

**“ARMSWISSBANK”  
CLOSED JOINT COMPANY  
INTERNAL LEGAL ACT**

Title and number of the Act:	<b>186, General Terms for the Operation of Customer Bank Accounts and other Banking Services</b>
The receiving body;	<i>Directorate</i>
Date and basis of Decision;	<i>19.07.2021 57-L decision</i>
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## 1. GENERAL PROVISIONS

- 1.1. The hereunder presented Conditions (hereinafter General Terms & Conditions) govern the bank account opening application form of ArmSwissBank CJSC (hereinafter Bank) and the Bank transactions signed between the bank and the individual (s) (hereinafter Customer) signing the sample document designed by the bank for a specific type of services rendered by the bank, and serves as the general legal document regulating the relations between the Bank and the Client (hereinafter referred to as the "Parties").
- 1.2. The hereby act represents the Bank Account agreement offer, the application of the client for opening the bank account or his/her signing of other sample document prepared by the Bank for specific services stands as the clients adherence, and is the evidence of signing the bank Account Agreement between the Bank and the Client, as well as the clients consent of the General Provisions, and of the rules set by the Bank for these specific services offered, as well as the tariffs and the conditions.
- 1.3. The Armenian version of the General Terms prevails in regards of the versions published in other languages.
- 1.4 Commission fee will be charged by the Bank for services rendered for the Customer in accordance with Tariffs and Conditions (henceforth Tariffs) set by the Bank. All charges defined under the Tariffs will be charged (in Armenian Drams) from the AMD accounts of the Customer. In case of lack of sufficient funds in AMD accounts of the Customer, Bank will charge the respective fee from the Customer's foreign currency account by exchanging the appropriate amount at a Bid (Buying) rate, defined by the Bank on exchange date.
- 1.5 The general conditions and Tariffs, as well as the account opening sample form and other similar sample documents may be amended by the Bank, and the Customers shall be properly informed about these amendments 30 days in advance.
- 1.6. The customer is considered duty informed, if the mentioned information is published on the Bank's website (homepage [www.armswissbank.am](http://www.armswissbank.am)) and/or the announcement, placed in the Bank's premises, in the areas, intended for Customers Service. If the customer continues using Bank's services after the General Terms and/or Tariffs update (including that of not closing the accounts, without making any transaction) then it shall be considered a sign of the customer's acceptance of the applied updates.
17. Bank provides services to the clients during its operational days, which is defined independently. The operational day is a time period for providing banking services, which are published by the Bank on its website (homepage [www.armswissbank.am](http://www.armswissbank.am)) and/or the announcement placed in the Bank premises, in the areas, intended for Customer Service.
- 1.8. The client hereby gives to the Bank his/her consent to accept payments on his/her bank

account(s) from third parties to repay customer's due obligations toward Bank and release Bank from any claims and liabilities that may arise as a result.

- 1.9. All of the instructions/tasks presented to the Bank should be formed precisely, and in accordance with the legislation of RA as well as that of the Bank's internal acts. All aforementioned amendments, authentications and reiterations referring to the instructions should be specified as such. The Customer shall be liable for any risk, possible losses or expenses resulting from the implementation of instructions and such losses and expenses shall not be subject to compensation by the Bank, nor any of its employees or agents.
- 1.10. While signing the corresponding payment order, the customer is obliged to check the accuracy and integrity of the filled information. The customer shall be held responsible for all the possible negative effects and risks proceeding from his/her payment order, even if the order was filled in by the employee of the Bank.
- 1.11. The Bank is not eligible to reject or to not implement the payment orders submitted to the Bank, which contain sufficient requisites to fulfill the payment order. The Bank checks the integrity of the payment order details and shall not be accountable for the accuracy and authenticity of these requisites, as well as that of the Beneficiary or the Beneficiary Bank's identity.
- 1.12. Bank is not responsible and is not liable for any actions taken by beneficiary's bank or intermediary bank, such as request for providing additional information, or pending payment order, holding payment, order's amount(s) or non-execution of payment order(s) and, as a consequence is not responsible or liable for any expenses, losses or damages incurred by the Customer.
- 1.13. All the securities, bills, accounts balances and expected funds, deposits, accrued and future interest, banknotes denominated in any currency, gold and other valuable of the Customer held with the Bank shall be deemed to be 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 documents.
- 1.14. The Customer is obliged to inform the Bank in case of pledging any expected or current funds or any other securities held with the bank.
- 1.15. The authorizations of the persons presented to the bank, who are assigned to make transactions for the customer or otherwise present the Customer in frames of the transactions implemented by the Bank have legal authority of 3 (three) years or until they are disclaimed in written form. The provision of written information is obligatory even in the cases when the alteration of authorized persons or the renouncement of their authorizations is mentioned in some other documents.
- 1.16. The Customer is obliged to make an immediate notification to the Bank about the persons (managers) with the right to sign payment documents. The Customer should also notify

about the change of his/her Name, Address, status and other information presented by him in the documents as well as about the reorganization and liquidation of the company. The customer takes the responsibility for the losses and negative effects, which were resulted for not informing the Bank about the changes mentioned in this point and in other data..

