


Approved by Resolution 102 -L of the
Chairman of the
Management Board of "IDBank" CJSC
of August 4, 2022

RULES FOR OPENING AND SERVICE OF BANK ACCOUNTS FOR INDIVIDUALS

Responsible subdivision	Product Development Division of Retail Banking Directorate
Effective date	05/08/2022 for new clients 15/08/2022 for current clients
Scope	All subdivisions of "IDBank" CJSC Clients of "IDBank" CJSC
Other provisions	
Related documents	Procedure for account opening, service and closure Decision of the Board of the Central Bank of the Republic of Armenia No 102-N "On Approval of Minimum Requirements for Implementation of Internal Control of Banks" Regulation 4

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CHAPTER 1. PURPOSE

1. These rules define the conditions for opening, maintaining and servicing of Bank accounts, funds management, as well as organizing and performing settlement operations by the Bank provided for by these rules.

CHAPTER 2. DEFINITIONS AND ABBREVIATIONS

2. The definitions and abbreviations used in these rules shall have the following meaning:
- 1) **Bank** means "IDBank" CJSC,
 - 2) **Bank account** means current and/or savings account/accounts,
 - 3) **Client** means an individual who has concluded a written agreement with the Bank for opening and servicing a Bank account,
 - 4) **Offer** means an application form for opening and servicing a Bank account submitted by an individual to the Bank,
 - 5) **Acceptance** means a document confirming acceptance of the Offer – an application form for opening and servicing a Bank account submitted by an individual to the Bank,
 - 6) **Agreement** means an Offer submitted by the Client together with an Acceptance, as well as a contract/agreement on opening and service of a Bank Account concluded between the Bank and the Client,
 - 7) **Bank tariffs (Information bulletin)** means tariffs/information bulletins approved by the Bank's internal legal acts for individual clients.



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CHAPTER 3. GENERAL PROVISIONS

3. By the instruction of the Client and on the basis of appropriate application form (offer) the Bank shall open a Bank account for the Client and undertake to operate and service the Bank account, keep the cash assets deposited on the account and perform settlement operations in line with the provisions of the given general terms and conditions. The Client undertakes to meet the requirements of these rules and perform all actions aimed at implementation of the rules, including provision of information and documents required for opening and service of the Bank account, in accordance with these rules.

4. The Bank opens a Bank account for the Client within one banking day after submission by the Client duly filled Application form (in the form presented by the Bank) and the necessary documents and information.

5. The Bank shall not accept debit instructions from the non-resident Client's account for a period of up to 6 months for conducting additional study of the non-resident Client, except for the debit instructions from the non-resident Client's account to purchase bonds issued by the Bank, place funds on a deposit at the Bank, as well as execute transfers to another account opened at the Bank.

6. The Bank confirms opening of the Bank account through Acceptance, which is handed over to the Client at the Bank or sent to the e-mail address specified in the Client's application, or by signing a bilateral Agreement

CHAPTER 4. TERMS AND CONDITIONS OF ACCOUNT SERVICE

7. The Bank performs operations with the Client's Bank account on the basis of instruction of the Client up to the account balance, unless otherwise prescribed by the legislation of RA, other contracts or /and agreements.

8. The Bank is not responsible for the use of the funds of the Client whether in Armenian drams or foreign currency and doesn't intervene into the management of funds deposited to the Bank account unless otherwise prescribed by the legislation of RA, other contracts or /and agreements.

9. The Bank shall not be held liable for compliance of transactions of crediting foreign exchange cash to Client's Bank account with the requirements stipulated by the RA Laws on Currency regulation and Currency control and Cash Operations.

10. The Bank provides services and charges commission from the Client's Bank account without further authorization in accordance with the tariffs approved by the Bank and the Agreements signed with the Client.

11. Non-cash transactions on the Client's bank account are carried out in accordance with the following:

- 1) In the actual presence of an individual after ascertaining the individual's identity through an identity document. In case of transactions of up to AMD 1,000,000 (equivalent in foreign currency), no identity document may be required if there is a photocopy of the Client's identity document original at the Bank and the Client's signature in



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the document substantiating the transaction coincides with the signature contained in the Client's identity document. In case of transactions exceeding AMD 1,000,000 (equivalent in foreign currency), the Client shall submit an identity document. The Bank may unilaterally change the amount limit specified herein.

2) Based on instructions received through online platforms or messages generated via these platforms. In this case, the transaction may not be executed by the Bank until it receives additional specifications and confirmation by the Client.

12. The Client is notified, realizes and agrees that in cases provided by the RA legislation the Bank shall have the right to request supplementary documents and(or) explanations from the Client with regard to the given transaction for the implementation of operations with the Bank account (transfers, etc), as well as to recall or reject service of the Bank account. The Client agrees that the given case may not be interpreted as violation of this Agreement or legislation of RA, provided that the request for submission of such documents was made within one business day after receiving the Clients' instruction for the implementation of the operation.

13. Where the Client fails to submit the necessary documents to the Bank within two business days, in cases provided by clause 12 of these rules, the execution of the transactions must be suspended. The transaction shall be executed on the basis of the new instruction and the payment order sent via e-system should be removed from the system; the Client must submit new instruction for the execution of the transaction.

14. The Client may administer his/her funds available on the account within the range of other authorities, set by these rules and the legislation of RA, with due allowance for the limitations, provided by these rules and the legislation of RA.

