

**CONVERSE BANK CJSC  
BASIC TERMS**

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## TERMS AND DEFINITIONS

**Bank:** Converse Bank CJSC and its branches.

**Customer:** An individual who has reached the legal age and has a contractual relationship or is willing to establish a contractual relationship with the Bank and has the right to use the Bank's services.

**Parties:** The Bank and the Customer together.

**Site:** The Bank's official website [www.conversebank.am](http://www.conversebank.am)

**Terms:** The basic terms and conditions of banking, including online/remote services offered by the Bank to individuals, which set the main terms and conditions, the security rules and assurances of relationship in banking services and the transactions offered by the Bank to the Customer, and are deemed a public offer, which becomes accepted by the Customer once the latter files with the Bank the Application/Agreement, the Request or the Application duly signed/verified by the Customer based on the sample of the Bank; as well as in certain cases, once the Customer's confirmation about the acceptance of the Terms is filed with the Bank in the manner accepted by the Bank and/or through the respective action of the Customer for using the particular Service, and as well establish the framework of rights, responsibilities and obligations of the parties in the relationships between the Bank and the Customer.

**Application:** An online software, mobile application accessible in Converse Mobile domain and/or other address set by the Bank that enables the Customer to use the banking services with a smartphone or other device with the appropriate features.

**System:** Tools and systems offered by the Bank in internet, mobile, email (in cases set in Application/Agreement) and other environments, including App, platform that allow using the banking services via electronic, internet and phone communication or otherwise without visiting the Bank. The types of Systems/Platforms and the terms and rules of their use are published on the Site or on other sites, website tools and mobile applications set for using the respective System and can be modified occasionally.

**Operations Manual:** Technical procedures and rules (if any) for registration and operation in the Systems serviced by the Bank.

**Services:** Banking services offered by the Bank, including Packages, also offered through the System, the terms whereof are set by the terms of Services.

**Package:** Packaged services offered by the Bank allowing to use several services of the Bank.

**Terms of Services:** The details, basic terms and conditions of services offered by the Bank to individuals in the Application/Agreement or Request and/or Information Bulletins, including in the Systems, the rights, obligations and responsibilities of the Parties, as well as other terms to be published under the RA laws that are applied to the legal relationship between the Bank and the Customer during the Services of the Bank.

**Personal Domain:** A software environment under the name and with the data of the Customer, which the latter can use by means of a technical device for personal use (smartphone, other device with the respective features) or a software tool (web browser, etc.) to use the services offered through the System.

**Application/Agreement or Request, Application:** A sample document of the Bank, by approving or signing whereof, including electronically, the Customer expresses the willingness to use certain services offered by the Bank by attaching the required documents and providing the respective consents (if applicable) that are deemed a condition precedent to rendering of the particular service.

**Tariffs:** The fees to be paid for the Services, including the Package offered by the Bank, as well as for certain transactions, the rate of interests to be charged/paid or the rate of nominal interests to be accrued against the positive account balance, the dates and other financial conditions that are approved by the competent authority of the Bank and constitute the integral part of the Application/Agreement for the Service, the Service Package, and are published on the Site and/or are made available at the Bank or on the respective Service Platform, or are provided/sent to the Customer in the pre-agreed manner.

**Account:** Card, checking, including limited checking, cumulative, deposit and other accounts deemed bank accounts according to the RA laws.

**Bank Secrecy:** The information deemed a bank secret according to the RA laws.

**Personal data:** Any information about the data, details, facts and circumstances referring to Customer and/or the latter's affiliate (if applicable) that will or may allow to identify the person, among which name, surname, place of birth, date of birth, nationality, citizenship, residential address/location, contacts, personal and marital status, residency, as well as other data identifying the Customer and the latter's transaction, which can be recognized as personal data under the laws.

**Payment System:** Payment systems applied in ArCa, Visa, Mastercard and other environments and deemed as such according to the RA laws.

**Card:** A payment card of the respective type issued under the international Visa or Mastercard and the local ArCa payment systems.

**Rules:** [The card issuance and usage rules](#) that are published on the [Site](#) and/or are made available at the Bank or on the respective Service Platform and/or are provided/sent to the Customer in the pre-agreed manner.

**Payment Limit:** The total sum of the card account balance and the Credit Limit that the Customer may use.

**Overlimit:** The overage generated due to the transaction in excess of the payment limit.

**Card Account:** The account linked to the card(s) opened with the Bank.

**Deposit Account:** A deposit account opened for accepting a time deposit (hereinafter the Deposit).

**Loan:** A loan offered by the Bank (including other applicable credit services intending payment obligation for the Customer).

**Credit Limit:** A credit line/overdraft provided by the Bank to the Customer (based on a separate agreement), which may be used for card transactions, including through the Card Account (if qualified).

**Information Bulletin:** Bulletins containing the legally defined information on the Services of the Bank.

**FATCA Agreement:** FATCA (Foreign Account Tax Compliance Act) Declaration, a form signed to ensure the compliance with the US Law, whereby a consent is given to transfer (disseminate, disclose, make accessible) the Customer's personal data – name, surname, patronymic name, date and place of birth, nationality, ID document, TIN, place of residence (registered and actual), phone number, as well as other data stated in the declaration to the foreign tax authorities, including the US IRS or foreign tax agents for data processing, including collection, registration, systemization, accumulation, storage, correction (update, revision), removal, use, banning, deletion and abolition with or without automated tools the data of "US persons" subject to confirmation of the US taxpayer status in terms of FATCA, as well as for transfer of information about the transactions, accounts and investment of the aforementioned persons.

**W-9:** Request for Taxpayer Identification Number and Certification – a US tax form to be completed by the "US persons" to confirm the US taxpayer status and to disclose certain details: <https://www.irs.gov/pub/irs-pdf/fw9.pdf>

**RA:** The Republic of Armenia.

**CBA:** The Central Bank of Armenia.

## SECTION 1. BASIC TERMS AND CONDITIONS

### 1. GENERAL PROVISIONS

- 1.1. The Terms regulate the relationship already/to-be established between the Bank and the Customer to use the Services, and establish the types and details of Services and the security rules for use of Systems.
- 1.2. The definitions (words) used in singular have the same meaning when used in plural or vice versa in the Terms.
- 1.3. The terms of services, including those made publicly accessible through the System or by the Bank, unless outlined in the Terms, are established and published by the Bank separately, in the system designed for the particular services.
- 1.4. The Terms, the Application/Agreement for Services under the Terms are deemed a public offer, which becomes accepted by the Customer once the latter sends (discloses) to the Bank the Terms, the requests, the applications, the Application/Agreement signed and/or electronically approved by the Customer in the manner acceptable for the Bank and required for the particular banking service, and/or through and after the respective action of the Customer to use the service, together with the Service Terms and Tariffs of the Bank, is deemed an agreement concluded between the Parties.
- 1.5. The Terms prevail, and the templates/samples, the Service terms and the Tariffs already and to-be approved by the Bank under the Terms shall be applied to the extent they do not contradict the Terms, unless otherwise determined in the samples, terms and tariffs.
- 1.6. To establish contractual or other business relationship or to use the Services and the System, the Customer should be identified by the Bank through taking certain actions in the sequence set by the Bank, and the Bank can refuse to establish business relationship with the Customer in case of doubts about the identity of the Customer, as well as the legitimacy and/or legality of the transactions executed by the latter.
- 1.7. To identify the Customer, the Bank may demand the disclosure of mandatory information and take other actions, such as request other details, audio/text/video approvals and documents, and the Customer has to disclose other information, data and documents for identification, as requested by the Bank. The Bank may request the Armenian translation of the documents filed in a foreign language.
- 1.8. The signing/verification by the Customer of the template/form for a certain service of the Bank (including but not limited to applications, requests, Application/Agreement), including electronically, or the Customer's action for using the service in the defined cases and manner, proves the acceptance of the Terms, the Tariffs of the Bank for a specific service and/or the tariffs and terms of a specific service of the service provider (third party) by the Customer.
- 1.9. When signing the Application/Agreement or the requests and applications for a certain service, the Customer reviews the Terms, Tariffs and other documents referring to the Service at the Bank or electronically. The Terms, Information Bulletins, Tariffs, Guidelines, Rules, and the rules and terms for the use of the Site, mobile applications and other software, as well as other documents regulating the relationship between the Customer and the Bank constitute the integral part of the Application/Agreement.
- 1.10. Where the Service application/request is submitted and the Application/Agreement is signed (i.e. the provision of the Service) through the System or by any means of telecommunication, the provision of the Service starts when the Bank sends the Customer's Application (containing the basic terms of the Service) or Application/Agreement (and the respective service agreement, if applicable) to the electronic address, if approved/signed electronically, and/or when the particular product is made accessible in the product's "Information" section if submitted through the System/Application. The terms of the specific Services, as well as the Operations Manual and other relevant documents of the Bank can set a certain procedure for submission of the application, conclusion of the Application/Agreement and acceptance of the Service terms assuming additional means of identification to maximally ensure the accuracy and authenticity of the customer's actions.
- 1.11. The Bank can verify the Application submitted by the Customer. The Bank notifies the Customer about the negative outcome of verification, and consequently about the rejection of the Customer's instruction on the spot or through the System by updating the document status in the System and/or by generating a notice through the System.
- 1.12. The relationship between the Parties is regulated in compliance with the Terms, while the provisions other than the Terms may be regulated by specific agreements or addenda, which the Parties may conclude at any point of service.
- 1.13. The Bank may set conditions for specific Customers differing from the Terms.
- 1.14. Where the Bank sets specific terms and/or agreements for certain services, they are applied in addition to the Terms.