- 1.17. According to the requirements of the USA law about FATCA (Foreign Account Tax Compliance Act), in 90 days after becoming USA taxpayer the customer must inform about this occurrence to the Bank and fill in the necessary documents, as well as to give consent for the Bank to grant information about his accounts to the USA Internal Revenue Service. If the customer refuses to present the necessary documents, the Bank has the right to close the Customer's account, in accordance with the conditions defined by General terms & conditions.
- 1.18. Where any suspicions arise on the authenticity of Powers of Attorney (including certified by Notary Public) issued by the Customers in favor of third parties 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 Powers of Attorney 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.
- 1.19. The Customer is liable for the losses incurred by the Bank, if these losses are resulting of not notification from the Customer about the limitation of his/her rights or the rights of the authorized person. This holds also for the limitations of the Powers of Attorney issued by the Customers in favor of third parties for transactions on the accounts of such Customers.
- 1.20. The Bank is not liable for the authenticity of the documents presented by the Customer and consequently for the withdrawals from the Customer's account followed by illegal instructions in those cases, if the signature or the stamp in the instruction fits with the signature and the stamp staying on the card of signature specimen. This also refers to the losses accrued as a result of usage of illegal electronic-keys in case of instructions given

in electronic version.

- 1.21. The Bank is not liable for the oral information or advice (recommendation), about which the Customer makes his/her own decision, taking into consideration all financial consequences connected with the transaction. All information and recommendations given to the Customer by the Bank can be in no way considered as an implementation of contract liabilities.
- 1.22. The Customer is obliged to present verbal or written explanations and specifications for the verification of the validity, relevancy of the concluded bargain or legitimacy of the properties origination as well as for the disclosure of the real beneficiaries.
- 1.23. Both the Bank and the Customer are obliged to ensure the confidentiality of financial, trade and other information. The transfer of such information to the third person is possible by written agreement between both Parties or in the manner stipulated by the Legislation of the Republic of Armenia.
- 1.24. In cases stipulated by Law the Bank acts as the Customer's tax agent relating to the payment of income/profit tax from the interest of Customer's deposit account. The Bank has the right to write off the required all tax deductions from the accounts of the Customer Bank without notifying the Customer in advance, if such a requirement is defined by the RA legislation.
- 1.25. The Bank has the right to provide information on the Customer's and its accounts, as well as on liabilities, to other banks, credit organizations, credit bureaus, as well as to the Deposit Insurance Guarantee Fund, upon their request or on its own initiative, without informing the Customer in advance.
- 1.26. By submitting the documents containing his / her personal data to the Bank, the Customer agrees that the Bank shall request any information center (and / or another person / entity that possesses the personal data of the natural persons) to compile applications / contracts, receive relevant information by generating relevant personal data in the application/in the contract. In addition to the condition specified in this clause before the relevant application / contract is signed, the agreement given by the Customer under this clause will be approved in writing, and in case of concluding an application / contract, its agreement will be deemed to be valid.
- 1.27. The Customer agrees that the Bank, regardless of the fact that the Customer undertakes / has credit obligations, will receive a Bank ID, for which the Customer Registrar of the Central Bank of Armenia will enter the information about the Customer.
- 1.28. The Bank has the right to use the e-mail address, mobile phone number and other communication data provided by the Customer in order to send informational and advertising messages to the Customer regarding the services provided by the Bank. The information includes the statements of accounts, the terms and conditions of the Bank's services, the order of communication between the parties, the rights and obligations of the parties, the definition or amendment of the Bank's services, the laws affecting the annual interest rate, normative legal acts, changes in the Bank's internal legal acts, such as information on Customer obligations, grounds for their occurrence, repayments, non-fulfillment or improper fulfillment

of liabilities (applied) by the Bank, and the procedure for their application.

