Essential Terms and Conditions of Agreement
Line of Credit Agreement No ___

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

Loan interest rate
Type of loan interest rate: (Fixed)[1] (indexed)[2]
(During the period from - / - / ---- to - / - / ---- inclusive – fixed;
Annual interest rate on the loan amount withdrawn: ---- % of the amount disbursed.
Interest rate on the loan amount not withdrawn: ---- % of the loan amount not withdrawn.**)**[3]
(During the period from - / - / ---- to - / - / ---- inclusive, annual interest rate on the loan amount withdrawn – indexed (Refinancing rate) (EURIBOR) (Term SOFR) plus -- %. But, interest rate on the loan amount not withdrawn: -- % fixed**)**[4];
In the case of refinancing rate:
(The Bank may unilaterally, repeatedly, without further authorisation of the Borrower, automatically increase/decrease the interest rate by as many percentage points as the refinancing (monetary policy) rate increases/decreases but no less than ---% and no more than ---% per annum**.)**
In the case of EURIBOR:
(The Bank may unilaterally, repeatedly, without further authorisation of the Borrower, automatically increase/decrease the interest rate once every -- month by as many percentage points as the EURIBOR increases/decreases but no more than ---% per annum; if EURIBOR is less than zero, then it equals to zero**.)**
In the case of Term SOFR:
(The Bank may unilaterally, repeatedly, without further authorisation of the Borrower, automatically increase/decrease the interest rate once every -- month by as many percentage points as the Term SOFR increases/decreases but no less than ---% and no more than ---% per annum**.)**
Effective interest rate: ---- %
The effective interest rate and the total amount payable by the Customer are calculated based on the assumption that the loan amount can be drawn as soon as possible, the accrued interest shall be paid at the end of each month, and the loan shall be fully repaid at maturity.
(The effective interest rate of the loan is calculated on the assumption that the index valid at the time of entering into the Agreement will be unchanged during the validity of the Agreement.**)**[5]

Financial costs:
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 (Line of Credit limit): _____
Line of Credit and Line of Credit Agreement validity period: from _____ to _____ inclusive
Total repayment amount: _____ (GEL/USD/EUR)

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[1] If the Interest Rate Type of Credit Line is Fixed
[2] If the Interest Rate Type of Credit Line is Indexed
[3] If the Interest Rate Type of Credit Line is Fixed
[4] If the Interest Rate Type of Credit Line is Mixed (Fixed abd Indexed)
[5] Only for Credit Lines with an indexed interest rate

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.[6]
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".[7]

Early termination 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. (According to the term remaining before the end of the agreement: a) 0% - if there are 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)[8] (During the period of indexed interest rate accrual, the early repayment fee is calculated according to the term remained before the end of the Agreement: a) 0.5% - if there are more than 6 months and 0% if there are less than 6 months left before the expiry of the agreement.)[9]

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

In case of changes to the essential terms and conditions of this Agreement, the Bank shall notify the customer no less than 2 (two) months 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: __%[10]

(The effective interest rate in case of an increase of Term SOFR by 3 percentage points: -- %
The effective interest rate in case of an increase of EURIBOR by 3 percentage points: -- %

[6] If the consumer has right to reject the contract
[7] If the consumer has NO right to reject the contract
[8] If the Interest Rate Type of Credit Line is Fixed
[9] If the Interest Rate Type of Credit Line is Indexed
[10] Only for foreign currency loans

The effective interest rate in case of an increase of the Refinancing Rate by 5 percentage points: -- %)[11]

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. The complaint is responded to within no more than 1 (one) month after 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.

[11] Only for loans with an indexed interest rate

Line of Credit Agreement No ___

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

Article 1

1.1 Bank: JSC ProCredit Bank; identification number: 204851197

1.2 Borrower/borrowers: (Full name/name (personal/identification number __))

1.3 The borrowers agree on the following:[12]

Article 2

According to this Agreement, the Bank shall open a line of credit and authorize a limit for the Borrower under the terms and conditions of this Agreement:

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

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.[13]

1. Type of loan interest rate: **(Fixed)[14] (indexed)[15]**
(During the period from - / - / ---- to - / - / ---- inclusive – fixed;
Annual interest rate on the loan amount withdrawn: ---- % of the amount disbursed.
Interest rate on the loan amount not withdrawn: ---- % of the loan amount not withdrawn.**)**[16]
(During the period from - / - / ---- to - / - / ---- inclusive, annual interest rate on the loan amount withdrawn – indexed (Refinancing rate) (EURIBOR) (Term SOFR) plus -- %. But, interest rate on the loan amount not withdrawn: -- % fixed**)**[17]