- 1.15. The information about the operational days and hours of the Customer service is available on the Site. For the purpose of the Terms, the operational day implies the days and hours of the Customer service, and the business day implies 5 business days weekly, from 9:00-18:00,
- 1.16. The System provides 24-hour Customer service, except the transfers inside Armenia and the international (Swift) transfers, as well as the Bank independently determines the transactions needing additional processing and approval based on the internal regulations of the Bank, the servicing whereof is to be provided during the operational day.
- 1.17. The Customer is informed that certain data/certifications referring to card and other accounts and other transactions may be reflected or updated with delay depending on the rules and technical capacities of the Payment Systems. The Bank can inform about certain software failures through the Site, by means of notification sent through the System or in any other manner preferable for the Bank.
- 1.18. The Customer may be charged the fees based on the Tariffs for the use of Services, including the System, the payment dates and procedure whereof are set under the Terms (Service terms), the Information Bulletins and/or the Tariffs. Where the service provider sets an additional/other tariff or fee for a specific service, the Customer is notified about the aforementioned through the System prior to concluding the respective agreement or Application/Agreement or making the payment for the same.
- 1.19. The Customer undertakes to comply with the requirements of the banking Service terms, the Application/Agreement and the Rules. Furthermore, the Bank disclaims the responsibility for the Customer's loss incurred due to actions violating these requirements.
- 1.20. Upon the Customer's default or improper performance of obligations assumed under the Terms, the Application/Agreement or separate agreements, these obligations may be executed from the AMD balances available on the Customer's bank/card accounts with the Bank, and in the absence of sufficient funds on the accounts, from the FX accounts as well (in which case the conversion of currency is made at the respective exchange rate set by the Bank at that point) without waiting for the Customer's payment orders to the Bank, and for that purpose, the Customer authorizes the Bank to indisputably charge the amount of debt from their accounts with the Bank upon the default or improper performance of any cash obligations related to the Application/Agreement, the Terms, the Tariffs or a specific agreement. By no means can this clause be cited by the Customer in future and be a basis for disputing the fact of accrual and charge of penalty by the Bank.
- 1.21. The Customer is responsible for all costs, loss and damage emerging due to the default or improper performance of obligations assumed by the Customer under the Terms.
- 1.22. The Customer is informed that Customer's order/transaction may be declined or suspended by the Bank in the presence of the Customer's liabilities toward the Bank.
- 1.23. The Customer can unilaterally discontinue the Application/Agreement with the Bank (also close the accounts with the Bank) by giving a written notice to the Bank and repaying the total liabilities toward the Bank referring to the Application/Agreement. The Bank may refuse to discontinue the Application/Agreement, if the liabilities toward the Bank are not repaid totally and/or bans or other restrictions are imposed on the Account, or the Customer needs the Account to use other services, or the Customer has outstanding liabilities toward the Bank.
- 1.24. The already paid commissions and other fees are not refunded if the Bank disables or stops the services, unless otherwise determined in the Information Bulletins, the Tariffs and/or the Application/Agreement with the Customer.
- 1.25. The Bank has to:
  - 1.25.1. Ensure the confidentiality of information about the transactions executed by the Customer (including on any of their accounts) and the balance of any accounts, as well as the information about the Customer made known to the Bank during servicing of the Customer;
  - 1.25.2. Issue the statement on Services (hereinafter the Statement) in cases, periods and order set by the RA laws, in the manner and to the address pre-agreed between the Parties.
- 1.26. The Bank may restrict the list of persons/Customers using the specific services of the Bank in compliance with the RA laws and the internal regulations.
- 1.27. The Bank may decline (suspend) the transaction of the Customer and/or temporarily restrict the transactions on the accounts of the Customer until the Customer adds the documents or meets the requirements or the Bank completes the due diligence of the Customer, or refuse to render Services to the Customer, or establish legal relationship with the customer, or unilaterally stop rendering the service to the Customer, including performing the Customer's instruction or closing the account based on the internal regulations of the Bank by requesting the execution of all liabilities outstanding at that point (if any), including the Overlimit, the costs/loss of the Bank due to the rejection of the payment order or restrictions by the Bank or the payment systems and the penalties accrued by the payment day, in the following cases:

- 1.27.1. In case of breach of any of the provisions of the Terms, the Service Terms, the Rules, the Information Bulletins and the Application/Agreement;
  - 1.27.2. Where the Bank suspects that the transaction is executed by a third party or the Service is used by a third party illegally;
  - 1.27.3. In case of breach of AML laws and other bylaws of the RA or in cases established thereby;
  - 1.27.4. Where in the Bank's judgment the Customer's business or the business relationship with the latter may somehow raise suspicions among the partner or international organizations that the Bank applies ineffective AML/CFT mechanisms and/or may have an adverse effect on the reputation of the Bank (e.g. if the Customer or the latter's affiliate appears on any sanction list of the UN Security Council, USA or EU);
  - 1.27.5. If the Customer submits a closure request;
  - 1.27.6. In the presence of other grounds established under the RA regulations.
  - 1.27.7. The Application/Agreement for a specific Service, the Terms, the Tariffs, the Information Bulletins and/or the Service Rules can set grounds other than the aforementioned.
- Furthermore, the Bank disclaims the responsibility for the loss of the Customer due to the aforementioned actions of the Bank.
- 1.28. The Bank disclaims the responsibility for the direct or indirect costs and loss (including the unearned income) of a person, if the latter have totally or partially occurred due to the AML/CFT or other legally required actions of the Bank.
  - 1.29. The Bank disclaims the responsibility for the Customer's costs, loss or delays due to the actions of government authorities or force majeure, including the failure of equipment or power supply.
  - 1.30. The Bank can without a prior notification of the Customer provide information about the Customer and the latter's accounts and credit obligations in compliance with the RA laws to the banks, credit organizations, credit bureaus, the CBA and the Deposit Guarantee Fund, at the latter's request or on its own initiative, as well as in compliance with the RA laws provide information to the RA tax authorities about opening and closing of accounts with the Bank by the registered taxpayers, and according to the foreign laws provide information about the customers subject to foreign jurisdiction to the foreign authorities, including:
    - In cases set under the US FATCA requirement, the Bank can disclose information to the IRS about the Customer and the latter's account and income known by the Bank in compliance with the Reporting forms based on the aforementioned law;
    - The Customer assumes the responsibility for reporting about FATCA requirements, as well as the US nationals, the US residents and the persons having the US residency status, for tax deductions from certain income and the awareness of the US legal requirements referring to the Customer as a US person;
    - The Customer commits not to dispute in any way the Bank's action in compliance with FATCA and not file any claim against the Bank for the actions taken within the framework of the aforementioned law;
    - Upon obtaining the "US person" status in the future, the Customer should give a written notice to the Bank in 30-day period at most.
  - 1.31. The Bank disclaims the responsibility for the charges made by other telecommunication service providers and third parties for using the services of the Bank.
  - 1.32. The Bank disclaims the responsibility for the transactions executed with violation of the Rules.
  - 1.33. The Bank establishes and independently revises the Terms, the Rules, the types of services to the Customer and or online servicing of the Customer, including the Customer identification terms and/or procedure, including the list of documents to be disclosed by the Customer for using the services of the Bank and the interest rate accrued on the bank account balances, the information whereon is available at the Bank, in the System and/or on the Site. The Bank notifies the Customer about the revisions of the aforementioned documents not later than 15 (fifteen) days in advance of their enforcement, unless a different deadline is set under the RA laws, the Terms, the specific service agreements or other inherent requirements by publishing the same in the internet and mobile domains, as well as in any other manner preferable for the Customer, as pre-agreed between the Parties. Unless the Customer informs the Bank in writing about their intention to stop the legal relationship between the Parties under the Terms before the deadline for enforcement of the revisions, these revisions are deemed accepted by the Customer.
  - 1.34. The revisions of the Terms take effect by sending a notice by the Bank to the Customer in compliance with the Terms.
  - 1.35. To use the Services, the Customers should review the Bank's non-disclosure policy at the following link [https://conversebank.am/u\\_files/file/PrivacyPolicy.pdf](https://conversebank.am/u_files/file/PrivacyPolicy.pdf).
  - 1.36. By accepting the Terms, the Customer gives their consent.