- 1.29. In case of notification via e-mail or short e-mail (SMS), the Customer shall be deemed to have duly notified the Bank's message addressed to the Bank by e-mail, e-mail or mobile phone number provided by the Bank. Failure to receive the Bank's notice by the customer may not be construed as non-performance or improper performance of its notification obligation by the Bank. The Customer agrees that receiving the receipts / notifications sent by the Bank to the address specified by the Customer by another person at that address is not considered an illegal disclosure of banking secrecy.
- 1.30. The parties acknowledge that in the case specified in the Terms, the documents submitted electronically to the Customer, the data have the force of the original paper document signed by the parties, the same legal significance, are considered officially transferred to the Customer and are grounds for the Customer Account. In cases when the submission of documents is carried out by remote systems, the provisions of this paragraph will also apply to the documents received from the Customer through the mentioned systems. At the same time, the Customer bears the risk of possible legal consequences, possible damages, losses and expenses arising from the actions performed on the basis of the data (information received from the Customer) provided to the Customer (refraining from performing certain actions).
- 1.31. The Customer agrees that the conversation between the Bank and him / his representative using any remote connection in the Bank's territory or in real time may be completely recorded for security reasons that the recording may be of probative value and used by the Bank to protect its rights and legitimate interests.
- 1.32. The customer is informed that any e-mail can be tampered with and interfered with by third parties. The customer also realizes that the information sent to him by the e-mail address specified by him may be made available to third parties for reasons beyond the control of the Bank. In this regard, the Customer acknowledges that the Bank is not responsible for any damages incurred by the Customer due to the above reasons or due to reasons beyond the Bank's discretion or through access to third parties through no fault of the Bank.
- 1.33. The Customer is responsible for all expenses, losses and damages incurred by the Bank due to non-fulfillment or improper fulfillment of the Customer's obligations under these Terms and Conditions, as well as for the expenses charged by third parties from the Bank.
- 1.34. The Bank shall not be liable for direct or indirect costs and damages incurred by a person (including loss of expected income or interest) if they have been fully or partially incurred by the Bank in connection with money laundering and terrorist financing activities, such as other requirements of the legislation.
- 1.35. The Bank is not responsible for any damage, loss or delay caused by the actions or failures of government agencies, including equipment malfunctions or power outages or interruptions.
- 1.36. In case of death, incapacity, insolvency, bankruptcy, liquidation of the customer, the Bank is not responsible for the provision of banking operations or services until it has received a proper notification of such facts, including sufficient documentary evidence. Upon receipt of the notification, the Bank will, at the latest from the next business day, suspend all banking operations, provision of services until the Customer's successor or other legal representative has acquired the appropriate authority to carry out the operation. The Bank has the right to

suspend it even if it has received information about the facts mentioned in this point from another Bank as a reliable source.

- 1.37. As a result of the requirements of the legislation of the Republic of Armenia, UN Security Council resolutions, norms of international law, unilateral and foreign sanctions, the Bank may impose restrictions or restrictions on the application of a certain country at the request of the Bank's correspondent banks or by the decision of the Bank's competent authority or to persons with residency and / or to a separate group. Such restrictions may prohibit the maintenance of accounts and cooperation with the Customer in general, as well as restrictions on the provision of certain services (for example, a ban on the provision / service of international payment cards, a ban on making and receiving international transfers via foreign currency accounts).
- 1.38. According to the principles of the Bank's activities, the circulation of funds obtained (managed) by the criminal legislation of the RA legislation on combating internal regulations, money laundering and terrorist financing is prohibited. Taking into account the requirements of the legislation, following the international legal norms on money laundering, the Bank has the right to make any inquiries of any money / values that are entered or entered by the Customer or on behalf of the Customer, as they are issued by the Customer from the account or name. The bank has the right to demand sufficient evidence of the legality of the origin of these assets. The Bank has the right to prohibit and to suspend the management of cash / cash or use and / or to obtain / obtain sufficient evidence from the Customer. The customer is obliged to reimburse the Bank for all damages and expenses incurred in connection with the above. The customer realizes and agrees that the Bank is obliged to comply with the requirements of other laws and regulations, such as the requirements of law enforcement agencies, which relate to the prevention of terrorist financing. The Bank and any other counterparty of the Bank shall not be liable for any direct or indirect costs and losses (including loss of expected income or interest) on the part of the Bank, if any, in whole or in part, in connection with the Bank's prevention of money laundering and terrorist financing by fulfilling the requirements. In the case provided for by the Bank of Armenia's legal acts on the prevention of financing of money laundering and / or money laundering within the Bank's internal regulations, the Bank has the right to refuse to perform the transaction by the Customer or to establish business relations with the Customer or terminate the existing relations.
- 1.39. The business relations between the Bank and the Customer are based on decency, proper business ethics and mutual confidence. According to the Bank's internal regulations and legislation of the RA the Bank is ready each time to implement the Customer's instructions in frames of services rendered by the Bank. The Customer can be sure that the Bank will make his/her instructions decently and in any case will take appropriate measures to support the Customer.
- 1.40. The Customer has the right to lodge the claims and protests to the Financial System Mediator concerning the operations rising from this agreement.
- 1.41. The bank has signed an agreement on refusing the right to appeal the decisions of the Financial System Mediator.

