

1. GENERAL TERMS & CONDITIONS FOR THE OPERATION OF CUSTOMER BANK ACCOUNTS, DEPOSITS, ELECTRONIC BANKING AND OTHER BANKING SERVICES

- 1.1 The General Terms & Conditions for the Operation of Customer Bank Accounts, Bank Deposits, Electronic Banking and Other Banking services (**T&C**) set forth herein govern all banking transactions between HSBC Bank Georgia jsc (the Bank, including its successors and assignees) and the person or persons (the Customer, “You” , “Your” pronouns refer to the Customer) signing the bank account opening form and such other sample documents as may be designed by the bank for a specific type of service rendered by the Bank.
- 1.2 Signature of the Customer under the bank account opening form or other sample documents designed by the Bank for specific services shall constitute an acceptance of the T&C herein and other rules and conditions set by the Bank for services, as may be amended from time to time unilaterally by the Bank and publicized through mass media, posted on the web-page: www.hsbc.ge or being available at the premises of the Bank.
- 1.3 The sample account opening form, transaction forms and other similar sample documents may be amended unilaterally by the Bank from time to time. These T&C are deemed to be primary and all the sample forms, documents for dealings on the accounts, services, and other mandatory procedures and conditions approved (to be approved) by the Bank shall be applicable as far as they do not contradict these T&C.
- 1.4 The Bank is entitled to refuse acceptance of documents presented by the Customer for processing any transaction if the form of such documents (and also the content) differs from the one approved by the Bank.
- 1.5 Commission fee will be charged by the Bank for the services rendered to the Customer in accordance with the Tariffs of Charges enclosed hereto. The latter are available for the Customers at the Bank’s premises and may be amended unilaterally by the Bank by notifying the Customers thereon one month in advance either through mass-media and/or by posting on the web-page and/or by placing a respective announcement in the respective branches of the Bank. The fees defined under the Tariffs of Charges are normally charged from the account of the respective transaction.
- 1.6 The Bank shall implement duly filed authentic instructions presented by or on behalf of the Customer. The Customer shall be liable for any risk, possible losses and expenses resulting from execution of instructions and such losses and expenses shall not be subject to compensation by the Bank, nor any of its employees or agents.
- 1.7 All the securities, bills, account balances and expected funds, deposits, accrued and future interest, banknotes denominated in any currency of the Customer shall be deemed a security against the liability of the Customer to the Bank which arose with respect to account maintenance by the Bank or for any other reason whatsoever (including interest, commission fees and other charges) and the Bank shall have the right to pledge with respect to the latter. The Bank shall be entitled to make a set off against liabilities which arose for any of the reasons described above without any acceptance by the Customer and without compiling any additional document.

- 1.8 The Customer shall not be entitled without the prior written approval of the Bank to assign to other persons any present or future right to claim to the Bank with respect to any services rendered by the Bank.
- 1.9 The Bank shall not be held liable for any loss, damage or delay resulting from any unauthorized actions by state bodies or from force majeure circumstances, including but not limited to equipment malfunction or any interruption of electricity supply. Any failure or delay by the bank in exercising protection of its interests in relations with the Customers may not be viewed as a waiver thereof.
- 1.10 These T&C are made and construed in accordance with the legislation of Georgia. Any disputes arising between the Bank and the Customer are subject to the jurisdiction of the courts of Georgia. Any relations with respect to the services stipulated herein and not regulated under these T&C will be subject to the regulation by the legislation of Georgia and where no respective provisions are stipulated under the legislation – by business practice. The Georgian version of the T&C prevails over the English version.
- 1.11 Where any suspicions arise as to the authenticity of any documents presented to the Bank for transacting on the accounts of such Customers and/or receiving other services rendered by the Bank, the Bank shall be entitled to send such documents to the respective authorized body for expertise to prove their authenticity and the Bank shall bear no liability for any loss incurred by the Customer due to the delay caused by such actions.
- 1.12 The Bank is entitled to send at its discretion SMS messages/e-mail messages of informative and advertising nature on the terms and conditions of the services provided by the bank and/or any amendments thereto, as well as on the new services to the mobile phone number(s)/e-mail address(es) mentioned by the Customer in the account opening form and/or in any other sample document designed by the Bank for any specific service offered by the latter and/or provided by the Customer to the Bank for that particular purpose. The Customer is entitled in case of any change/loss of phone number(s) or cancellation/change of e-mail address(es) advise promptly the Bank thereon in writing. The Customer hereby confirms that the Bank shall not bear any liability for making available such information to third parties via SMS messages/e-mail messages due to the failure by the Customer to advise the Bank on the change/loss of such phone number(s) or cancellation/change of e-mail address(es).
- 1.13 The Customer hereby authorizes the Bank to provide the mobile telecommunication service operator(s) with the mobile phone numbers mentioned above for the purpose of sending SMS messages. The Customer hereby also confirms that the Bank shall not bear any liability for making available the information sent by the Bank and/or any data of the Customer to third parties due to the actions of the mobile service operator(s). The Customer is entitled to refuse receiving SMS messages from the Bank by advising the Bank thereon in writing.
- 1.14 Parties are liable to keep in strict confidentiality financial, commercial and other information received from any other party. Disclosure of such information to any third party is allowed only in case of the written consent of the parties concerned and also in cases where this is stipulated under current Georgian Legislation.
- 1.15 The Customer agrees and the Bank is entitled to debit unconditionally (without consent of the Customer) any kind of commissions and/or payments of the Bank from the bank

