Essential Terms and Conditions of Agreement
Short-Term Loan Agreement No ___

The city of ___ **__ __ 20__**

Loan interest rate
Type of loan interest rate: Fixed
Interest rate on the loan amount: __ % per annum
Effective interest rate on the loan: __ %

Financial costs:
Monthly payments (principal and interest): According to the Payment Schedule attached
Insurance costs: __
Loan disbursement fee: __
Cash withdrawal fee: __
Cash transfer fee: __
Security Agreement registration cost: __
Notarial costs: __
Origination fee: __

Other contractual information:
Total loan amount: _____ (GEL/USD/EUR)
Loan and Loan Agreement validity period: _____ inclusive
Total repayment amount: _____ (GEL/USD/EUR)
The consumer IS entitled to reject this contract without specifying any grounds within 14 (fourteen) calendar days from the conclusion/delivery of this contract. For detailed information please see Article 8[1] of the „Additional Contractual Conditions“ posted on the official website www.procreditbank.ge.[1]
The consumer is NOT entitled to reject this contract under the law of Georgia „On the protection of Consumer Rights“ and/or 09.03.2021 order of the President of the National Bank of Georgia on "The Regulation on the Protection of Consumer Rights in the Provision of Services by Financial Organizations".[2]
Early repayment fee: a) In instances of refinancing a loan denominated in GEL with a loan issued in the same currency from another financial institution, or a loan denominated in foreign currency with a loan issued in any foreign currency from another financial institution, wherein the borrower constitutes either a natural person or a legal entity, and the aggregate principal amount does not surpass two million GEL (or its equivalent in an alternate currency), the early repayment fee shall not exceed 0.5% of the paid-up capital. b) In instances of refinancing a loan denominated in GEL with a loan issued in the same currency from another financial institution, or a loan denominated in foreign currency with a loan issued in any foreign currency from another financial institution, wherein the borrower constitutes a legal entity and the aggregate principal

[1] If the consumer has right to reject the contract
[2] If the consumer has NO right to reject the contract

amount exceeds two million GEL (or its equivalent in an alternate currency), or irrespective of the loan amount, in cases involving early repayment by the borrower, whether a natural person or legal entity, utilizing its own funds, the specified conditions shall apply. During the period of fixed interest rate accrual, the early repayment fee is calculated according to the term remained before the end of the Agreement: a) 0% - if there are less than 6 months left before the expiry of the agreement; b) 0,5% - if there are 6 to 12 months left before the expiry of the agreement; c) 1% - if there are 12 to 24 months left before the expiry of the agreement; d) 2% - if there are more than 24 months left before the expiry of the agreement.

If there is a grace period on the loan, first of all, the interests/penalties/any expenses accrued during the grace period shall be covered in full (if any).

Late payment fee: __% of the overdue loan amount per each day in arrears. Besides, the calculated amount of penalties provided/imposed by this Agreement and financial sanctions of any form shall not exceed the maximum amount established by law at each time of overdue payment.

In case of changes to the essential terms and conditions of this Agreement, the Bank shall notify the customer no less than 2 (two) month before the change, and in case of increase in the price of another financial product – no less than one month before the increase, in writing or via email or Internet Banking or short text message or telephone call.

Foreign currency loans pose a significant currency risk to consumers. Exchange rate fluctuations may significantly increase monthly payments denominated in GEL.

Effective interest rate on the loan in case of potential 15% annual depreciation of GEL: __%[3]

In case of dissatisfaction or remark, the customer may file a complaint orally, in free written, standard written or electronic form, or apply other mechanisms provided for by legislation for filing complaints. A complaint is responded to within no more than 1 (one) month from the receipt.

Information useful to customers can be found on the website of the National Bank of Georgia – www.nbg.gov.ge/cp or via hotline – 032 2406406.

[3] The provisions in red colour only refer to foreign currency loans.

Supplemental Short-Term Loan Agreement No __

The city of ____ **__ __ 20__**

Article 1

1.1 Bank: JSC ProCredit Bank; identification number: 204851197

1.2 Borrower/Joint Borrowers: (Full name/name (personal/identification number: ___))

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Article 2

The loan was facilitated based on the agreement executed between JSC ProCredit Bank and the European Bank for Reconstruction and Development (EBRD) under **the Eastern Partnership "Women in Business" Financing Program**, hereinafter referred to as the “Women in Business” Program.