## 2. BANKACCOUNT

- 2.1 These conditions apply to all the accounts of the Customer with the Bank irrespective of the currency and type of the account. 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.
- 2.2 The bank does not open accounts for those individuals, and does not provide services to those who carry out the production and supply of weapons and / or ammunition, except for hunting weapons and ammunition. The Bank may restrict the opening, servicing or financing of the companies operating in the nuclear energy, casino and / or betting, gambling, drug and sanctioning sectors, as it considers operating in those sectors to be high risk.
- 2.3 The Bank ensures the proper service of Customer's Bank account for the given sample accounts according to the legislation, internal regulations and Conditions defined by the Bank.
- 2.4 Signature of the Customer under the bank account opening form shall constitute that Customer's properties are originated from legal sources.
- 2.5 Each of the joint beneficiaries of a monetary deposit in a joint account opened at the Bank may make use of the relevant account in whole or in part without the joint action of the others, unless all joint beneficiaries of such account instruct the Bank otherwise. The joint accounts may be opened only for the state registered spouses upon Bank approval. Otherwise the Bank has the right not to open joint accounts.
- 2.6 All transactions implemented by Customer's order are made within the frames of the Customer's Account remainder.
- 2.7 The terms of implementation of all transactions made with Bank Accounts are defined by the Bank, as far as they do not contradict these T&C, other documents defined by the Bank and legislative acts of the RA.
- 2.8 The Bank accepts and executes Customer's orders according to the sequence of their entry to the Bank in the manner stipulated by Article 923 of the Civil Code of the republic of Armenia. The Bank instructs the Customer to make a transaction if there is sufficient money in the Customer's account (s) and the amount is not burdened with other liabilities, prohibitions, restrictions.
- 2.9 The Bank is obligated to credit monetary funds transferred to the Customer's Account not later than the same day after the Bank receives respective payment order (if the payment order is received until 4 PM) or the next day (if the payment order is received after 4PM).
- 2.10 If the crediting payment orders are in one currency and the account of the Customer is in another one, the Bank shall make the crediting of the account in the currency in which the Customer's account is, by exchange rate defined by the Bank at the moment of crediting, if there is not any other agreement with the Customer



- 2.11 The Bank is obligated to transfer monetary funds from the Account according to the Customer's order on the day of execution indicated on the Payment order not later than 3 PM, if the payment order is received by the Bank on the day of its execution until 3 PM, or on the following day of the execution indicated on the Payment order not later than 3 PM, if the payment order is received by the Bank on the day of its execution after 3 PM.
- 2.12 The Bank bears responsibility for not crediting the Customer's Account on time or for making a withdrawal without a base, as well as for failing to meet the Customer's requirement in transferring or paying the monetary funds.
- 2.13 In the absence of specific agreement, the choice of the manner in which money is remitted or contractual/negotiable documents are sent shall be made by the Bank at its own discretion.
- 2.14 In case where the Customer's account was credited or debited without corresponding instructions, by mistake or for any other reason whatsoever, the Bank may cancel such creditor debits (as the case may be) at its own initiative by subsequent entries in non-accept order.
- 2.15 The Customers are duly informed about the interest against minimum balance of the Customer's account.
- 2.16 The Bank has the right to:
- a) Use monetary funds that are on the Account, guarantying the Customer's right of unobstructed disposal of his/her means.
  - b) Decline and not execute the Customer's orders if there are not enough funds on the Customer's account, as well as if the Laws of the Republic of Armenia, internal acts of the Bank or the conditions of the present T&C are broken.
  - c) To use available funds on the Customer's account (irrespective of the currency) for the satisfaction of any indebtedness of the Customer to the Bank (irrespective of the currency of indebtedness) at the end of the operational day. For this purpose, the Bank is authorized, if necessary, to exchange various currencies available on different bank accounts of the Customer at the exchange rate defined by the Bank for the respective currency.
  - d) Demand the Customer to present written or oral explanations, as well as other documents clarifying the transaction in case the Bank considers the Customer's transactions unusual or suspicious.
  - e) Video/voice record the negotiations with the Customer during the implementation of transactions, which afterwards can be a legal proof of Customer's Rights and Obligations.
  - f) Close the Customer's Account:
    - 1) If no transactions are executed within a year by the account.
    - 2) If no written or oral explanations and clarifications (in written or oral form) were presented approving the validity, fidelity of the proposed or executed transactions, the legacy of the origin of the property to be the subject of the transaction or to discover an information about the transaction parties or the real beneficiaries,
    - 3) If the Customer, or his/her activities and actions have become suspicious, according to the RA law on AML/CFT and regulations of the Central Bank of RA.
    - 4) If the Customer does not satisfy the conditions (minimum balance, the requirement of

average daily minimum balance, etc) defined by the Bank,

- 5) If the Customer has not paid commissions, defined by the Tariffs of the Bank,
- 6) Upon the written request of the customer,
- 7) If the Customer refuses to provide information about being USA taxpayer and sign the necessary documents,
- 8) In other cases defined by the legislation of the RA..

2.17 The Customer is obliged to:

- a) Comply with the requirements of the Legislation of the Republic of Armenia, present T&C and the internal acts of the Bank during the operation with the Account.
- b) Pay commissions for the Account opening and maintenance services and executed transaction according to the Tariffs defined by the Bank.

2.18 The Customer has the right to:

- a) Dispose monetary funds on the Account according to the Legislation of the Republic of Armenia internal acts of the Bank and present T&C.
- b) Present a request(s) to cancel his payment order(s), completely compensating the expenses and losses of the Bank resulted from it, moreover the Bank does not have any responsibility for the request satisfaction or fulfillment, if the amount was paid to the beneficiary and/or when the request cannot be satisfied by a correspondent or partner bank.
- c) Demand the Bank to compensate the losses suffered as a result of a disclosure of an information containing a Banking Secrecy.