## Customer's consent

### I hereby give my consent that:

- ✓ Converse Bank CJSC (the Bank) makes inquiries to **NORK Social Services Technology & Awareness Center Foundation** and I request the latter to provide the Bank with financial information and financial data, as well as other data that may refer to me when making a decision on entering into a loan (borrowing, etc.) and other agreement with me, as well as to disclose information, financial and other data referring to me to the Bank at any point throughout the effective period of the agreement, if a loan (borrowing, etc.) and other agreement is concluded with me;
- ✓ **At any point the Bank makes inquiries to Public Databases and other data-processing parties in the banking service sector based on the RA laws and obtains information referring to me (including personal data), and I request the aforementioned authorities to transfer in response to the inquire any required data (including personal data) to the Bank, which the Bank will process in the order and timing outlined in the notification addressed to me (the Notice); the procedure is available at the Bank and on the Site at [www.conversebank.am](http://www.conversebank.am) (<https://www.conversebank.am/hy/customer-rights/>);**
- ✓ My personal data are transferred by the Bank to the Central Bank of Armenia and other data processing-parties in the banking service sector;
- ✓ **The Bank makes inquiries to ACRA Credit Reporting CJSC and other credit bureaus** and I request the latter to provide the Bank with financial information and financial data referring to me, as well as other data that the Bank will use for marketing purpose and/or to offer other banking services to me. I am informed that I can refuse the consent stated in this section at any time by making a written request, and I am aware of the impact of the inquiries made for this purpose, based on the below table;

Purpose of credit inquiry	Impact on credit score	Frequency of inquiry	Period
Other banking services	No impact	Regularly	During the effective period of the service agreement with the Bank

- ✓ **Upon issuance of a Card and/or other products by the Bank, the Bank discloses personal data and other information to organizations implementing cooperation projects for the respective products needed for registration and participation in those projects.**

**I assure that I have reviewed the Consent and the Notice and fully understand and accept the same.**

- 1.37. The Customer authorizes the Bank to use their contact details (name, surname, address and communication data), as well as at own discretion and without prior notification of the Customer, to disclose these data to the Bank's contractors to ensure the regular process of services, to offer services to the Customer or to improve the rendered services.
- 1.38. The Customer authorizes and assigns the Bank to take all relevant efforts/actions for making and effecting all revisions for the benefit of the Customer or the non-essential changes (correction of errors, misspellings, typos and other defects, correction of names of banking services, etc.) without the additional agreement or signature of the Customer.
- 1.39. To act on behalf of the Customer, the powers of attorney of the Customer's representatives will be legally valid only if they are verified in compliance with the RA laws or are approved in any other manner acceptable for the Bank in compliance with the internal regulations, or if they have another certification (apostille, consular certifications/confirmations) in compliance with the RA laws, when issued outside the RA. The Bank may keep the powers of attorney, the statements and other documents.



## **2. COMMUNICATION/NOTIFICATION/USE OF DATA**

- 2.1. The Customer hereby gives their consent that the communication with the Bank, including the execution of obligations within the framework of the System and/or under the Terms and/or the Application/Agreement, the issuance of Statements and any other relevant changes is provided by the Bank primarily by and via the Customer's email, unless the Customer has refused from the right to communicate through email and has selected other applicable method and address for communication based on the Customer's application.
- 2.2. The Customer agrees that the information, the notices and the statements, upon sending via email or by post or through SMS, are deemed duly communicated to the Customer irrespective of the date when the Customer actually receives the information if the Bank has sent the message to the Customer's email address, postal address or on the mobile number. Upon electronic notification, any notice sent in the manner and to the address set in the Application and/or Application/Agreement is deemed delivered to the other party on the day of sending the email, or on the 7<sup>th</sup> day if sent by mail (unless a different date is set in the Agreement), even if it later turns out that the other party has not actually received the notification. The day of sending of the notice is determined with the outgoing date or stamp of the postal service provider. The Customer undertakes to immediately inform the Bank about any changes in the address or other information and documents filed with the Bank, including the change in the residence status. Upon the Customer's default on the aforementioned obligation, the Bank disclaims the responsibility for the Customer's loss incurred due to the Customer's actions or inaction based on the information or documents filed by the Customer and held by the Bank. The person having assumed the obligation of notification bears the risk of adverse consequences of failure to notify the other party about the change in notification addresses.  
Upon changes in the address, the notices should be sent to the changed addresses based on the RA laws regulating the particular relationship, and to ensure the latter, the Parties undertake to notify the other Party in writing about the change of their address within 5 (five) days.  
The notices are deemed duly delivered to the receiving Party (appropriate notification), if they are sent to the address last known by the sending Party.
- 2.3. The Bank may inform the Customer about the decision on the Customer's Application and other transactions of the Customer by email, for which the Customer gives their consent, including by posting the information on the respective sections of the System/App pages, through SMS, Push Notifications and by other methods. The information sent through Push Notifications are not deemed advertisement; the latter is used for posting the Bank's news, the changes in Services and other information.
- 2.4. The Bank may use the Customer's email address, mobile number and other communication details to send informative or promotional messages to the Customer. The informative message can include the Account Statements and information about the changes in the Service Terms, the method of communication between the Parties, and the establishment, revision or cancellation of rights and obligations of Parties, as well as the amendments to the laws, bylaws and the Bank's internal regulations affecting the Bank's services and the annual interest yield, and as well the sanctions applied (to be applied) by the Bank for the Customer's liabilities, the reasons for their generation, the loan installments and the default or improper performance of obligations, and the information about their enforcement.
- 2.5. The Customer hereby gives their unconditional consent that the Bank can at any time publish and/or disclose to a third party the information/documents (including those containing banking secrecy) relating to the Application/Agreement, if the latter is required for protection of the Bank's rights.
- 2.6. The Customer gives their consent to receive the transfers sent to their account by using their contact details, particularly the phone number. In the presence of several accounts, the amount will be transferred to the Customer's checking account in the particular currency, or to the debit card in the particular currency in the absence of a checking account.
- 2.7. The Customer understands that the phone conversation between the Customer and the Bank may be recorded for security reasons, which has an evidentiary value and can be used by the Bank within the framework permitted by the RA laws.

## **3. REPRESENTATIONS AND WARRANTIES**

- 3.1. The Customer represents and warrants that they enjoy the full right to use the Services to enter into an Agreement with the Bank, and assures that they are informed that the Application/Agreement concluded with the Bank and the applications completed and submitted based on the Terms are valid and legally binding for the Customer, and

they are aware of no circumstance that could cause the invalidity of the agreements. The Customer understands that when rendering Services, the Bank has referred to the accuracy of the representations and warranties made hereunder, and commits to keep the Bank untouched by disputes, claims and loss due to violation of the same. The Customer should use the Bank's Services in good faith in accordance with their intended purpose. The Bank may cancel the access to the Service or refuse to establish business relationship with the Customer, if the Customer has misused the Services and/or has committed numerous and, in the Bank's judgment, essential breaches of their intended purpose, as well as has used the services with the intention of obtaining illegal income or creating additional costs or difficulties for the Bank.

- 3.2. The Customer assures that the data disclosed to/entered into the Bank should be substantiated with appropriate documents if requested by the Bank. The Customer assumes full responsibility for the authenticity, integrity and accuracy of the data disclosed thereby, including entered into the System in any manner, and for their incomplete disclosure, including for the misprints and other errors, as well as for the failure to meet the security, System operation and other rules and their consequences.
- 3.3. The Customer hereby confirms with full responsibility that all financial resources already or to-be transferred to their accounts with Converse Bank CJSC have been obtained legally and are in no way related to terrorism, drug sales, human trafficking, tax evasion and other criminal and/or suspicious actions.
- 3.4. The Customer hereby confirms the authenticity of information provided thereby and commits to inform the Bank about any changes of the disclosed data in due time.

#### 4. OTHER PROVISIONS

- 4.1. The consent to the Terms by no means causes the Bank's obligation to render the banking service.
- 4.2. The Bank may place in the System the Bank's or its partner's trade mark, brand name and other objects protected by the law as intellectual property. All objects are protected by the RA laws and their illegal use may cause the consequences set under the RA laws.
- 4.3. The Parties hereby regulate the procedure for settlement of disputes between each other.

☒ Through arbitration, excluding the general jurisdiction, by transferring the case to OPTIMUM LEX ARBITRATION COURT CO. LTD, hereinafter the Arbitration Court. The Arbitration Court will investigate the case in compliance with the RA Law on Commercial Arbitration and the Arbitration Court Regulations. The Parties hereby assure that they are informed about the Arbitration Court procedure for investigation of cases and possess sufficient information in writing about the rights and obligations of the Parties. The Borrower confirms that they have received the information bulletin on the customer's rights and obligations during arbitration. The Arbitration Court Regulation is available on the official site of OPTIMUM LEX ARBITRATION COURT CO. LTD (<https://www.optimumlex.am/>). The Parties determine that the Arbitration Tribunal is formed in compliance with the Arbitration Court Regulation effective at the date of occurrence of the dispute. The disputes are examined based on written documents without hearing, except in cases set under the Arbitration Court Regulation based on the RA substantive laws. The language of arbitration is Armenian, the place of arbitration is Yerevan, Armenia.

☒ Through arbitration, excluding the general jurisdiction, by transferring the case to **the Financial Arbitration of the Union of Banks of Armenia, based on the RA Law on Commercial Arbitration, the Charter of the Financial Arbitration and the Financial Arbitration Regulation of the Union of Banks of Armenia**. To arrange the settlement of disputes through Financial Arbitration of the Union of Banks of Armenia, the Parties determine that the composition of Arbiters is formed based on the Financial Arbitration Regulation of the Union of Banks of Armenia effective at the date of occurrence of the dispute. The language of arbitration is Armenian, the place of arbitration is Yerevan, Armenia. The Parties agree that the disputes are examined based on written documents without hearing. The Parties are informed that they can review the Charter of Financial Arbitration and the Financial Arbitration Regulation of the Union of Banks of Armenia on the website of the Union of Banks of Armenia ([www.uba.am](http://www.uba.am)) and at the Bank.