2.1 Type of loan interest rate: Fixed

2.2 Total repayment amount: __ (GEL/USD/EUR)

The Borrowers agree that the entire loan amount will be deposited into the current account of (the Borrower's first name and surname) with the Bank (current account number). In connection with this, they are providing the Bank with an irrevocable order.[4]

2.3 Total loan amount: __

2.4 Amount to be withdrawn from the total loan amount, less financial costs: __

2.5 Loan and Loan Agreement validity period: __/__/___ inclusive

2.6 Interest rate on the loan amount: __ % per annum

2.7 Effective interest rate on the loan: __ %

2.8 Insurance costs: __

2.9 Loan disbursement fee: __

2.10 Cash withdrawal fee: __

2.11 Cash transfer fee: __

2.12 Security Agreement registration cost: __

2.13 Notarial costs: __

2.14 Origination fee: __

2.15 Early repayment fee: a) In instances of refinancing a loan denominated in GEL with a loan issued in the same currency from another financial institution, or a loan denominated in foreign currency with a loan issued in any foreign currency from another financial institution, wherein the borrower constitutes either a natural person or a legal entity, and the aggregate principal amount does not surpass two million GEL (or its equivalent in an alternate currency), the early repayment fee shall not exceed 0.5% of the paid-up capital. b) In instances of refinancing a loan denominated in GEL with a loan issued in the same currency from another financial institution, or a loan denominated in foreign currency with a loan issued in any foreign currency from another financial institution, wherein the borrower constitutes a legal entity and the aggregate principal amount exceeds two million GEL (or its equivalent in an alternate currency), or irrespective of the loan amount, in cases involving early repayment by the borrower, whether a natural person or legal entity, utilizing its own funds, the specified conditions shall apply. During the period of fixed interest rate accrual, the early repayment fee is calculated according to the term remained before the end of the Agreement: a) 0% - if there are less than 6 months left before the expiry of the agreement; b) 0,5% - if there are 6 to 12 months left before the expiry of the agreement; c) 1% - if there are 12 to 24 months left before the expiry of the agreement; d) 2% - if there are more than 24 months left before the expiry of the agreement.

2.16 If there is a grace period on the loan, first of all, the interests/penalties/any expenses accrued during the grace period shall be paid in full (if any).

[4] In the case of Co-borrowers

2.17 **Late payment fee**: __% of the overdue loan amount per each day in arrears. Besides, the calculated amount of penalties provided/imposed by this Agreement and financial sanctions of any form shall not exceed the maximum amount established by law at each time of overdue payment.

2.18 Purpose of the loan: _____

2.19. Type of credit: (retail loan)(business loan)

2.20. The consumer IS entitled to reject this contract without specifying any grounds within 14 (fourteen) calendar days from the conclusion/delivery of this contract. For detailed information please see Article 8[1] of the „Additional Contractual Conditions“ posted on the official website www.procreditbank.ge.[5]
The consumer is NOT entitled to reject this contract under the law of Georgia „On the protection of Consumer Rights“ and/or 09.03.2021 order of the President of the National Bank of Georgia on "The Regulation on the Protection of Consumer Rights in the Provision of Services by Financial Organizations".[6]

2.21. The Borrowers commit to jointly and equally fulfil the monetary obligations outlined in this Agreement within the specified terms and conditions so that they participate in the fulfilment of the entire obligation. Accordingly, the Bank reserves the right, at its discretion, to request the entire obligation to be met by any Borrower or Joint Debtor.

2.22. The total liability arising from the Agreement encompasses the principal amount of the credit/loan/banking product, accumulated interest, penalties, damages resulting from non-compliance or inadequate fulfilment of any obligation, costs borne by the Bank for the search, storage, and sale of property, inclusive of judicial, extrajudicial, arbitration, and enforcement expenses, as well as direct and indirect damages.

2.23. The Bank is authorised to settle the outstanding amount and the accumulated interest, along with any other payments, penalties or fines, by debiting the Borrower’s current account, savings account, and/or any other relevant account(s) held by the Borrower (not requiring additional consent from any Joint Debtor) without further authorisation, including in a currency different from the obligation. Furthermore, should the currency for the debit differ from the currency of the obligation, the Bank is authorized to convert the amount from one currency to another, at the expense of any Joint Debtor of the account holder, using the commercial exchange rate of the Bank.[7]

Article 3

3.1 Agreed collateral and joint-and-several liability:

3.1.1 The Borrower's performance of obligations under this Agreement shall be secured with the mortgage, pledge, assignment, etc. agreements signed and/or to be signed in the future.