2.19 The Customer's Account can be closed according to the Customer's application. In case of Account closure the balance of the amount should be given cash or should be transferred to another account according to the Customer's order.

In case of closing the customer's accounts by the Bank's initiative, the account balance transfers to Customer's account held with another bank or is held in the Bank and paid upon his/her first request.

2.20 The Customer's account (s) shall not be subject to closure if there is (are) seizure on them and/or are subject (subjected) to collateral and there is no consent of the pledgee regarding closing the account (s).

2.21 The Bank provides the Customer with the account statement according to the manner mentioned in the Bank Account opening application. The Bank provides the Customer with the account statement after each transaction, or any other time according to the Customer's order. All objections about account statements and notifications sent by the Bank should be presented within 5 (five) working days. If the objections are not presented on time, it is considered that the Customer agrees with the content of the statements and notifications. Statement is either a stamped hard copy or an electronic statement approved by the electronic key, which the Bank provides at the end of the operational day. All the other types of the documents on account/accounts operations are considered to be informational and cannot be basis for filing any claim against the Bank.

2.22 The Bank provides the Customer or the person, authorized by the Customer with information

on the Account, according to the order of the Customer or Authorized person, received in written form or otherwise agreed by the parties.

2.23 If the amount of cash requested by the Customer exceeds the limits specified by the Bank, the withdrawal of requested amount shall be made in accordance with the application submitted one working day prior to the transaction.

2.24 The Bank and the Customer shall bear responsibility for non-performance or undue performance of their obligations set by these T&C in accordance with the legislation of the Republic of Armenia.

2.25 Special bank accounts

2.25.1. The special bank accounts are the accounts in which the funds invested;

1) As per to the RA regulatory legal acts, may be used only on the basis of the provisions provided herewith in this clause , or in accordance with the trends, cases, terms or operations provided by the regulatory legal acts, and/or

2) Can not be pledged, can not be seized (be put under seize), confiscated against the client's obligations; or used as liquidator for the fulfillment of the obligations in case of the client's bankruptcy, with the exception of the cases constituted by the RA legislation.

2.25.2. The funds invested in Special Bank Account can be pledged, seized or confiscated only in the cases constituted by the RA legislation.

2.25.3. In case of closing the Special Bank Account, the available cash balance of the client in that special bank account shall be transferred to the client's other corresponding bank account or returned to the respective individual who has made the deposit, with the exception of cases specified as per other contracts signed with the client, other legal acts and/or as per cases defined by herewith in acts.

2.25.4 The clients pay for the services of the Bank for the transaction performed by their Special banking account. In addition, the Bank charges no fee for its services from the funds available on the Customer's special bank account, with the exception of the charged interests.

2.25.5. The Bank shall pay interests to the customer for availing of the funds available on the customer's Special bank account, unless otherwise specified by law or as per the agreement of the parties. The interest amount defined by this paragraph shall be credited to a special bank account, unless otherwise specified by law or as per the agreement of the parties.

2.25.6. No offset shall be implemented for any given request in regards of the holder of the Special Bank Account at the expense of the funds of the special bank account and that of the Bank in regards of the holder of the special account. The limitation provided in this paragraph does not apply to offsetting of the amount of funds generated from the paid interest, even in case of social package account, on account of the funds of non-governmental budgetary.

2.26. At the end of the fifth working day after the date of execution or payment specified in the non-accepted payment order, the order not paid by the Bank may be canceled.

2.27. The customer can cancel the payment order given to the Bank according to the Tariffs. If the transferred funds have already been paid to the beneficiary, the Bank is not responsible for the return of the money (s).

2.28. The bank or its agents (partners) are not responsible for the customer's fault payment order, loss of check, bill and other instrument, damage or refusal, non-receipt, late payment or submission, late entry, non-payment or refund at the bank account of the check or other instrument. The Bank or its agents (partners) are not responsible for the transfer of funds made on the basis of the payment order submitted by the Customer in accordance with the legislation of other countries and / or for the losses incurred by the Customer due to the refund of the transferred amounts. The Bank or its agents are obliged to make the Customer's transactions in the most efficient way possible in accordance with the current legislation of the Republic of Armenia.

2.29. In case of using the cash services provided by the Bank, the Customer is obliged to immediately check the payment document formed as a result of the transaction, has the right to calculate cash, and notify the Bank in case of inaccuracies. In case of not using the right defined by this clause or later appealing the transaction, the Customer shall bear the negative consequences of inaccuracies in case of not finding out the reasons for inaccuracies through the recordings made by the Bank's video recording system. In the sense of this point, inaccuracy is considered to be the excess, shortage, detection of insolvent and counterfeit banknotes, coins, mistakes in the payment documents due to cash transactions. At the same time, in case of entering less money of the Customer or giving more money to the Customer by mistake, the Customer is obliged to fill in the less entered amount and return the more provided amount, even if the mentioned cases are revealed after leaving the Customer Bank.