☒ Through arbitration, excluding the general jurisdiction, by transferring the case to **Credit Compromise CJSC, based on the RA Law on Commercial Arbitration and Credit Compromise CJSC Charter, policies and procedures**. To arrange the settlement of disputes through Credit Compromise CJSC, the Parties determine that the composition of Arbiters is formed based on the regulation of Credit Compromise CJSC effective at the date of occurrence of the dispute. The language of arbitration is Armenian, the place of arbitration is Yerevan, Armenia. The Parties agree that the disputes are examined based on written documents without hearing. The Parties are informed that they can review the charter, the policies and procedures of Credit Compromise CJSC at the office of Credit Compromise CJSC. The disputes are settled based on the RA substantive laws. The regulatory provision of disputes by no means deprives the Parties of their rights to settle the disputes judicially.

☒ Judicially, in which case the trial will be conducted in a simplified procedure.

The Parties hereby agree that the email addresses disclosed by the Parties under the Agreement within the scope

of the proceedings initiated at the courts, at the Financial Arbitration of the Union of Banks of Armenia or at Credit Compromise CJSC and/or at the Financial Mediator office for the disputes arising from the Agreement, will be used by the dispute hearing authority as the means to notify the party about any documents disclosable to the party (resolutions, notices and other procedural documents), if such addresses are specified in the Agreement. The Parties hereby also agree that in case of settlement of the dispute judicially, the trial will be conducted in a simplified procedure in cases set under the RA laws.

4.3.1. The disputes relating to the property claim below AMD 10 M or equivalent FX can be settled through the Financial System Mediator. The Customer complaint examination and response procedure is available on the Site (<https://www.conversebank.am/hy/customer-rights/>). Based on the agreement concluded between the Bank and the Financial System Mediator, the Bank abandons the right to dispute the resolutions of the Financial System Mediator only for property claims not surpassing AMD 250,000 (two hundred fifty thousand) or the equivalent FX, and the amount of the transaction not surpassing AMD 500,000 (five hundred thousand) or equivalent FX.

4.4. The legal relationship, unless regulated under the Terms, are regulated by the Tariffs, the Rules, the specific Service terms, the information published on the Site, the documents establishing contractual relationship between the Bank and the Customer, and the RA laws, or the business practices, unless regulated by the RA laws.

4.5. The specific Service agreements can provide for other measures of responsibility.

4.6. The RA laws are applicable to the contractual relationship between the Bank and the Customer.

4.7. The Customer commits to maintain the confidentiality of Agreements based on the RA laws.

4.8. The Parties shall be relieved of responsibility for full or partial default on obligations under the Terms or Application/Agreement, if such default has been the result of a force majeure situation arising after the establishment of the contractual relationship, which the Parties could not have foreseen and/or prevented.

4.9. The Terms and other supporting documents are executed in Armenian and prevail over the versions in a foreign language. Where the Customer selects a language other than Armenian, the Terms, Agreements and other documents are produced in Armenian and English bilingual version.

4.10. **Click the below link to find the Notice on Deposit Guarantee Terms and Conditions, which is deemed to be approved by the Customer under the Terms.**

[NOTICE](#)

4.11. **Click the below link to find the “What to do if you have a complaint?” form, which is deemed to be provided to the Customer under the Terms.**

[WHAT TO DO IF YOU HAVE A COMPLAINT?](#)

## SECTION 2. SERVICES AND SERVICE TERMS

The Services are a public offer that are deemed to be accepted by the Customer from the date of signing the Application (Application/Agreement) or the order given by the Customer based on the Bank's template/sample, or the approval/signature/verification by the Customer in the electronic environment, if provided online.

The Bank offers the following Services:

- ❖ [System/App](#)
- ❖ [Accounts, including](#)
  - ✓ Checking account
  - ✓ Cumulative account
  - ✓ Limited checking account
  - ✓ Card account
  - ✓ Special accounts
- ❖ [Card](#)
- ❖ [Package](#)
- ❖ [Time deposit](#)
- ❖ [Consumer loan](#)
- ❖ Money transfer
- ❖ Currency conversion
- ❖ Other

### 1. SYSTEM/APP

- 1.1. The System is a user-friendly tool that allows to use the Services in a fast and efficient manner without visiting the Bank, including to submit and accept requests, applications and offers, to conclude agreements and other deals, as well as to execute other transactions made accessible by the Bank in the System; furthermore, it is also possible to get registered and agree with the terms and conditions in the System without visiting the Bank.
- 1.2. The Bank will view the actions taken by the Customer in the System as the direct and actual expression of the Customer's will.
- 1.3. The respective hardware and software requirements to use the System are outlined in the Terms, and the basic terms and rules of the System (if any).
- 1.4. The Customer can use the System if they have the appropriate technical and software facilities, including access to internet, or iOS, Android in Mobile domain, or the respective operating system upon an access to other operating systems of the App.
- 1.5. The Parties agree that:
  - 1.5.1. The Customer should be identified to use the System/App by taking the sequence of specific steps in the System, as well as entering the relevant data based on the guidelines and/or in the sequence of the specific steps, and registering the Personal Page that has a login and a password;
  - 1.5.2. The filling-in of the Customer's user name/login and password is a sufficient condition for the Customer identification and the use of banking services through the System. The Parties also agree that the Bank is entitled to take other actions as well to identify the Customer, among which to request other data, voice verifications, codes and documents from the Customer, and the Customer has to disclose other information, details and documents requested by the Bank for identification. The Bank may request the Armenian translation of documents filed in a foreign language;
  - 1.5.3. In case of entering a password, PIN code, as well as a fingerprint, OTP or facial recognition or other functions of the phone/computer used by the Customer, all applications, requests, agreements and other electronic documents submitted to the Bank in the System are deemed signed by the Customer and are the legal equivalent of an original paper signature;
  - 1.5.4. Clicking the "Accept and Sign", "Agree", "Approve" and other similar buttons, entering of the "V" symbol or OTP or PIN code implies that the Customer has read, reviewed, accepted and signed the respective Application/Agreement, the terms, the agreements, the statements, other documents and texts, and undertakes to fulfil the terms and conditions set therein in due order and time;
  - 1.5.5. To use the System, the Customer should have and/or open a checking, a limited checking, a cumulative

- and/or a card account;
- 1.5.6. The Customer cannot remove the data deemed mandatory from the System or update the documents deemed a sample in the System, unless the latter actions are taken to fill in the documents.
- 1.6. **To get registered in the App:**
- 1.6.1. The Customer should undergo identification by taking the defined sequence of steps, including, if necessary, screening the original ID, undergoing biometric identification and performing other actions required by the System;
- 1.6.2. To identify the Customer, the latter has to fill in the mobile phone and email in the respective field. The person being the customer of the Bank has to inform the Bank about the change of the mobile number or the email address to the Bank by submitting a request about the change of details in an identified written manner before using the App services, to make the respective changes;
- 1.6.3. In the event of repetition of the user with the mobile number or email address filled in the App, the Customer is requested to fill in a different mobile number or email address that is not repeated in the user database of the App, and in case of being a current customer of the Bank, to submit the relevant data change request to the Bank in an identified written manner;
- 1.6.4. The Customer reviews electronically the Terms, the Tariffs and the service information bulletins defined in the Terms (if available), as well as the options for using the services made accessible to the Customer through the App (if the details are available), agreeing to which electronically and proceeding with the process means that the App service agreement has been concluded between the Customer and the Bank;
- 1.6.5. Upon the Customer's failure to provide information deemed mandatory in this Section or improper disclosure thereof (including the changes) and/or in the presence of other suspicions by the Bank, the Bank may stop, restrict and/or suspend the Services and request the Customer to provide other information and/or take other actions for identification.
- 1.7. Suspending the provision of the System shall by no means entail the revision or discontinuation of other existing contractual relationship between the Bank and the Customer, unless otherwise agreed by the Parties in writing.
- 1.8. The Bank can at own initiative:
- 1.8.1. Temporarily stop providing the Services through the System partially or totally due to carrying out maintenance works and taking measures to ensure the uninterrupted operation to improve the security and reliability of the System;
- 1.8.2. Suspend or cancel the Customer's access to the System/App upon the default or improper performance of obligations under the Terms, the Application/Agreement, the Tariffs and other documents, as well as in the presence of suspicions of the Customer's identity, as well as in case the Bank has reasons to believe that the System is being used by a third party, or the security requirements have been violated, or there is a danger of fraud, or for the reasons of the System security or in other cases set in the RA laws.
- 1.9. The details of the transactions executed through the System are held with the Bank and can be used and disclosed as a proof.
- 1.10. The Customer can use the services inaccessible through the System by visiting the Bank.
- 1.11. **Security rules**
- 1.11.1. The Bank may apply and provide the Customer with passwords, security codes, keys and tokens to use the System/App.
- 1.11.2. The Customer agrees and undertakes to maintain the confidentiality of the System login information and the Application/Agreement, to refrain from disclosing or otherwise making known/accessible to a third party the Customer's login and passwords, codes and other data used for the System, to prevent copying, decoding, modification and dissemination of the protected part of the System software, or to prevent actions that may result in making these data known/accessible to a third party.
- 1.11.3. The Customer undertakes to protect all intellectual property rights for the use of the System software and to use the System in accordance with its purpose.
- 1.11.4. The Customer is informed that the list and options of the offered Services can be restricted depending on the Customer's computer or other hardware features, the communication quality, the Customer's location, the maintenance works by the Bank and other factors. The Bank may add or reduce the list of offered transactions, or stop or suspend the access to the System (including terminate the System provision agreement) to carry out maintenance works or for other reasons.
- 1.11.5. The Bank disclaims the responsibility for the Customer's loss incurred due to the disclosure or access of the Customer's Personal Data to a third party. The Customer undertakes to protect the Bank from any claims filed due to a third-party action when using the System.

