

TBC Bank JSC proposes the following amendments/additions to the General Provisions of the POS Terminal Agreement (hereinafter the “General Provisions”) in line with Paragraph 1.3 of the Key Terms of the POS Terminal Agreement published on the Bank’s website <https://www.tbcbank.ge/web/en/web/guest/card-payments>

1. **Annex #4 be added to the General Provisions to read as follows:**

“Annex #4

1. This Annex outlines the general actions to be undertaken during preauthorization, as well as the essential details for consideration and the key recommendations to ensure secure implementation of the process.

- **Informing the cardholder about the preauthorization amount:**

- The Company must inform the cardholder in writing (including by email) about the expected range of the preauthorization amount and obtain their consent to initiate preauthorization (including by email). Furthermore, if preauthorization (a temporary hold on the deal amount) has been performed based on a telephone conversation, the Company must additionally provide the cardholder with 24-hour reservation details in writing (including by email).
- The Company is entitled to inform the cardholder by email about the acceptable currency in which the amount is to be indicated and/or explain the calculation principles/details based on relevant example(s)/formula(e).
- The Company must ensure that the 24-hour reservation cancellation option is available to the Cardholder without any extra charge. Furthermore, if the Cardholder does not cancel the reservation within the reservation cancellation term set/communicated by the Company, the Company must ensure that the reservation remains valid for a duration of 24 hours.

- **Charge adjustments and Incidentals (Later Charges)**

- The Company must provide the Cardholder (including by email) with information/documents regarding incidentals (later charges), in particular:
 - ✓ In case of lost / damaged items – within 10 (ten) days of returning an item / checking out, etc., before capture (before the charge is processed), the Company must provide the Cardholder with:
 - An adjusted bill;
 - A detailed account of charge adjustments (pointing out the connection between the recipient of the goods/services and the Cardholder);
 - In the case of a vehicle – any document regarding the damage incurred, issued by the law enforcement authorities and/or the insurer; in the case of other goods/services – any documentary proof of loss / damage;
 - Documents establishing the amount of loss/damage subject to compensation and the Cardholder’s connection to/responsibility for the loss/damage.
 - ✓ In any other cases of incidentals (later charges):
 - A bill with incidental/later charge(s);
 - Documents establishing the amount of incidental/later charges (e.g. in the case of parking costs or traffic violations displaying the vehicle registration number, the time/place of breach and the amount of the fine in the national currency);
 - The Company must provide the Cardholder with the documents within 10 (ten) days of setting up a preauthorization.
- The Company is not entitled to capture the incidentals/later charges related to loss/damage without the Cardholder’s consent/confirmation (which the Cardholder may, inter alia, provide by email).

- **Recommendations against Chargebacks:**

- The Company must sign an agreement with the Cardholder, under which the Cardholder agrees to the capture of the preauthorized amount for the services received and/or the loss/damage incurred;
- The Company must inform the Cardholder in a form/within the term stipulated in this Annex;
- Transaction authentication (e.g. using the PIN, an in-person transaction) is required at preauthorization/preauthorization setup completion.

- **Essential Points/Recommendations:**

- ✓ If the Company sets up preauthorization along with executing an agreement with the Cardholder, the Company is entitled to capture the amount within the preauthorized range in line with the terms and conditions of the agreement;
- ✓ If the Company first signs the agreement with the Cardholder, while the preauthorization hold and capture are applied later, upon detecting a loss/damage/harm, the Company must provide the Cardholder with relevant information/documents before capture, and capture must take place only after the Cardholder gives their consent (including by email). The Company may not capture the amount without the Cardholder's consent, only based on the agreement/the card data obtained;
- ✓ Regardless of the term envisaged by this Agreement, the maximum preauthorization period (calculated since the date of preauthorization) shall be determined based on the business line:
 - 30 calendar days:
Cruise line and housing services, various types of hotels, central reservation services, etc., car rental companies;
 - 10 calendar days:
Aircraft, cycle, electric scooter, boat, motorbike, clothing & costume, DVD & video, tool & gear, furniture, haul/mobile setup/mobile camping area rentals.
 - 5 calendar days:
For all other businesses.

2. This Annex sets out general recommendations and guidelines for companies using preauthorization, while particular preauthorization rules and terms & conditions are provided in the document/annex agreed and signed by the Bank and the Company/validated by the Company, which therewith is an integral part of this Agreement/Annex and subject to all the terms and conditions/articles/paragraphs/provisions of the Agreement/Annex."

2. **Annex #5 be added to the General Provisions to read as follows:**

"Annex #5

This Annex sets out general guidelines and terms and conditions for activating/deactivating Dynamic Currency Conversion (DCC) on the Company's POS terminal.

1. The Bank is entitled to activate DCC on the Company's POS terminal at its own discretion, without the Company's prior consent, and notify the Company thereof via an Internet Bank message.
2. The Company is entitled to refuse to use DCC at any time within 5 (five) days of being notified by the Bank regarding DCC activation, by submitting its refusal statement via Internet Banking. The Company's failure to exercise the right of refusal described herein shall be deemed its consent to accept the activated service (DCC).
3. A detailed description of DCC / standard terms and conditions are provided on the Bank's website <https://www.tbcbank.ge/web/en/web/guest/pos-terminals>. The mentioned terms and conditions shall apply to all those companies for whom the Bank activates DCC at its own discretion.
4. Despite Paragraph 3 hereof, if the relations between the Bank and the Company with respect to DCC are governed by the guidelines other than those set out herein / by non-standard terms and conditions agreed by and between the

Parties, the agreement on non-standard terms and conditions made by and between the Parties shall be given precedence over the relations defined in this Annex with respect to the DCC service.

5. The Bank reserves the right to deactivate DCC for the Company at its own discretion, without giving the Company a prior notice, and notify the Company of DCC deactivation via an Internet Bank message.
6. This Annex is an integral party of this Agreement and subject to all the terms and conditions/ articles/ paragraphs/ provisions thereof.”