In the case of refinancing rate:

(The refinancing (monetary policy) rate as determined by the National Bank of Georgia (NBG). The refinancing (monetary policy) rate at the time of granting the loan is -- %. The Bank may unilaterally, repeatedly, without further authorisation of the Borrower, automatically increase/decrease the interest rate by as many percentage points as the refinancing (monetary policy) rate increases/decreases but no less than ---% and no more than ---% per annum**.** The refinancing (monetary policy) rate determined by the NBG is publicly available on the NBG website at www.nbg.gov.ge**.)**

In the case of EURIBOR:

(The average annual EUR interest rate, rounded to the nearest hundredth, determined (or set) based on quotations by the leading banks in the European domestic banking market for a ___-month deposit in EUR (hereinafter – the EURIBOR). For loan purposes, the EURIBOR interest rate is -- %. The Bank may unilaterally, repeatedly, without further authorization of the Borrower(s), automatically increase/decrease the interest rate once every ___ month by as many percentage points as EURIBOR increases/decreases, but no more than the annual __ %. If EURIBOR is less than zero, then EURIBOR is considered zero. For the purposes of the Agreement, EURIBOR of the relevant maturity, calculated and published two banking days before, shall be used. For the purposes of the Agreement, the EURIBOR shall be updated if the Bank transaction day and EURIBOR publication day is a banking/business day. The current EURIBOR rate is available at the following website: https://www.global-rates.com/en/interest-rates/euribor/**.)**

In the case of Term SOFR:

(The forecast __-month average of the USD-denominated Secured Overnight Interbank Funding Rate (SOFR) published by the CME GROUP (hereinafter – the Term SOFR). For loan purposes (published by CME Group, rounded to the nearest hundredth), the Term SOFR interest rate is --%. The Bank may unilaterally, repeatedly, without further authorization of the Borrower(s), automatically increase/decrease the interest rate once every ___ month by as many percentage points as Term SOFR increases/decreases, but no less than the annual __% and no more than the annual __ %. Term SOFR is set based on market expectations for financial instruments. The calculation method covers the average interest rates of financial instruments available on the business day preceding the publication of Term SOFR,

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[12] In the case of co-borrowing
[13] in the case of Co-borrowing
[14] If the Interest Rate Type of Credit Line is Fixed
[15] If the Interest Rate Type of Credit Line is Indexed
[16] If the Interest Rate Type of Credit Line is Fixed
[17] If the Interest Rate Type of Credit Line is Mixed (Fixed abd Indexed)

which in turn are based on the interbank secured overnight financing rates (SOFR). For the purposes of the Agreement, CME Term SOFR of the relevant maturity, calculated and published two banking days before, shall be used. For the purposes of the Agreement, Term SOFR shall be updated if there is a banking/business day for the Bank and CME Group. The current rate is available at the following website: https://www.cmegroup.com/market-data/cme-group-benchmark-administration/term-sofr.html. Data update takes place daily.**)**

2. Total repayment amount: _____ (GEL/USD/EUR)

3. Total loan amount (Line fo Credit limit): (GEL/USD/EUR)

4. Amount to be withdrawn from the total loan amount, less financial costs: ___

5. Line of Credit and Line of Credit Agreement validity period: from --- --- --- to --- --- --- inclusive

6. Annual interest rate on the loan amount withdrawn: ---- % of the amount disbursed

7. Interest rate on the loan amount not withdrawn: ---- % of the loan amount not withdrawn

8. Effective interest rate: ---- %. The effective interest rate and the total amount payable by the Customer are calculated based on the assumption that the loan amount can be drawn as soon as possible, the accrued interest shall be paid at the end of each month, and the loan shall be fully repaid at maturity. **(**The effective interest rate of the loan is calculated on the assumption that the index valid at the time of entering into the Agreement will be unchanged during the validity of the Agreement.**)**[18]

(The effective interest rate in case of an increase of Term SOFR by 3 percentage points: -- %
The effective interest rate in case of an increase of EURIBOR by 3 percentage points: -- %
The effective interest rate in case of an increase of the Refinancing Rate by 5 percentage points: -- %**)**[19]

9. Loan disbursement fee: __

10. **Early termination 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. (According to the term remaining before the end of the agreement: a) 0% - if there are 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)[20] (During the period of indexed interest rate accrual, the early repayment fee is calculated according to the term remained before the end of the Agreement: a) 0.5% - if there are more than 6 months and 0% if there are less than 6 months left before the expiry of the agreement.)[21]

11. Line of Credit purpose: _____

12. Insurance costs: __

13. Cash withdrawal fee: __

14. Cash transfer fee: __

15. Security Agreement registration cost: __

16. Notarial costs: __

17. Origination fee: __

18. 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.