- 1.11.6. The Bank disclaims the responsibility for the Customer's loss due to the failure or interruption of the Customer's end device or the electronic communication network or the unauthorized third-party access, therefore the Customer has to independently ensure the functionality of its local network (after the demarcation point with the Bank) and the protection of the network equipment.
- 1.11.7. For own security reasons, the Customer expresses willingness to promptly inform the Bank about the actual or attempted unauthorized third-party access to the Personal Domain for using the System and/or about the actual or attempted transaction by an unauthorized third party in the Customer's Personal Domain.
- 1.11.8. For the Customer's security reasons, the Bank ensures the application of reliable security tools. However, the Customer is informed that they use the System at own risk and the Bank does not assume responsibility for the communication failures, data loss relating to the use of the System, as well as for the loss of the Customer's data and/or any other loss of the Customer when using the System.
- 1.11.9. The Bank disclaims the responsibility for the data or orders received from the Customer's Personal Domain or for other actions or inaction through the Personal Domain, even if it is proved that the actions have been taken by persons not authorized to access and take actions in the Customer's Personal Domain. The Bank does not assume responsibility for the Customer's loss due to the disclosure of inaccurate or incomplete information and/or failure to comply with the security rules by the Customer.

## 2. ACCOUNT

- 2.1. The provisions of this section regulate the contractual relationship between the Bank and the Customer related to the opening, management and closing of the Account. The provisions not regulated in this section are regulated under the Terms.
- 2.2. The peculiarities of specific types of Accounts and the types of transactions executed through the Accounts are regulated under the Terms, the Tariffs, the Information Bulletins, the guidelines, as well as other documents referring to the relationship between the Customer and the Bank.
- 2.3. In addition to the Terms and the Tariffs, the terms referring to the transactions executed through the Account and other conditions are regulated under the Application/Agreement and other documents regulating the relationship between the Bank and the Customer.
- 2.4. The provisions of the Terms and other documents set thereby are also applied to the social security and social package accounts, escrow accounts, notary deposit accounts, special constructor's accounts, special honorarium accounts, Military Compensation accounts, as well as other special bank accounts established by the RA laws, unless otherwise defined in the regulations for special bank accounts.
- 2.5. The Bank opens an Account for the Customer according to the form set by the Bank based on the Application/Agreement, Application and/or Request filed with the Bank through the System/App, in person or in any other manner acceptable for the Bank.
- 2.6. The Accounts are opened in compliance with the internal regulations of the Bank and/or the Terms.
- 2.7. The Account is opened in accordance with its intended purpose.
- 2.8. The Customer hereby gives their written consent and instructs the Bank to take the following actions at its discretion, based on the best interests of the Customer without additional instructions from the Customer, unless the latter has submitted a different written instruction, application or request to the Bank.
  - 2.8.1. In the absence of the Customer's Account in the currency of the sum to be credited to the Customer's Account, the Bank may open an Account for the Customer in the currency of the funds to be credited and credit the sum to the newly opened Account.
  - 2.8.2. When entering into a financing or time deposit agreement with the Customer, the Bank may open an Account for the Customer in AMD and/or other currency corresponding to the financing or time deposit agreement to service the particular agreement, including to credit and debit the funds.
- 2.9. The Bank may at own discretion select and use the respective Account of the Customer when taking specific actions. In the presence of several Accounts in the same currency, the Customer can notify the Bank about the Account to be used for the relevant transaction (e.g. payment of deposit interests), if it is permitted by the regulation for the particular transaction and the internal procedures of the Bank.
- 2.10. The Bank provides the complex servicing of the Account, and performs all cash transactions on the instruction of the Customer that are allowed for individuals under the RA laws.
- 2.11. The Bank manages the Customer Accounts unless any restrictions exist on the Account based on the internal regulations of the Bank and the RA laws.
- 2.12. The cash transactions are executed on the Account within the limits of the account balance by taking into account

the fees set under the Tariffs and retaining the minimum balance (if any).

- 2.13. The Bank effects the money transfers based on payment orders, and the acceptance and execution of payment orders in compliance with the RA laws, including but not limited to the CBA Regulation on Establishment of Maximum Periods for Money Transfers based on Payment Orders in the Republic of Armenia, and the internal regulations of the Bank.
- 2.14. In the absence of sufficient cash on the Customer's Account, the cash funds are withdrawn in the sequence set by the RA laws. Unless the Customer's Account is banned, the Bank enjoys the right of priority to collect the Customer's outstanding debt toward the Bank. Furthermore, the Bank may at own discretion determine the sequence of collection of the Customer's debts toward the Bank.
- 2.15. The funds are credited to the Customer's Account in accordance with the internal regulations of the Bank and other legal acts.
- 2.16. The foreign currency trades based on the customer's instructions are carried out at the exchange rates and based on the procedure set by the Bank.
- 2.17. The Bank calculates an annual interest rate against the positive cash balance of the Account(s) based on the Tariffs and/or the Application/Agreement, and the accrued sums are credited to the Account on a quarterly basis, unless otherwise defined in the Information Bulletins and/or the Tariffs and/or the Agreements.
- 2.18. The Customer may credit and debit cash to the accounts based on the Information Bulletins and/or the Tariffs in cases and in the order defined by the Bank in the Agreement and/or the RA laws.
- 2.19. The Bank is entitled to:
  - 2.19.1. Based on the RA AML/CFT laws and/or the internal AML/CFT regulations of the Bank, request the Customer to disclose all information about the transactions executed on the Account, otherwise suspend or deny the transactions on the Account (including refuse to establish business relationship with the Customer);
  - 2.19.2. The aforementioned information is updated by due completion by the Customer of the respective document provided by the Bank or by requesting an additional document (agreement, certificate, invoice, etc.) from the Customer and filing the latter with the Bank either in person or in any other manner agreed with the Bank;
  - 2.19.3. In the presence of an agreement on disclosure by the Bank of the Customer's information deemed banking secrecy to a third party in cases and in the order established in the RA, foreign and international laws, the Bank may service the Customer only subject to the disclosure of the Customer's business background, actual and planned business goals, and in the absence of adverse information about the Customer in the International Sanction Lists of UN, US OFAC, EU, or the special AML-related lists of the CBA or the Bank;
  - 2.19.4. The individuals may be serviced, unless the Bank classifies/considers the Customer risk-involving or considers the servicing of the Customer unreasonable in terms of AML/CFT, based on the fact that the person is not the citizen or resident of the country or region subject to international sanctions, or lacks vital and/or economic interests in the latter countries or regions;
  - 2.19.5. The legal entities and sole proprietors may be serviced unless they are incorporated in a country or region subject to international sanctions, or unless their business or business relations (including the counterparties) or interest holders (actual beneficiaries) are directly or indirectly connected with the latter country or region, and/or unless the Bank classifies/considers the Customer risk-involving or considers the servicing of the Customer unreasonable in terms of AML/CFT;
  - 2.19.6. To prevent the risks attributable to and arising from the abrupt exchange rate fluctuations (5% and higher cumulative exchange gain/loss in a day or several days) in the forex market due to application of AML-related international sanctions and/or force majeure situation (including outside Armenia), set the limits and procedures of payment of the FX transactions of the customers, including temporarily restrict and/or partially approve the currency withdrawal, transfer and exchange transactions based on the special service procedures applied under the internal regulations of the Bank and published on the site of the Bank at the date of the transaction, and the contractual process and the daily quotation of transaction prices;
  - 2.19.7. To prevent the suspicious or high-risk transactions in terms of AML/CFT (including related to international sanctions) of the Bank, refuse to service the account(s) and in case of detection of suspicious cash documents of the Customer immediately stop the transaction by giving a notice to the Customer, if the transaction on the Account exceeds the limit set by the Bank;
  - 2.19.8. Refrain from opening of the Account and/or stop the bank transactions on the Account unless the Customer discloses the documents required by the Agreement and/or the RA laws to the Bank in a reasonable time, or if the Bank considers the Customer's explanations and documents unsatisfactory, suspicious and/or

inappropriate, as well as in other cases defined in the Terms, the Information Bulletins, the Tariffs and/or the special service terms;