### 3. BANK DEPOSIT

- 3.1 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.
- 3.2 The Customers are duly and properly informed about the interest on the Bank Deposit offered by the Bank.
- 3.3 The interest rate offered by the Bank at the moment of opening a term deposit account remains unchanged during the entire period of the deposit agreement.
- 3.4 The Bank accrues interest on each deposit from the day of the deposit entry till the previous day of the maturity date. The Bank does not accrue additional interest on the interest payable on the deposit
- 3.5 The payment of both the deposit and the interests are payable upon maturity of the deposit or otherwise agreed. It is paid non-cash, by crediting the correspondent Bank account of the Customer. Interest is paid in Armenian Drams, irrespective of the deposit's currency.
- 3.6 In case of non-renewal of the deposit term, the deposit amount and the unpaid interest shall be transferred to the Client's bank account, without signing any additional contract or agreement, and the subsequent interest accrual on them shall be made as per the annual interest rate applicable to the daily bank account balance defined by the Bank's tariffs, unless otherwise specified in written form and the subsequent interest shall be accrued according to the Bank's interest rates, published for current bank accounts.
- 3.7 The term deposits of individuals are subject to withdrawal at the very request of the depositor. A premature withdrawal of legal entities' term deposits is to be made only at the consent of the Bank.
- 3.8 In case of early repayment or confiscation of the term deposit upon the request of the Customer or in any other circumstances irrespective to the Bank the Bank shall recalculate and pay interest against the deposit and already paid interest shall be charged from the amount of the deposit according to the conditions of premature annulment of deposits defined by the Bank, unless otherwise stipulated by the Deposit contract or additional agreement signed between the Bank and the customer.
- 3.9 The Bank disposes the deposit on its own discretion until the day of the maturity. The Bank provides the Customer with an account statement the day monetary funds are credited into the Customer's deposit account.

3.10. Before signing the deposit contract all types of negotiations and letters (as well as electronic) are considered informational, the letters (as well as electronic) are not considered to be an official document sent by the Bank and cannot be basis for filling any claim against the Bank. The Bank undertakes appropriate responsibilities only, after signing the deposit contract.

#### **4. EXCHANGE TRANSACTIONS**

4.1 The conditions set forth herein govern the relations between the Bank and the person or persons (the Customer) signing any sample exchange transaction form approved by the Bank.

4.2 By presenting the properly filled exchange transaction form approved by the Bank, the Customer is obliged to provide the amount of the currency to be sold on his/her Bank Account at that moment; otherwise the Bank rejects the acceptance of that order. Accepting the exchange transactions document the Bank fulfills it within the volumes and the exchange rates announced by the Bank at that moment. If the volume, mentioned in the order is larger than the volume limit announced by the Bank at that moment, the Customer is informed about the situation and the further activities are settled by arrangements with the Customer.

4.3 Operations of foreign exchange and non-cash gold trading on customer receivables, including receipts by remote means of communication, regardless of the moment of receipt of the application, are carried out by the Bank at the rate of actual transaction by the Bank at the time of actual transaction. Outside of business hours, as well as applications for foreign exchange and non-cash gold sales received on non-working days, the Bank may reject or accept applications for the next banking day.

4.4 The Customer gives the right and authorizes the Bank to charge the penalty and the expenses arising from non-performance or undue performance of his/her contractual obligations of the exchange transaction from the Customer's account with the Bank or with any other Bank in the RA where the Customer has current accounts held with the Bank.

4.5 During the cash exchange activity the exchange rate announced by the Bank is considered to be the rate fixed at the moment of handing the cash monetary funds to the cashier.

4.6 During the cash exchange transaction, as well, the Bank has right to demand the

documents proving the legality of funds origin. The refusal to present the documents is a basis for not performing cash exchange transaction.

## **5. CUSTOMER BANK ACCOUNTS' SERVICE VIA BANK-CLIENTSYSTEM**

5.1. In accordance with these Terms and Conditions the Bank performs Customers' bank account service also via the Bank-Client system, which gives the Customer an opportunity to send electronic payment orders to the Bank both in Armenian drams and in foreign currency, foreign currency exchange applications, to receive electronic account statements as well as to send and receive from the Bank electronic messages (in case of Internet- Banking it is also possible to make loan payments and replenishments of deposits) and to send other orders acceptable for the Bank. Moreover the statement granted by the

Bank is considered to be a stamped hard copy or an electronic statement approved by an electronic signature, sent by the Bank to the Customer, after the closure of the operational day. In the other cases the Statements are not considered to be granted by the Bank and cannot be basis for filing any claim against the Bank.