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[18] Only for Credit Lines with an indexed interest rate
[19] Only for loans with an indexed interest rate
[20] If the Interest Rate Type of Credit Line is Fixed
[21] If the Interest Rate Type of Credit Line is Indexed

19. If the monthly turnover on the Borrower's loan account does not equal 50% of the disbursed amount, the Bank will notify the borrower about this through any communication channel agreed upon and set an additional deadline for fulfilling the obligation. In case of unsuccessful expiration of the said term, the Bank may set a monthly repayment schedule for the Borrower for the remaining period of the loan, which will automatically take effect in case of breach of this paragraph, or terminate the agreement and demand payment of the full amount of the loan, interest accrued on it and a penalty.

20. (deleted);

21. After paying the interest, the Bank may transfer the funds available in the Borrower's current accounts to repay the withdrawn credit resource on the last working day of each month.

22. If the loan amount exceeds GEL 2,000,000 or the equivalent in another currency, the Borrower shall apply to the Bank in writing 14 calendar days prior to the early repayment of the loan.

23. This agreement is/will be secured by future security agreement(s).

24. Insurance of the collateral is mandatory if the Bank so requests.

25. Type of credit line: (retail loan)(business loan)

26. 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.[22]
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".[23]

3/1.1. 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.

3/1.2. 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.

3/1.3. The Bank is authorized 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 authorization, 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.[24]

Article 3/2. Specific terms and conditions for loans availed under the “Youth in Business” Program

3/2.1 The "Youth 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), according to which the allocation of credit resources to the client was made possible “with funding provided by the EBRD Shareholders Special Fund”.

To proceed with the loan, the Bank and the Client 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. To confirm above described obligations, the client is obliged to submit supporting documents upon request by the bank.

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 execution or confirmation of this Agreement, the Borrower irrevocably undertakes to furnish the EBRD and its authorised representatives (including, without limitation, any consultants or agents appointed by the EBRD) with all

[22] If the consumer has right to reject the contract
[23] If the consumer has NO right to reject the contract
[24] Sections 3/1.1. – 3/1.3.: in the case of Co-borrowing

information deemed relevant by the EBRD, and to ensure unrestricted access to any premises where (i) the equipment and devices financed or otherwise covered under the Project are installed or stored, (ii) the Project is being implemented, and/or (iii) documentation relating to the Borrower's Project is maintained.

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 for a period of five years after the termination/completion of this Agreement. (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) Where the Loan is extended in a foreign currency, the Borrower hereby confirms and acknowledges that the Bank has duly and comprehensively informed the Borrower of all risks inherently associated with foreign-currency-denominated loan. The Bank has additionally illustrated, by way of example, the potential financial exposure and adverse consequences arising from fluctuations in exchange rates.

h) The Borrower acknowledges and agrees that the EBRD shall be entitled to disclose and transmit to the Donor or the Donor's duly authorised representatives any information or documentation provided to the EBRD in connection with the financed Project, as the EBRD, in its sole discretion, considers necessary or appropriate for the purposes of fulfilling its reporting, oversight, or any other obligations owed to the Donor.

i) The Borrower is aware that the loan will not be granted to individuals and organizations that are included in the EBRD's list of ineligible individuals and organizations. The relevant list can be viewed on the EBRD website.

Article 3

3.1 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 customer rights at the Bank.

3.2 The Bank and the Borrower enter into this Agreement based on the Framework Agreement No ____ signed by the parties. The Framework Agreement shall fully extend to this Agreement unless otherwise provided for hereby. '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 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.

3.3 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.

3.4 There is no obligation of notification if the terms and conditions are changed in favour of the Borrower.

3.5 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.

3.6 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.

3.7 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.

3.8 The supervisory body of the Bank is the National Bank of Georgia, domiciled at No 1 Zviad Gamsakhurdia Sanapiro, Tbilisi.

3.9 The Borrower declares to have read the terms and conditions of personal data processing available in the branch/on the website of the Bank and gives his consent to process his personal data to the extent necessary.

3.9. 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. [25]

3.10 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).

[25] in the case of Co-borrowing