- 1.16 The Customer is obliged to notify the Bank immediately about any changes or amendments in the documents or information submitted by him/her, as well as to notify the Bank in writing about changes of persons authorized to manage the bank accounts or receive information about the state of such accounts and attach appropriate documentation to the notification. Until such documents and notifications are received by the Bank, the banking operations shall be conducted in accordance with the documents and signature samples submitted earlier.
- 1.17 The Customer may not use any of the services hereunder for illegal purposes, including, but not limited to, the purchase of any goods or services that are prohibited under the effective Georgian legislation.
- 1.18 Any notice to the Bank shall be sent in writing or through other means envisaged under this Agreement. Any written notice shall be delivered to the Bank at the last address known to the sender.

2. CREDIT INFORMATION BUREAU

- 2.1 The Customer unconditionally grants to the Bank the right to transfer Customer related information without his/her further consent to the Credit Information Bureau (hereafter the "Bureau") operating in Georgia, according to the rules established by such bureau. Following such transfer, the information on the Customer shall be recorded in the database of the Bureau.
- 2.2 The information to be transferred includes, but is not limited to, the Customer's identification information, extent of indebtedness toward the Bank, purpose of the loan/overdraft, accrued interest, term of effectiveness, periodicity of repayments of the loan/overdraft, unpaid balance of the loan/overdraft, information on the collateral, as well as the same information about any surety and security of performance within the frames of this Agreement, information on the litigations and enforcement procedures, other information about the Customer as required under the rules established by the Credit Information Bureau.
- 2.3 The Customer hereby unconditionally grants to the Bank the right to review the Customer's credit history available in the database of Credit Information Bureau at any time during the term of this Agreement.

3 BANK ACCOUNT

- 3.1 These conditions apply to all the accounts of the Customer with the Bank irrespective of the currency and type of the account (including savings or current accounts). The list of documents required for opening an account by the Customer is defined by the Bank and may be amended from time to time. Time periods for processing of transactions are defined by the Bank unless otherwise provided under these T&C, other documents approved by the Bank and Georgian legislation.