3.1.2 The Borrower's performance of obligations under this Agreement shall be secured by the joint guarantor(s), together with the Borrower, with the agreement(s) concluded and/or to be concluded with them in the future.

3.1.3 Insurance of the collateral is mandatory if the Bank so requires.

Article 3/1. Specific terms and conditions for loans availed under the “Women in Business” Program

3/1.1 The "Women in Business" Program, hereinafter referred to as "the Program," is being carried out in accordance with the cooperation agreement between the Bank and the European Bank for Reconstruction and Development (EBRD). This agreement has facilitated the allocation of credit resources to the customer with support and financing from the Program's donor organizations, which include the European Union (EU) and the Swedish International Development Cooperation Agency (SIDA).

To proceed with the loan, the Bank and the Customer have agreed to the following terms:

a) The Borrower is required to procure the goods, works, and services funded by the loan in compliance with the regulatory legislation governing the relevant field and the established standard procurement practices.

b) The Borrower is required to comply with all applicable environmental, social, health and safety legislation, as well as employment legislation and standards applicable in Georgia;

c) Upon signing/confirming this Agreement, the Borrower commits to providing all pertinent information to EBRD representatives (including, but not limited to, any consultants engaged by the EBRD) to facilitate unrestricted access,

[5] If the consumer has right to reject the contract
[6] If the consumer has NO right to reject the contract
[7] Sections 2.21. – 2.23.: In the case of Co-borrowers

with prior notification, to the premises housing the equipment and devices stipulated by the project, and/or where the documents concerning the borrower's project are situated. Furthermore, the Borrower shall only transfer the accounting records of all Borrowers/Co-borrowers associated with the project or loan based on prior notification.

d) The Borrower shall retain all financial records, documents, and reports pertaining to the Loan and each Project, along with a comprehensive list of all Borrowers, for a minimum of five years following (1) the termination of this Agreement and (2) the conclusion of any ongoing audit, verification, appeal, court/arbitration dispute, or investigation by OLAF (European Anti-Fraud Office) or EBRD. This obligation equally applies to each Co-borrower.

e) Upon signing or confirming this Agreement, the Borrower expresses consent for the Bank to disclose all information and/or documents pertaining to the Borrower, the Loan, and the Project to any representative of the EBRD.

f) The Borrower hereby agrees to grant the Bank access to all information and/or documents relevant to the Loan and related projects. This access is intended to facilitate periodic on-site inspections by the EBRD of the Borrower's loan portfolio, which is funded by the loan proceeds.

g) The Borrower commits to allowing unrestricted access to the EBRD building where the project is situated.

h) The Borrower hereby acknowledges and consents to the EBRD's authority to disclose, to the representatives of the Donor Organization, the documents, information, and records pertinent to the Borrower and the transaction. Such disclosure is deemed appropriate by the EBRD concerning the Donor Organization's contribution, as part of its reporting and other obligations to its representatives.

i) The Borrower is required to immediately furnish the Bank with the requested information, as needed by the EBRD, within reasonable limits.

j) The Borrower allows the EBRD and/or the European Commission, the European Court of Auditors, or their authorized representatives to carry out documentary and on-site inspections for the purpose of inspecting the Loan, its use, supporting accounting documentation and any other documents related to the Loan. To this end, the Borrower shall allow and ensure that the EBRD and/or the European Commission, OLAF, the European Court of Auditors or any of their authorized representatives, upon request, be able to: (1) visit any premises where the Borrower does business; and (2) have access to and examine all accounts, records, documents and computerized data of the Borrower relating to the Loan and allow the EBRD or its representatives to audit such documents and accounts.

k) Money laundering, terrorism financing, and tax evasion: The Borrower must ensure that the Loan will not be used for illicit activities such as money laundering, terrorism financing, tax evasion, fraud, or any other illegal purposes.

m) Personal data protection: The Borrower must ensure proper personal data protection under all applicable laws and regulations regarding the use and protection of personal data.

Article 4

4.1 Interest may be charged on interest for late payment of the loan amount.

4.2 The loan shall be repaid and the interest shall be paid no later than the date referred to in Article 2(5) of this Agreement.

4.3 Payment shall be made in the following order: first, all of the Bank fees, then default interest (if any), interest accrued on the loan, and lastly, the principal amount of the loan. This order may be changed at the discretion of the Bank.

4.4 If the principal amount of the loan is repaid fully or partially before the maturity date, the Borrower shall first repay the full amount of interest accrued by the date of early repayment. If there is a grace period, or after the end of grace period, in case of repayment of the entire principal amount or part of it, the interests/penalties/any expenses/commission fees accrued during the grace period shall be repaid first in full (if any).