- 2.19.9. Settle the counterclaims of the Bank and the Customer;
- 2.19.10. Withhold the fees set in the Tariffs, the Bank's costs related to execution of the Customer's orders (which the Customer hereby undertakes to transfer to the Bank) and other amounts payable to the Bank by the Customer from the Account (including other accounts, among which FX accounts with the Bank). Furthermore, the Bank's cash claims and the transaction charges are primarily withheld from the account(s) being the object of transaction or AMD account(s), or in the absence or insufficiency of funds on the latter account(s) from the FX accounts of the Customer, whereby the FX is converted into AMD at the buy rate applied by the Bank to the particular foreign currency at that point, unless otherwise agreed by the Parties;
- 2.19.11. This clause is deemed the Customer's instruction to the Bank through the effective period of the Application/Agreement based on the RA Civil Code Article 992.1;
- 2.19.12. Terminate the Application/Agreement and stop servicing the account by demanding the payment of all sums due at that point, including the Overlimit, as well as the penalties accrued before the payment day after 1 year from blocking (restricting the management) of the Account.
- 2.20. The Bank may restrict the management of the account:
  - 2.20.1. Based on the Customer's request or instruction;
  - 2.20.2. Unless the Customer executes any transaction on the Account during six months;
  - 2.20.3. Where the Customer's liability is secured with the cash on the Account;
  - 2.20.4. In the presence of the Customer's outstanding liabilities toward the Bank, including based on a third-party guarantee;
  - 2.20.5. Unless the Customer discloses the documents and the information required by the Bank in due time;
  - 2.20.6. Where the business or any transaction of the Customer is qualified matching the criteria of being suspicious from the AML/CFT perspective and the supporting documents and/or proofs are not disclosed in due time;
  - 2.20.7. Where the Customer's business is viewed suspicious;
  - 2.20.8. In the presence of a ban on the Customer's accounts based on the resolution of the Enforcement Service, tax and/or competent authorities;
  - 2.20.9. In cases set in the agreement(s) with the Customer;
  - 2.20.10. In other cases in compliance with the RA laws.
- 2.21. The Bank may charge the Account(s) unconditionally:
  - 2.21.1. In cases set in the RA laws, based on the Customer's instruction;
  - 2.21.2. In the amount of liabilities toward the Bank;
  - 2.21.3. In other cases, based on the agreements/addenda with the Bank.
- 2.22. In case of terminating or restricting transactions on the Account, the Customer's application on termination of the agreement and closure of the account will not be satisfied by the Bank until the grounds for termination of transactions disappear.
- 2.23. The Customer's right to dispose the funds available on the Accounts with the Bank cannot be restricted, except in the case of imposing a ban on the funds available and stopping the transactions on the account in compliance with the RA laws, as well as in other cases set in the documents establishing contractual relationship, the RA laws and/or the Terms. These data are verified after the Customer fills in the document provided by the Bank in due order or by requesting additional documents (agreement, certificate, invoice, etc.) from the Customer and filing thereof with the Bank in person or in any other manner agreed with the Bank.
- 2.24. Upon detection of suspicious details in the Customer's cash documents, the Bank may immediately suspend the transaction by giving a notice to the Customer, if the transaction is made on the Account in excess of the limit set by the Bank.
- 2.25. The Bank should maintain the confidentiality of details of the transactions made by the Customer through the account (including any account), any account balances, as well as the information made known to the Bank when servicing the Customer.
- 2.26. The Bank undertakes to make the Account Statement accessible to the Customer, except in cases when the Bank has neither debited nor credited the account in the reporting period. Furthermore, the Bank does not assume the responsibility for the Customer's loss due to the actions mentioned herein.



- 2.27. The Customer should use the Account for the latter's intended purpose.
- 2.28. The Customer should pay the Bank the fees, including the penalties set in the Information Bulletin and/or the Tariffs and/or the Application/Agreement for generation of an overlimit on the card account. The Customer should also repay the Overlimits, commissions and the accrued interests and penalties in 15 (fifteen) days from generation of the Account Statement.
- 2.29. The Customer may dispute the accuracy of the Account balance in 10 calendar days from receiving the Account Statement, in which case the Bank carries out clearing with the Customer and corrects the error in 1 (one) banking day if detects that the error has occurred through the fault of the Bank.
- 2.30. The Customer cannot pledge the funds available on and to be credited to the Account on behalf of a third party without the prior approval of the Bank in writing.
- 2.31. The Bank enjoy the right of priority to collect the cash available on the Customer's account as security for all liabilities of the Customer already/to-be assumed toward the Bank.
- 2.32. **Limited checking accounts**
  - 2.32.1. Only the following transactions may be executed on the limited checking account:
    - 2.32.1.1. Cash entry,
    - 2.32.1.2. Transfer in AMD from other accounts,
    - 2.32.1.3. Utility payments through the App,
    - 2.32.1.4. Budget transfers through the App (including penalties payable to the road police, payment of property tax and other state and municipal duties),
    - 2.32.1.5. Other transactions based on the Information Bulletin, in accordance with the purpose of opening of the account.
  - 2.32.2. The cash can be withdrawn from the limited checking accounts only at the branches of the Bank subject to identification of the Customer, by charging the encashment fees set under the Tariffs, the Terms and/or the Information Bulletins, after which the account is closed or changed into a checking account.
  - 2.32.3. The max limit of daily transactions on limited checking accounts is AMD 400,000.
  - 2.32.4. The limited checking account is changed into a checking account once the customer is duly identified in the App, at the branch of in any other manner acceptable for the Bank.
- 2.33. **Cumulative accounts**
  - 2.33.1. Only the following transactions can be executed on the cumulative account:
    - 2.33.1.1. Cash entry,
    - 2.33.1.2. Transfer between own accounts,
    - 2.33.1.3. Currency exchange between own accounts,
    - 2.33.1.4. Opening of time deposit,
    - 2.33.1.5. Repayment of credit obligations, by charging unconditionally,
    - 2.33.1.6. Unconditional charges for the repayment of the Customer's liabilities.

### 3. CARD

- 3.1. The provisions of this section regulate the contractual relationship between the Bank and the Customer referring to the issuance, use, closure and change of Cards. In addition to the Terms and the Tariffs, specific types of Cards, their peculiarities and options, security and other requirements are regulated under the Rules, the Application/Agreement, the Information Bulletins, the [Rules](#) published on the Site and other documents regulating the relationship between the Bank and the Customer. The provisions unless referred to in this section are regulated under the Terms, including the provisions of the Terms referring to the Accounts, unless otherwise specified in this section.
- 3.2. The Card is issued to the Customer in 5 (five) banking days from submission of the Card request by the Customer subject to signing of the Application/Agreement and the receipt, and paying of the monthly/annual service fee.
- 3.3. When ordering the Card, the Customer undertakes to pay or to credit to the card account the fee set in the Application/Agreement, the Information Bulletins and/or the Tariffs applicable at the particular date, unless otherwise specified in the Application/Agreement.

- 3.4. Specific restrictions may be set for the transactions with certain types of Cards, which are reflected in the Information Bulletin for the particular service and/or are established under the Tariffs.
- 3.5. During the effective period of the Card, the Bank may charge unconditionally the card issuance and service fees and other costs relating to the use of the Card from the Customer's card account based on the tariff specified in the Information Bulletins and/or the Tariffs and or the Application/Agreement and/or set by the specific service provider (third party).
- 3.6. The fees are charged as a prepayment at intervals specified in the Information Bulletin and/or the Application/Agreement; first time before the issuance of the Card, and for the following months/years of the Card validity, in 5 (five) banking days from the beginning of each term of the card's validity. In the absence of sufficient funds on the Customer's card account, the sums stated herein, as well as the Overlimits and the accrued penalties set in the Application/Agreement are charged from other accounts of the Customer with the Bank, and the Customer hereby gives their unconditional consent to the same. Unless the funds available on the Customer's other accounts with the Bank are sufficient to repay the aforementioned amounts, the Bank is entitled to prematurely cancel and annul the Card if the Customer has 30-day and longer overdue liabilities and require the Customer to return the Card to the Bank and to pay the amounts stated herein.  
This paragraph is deemed the Cardholder's instruction to the Bank through the effective period of the Agreement based on the RA Civil Code Article 992.1  
Unless the funds available on the Cardholder's other accounts with the Bank are sufficient to repay the aforementioned amounts, the Bank is entitled to prematurely cancel and annul the Card if the Cardholder has 30-day and longer overdue liabilities and require the Cardholder to return the Card to the Bank and to pay the amounts stated herein.
- 3.7. In the event of submitting a request to the Bank on returning the Card to the Bank ahead of schedule, destroying the Card and/or closing the Card, the fees set in the Information Bulletins and the Tariffs and already paid by the Customer are not refunded.
- 3.8. Unless the Customer receives the Card in two months, the Bank is entitled to destroy the Card and the PIN code envelope by terminating the Application/Agreement.
- 3.9. The Bank is also entitled to discontinue the Application/Agreement and to close the Customer's Card account by requesting the payment of the Overlimit and the penalties accrued before the payment day, if the Customer delays the payment of the fees under the Tariffs and/or the Overlimit, or violates the conditions set in the banking service terms and the Rules, or in the presence of other grounds defined in the Terms.
- 3.10. The Bank has to ensure that the cardholder receives the cash and makes the payments through the Card within the limits of the sums available on the card account based on the respective loan/overdraft agreements (hereunder referred to as the Credit Limit).
- 3.11. The Bank has to appeal the transactions disputed by the Customer in accordance with the rules and deadlines set by the respective payment system and upon the positive outcome, recover the amounts on the Customer's account after the completion of the appeal process.
- 3.12. Upon the negative outcome of the appeal process, the Customer undertakes to pay the Bank in 1-month period the fees set in the Information Bulletins and/or the Tariffs and/or the Application/Agreement and the overhead expenses relating to the execution of the disputed transaction.
- 3.13. The Customer may exercise the rights reserved to the cardholder under the Application/Agreement and the Rules.
- 3.14. The Customer can submit a request to the Bank on unblocking of the Card and unfreezing the card account either in person or by calling the Bank by using the contact numbers stated in the Rules and telling the password specified in the Card application (other than the PIN code) and/or other identification details as requested by the Bank.
- 3.15. The Customer can unilaterally dissolve the Application/Agreement as a result of worsening of the Card use terms due to the unilateral revision of the Rules by the Bank, by returning the Card to the Bank and paying the fees set under the Tariffs, including the overlimit accrued before the termination of the Application/Agreement.
- 3.16. When executing a transaction in a foreign currency, the Bank converts the currency at the exchange rate set by the Bank. The Cardholder assumes the risk of adverse effect of the exchange rate fluctuation when executing FX transactions.
- 3.17. The Bank enjoys the right of priority to collect the funds available on the Cardholder's card account, as security for

all liabilities of the Cardholder already/to-be assumed toward the Bank.

