil the obligation assumed under this paragraph if the trade/service outlet where the POS terminal is to be installed fully meets the standards set for the installation and safe use of POS terminals and the security of data.
  - 7.7. Have the necessary permits from the relevant card schemes to carry out the activity

Additional terms of the Acquiring Service:

- 8. The Customer is authorized to receive technical assistance/support from the Bank, within the scope of acquiring and related services; its cost is included in the commissions paid by the Customer.
- 9. The Bank shall not be responsible for delays in transferring funds to the Client's account when reimbursing money to the Client if the delay occurred due to third parties (including: seizure, collection, any other restriction) and/or the card payment system (Visa and MasterCard international systems).
- 10. The Bank shall not be held responsible for any temporary failure of POS terminal communication systems which is beyond its control.

11. If disbursement of the amount of card transactions at a Customer's trade/service facility is delayed, the Customer shall be authorized to impose, and in such case the Bank shall be obliged to pay, a fine amounting to 0.5% of the amount due for each day of delay.
12. In the case of delays in the settlement of any type of financial liability, the Bank shall be authorized to impose and in such case the Customer shall be obliged to pay a fine amounting to 0.5% for each day of delay.
13. The Customer shall be responsible for keeping, maintaining and taking care of the POS terminals, and therefore, the Customer shall be fully responsible for the loss, partial and/or total damage of a POS terminal, regardless of the person who lost or damaged the POS terminal (the Customer's representative/employee or a third party). In the case of damage or loss of a POS terminal, the Customer shall be obliged to pay the Bank damages caused by partial and/or total damage or loss of the POS terminal in the amount of remaining value of the device but no less than GEL 200 (two hundred).
14. The fine/penalty shall not be deducted from the amount of compensation due. Imposition/payment of a fine/penalty does not release the offending party from the obligation to provide full compensation for inflicted loss/damage.
15. The Customer shall be responsible for unauthorized access to POS terminal statements, card transaction statements (receipts), as well as payments with counterfeit or stolen cards.
16. The Customer shall be financially liable to the Bank for all transactions carried out at the trade/service facility, including transactions stipulated in preceding paragraph of this article.
17. Compensation of the Customer for a transaction amount does not mean that the Bank recognises the validity of the transaction, if investigations by the Bank, law enforcement authorities or the International Payments System (Visa and Master Card) reveal that this transaction was illegal or invalid, it may result corresponding consequences.
18. The Customer assumes payment liability and, for this purpose, authorizes the Bank, for the day of receipt of statements from the International Payments System (Visa and MasterCard) and/or the issuer bank, and/or at the due date of payment in favour of the Bank, International Payments System (Visa and MasterCard), issuer bank or third party, to debit without acceptance the amount in favour of the Bank, International Payments System (Visa and MasterCard), issuer bank or third party, in conformance with the terms/conditions of the agreement/this document, from the Customer's bank account(s) indicated in the agreement, as well as from the Customer's other account(s) with the Bank, as per the rule established herein; in particular:
  - 18.1. Bank commissions stipulated by the agreement(s) and/or this document, fines, penalties and/or any type of other payment;
  - 18.2. Amounts charged to the Bank upon request of the International Payments System (Visa and Master Card), issuing bank or third party or upon the cardholder's request for card transactions at shops, including chargeback amounts.
  - 18.3. Amounts resulting from credit transactions with a payment card (return of goods, services, etc.).
  - 18.4. Compensation of expenses incurred by the Bank in connection with the processing, appeal or other procedures of chargeback.
  - 18.5. All compensations, exchange rate differences, fines, penalties and other amounts resulting directly or indirectly from card transactions.

- 18.6. The amount of any loss inflicted on the Bank as a result of violation of the conditions of the agreement and this document, International Payments System (Visa and MasterCard) rules and current Georgian Legislation.
19. All issues that are not regulated by the agreement or this document shall be resolved as per current Georgian Legislation and International Payments System (Visa and MasterCard) rules.
20. If the parties are unable to make payments during the periods mentioned in the General Terms, article 4 of this document (“Termination of the Agreement”), the parties agree that the payment term shall be 180 (one hundred and eighty) days from the date of the last card transaction.
21. Under agreement between the parties, acquiring services and the Customer’s obligations arising therefrom may be secured by real property owned by the Customer or any third party (mortgage agreement) and/or Security Agreement on obligations secured by funds available on the account, for which relevant additional agreements/covenants shall be concluded.
22. The terms and conditions set out in this document are further applicable to mortgage agreement and Security Agreement on obligations secured by funds available on the account.
23. Any dispute and/or disagreement between the parties shall be settled by mutual agreement. In case of failure to reach an agreement, the dispute and/or disagreement shall be resolved by the general courts of Georgia. Besides, the decision made by the court shall immediately be enforced under Article 268<sup>1</sup> of the Civil Procedure Code of Georgia.
24. Any electronic signature, confirmation of the transaction by the signatory through Internet Banking, agreed mail address and/or any other reliable communication channel agreed between the parties, shall have the same legal force as the personal signature on a paper document and the transaction shall be valid from the moment of confirmation. Confirmation of the transaction in this form must not be disputed because of the absence of a physical signature on the paper document.
25. The fee payable by the Client from the payments made using the POS terminal shall be calculated from each transaction made with the appropriate type of card at the POS terminal, at the interest rate specified in the agreement between the Bank and the Client”

**11. Article 32<sup>1</sup> be added to the Banking Services Conditions:**

Article 32<sup>1</sup>. Consideration of disputed transactions and disputes

1. The Bank shall consider the complaint about an unauthorized transaction filed by the issuer in connection with the transaction conducted in Georgia with a Georgian card instrument.
2. The term for consideration of a complaint about a transaction carried out in Georgia with a Georgian card instrument shall be 15 (fifteen) business days after filing the relevant complaint to the Bank. This period may be extended under agreement with the issuer only in the presence of special and objective circumstances but no more than 25 (twenty-five) business days. The deadline will start from the next working day after filing the complaint.
3. The Bank shall investigate the cause of any disputed case, transaction, incident, unauthorized transaction after receiving information of it and/or within the timeframe established by the National Bank of Georgia.

4. If the disputed unauthorized transaction is conducted through the POS terminal of JSC ProCredit Bank, the Bank is authorized, if necessary, to contact the Client and receive all the necessary information, documents and records related to the disputed transaction.
5. Upon the provision of the relevant information/documents/records by the Client, within the timeframe established in this Article, the Bank shall make the relevant decision to satisfy the complaint (in whole or in part) or reject it, and shall give relevant notification to the complainant.