

**Amendments shall be effective as of August 18, 2023.**

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

**1. Article 8<sup>2</sup> shall be added to the Banking Services Conditions to read as follows:**

**“Article 8<sup>2</sup>. Current account with offset function**

1. The Bank and the Private Customer enter into an Annex to Agreement on Opening and Servicing of Current Account regarding the activation of the offset function.
2. The offset function allows mortgage loan, except the subsidized mortgage loan (hereinafter the Mortgage Loan), after enabling, to reduce the interest rate on mortgage loans by placing cash funds/balance on the account and daily calculating the interest accrued on the loan.
3. When applying the offset function, the interest charged on the mortgage loan will be calculated using the following method: during the repayment of the loan, the interest charged on the current loan will be adjusted by the amount accumulated according to the balance recorded on the offset account at the end of each calendar day, taking into account the minimum and maximum saving thresholds stipulated by the agreement, regarding the activation of the offset function.
4. The account with the offset function can be used subject to the following terms and conditions:
  - 4.1. The offset function can be activated only by opening a current account and only for private individuals;
  - 4.2. The offset function can be activated individually for separate mortgage loans;
  - 4.3. An offset account can be opened in GEL/USD/EUR. Besides, the currency of the offset account must not differ from the currency of the Customer's mortgage loan;
  - 4.4. No interest shall be accrued on the amount placed on the offset account;
  - 4.5. The Customer may manage (deposit/withdraw/credit/transfer/convert, etc.) the fund(s) placed on the offset account without restriction. Besides, the offset account is not a card account;
  - 4.6. The minimum limit to which the monthly interest rate can be reduced on the mortgage loan using the offset function is 50% of the current mortgage loan balance. Therefore, the portion of the funds placed on the offset account that exceeds 50% of the current mortgage loan balance will not be included in charging the interest.
5. If the balance available on the offset account at the end of the day is less than (GEL/USD/EUR) 100 (one hundred) units, the offset function cannot be used and the Customer cannot enjoy the benefits of the offset function.

6. In full or partial repayment of the mortgage loan, the funds saved in the offset account for the day of early repayment shall be repaid first. Besides, in early repayment of the principal loan in full or in part, the interest balance saved by the offset function for the day of early repayment shall be repaid first. The Customer is aware that the funds saved by the offset function shall cover only the interest accrued on the mortgage loan.
7. The offset function can be disabled and the offset account can be closed at any stage of the mortgage loan. In case of full repayment of the mortgage loan, the offset account shall automatically be closed provided that there are no cash funds on the account and there are no legal restrictions/liability measures stipulated by the legislation of Georgia. The offset account can be closed at any time at the initiative of the Customer and/or the Bank.”