- 3.18. Upon the loss of the Card, the relationship between the Cardholder and the Bank are regulated in accordance with the Rules.
- 3.19. The Bank disclaims the responsibility for the transactions executed by violating the Rules.
- 3.20. THE CARDHOLDER HEREBY GIVES A CONSENT THAT THE BANK DISCLOSES ANY INFORMATION ABOUT THE CARDHOLDER'S LIABILITIES ARISING AND/OR TO ARISE FROM THE AGREEMENT TO ACRA CREDIT REPORTING CJSC WITHOUT GIVING A NOTICE TO THE CARDHOLDER, AS WELL AS AT ANY TIME THROUGH THE EFFECTIVE PERIOD OF THE AGREEMENT MAKES INQUIRY TO ACRA CREDIT REPORTING CJSC AND GETS THE CARDHOLDER'S CREDIT HISTORY WITHOUT INFORMING THE CARDHOLDER THEREON.
- 3.21. THE CARDHOLDER ASSURES THEIR UNDERSTANDING THAT THE INFORMATION ABOUT THE CARDHOLDER AND THE CARDHOLDER'S LIABILITIES RELATING TO THE AGREEMENT ARE DISCLOSED TO THE CREDIT REGISTER OF THE CENTRAL BANK OF ARMENIA.

## **4. DEPOSIT**

- 4.1. The provisions of this section regulate the contractual relationship between the Bank and the Customer when opening Deposits. Along with these Services, the Terms, together with the Account terms, the Tariffs, the Information Bulletins and the special terms of the particular deposit type and other documents regulating the relationship between the Customer and the Bank constitute an integral part of the Deposit Application/Agreement.
- 4.2. When accepting the Deposit, the latter is entered into the Deposit Account opened for that purpose, which is maintained separately from the current and other bank accounts, and the provisions of Account Terms are applicable to the same, unless otherwise required under this section.
- 4.3. The Bank pays interests to the Customer against the Deposit in the order and at the rate set in the Application/Agreement, the Information Bulletins and/or the Tariffs and the terms of the particular deposit type, and in the currency stated by the Customer in the Application/Agreement.
- 4.4. The third parties can also enter cash into the replenishable Deposit Account on behalf of the Customer subject to statement of the Customer's Deposit Account, unless otherwise required by the Bank.
- 4.5. The Deposit interests are accrued against the actual Deposit Account balance starting from the date of crediting the Deposit to the Customer's Deposit Account (replenishment of the Deposit amount) through the day preceding the return of the Deposit to the Depositor or the withdrawal from the Deposit Account for other reasons. The accumulated Deposit interests are accrued on the Deposit Account balance on a yearly basis, unless otherwise defined for the particular product. The calendar days of the year are used in the calculations, and 365 (366 for leap years) is taken as a divisor.
- 4.6. The Bank cannot unilaterally decrease the interest rate for the deposit set in the Deposit Application/Agreement, that the individual Customer has opened on the condition to be redeemed at the expiry of a certain period or upon the occurrence of circumstances set in the Deposit Application/Agreement, unless otherwise required by the law. In cases permitted under the law, the Bank may unilaterally revise the interest rate accrued against the deposit by giving a notice to the Customer in the pre-agreed manner. Unless the Customer agrees with the revision of the interest rate, the latter may request to return the deposit before the enforcement of the new interest rate and to pay the interest accrued on the deposit at the particular point.
- 4.7. The Bank is entitled to:
  - 4.7.1. Use the Deposit amount independently;
  - 4.7.2. Inform the Depositor about the electronic documents accepted for implementation and rejected, by stating the reasons for rejection;
  - 4.7.3. Upon termination (expiration or discontinuation) of the Deposit Application/Agreement, transfer the Deposit amount to the Depositor's checking account, or in the absence of an Account in the particular currency, to the demand account, unless a different instruction is stated in the Application/Agreement or by the Depositor.
- 4.8. When paying the accrued interest of the Deposit to the Customer, the Bank acts as the tax agent of the individual

Customer, by withholding and transferring the due taxes to the state budget in compliance with the law. The Bank is not obliged to charge back the over-paid taxes or to refund the latter to the Customer upon demanding the early redemption of the deposit.

- 4.9. The Customer may at any time discontinue the Application/Agreement (demand the deposit totally or partially earlier than set in the Deposit Application/Agreement), unless otherwise agreed in writing. Upon the early termination of the Deposit Application/Agreement (totally or partially), the Bank may charge the Customer a penalty, the account opening and/or encashment and/or cash entry fees based on the Tariffs and the Information Bulletins, and recalculate the interests, which may result in the decrease of the annual interest yield. Furthermore, if the interest actually paid to the Customer exceeds the interest payable due to the recalculation, the Bank may deduct the difference from the Deposit amount.
- 4.10. The Deposit Application/Agreement can be terminated prematurely at the request of the competent authorities in accordance with the RA laws in the event that the Bank receives a binding demand to confiscate the deposit amount or otherwise to withdraw the deposit amount from the Deposit Account.
- 4.11. The payments for the deposit opened in FX are made to the Customer in AMD by the converting the foreign currency at the respective exchange rate set by the Bank at the payment date.
- 4.12. Where the Deposit is opened in FX, the Depositor assures that they understand and accept the potential exchange rate fluctuation risks when signing the Application/Agreement.
- 4.13. The Depositor assigns the Bank to use the Deposit amount primarily to repay the overdue or outstanding credit obligations (if any) at any time upon requesting the return of the Deposit.
- 4.14. The Depositor can request the Bank to return the Deposit and to pay the interests in compliance with the Agreement.
- 4.15. The Depositor can make withdrawals from the Deposit in compliance with the Application/Agreement.:
- 4.16. The Deposit is secured with the assets of the Bank.
- 4.17. When extending the expiry of the deposit, the terms published by Converse Bank at that point for the particular type of deposit are applied to the extended period, and the Terms continue to be valid as far as they are in line with the terms established in the Information Bulletin published at that point for the particular type of deposit.
- 4.18. The Bank has to return the Deposit and the accrued interests to the Depositor at the latter's request in 3 (three) banking days from filing the request, depending on the amount of the Deposit.
- 4.19. Upon opening a Deposit on behalf of a third party, the latter obtains the Depositor rights subject to visiting the Bank in person and disclosing the ID documents and from the point of filing the first written request based on the Depositor rights with the Bank. Until then, the Depositor may exercise the Depositor right to use the cash credited to the Deposit Account. Where the Deposit is opened on behalf of a third party, the latter cannot use the Depositor rights from the date of transfer of the Deposit amount to the Depositor's demand or savings and/or card account at the expiry of the Deposit based on the Depositor's instruction, unless the Depositor has given a different instruction to the Bank.
- 4.20. Where several persons act as a Depositor under the Agreement, the Bank pays the Deposit and interests to all Depositors on a pro rata basis subject to their signing. Where one of the Depositors takes the amounts, the latter has to file with the Bank the notarized power of attorney issued by the remaining Depositors.

## **5. LOANS**

- 5.1. The provisions of this section regulate the contractual relationship between the Bank and the Customer with regard to lending. Along with these Services, the Terms, the Tariffs, the Information Bulletins and the special terms of the Loans and other documents regulating the relationship between the Customer and the Bank (if any) constitute an integral part of the Deposit Application/Agreement.
- 5.2. The provisions of the Terms referring to the Accounts are applied to the Loans, unless otherwise set under this section.
- 5.3. The Borrower can repay the Loan, the interests and other fees and charges set under the Application/Agreement from the balances of the Borrower's accounts with the Bank by making a transfer using the credit code stated in the Application/Agreement, or in any other manner acceptable for the Bank.
- 5.4. The loan application processing fees are charged one-time before the disbursement of the Loan, and the payment procedure for the monthly Loan service fees is reflected in the Loan principal and interest installment schedule attached to the Loan Application/Agreement, unless otherwise established under the Loan

Application/Agreement and/or the Information Bulletin and/or the individual sheet.