5.2 By signing the Application on providing the Bank-Client system the Customer confirms that he/she has read, understood and accepts the security rules of the respective system usage and is responsible for not disclosing the software provided by the Bank, the security devices and passwords to third parties and not publishing the above.

5.3 The Bank-Client system provided by the Bank is the property of the Bank.

5.4 The fact, that the payment order, submitted by the customer via Bank-Client system, does not mean, that it is executed or yet to be executed by the Bank. The payment order shall be deemed executed only after the receipt by the Customer confirmation of the payment order execution, by changing the status of the mentioned payment order in the system by the Bank.

5.5 Certain types of banking services and operations available in the Internet Banking system may be different in case of using the system's mobile application or through the browser, based on technical features.

5.6 Both the Bank and the Client are obliged to provide written and / or verbal notice in case of losing of the special device (Digipass device) for encrypting codes, and in any case where the device is used without prior permission.

5.7 The Bank is obliged:

- a) Within five working days of accepting the Application for providing the Bank- Client system to provide the Customer an access to the Bank-Client system via Internet, to give the login, password and electronic key (in case of Internet-Banking system the Bank provides the Customer a special device generating security codes, by

signing an acceptance certificate. The Customer can request not to receive the special device generating security codes, which can be approved by the bank. In case if the Customer refuses to receive the special device generating security codes, the whole responsibility of the possible risks and losses is on the Customer).

- b) To accept from the Customer electronic payment orders, foreign currency exchange and other orders via Bank-Client and Internet-Banking systems 24 hours a day and perform them in accordance with the Legislation of the RA, , the present General Terms & Conditions as well as in accordance with the Bank-Client (Internet-Banking) user manual, moreover , the Bank transfers Customers payment order amounts, on the day of payment order fulfillment, if the order was received up to 15:00 o'clock of the fulfillment day or on the next working day, if the order was received after 15:00 o'clock of the fulfillment day. The exchange orders received after 16:59 o'clock are considered to be rejected, if the rates indicated there are mismatching with the rates fixed at the beginning of the next working day.
- c) To suspend the Customer's banking account service via Bank-Client and/or Internet-Banking systems in accordance with the Customer's written or oral application (after the Customer identification).
- d) To provide a new login and/or electronic key to the Customer at his/her request.
- e) To give the customer 10 days prior notice about any changes in the Bank-Client (Internet-Banking) system user's manual via e-mail.

#### 5.8 The bank has the right:

- a) Not to execute the Customers' orders sent via the Bank-Client and/or Internet-Banking system in case they have been sent to the bank with the violation of the legislation of the RA, normative acts of the Central Bank of the RA, General Terms & Conditions as well as user manual of the Bank-Client (Internet-Banking) system or if the Bank has reasonable suspicions in the non-authorized use of the Bank-Client (Internet-Banking) system. In the above mentioned cases the Bank informs about that the Customer immediately or within one day.
- b) To suspend the Customer's bank accounts service via Bank-Client (Internet-Banking) system if the latter is used with violation of the Bank-Client (Internet-Banking) system user manual's instructions.
- c) To suspend the Customer's bank accounts service via Bank-Client (Internet-Banking) system if the customer has any payments due according to the commission fees set by the account opening and service tariffs.
- d) To receive additional oral confirmation (by telephone) on every order sent via Bank- Client (Internet-Banking) system from the Customer.
- e) To periodically change the login or electronic keys for security reasons (only for the



Bank-Client system) by giving the customer 3 days prior notice.

- f) To demand additional security measures from the Customer.
- g) The Bank has the right to unilaterally suspend the possibility of using the remote service system for the Customer, if he has doubts about the illegal use of the remote service system, violation of security requirements, the risk of forgery.
- h) Without prior notice to the Customer of certain banking services to establish restrictions and / or restrictions on transactions, including refusal to perform transactions, about which the Bank places information in the system or on its website.
- i) Require the client to change the client / user remote system password once a year. Based on the written request of the client / user, in case of simultaneous availability of the encryption device, the requirement to periodically change the password of the remote system can be removed (set indefinitely). If the remote system password is set indefinitely based on the client / user application, the customer (user) bears the risk of all possible negative consequences (for example, material or other damage suffered by other persons as a result of access to the password).

#### 5.9 The Customer is obliged:

- a) To exploit the Bank-Client and/or Internet-Banking systems in strict accordance with the present T&C and their respective user manuals.
- b) To inform the Bank immediately about every non authorized use of the Bank-Client and/or Internet-Banking systems and about the violations of login, password and/or security key privacy of the users.
- c) To pay commission fees for the services provided by the Bank in accordance with the Terms and Tariffs approved by the Bank, which are the inseparable part of the Bank accounts opening and service agreement.
- d) To keep the passwords, logins and electronic keys confidential and not disclose them to third parties.
- e) The Customer is obliged to immediately notify the Bank of the loss of software, customer identification and certification, the occurrence of third parties or the existence of such a risk.
- f) For security reasons to inform the Bank immediately about any change in the list of persons who have an access to the Bank-Client system.