- 3.2 The Customer may be granted an overdraft facility. The Customer shall pay interest on any overdraft. The interest on overdraft shall be paid in currency of the respective account. Overdraft interest rate is defined by the Bank. Interest shall accrue on a daily basis on the overdrawn balance of the bank account. The Bank shall have the right to debit the bank account of the Customer with the respective interest amount (without acceptance by the Customer) at the end of each month or at such other intervals as the Bank may determine from time to time. The Customer shall repay any overdraft together with all interest and other charges incurred immediately upon demand by the Bank unless otherwise provided by the written agreement signed between the Customer and the Bank. If sufficient funds are not available on the account of the Customer for implementing the instructions of the latter, the Bank shall have the right to record at its discretion the respective amount as current overdraft by notifying the Customer thereon verbally or in writing (including by reflecting it in the statement of the respective period).
- 3.3 For specific types of accounts, the Bank may at its discretion issue the Customer with a cheque book. The Customer shall exercise due care when drawing any cheque and shall be bound by the conditions as may be amended from time to time and printed on the inside front cover of the cheque book.
- 3.4 The Bank will provide to the Customer, at Customer's request, a monthly statement for specific types of accounts unless otherwise agreed with the Customer. Information reflected in the statement shall be deemed to be a valid notice of dealings on the account. It is the responsibility of the Customer to check the accuracy of the statement and notify the Bank of any errors therein within 30 (thirty) calendar days of the date of such statement. The Bank shall not be held liable for any losses due to postal errors, theft, loss, for any other claim which may arise from this service to the Customer or for disclosure of information.
- 3.5 Accounts with zero balances will be closed by the Bank as determined by the Bank in conformity with Georgian legislation.
- 3.6 Deposits and withdrawals may be made at any branch of the Bank in Georgia subject to availability of satisfactory evidence of identity or at any on-site or off-site Automated Teller Machine (ATM) of the Bank by use of the Bank's Card. The types, volumes, scope and procedure of using the services offered by ATMs are determined by the Bank.
- 3.7 Conversion from one currency to another shall be at the Bank's respective exchange rate as regularly determined by the Bank. By giving a respective instruction to the Bank for effecting a transfer from an account in one currency to an account in another currency, the Customer undertakes and confirms that he/she agrees to the conversion of currency at the exchange rate defined by the Bank.
- 3.8 The Bank is authorized to debit the bank account of the Customer for all cheques, payment instructions duly signed in accordance with the current signing authority provided to the Bank on signature card or other forms accepted by the Bank.
- 3.9 The Customer agrees to indemnify the Bank against any expenses and losses incurred by the Bank with respect to implementation of Customer's instructions and the Bank shall be entitled to debit the Customer's account with any such amounts.

- 3.10 The Bank shall accept the payment instructions every day from 10:00AM to 18:00PM, except for Saturdays, when only limited services are provided by the Bank in the period 11:00AM to 14:00PM. The payment instructions received at any other time during the day or on Saturday shall be deemed to be received on the next working day following the day of receipt. The Customer shall be advised on waiver of the payment instruction verbally and/or by way of providing statements and other banking documents as agreed in writing with the Bank.
- 3.11 Acting only as the Customer's collection agent, the Bank may agree to accept, but without assuming any responsibility for their realization, cheques, bank drafts, and similar payment instruments for deposit to bank account provided they are made out in favor of the Customer or endorsed to their order. For this purpose, the Bank's offices, correspondents or other agents appointed by the Bank shall be deemed to be the Customer's agents.
- 3.12 The Bank or its agents shall not be held liable for the loss, damage or dishonor of a cheque or other instrument or for the failure to credit, late payment or presentation, validity, any delay in crediting the bank account or non payment and return of cheques, payment instructions, bank drafts or other instruments through the fault of the Customer. The Bank or its agents shall process all transactions on best effort basis in compliance with local regulations.
- 3.13 Proceeds of cheques or other instruments shall not be available for withdrawals by the Customer until collected by the Bank.
- 3.14 The rate of interest payable on bank account shall be displayed at the Bank's branches and/or publicized in any other way. Interest accrued on any bank account is paid in respective currency of the account.
- 3.15 In the event of death, incapacity, dissolution, insolvency or bankruptcy (or other analogous, event or proceedings) of the Customer, the Bank shall not be liable for any dealings on the bank account unless and until the Bank has received written evidence of the same together with other satisfactory documentary evidence as determined by the Bank and Georgian law. In case of receiving a valid notice, the Bank shall suspend all dealings on the Customer's bank account until a duly authorized person as per Georgian Legislation has been suitably empowered to deal with the bank account.
- 3.16 The Customer may close the bank account by giving prior written notice at any time to the Bank after payment of all moneys due to the Bank at the time of such closing of the bank account that has to be in conformity with the procedures determined by Georgian law. The Bank shall have the right to close the account of the Customer at its discretion or cease to provide any or all services envisaged hereunder by serving a termination notice to the Customer 5 (five) days prior to closing such account(s) or ceasing the provision of such services. This T&C may be terminated in any other case foreseen under the effective legislation.
- 3.17 Any written demand or communication of the Bank shall be made at the correspondence address of the Customer indicated in the sample bank account opening form approved by the Bank (or such other address as the Customer shall notify the Bank in writing from time to time). The Customer will be deemed to be duly advised on the date of posting the respective communication or other similar documents by the Bank. The Customer shall

