

Amendments shall be effective as of December 20, 2019

The following amendments were introduced to the Banking Services Conditions published on the web page www.procreditbank.ge:

1. The following amendments (Article 7²) has been added to the Banking Services Conditions:

“Article 7²: Return of foreign currency banknotes unfit for circulation to the Client

1. This article applies to foreign currency (EUR and USD) banknotes unfit for circulation collected from payments made by the Client to his/her or third party's account through payment systems/tools (except when depositing money via a safe deposit box SAFE), including pay boxes or other technical means.
2. A foreign currency banknote with the following damages shall be deemed to be unfit for circulation:
 - 2.1 significantly damaged, including torn/ripped, shredded banknotes and those glued-together in any way or through any means whatsoever;
 - 2.2 banknotes with original colour missing and/or discoloured significantly;
 - 2.3 partially burnt banknote with damaged edges, surface or security markings presumably caused by burns;
 - 2.4 banknotes fully or over 30% soiled/spoiled with oil, paint, ink or any chemical or reagent;
 - 2.5 fully or partially mouldy banknotes regardless of the size of the mould and the degree of damage;
 - 2.6 banknotes damaged by physical impact with changed basic image, portrait, face value; removed/damaged security thread; altered inscriptions that makes it difficult to distinguish the banknote, etc.;
 - 2.7 banknotes with unambiguous print defects, such as the lack, damage, alteration or improper location of a water mark or a security thread; also with de-inked image;
 - 2.8 banknotes with geometric size changed more than 3 (three) millimetres (decreased/increased);
 - 2.9 foreign currency banknotes issued before 1974, whether physically damaged or not.
3. The Bank employee shall check and count the amount deposited by the Client through payment systems/tools within 30 (thirty) business days after the deposition.
4. If during the counting and checking it turns out that the foreign currency banknote(s) deposited by the Client is(are) unfit for circulation, the Bank shall be authorized to report the amount of the banknotes deemed unfit for circulation as a loss without consent or attendance of the account holder.
5. After having reported the amount as loss, the Bank may unilaterally, without consent of the account holder, deduct the appropriate amount from any of his/her/its accounts; furthermore, the Bank shall also be authorized to convert the amounts available on any account of the account holder into the relevant currency, at the Client's expense, in accordance with the Bank's current commercial exchange rate.
6. The account holder may accept back the banknotes that the Bank deems unfit for circulation by visiting the branch designated by the Bank for this special purpose within 10 (ten) business days following the relevant notification. Suspicious banknotes shall not be subject to return.
7. Upon expiry of the above time limit with no effect, the Bank shall not be obliged to further notify the Client of the return of the banknote(s) deemed to be unfit for circulation. Such banknote (s) shall be maintained with the Bank at the designated place and returned to the Client within 5 (five) business days from his/her/its written application to the Bank.

8. If there are not sufficient funds on the account holder's account(s) to pay loss at the time when the loss is reported, this will lead to going into unarranged overdraft by the client holding an account to the extent of the outstanding sum.
9. For the purposes of this article, going into unarranged overdraft means the overdraft authorized for the loss accrued on the account holder's account(s) (debit balance/debt) because of the banknotes deemed by the Bank to be unfit for circulation that have been collected from the payments made via the payment systems/tools (plastic cards, etc.).
10. Going into unarranged overdraft by the account holder shall lead to 36% charge to the full unarranged overdraft amount per year. Interest charge shall commence within 2 (two) calendar days from going into unarranged overdraft on the account holder's account(s) and continue until full repayment of the unarranged overdraft amount, including the interest accrued (if any).
11. After having counted money, the account holder shall be notified of the deduction of funds by the Bank from the account holder's account(s) for payment of loss and the return of banknote(s) deemed unfit for circulation through any agreed communication channel (SMS, Internet Banking, phone call, etc.) on the same day of relevant operations.
12. The Bank shall determine unilaterally the frequency of relevant notifications to the account holder requesting the repayment of unarranged overdraft.
13. After having revealed and reported the relevant loss, the Bank shall be authorized not to perform/complete the payment order submitted by the account holder for approval that has not been completed yet (except for the payment order for the State Budget transfer) and use the amount for repayment of loss, of which the account holder shall be notified under the established procedure.
14. Unless the unarranged overdraft is repaid within 30 (thirty) calendar days, the Bank shall be authorized to block any payment tool available in the name of the Client until full repayment of unarranged overdraft, restrict/suspend its use for as long as the unarranged overdraft debt is fully repaid and/or take any other measure established by the legislation of Georgia, including filing a lawsuit with the court or filing an application to the Enforcement Bureau to initiate a simplified legal procedure.”