- 5.5. The interests are accrued daily on the outstanding amount of the Loan, taking the calendar year as a basis and 365 days as a divisor. The accrual of the interests starts from the day of actual crediting of the Loan amount to the Borrower's account with the Bank.
- 5.6. Upon the Borrower's default or improper execution of obligations assumed under the Application/Agreement, the Terms and other documents regulating the relationship between the Borrower and the Bank, including upon the failure to use the Loan for the intended purpose, the Bank may revise the Loan terms and/or unilaterally increase the Loan interest rate, however not more than twice the bank interest rate set by the CBA as of that date, by giving a written notice to the Borrower.
- 5.7. Subject to giving the respective written notice on the revision of the Loan terms to the Borrower, the terms are deemed changed from the date stated in the notice, unless a different date is agreed between the Parties.
- 5.8. Following the receipt of the notice on the revision of the Loan interest rate and other terms, the Borrower has to conclude an addendum with the Bank about these changes at the request of the Bank via email, the App or in any other pre-agreed manner for notification, or unless possible, in person at the Bank. The Borrower's failure to sign the addendum shall by no means prevent the revision of the Loan terms and/or the interest rate.
- 5.9. Unless the Borrower agrees with the revised Loan terms specified in the addenda, the latter may discontinue the Application/Agreement prematurely by repaying the total liabilities toward the Bank accrued at the date of termination based on the Application/Agreement.
- 5.10. At the Borrower's discretion, the interests can be paid in the Loan currency or AMD for FX loans, by converting the currency at the exchange rate set by the Bank for the particular foreign currency, and the other fees set under the Application/Agreement (also the principals if the Loan is disbursed in AMD) are charged from the Borrower's other AMD account(s) with the Bank. In the absence of sufficient cash on the latter, the Bank may withdraw foreign currency equal to the chargeable amount from the Customer's FX account(s) with the Bank, in which case the conversion is made at the exchange rate set by the Bank for the particular currency at that point, without waiting for the Borrower's payment order to the Bank, and to secure the latter the Borrower authorizes the Bank to indisputably charge the due amount from the account with the Bank upon the default or improper execution of cash obligations related to the Application/Agreement. In cases set herein, the Bank may start the repayment of the respective liabilities on the next banking day from the due date. By no means can this provision be referred to by the Borrower in the future and serve a ground for disputing the fact of accrual and withdrawal of a penalty by the Bank.
- 5.11. The maximum annual rate of penalty cannot exceed the fourfold base bank rate set by the CBA, and the total sum of penalties cannot exceed the outstanding principal at that point, unless otherwise required under the law.
- 5.12. If the principal or interest installment day falls on a non-business day, the payment is to be made on the next business day of the Bank, unless otherwise set in the Loan schedule.
- 5.13. The Borrower hereby assures their understanding that if the Loan is disbursed in a foreign currency, the exchange rate fluctuations may affect the amount of interest (in AMD expression). THE INSTALLMENTS FOR FX LOANS ARE CALCULATED BASED ON THE BUY RATE SET BY CONVERSE BANK CJSC.
- 5.14. The Bank may monitor the target use of the Loan through documents or directly, as well as conduct monitoring to assess the creditworthiness of the Customer. Furthermore, the Bank may conduct monitoring by inviting independent auditors.
- 5.15. The Bank may refuse to disburse the Loan totally or partially and/or demand the Customer to return the Loan, and to pay the Interests and penalties accrued until the due date by terminating the Application/Agreement ahead of schedule, where:
  - 5.15.1. it turns out that the data (documents and other information) disclosed by the Customer are unreliable,
  - 5.15.2. it turns out that the Customer has overdue and/or classified liabilities (including to third parties),
  - 5.15.3. the Customer violates any of the provisions of the Application/Agreement,
  - 5.15.4. it turns out that the Borrower's financial flows (including the salary) have declined, and/or the employment (service) agreement has been terminated, or the Borrower has lost the customer status in case of other target loans,
  - 5.15.5. the Customer uses the Loan not for the purpose set in the Application/Agreement,
  - 5.15.6. the Customer impedes the monitoring by the Bank,
  - 5.15.7. the circumstances obviously prove that the Loan and/or the interests will not be repaid at the due dates set in the Application/Agreement (including the preconditions of bankruptcy),
  - 5.15.8. the Customer's assets (property) have been banned or blocked in due order,
  - 5.15.9. the government authorities have initiated judicial, criminal, administrative or other proceeding against the

Customer,

- 5.15.10. the Customer fails to perform the loan security obligations set in the Application/Agreement,
- 5.15.11. the Customer fails to repay the Loan principal and/or interests and other fees and charges set in the Application/Agreement in due time, and/or delays the same on a regular basis,
- 5.15.12. the Borrower fails to disclose the information (documents, reports) set in the Application/Agreement or delays their disclosure,
- 5.15.13. the Borrower or the latter's affiliates are involved in any illegal business,
- 5.15.14. other grounds exist under the RA laws.
- 5.16. Subject to the repayment of the Loan principal and/or Interests by the Borrower, at the latter's request, the Bank has to provide the Customer with a statement confirming the total or partial (if repaid partially) repayment of the liability.
- 5.17. The Customer may unilaterally, without any reasoning, terminate the Application/Agreement ahead of schedule during the deliberation period set in the Application/Agreement by paying the Bank the Loan interests accrued through the day of termination.
- 5.18. The Customer may execute the payment obligations assumed under the Application/Agreement ahead of schedule, ***in which case the Customer's total crediting cost is reduced proportionally.***
- 5.19. The Customer has to return the Loan and pay the Interests and other fees to the Bank at the dates and in the order specified in the Application/Agreement.
- 5.20. The Customer should facilitate the unobstructed monitoring by the Bank of the intended use of the Loan.
- 5.21. The Customer should at the Bank's request pay the latter the penalties based on the Application/Agreement, upon the default or improper performance of the obligations assumed under the Application/Agreement and the Terms, including in case of delays in performance.
- 5.22. The Customer should at the Bank's request provide the latter with documents and information that will allow the Bank to verify the intended use of the Loan based on the Application/Agreement.
- 5.23. The Customer should inform the Bank prior to assuming obligations toward a third party. By using the information, the Bank assesses the creditworthiness of the Customer, based on which the Bank may exercise its rights established under the Terms and the Application/Agreement.
- 5.24. The Bank should at least on a monthly basis provide the Borrower with information referring to the latter's liabilities based on the Application/Agreement and their reasons and repayment, including the penalty already or to-be applied for the Borrower's default or improper performance of obligations or the list, cases and procedure of other sanctions that may impair the Borrower's status.
- 5.25. When changing the terms of the Application/Agreement (including the interests) unilaterally, the Bank has to notify the Customer thereon at least 7 (seven) business days in advance, which will serve a ground for application of the revised terms from the date stated in the notice. Unless the Customer agrees with the revised terms, the latter may terminate the Application/Agreement prematurely, by executing the total obligations assumed toward the Bank under the Application/Agreement. The Bank cannot demand additional charges from the Customer for the early execution of obligations.
- 5.26. The revision of terms of the Application/Agreement may result in the change of the Annual actual interest rate. The procedure, conditions and terms of revision of the Annual actual interest rate are in line with those established under the Application/Agreement
- 5.27. UPON DEFAULT OR IMPROPER PERFORMANCE OF AN OBLIGATION, THE BANK TRANSFERS THE CUSTOMER'S DATA (ON DEFAULT OR IMPROPER PERFORMANCE OF OBLIGATION) TO THE CREDIT REGISTER AND/OR TO THE CREDIT BUREAU (ACRA) AFTER 3 (THREE) BUSINESS DAYS AT MOST.
- 5.28. THE CUSTOMER HEREBY CONFORMS THEIR AWARENESS THAT THE BAD CREDIT HISTORY MAY IMPEDE THE USE OF THE FINANCIAL INSTRUMENTS IN THE FUTURE.

## 6. PACKAGE

The Bank may offer Packages to use several services of the Bank at a time.

- 6.1. Only one Package is provided per person.
- 6.2. Upon enabling of the Package:
  - 6.2.1. When the current service is included in the Package, the origination, management and service fees for the product/service paid by the Customer before the inclusion of the service into the Package are not refundable;

- 6.2.2. When the current service is included in the Package, the origination, management and serve charges for the product/service, the overlimit and other cash liabilities accrued before the provision/enabling of the Package are to be paid by the Customer before the inclusion of the particular product/service in the Package.
- 6.3. The Customer can change the types of Packages, in which case:
- 6.3.1. The tariffs set for the new Package are applied to the products and services available in the old Package and included in the new Package, from the date of transition;
- 6.3.2. The products and services available in the old Package that are not included in the new Package, are serviced based on the tariffs and terms of the Bank applicable to the particular product out of the Package, starting from the date of transition, or these products/services are to be closed based on the Customer's application, subject to the full repayment of liabilities for the particular product/service by the Customer;
- 6.3.3. The types and the terms of Services/products available in the old Package are aligned with the type of Services/products of the particular category in the new Package.
- 6.4. Servicing of the Package may be stopped:
- 6.4.1. Based on the Customer's application subject to the full repayment of fees and liabilities related to the Package and the services therein, and thereafter the general Tariffs and Terms of the Bank set for the particular product or service are applied to the products included in the Package;
- 6.4.2. At the Bank's initiative:
- 6.4.2.1. in the Bank's reasonable judgment, upon default and/or improper execution of obligations assumed by the Customer under the general terms of Services, the Terms and the Application/Agreement,
- 6.4.2.2. upon the failure to pay and/or improper payment of the monthly service fee of the Package for 6 continuous months.
- In all cases specified in paragraph 6.4.2, the services included in the Package are to be stopped, and unless applicable, provided based on the Tariffs and Terms set by the Bank for the particular product.
- 6.5. The terms and conditions unless established/regulated in this paragraph and in the Tariffs and Information Bulletins of the Service Package for every type of Service included in the Package, as well as the transactions, benefits, restrictions, sanctions and other conditions related thereto, and the Rules and Tariffs are regulated based on the Terms established in this document for the Services of the particular type and the transactions, benefits, restrictions, sanctions and other conditions related thereto, and as well by the Rules and Tariffs set by the Bank for the particular type of Service.