4.5 Upon maturity or in the event of late payment, the Bank may, directly/without the Borrower's further authorization, debit the loan amount and interest accrued thereon, also any other fees and penalties/default interests due from the amounts available on the Borrower's current account, savings deposit, deposit account (except for term deposit, if the loan is not secured by term deposit) and/or any other accounts, as well as from the overdraft amount on the Borrower's account(s) (unused balance). In addition, if the amount to be written off without further authorization differs from the liability currency, the Bank may translate, at the Borrower's expense, one currency unit to another at the commercial exchange rate applicable at the Bank.

Article 5

5.1 If the Borrower's, joint debtor's or guarantor's financial position deteriorates or similar risks occur, and if the mortgage or pledge assets are destroyed, depreciated or damaged or their value is reduced, the Bank may demand from the Borrower, and the Borrower shall present additional collateral at the choice of the Bank.

5.2 The Borrower agrees that the Bank may enforce its right in any property (including unsecured property) owned by the Borrower; and that the enforcement will not necessarily apply firstly to the collateral items in order to satisfy the Bank's claim against the Borrower. The Bank may decide to commence enforcement firstly against any other property owned by the Borrower.

5.3 If the Borrower breaches (or fails to observe) the terms and conditions of this Agreement, the Bank shall be authorized to enforce its security interest based on the agreements defined in Article 3 of this Agreement (which are ან integral part hereof).

5.4 If the loan amount exceeds GEL 2,000,000 or the equivalent in another currency, the Borrower shall be obliged to apply to the Bank in writing 14 calendar days prior to the loan prepayment.

Article 6

6.1 The Bank may terminate this Agreement unilaterally before the date of expiry; declare the loan, accrued interests and penalties owing hereunder immediately due and payable; and claim damages for full or partial default under this Agreement, whereas the Borrower shall meet all these requirements, provided that:

6.1.1 The deadline for loan repayment or the condition for purposeful use of loan is violated;

6.1.2 There is a default on obligations under this Agreement, also under the Collateral Agreement and/or Joint Liability Agreement, including by third parties;

6.1.3 The material/financial condition of the Borrower or joint and several debtor deteriorates (including the deprivation of property or restriction of the right to use), or is likely to deteriorate, and the Borrower fails to provide additional collateral.

6.1.4 The Borrower intends to deceive the Bank or provides the Bank with false/misleading information about the Borrower's obligations, economic and/or financial condition to get the banking product, increase the amount of the banking product and/or enjoy preferential conditions.

6.1.5 The terms of the Borrower's or joint debtor's deposit opened with the Bank are violated for any reason.

Article 7

7.1 Complaints can be submitted by filling out a free written or standard written complaint form (available at the Bank offices), as well as electronically, or by registering the complaint form on the Bank's official website at www.procreditbank.ge. Any complaint shall be responded to within no more than 1 (one) month from the receipt, after having reviewed it by the structural unit responsible for the protection of consumers' rights at the Bank.

7.2 (deleted)[8] (All disputes arising out of or in connection with this Agreement shall be settled by the courts of law of Georgia at the Bank's place of business, according to applicable legislation)[9].

7.4 Any changes or additions to this Agreement shall be made in writing. However, adherence to the written form requirement and/or notification of changes/additions shall not be mandatory when the changes are made in favour of the Borrower. The Bank may also unilaterally make changes and/or additions to the Agreement if the Borrower, Co-borrower, Joint Guarantor (if the loan is secured by joint guarantee) and/or the owner of collateral does not fulfill the contractual obligation.

7.5 'Additional Contractual Conditions' defining various conditions and rights/obligations of the parties shall also apply to this Agreement. 'Additional Contractual Conditions' constitute an integral part of this Agreement and are binding upon the parties. 'Additional Contractual Conditions' are available both at the Bank offices and on the Bank website

[8] If any dispute arising from the Agreement is referred to arbitration;
[9] If any dispute arising from the Agreement is referred to court;

at www.procreditbank.ge. By signing the Agreement, the Borrower confirms that he has read, understands and accepts the 'Additional Contractual Conditions', has no claims and agrees to comply with them.

7.6 The Bank may process any (including banking, commercial, personal and biometric) data of the Borrower(s) under the procedure defined in and for the purposes of the 'Additional Contractual Conditions', inter alia, request information from JSC CreditInfo Georgia, transmit information about the Borrower and/or this Agreement/banking product to JSC CreditInfo Georgia, receive the Borrower's personal data from the LEPL Public Service Development Agency.