4 BANK DEPOSIT

- 4.1 The conditions set forth herein govern the relations between the Bank and the person or persons (the Customer) signing any sample bank deposit opening form approved by the Bank.
- 4.2 The rate of interest payable on bank deposit shall be displayed at the Bank's branches and/or through other means. The interest rate defined by the Bank at the moment of opening of a term deposit shall remain unchanged during the entire period of the deposit agreement. The interest on each deposit is payable upon maturity of the deposit or as otherwise agreed. Any interest payable on the deposit, irrespective of its currency, shall be paid in currency of deposit.
- 4.3 The term deposits shall be paid at the first demand of the depositor.
- 4.4 In case of early termination of the term deposit agreement at the request of the Customer, the payable interest shall be equal to interest rate payable on statement savings account.

5 ELECTRONIC BANKING SERVICES

- 5.1 The conditions set forth herein govern all transactions effected by the Debit Card (the Card) issued by the Bank to the Customer.
- 5.2 The Card shall remain the property of the Bank, and the Customer shall surrender the Card to the Bank immediately upon request. The Bank may, with reasonable justification, withdraw at any time all rights and privileges of the Customer pertaining to the Card.
- 5.3 The Card and Personal Identity Number (PIN) are issued to the Customer entirely at the Customer's risk, and the Bank shall bear no liability whatsoever for any loss/damage arising from the issuance to the Customer or use of the Card and PIN however caused.
- 5.4 The Customer shall at all times remain liable for any transactions made by use of the Card and shall indemnify the Bank for all loss/damage however caused by any unauthorized use of the Card or PIN.
- 5.5 The Customer shall not disclose the PIN to any other persons without the prior written consent of the Bank.
- 5.6 The Customer shall exercise due care to prevent the Card and details of the PIN being lost or stolen and shall notify the Bank immediately and confirm in writing any loss or theft. The Bank cannot be held responsible in case if a lost or stolen card/PIN is used prior to receipt of written notice of loss.
- 5.7 The Bank's record of transactions processed by the use of the Card shall be deemed to be a documentary evidence of the transactions.

- 5.8 The Bank shall debit the Customer's bank account with the amount of any withdrawal/transfer effected by use of the Card. Transactions effected in currencies other than Customer's account currency shall be effected at the exchange rate as determined by the Bank on the day of such transaction.
- 5.9 The Bank shall debit the Customer's bank account with all expenses related to the issuance, maintenance of the Card and, if necessary, any replacement thereof. In case of foreign currency account, the Bank shall be entitled to convert the respective amount of foreign currency into GEL at Bank's prevailing exchange rate and only thereupon apply the respective charges.
- 5.10 Cash withdrawals from other Bank's ATMs will be subject to a cash withdrawal fee as may be fixed by the Bank.
- 5.11 The Customer shall not be entitled to overdraw the bank account or to withdraw/transfer funds by use of the Card in excess of any limit permitted by the Bank.
- 5.12 The Bank shall not be liable for any loss or damage arising directly or indirectly from any malfunction/failure of the Card or ATM, temporary insufficiency of funds in such machines or otherwise howsoever (irrespective of the fact which bank appears to be the owner or lessee of the subject ATM).
- 5.13 Any cash or cheque deposited by use of the Card shall only be credited to the Customer's bank account after verification by the Bank, after which such deposits shall be regarded as having been received by the Bank and credited to the Customer's bank account.
- 5.14 The Customer shall be jointly and severally responsible for all transactions processed by the use of the Card issued to one or more of the holders of joint bank account, notwithstanding any stipulation, which may have been made in the bank account opening mandate completed by them, requiring all parties to the bank account to sign.
- 5.15 The Card shall be immediately returned to the Bank in the event of the Customer's death or closure of the bank account.
- 5.16 The Bank reserves the right to change these T&C upon reasonable notice to the Customer. Use of the Card after the date upon which any change to these T&C is to have effect (as specified in the Bank's notice) will constitute acceptance without reservation by the Customer of such change provided that the Customer shall have been notified thereof before such use. Publication of change through mass media or ensuring the availability of such changes at the premises of the Bank will constitute effective notice to the Customer.