#### 5.10 The Customer has the right:

- a) To terminate the logins' and electronic keys' validity and to demand the Bank to block them and provide new logins and electronic keys in written form.
- b) To suspend the use of the Bank-Client and/or Internet-Banking systems by written or oral application. The restoration and/or reactivation the usage of the Bank-Client and/or Internet Bank system is performed on the basis of the Customer's written application.

- 5.11 Customer bank accounts service via Bank-Client and/or Internet-Banking systems is a part of bank accounts service. The service of Bank-Client system is terminated by the Bank with the closure of the Customer's accounts. The Customer has the right to refuse the Bank-Client and/or Internet-Banking systems any time he/she wants.
- 5.12 The Bank has the right to terminate Customer bank accounts service via Bank- Client and/or Internet-Banking systems with 1 month prior notice to the Customer.
- 5.13 Some types of banking services and operations available on the system may not be available if the system is used through a mobile application or an Internet browser.
- 5.14 In the system, the customer signs (certifies) the instructions electronically by entering a one-time password, which is equivalent to the Customer's autograph signature, a necessary and sufficient condition for the Bank to consider the Customer's order properly certified, creating the rights and obligations under these Terms.
- 5.15 The user's instruction to be sent to the Bank by the System does not mean that it has definitely been done or will be done by the Bank. The instruction is considered valid only from the moment the User receives the confirmation of the fulfillment of the instruction by changing the status of the instruction in the System by the Bank.
- 5.16 The Bank has the right to unilaterally terminate or replace uninterrupted periods of technical accidents or software interruptions that prevent the use of the System, as well as during other scheduled maintenance work, and to discontinue System Access to the Customer. The bank is not responsible for the damages suffered by the Customer in the cases mentioned in this point.
- 5.17 In case of any disputes arising between the Parties during the execution of the obligations the Parties can involve independent professional companies. The interested Party is responsible for the charges of involving such independent companies.

## ***6. CONDITIONS OF SMS-INFO SERVICE***

- 6.1 The SMS-info service is provided by the Bank according to these conditions. SMS-info service gives the Customers the opportunity to receive information via short text messages (hereinafter SMS messages) on their current accounts, loans, deposits, other accounts as well as on changes of tariffs, terms and other conditions carried out in the Bank, to receive information about current accounts debits and credits (exits and receipts) and balances.
- 6.2 The messages sent via SMS-info service are informational and cannot be considered as a statement or any other official document (except information about current accounts debits and credits (exits and receipts) and balances).
- 6.3 By signing the Application for SMS-info service (hereinafter Application) the Customer confirms that he has read these condition understands and accepts comparatively low protection level of SMS messages, bears the responsibility of keeping his/her phone

unreachable of others, of informing the Bank in case of any suspicions as well as of deleting the messages sent by the Bank immediately after reading them.

6.4 Two kinds of SMS-info services are provided by the Bank:

- a) **Alert service:** By the choice of the Customer the Bank periodically sends information on the repayment dates of loans, maturity dates of deposits or changes in the tariff plans of the Bank, about current accounts debits and credits (exits and receipts)etc.
- b) **Pull service.** On their initiative the Customers can send an SMS containing Latin word(s) (digraph) to the short number provided by the Bank and receives the information corresponding to the sent words (digraph). The list of the above mentioned Latin word(s) (digraph) is set by the Bank beforehand and is provided to the Customer on demand.

By signing the application for SMS-info service Customers confirm that they are aware of the tariff for the SMS messages sent by their initiative set by the company providing the short number (operator).

6.5 The Bank is obliged:

- a) to activate the SMS-info service during 2 banking days of accepting the Application from the.
- b) to suspend the SMS-info service upon written or oral request of the Customer (after the identification of the Customer)
- c) to inform the Customer properly on any worsening condition change in the terms and conditions of the SMS-info service at least 30 days before.

6.6 The Bank has the right to suspend the SMS-info service temporary if the Customer has unpaid debts according to the Terms and condition of the Bank account opening and operating.

6.7 The Customer is obliged:

- a) to inform the Bank immediately about the loss of his/her cell phone or change of the number, as well as to make sure that the Bank is sending the text messages to the right number provided by himself/herself as, in case of providing a wrong number, a Banking secrecy may be published for which the Bank does not bear a responsibility.
- b) to pay the Bank according to the Terms and Conditions which are inseparable part of Bank Account opening and maintenance contract.

6.8 The Customer has the right to suspend the SMS-info service temporary or to refuse the service by a written or oral request (after the identification of the Customer).

6.9 SMS-info is an element of Bank account maintenance and is suspended with the

suspension of Bank account(s) (closure of account(s)).

6.10 The Bank has the right to suspend the SMS-info service, with a one month prior notice to the Customer.

## **7. OTHER PROVISIONS**

7.1 Head of the division responsible for the Customer Service is responsible for the implementation of the provisions of these T&C, for discovering the violations and reporting arisen problems as well as for the revision of the present T&C.