7.7 Any electronic signature, confirmation of the transaction by the signatory through Internet Banking agreed through email and/or any other reliable means of communication agreed between the parties, shall have the same legal force as the personal signature on the material document and the transaction shall be valid from the moment of confirmation. Confirmation of the transaction in this form cannot be made disputed due to the absence of a physical signature on the material document.

7.8 In case of significant changes to the terms and conditions of the Agreement, the customer shall be informed at least 2 (two) months before the change, and in case of price increase of other financial product - no less than one month in advance by letter, e-mail, Internet Banking, text message service or phone call.

7.9 The supervisory body of the Bank is the National Bank of Georgia, domiciled at No1 Zviad Gamsakhurdia Sanapiro, Tbilisi.

7.10 The borrower confirm that he/she is aware of the terms and conditions governing the processing of his/her personal data, as set out in the branch/on the bank's website, and consent to the processing of their personal data to the extent necessary for the purposes set out in this document.

7.10 The borrowers confirm that they are aware of the terms and conditions governing the processing of their personal data, as set out in the branch/on the bank's website, and consent to the processing of their personal data to the extent necessary for the purposes set out in this document. [10]

7.11 This Agreement is entered into by and between the parties in two equally binding copies. One copy shall be kept with the Bank and the other shall be given to the party (parties).

Article 8.

8.1. If this agreement is executed in Western Georgia, encompassing the territory of the Autonomous Republic of Ajara, Guria, Imereti, Racha-Lechkhumi and Kvemo Svaneti, Samegrelo, Zemo Svaneti, and the Autonomous Republic of Abkhazia, any disputes arising from this agreement (including but not limited to disputes concerning non-fulfillment, cancellation, termination, invalidity of the agreement's terms, the existence, validity, and termination of the arbitration agreement) shall be submitted to permanent arbitration in the following manner:

8.1.1 The dispute shall be reviewed and resolved by Arbitrage House LLC (ID No. 411322359);
8.1.2 Should Arbitrage House LLC be dissolved, suspended/ceased to operate, or unwilling to address the dispute at the time of arbitration claim/petition submission, the dispute shall be escalated to Tbilisi Arbitration Institute LLC for consideration and resolution (ID No. 205273005);
8.1.3 In the aforementioned circumstance, the location for dispute resolution shall be the city of Kutaisi;
8.1.4 Should both aforementioned arbitral authorities be dissolved, suspended/ceased to operate, or unwilling to address the dispute at the time of arbitration claim/petition submission, the dispute shall be escalated to the general courts of Georgia for consideration and resolution, under the relevant legislation of Georgia, contingent upon the bank's location.

8.1 If this agreement is executed in Eastern Georgia, encompassing the city of Tbilisi, Shida Kartli, Kvemo Kartli, Mtskheta-Mtianeti, Kakheti, and the Samtskhe-Javakheti territory, any disputes arising from this agreement (including but not limited to disputes concerning non-fulfillment, cancellation, termination, invalidity of the agreement's terms, the existence, validity, and termination of the arbitration agreement) shall be submitted to permanent arbitration in the following manner:

8.1.1 Should the limit of the framework agreement as stated in subsection 2.1.1(a) of this agreement be USD 500,000 (five hundred thousand dollars) or less (or the equivalent in any other currency), any dispute shall be

[10] in the case of Co-borrowers

considered and resolved by Tbilisi Arbitration Institute LLC (ID No. 205273005). If the limit is greater than USD 500,000 (five hundred thousand), the dispute shall be considered and resolved by Dispute Review Center LLC (ID No. 204547348).

8.1.2 Should, at the time of submission of the arbitration claim/petition, any of the arbitral authorities involved in the case (e.g. Tbilisi Arbitration Institute LLC) be dissolved, suspended/ceased to operate, or unwilling to address the dispute, the matter shall be escalated to the other arbitral authority for consideration and resolution, and reciprocally.

8.1.3. Besides, according to the current arbitration agreement, the parties agree that the dispute in the mentioned case shall be considered in the city of Tbilisi.

8.1.4 Should both aforementioned arbitral authorities be dissolved, suspended/ceased to operate, or unwilling to address the dispute at the time of arbitration claim/petition submission, the dispute shall be escalated to the general courts of Georgia for consideration and resolution, under the relevant legislation of Georgia, contingent upon the bank's location.

Annex No 1

Loan Repayment Schedule

Date of disbursement: __ __ _____
Interest rate: __ % per annum
Loan amount: __