CHAPTER 5. ACCOUNT SERVICE PROCEDURE

15. The Bank shall not execute the instruction of the Client if it is incorrectly filled in, contains errors, corrections, there is a lack of funds available on the account for the execution of the transfer, as well as any of the conditions provided by these rules is missing.


16. Withdrawal of funds is processed no later than the next banking day after submission of the appropriate payment order by the Client. Moreover, the payment orders submitted to the Bank by the Client before 3:30 p.m. shall be considered as received by the Bank on the same day; and the payment orders submitted after 3:30 p.m. shall be considered as received the next banking day.

17. The Bank undertakes to inform the Client on non-execution of the payment order indicating the reason of such non-execution no later than during the next banking day after submission of the payment order.

18. The funds transferred to the Bank account of the Client shall be credited on the account no later than the next banking day after submission of the appropriate payment order.

19. The bank shall provide the Client Bank account statements on daily operations, which are considered to be approved by the Client unless within 5 banking days after providing/sending the statement the Client submits his/her comments in writing with regard to the statement. The Client undertakes to return the funds mistakenly or incorrectly credited on his/her account within the earlier of the next banking day after such crediting. In the event of default, the Bank shall have the right of direct debiting such mistakenly credited amounts.



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20. The Bank shall have the right of direct debiting on non-acceptance basis the funds mistakenly credited on the account as a result of technical issues in order to correct the transfer error.

21. The Bank shall reimburse the costs related to the instruction of the Client by either recovery on non-acceptance basis from the account of the Client or the Client shall make a cash payment. By accepting these rules, the Client gives his/her consent and instructs the Bank to perform such recovery, provided by this clause on non-acceptance basis.

22. The Bank may accrue interest on the Client's account balance in accordance with the interest rate, set by the Bank's tariffs for the relevant account type.

23. The Bank may unilaterally change the tariffs for the Client's account maintenance and these Rules. The tariffs, as well as other fees and charges set forth in this clause are defined in the Bank's information bulletins available on the official website of the Bank (www.idbank.am). The changes in tariffs and other fees and charges set forth in this clause, as well as in these rules shall take effect 15 days after publishing them on the official website of the Bank and notifying the Client in the manner indicated by him/her in the event of a change in the annual percentage yield, and in all other cases –7 business days after publishing them on the official website of the Bank and notifying the Client in a manner indicated by him/her.


24. At the request of the Bank the Client shall fill in the declaration on the final beneficiary of the transaction and the affiliated persons.

CHAPTER 6. OBLIGATIONS OF THE PARTIES

25. The Bank undertakes to:

- 1) Open a relevant Bank account in the name of the Client after submission of full set of documents within the timeframe provided by these rules.
- 2) perform operations with the Bank account of the Client in accordance with the legislation of the RA, banking rules and these rules, in line with the requirements of the RA legislation.
- 3) ensure confidentiality of operations, executed with the Client's Bank account.
- 4) Provide information on the Bank account to the Client and the authorized person, as well as other persons, upon necessity, in order, provided by the legislation of RA.
- 5) execute payment orders submitted by the Client within the authorities set by these rules and the legislation of RA in a timely and appropriate manner.
- 6) withdraw funds from the Client's Bank account in the sequence and in order set by the legislation of RA in case of insufficiency of funds on the account of the Client.
- 7) withdraw the funds from the account of the client without additional instruction only in cases provided by the legislation of RA.
- 8) render services not related to cash management and payment services (crediting, factoring, leasing, purchase of securities, distribution and similar operations) on the basis of separate Agreements concluded with the Client.



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9) provide cash management and payment services on the basis of tariffs set by the Bank or on contractual basis.

26. The Client undertakes to:

- 1) Provide the Bank with all documents required for the Bank account opening, as well as properly and completely filled in application form (in the form provided by the Bank).
- 2) provide appropriately filled in payment and cash documents to the Bank.
- 3) pay for services provided by the Bank according to tariffs or on contractual basis, if such payments occur during the execution of these rules.
- 4) provide the Bank with the original copies of powers of attorney of the authorized persons, eligible for opening, service of a Bank account with the Bank, making transfers, receiving information, including statements.
- 5) provide updated information if the previously submitted information about the Client and the affiliated persons has changed. Moreover, if the Client fails to meet the requirements set by this clause and the Bank discloses such failure, the Bank shall have the right to refuse execution of operations provided for by these rules until the updated information is provided.
- 6) At the request of the Bank, submit the documents and (or) explanations defined in clause 12. of these rules.
- 7) Inform the Bank in case of changes in personal data under the Agreement concluded with the Bank, as well as confirm their immutability in accordance with the procedure established by the Bank.
- 8) Read, understand and agree to comply with the "IDBank" policy on "Combating Money Laundering and Terrorism Financing" throughout the entire period of business relationship with the Bank (<https://idbank.am/information/consumer-rights/content/footer/AML-CTF-control/>).

CHAPTER 7. LIABILITY OF THE PARTIES


27. In case of non-fulfillment (improper fulfillment) of their obligations established by these rules, the Bank or the Client, respectively, shall be liable in accordance with the legislation of the Republic of Armenia.

28. The Bank shall not be held liable for the reliability of information specified in the documents, applications and payment instructions submitted by the Client.

CHAPTER 8. FORCE MAJEURE CIRCUMSTANCES

29. Both parties shall be released from the responsibility for non-fulfillment or partial fulfillment of their obligations under these rules if such non-fulfillment or partial fulfillment is caused by force majeure circumstances occurred after acceptance of the application, opening and service of the Bank account and which the Parties could neither prevent nor foresee. The force majeure circumstances are circumstances including but not limited to earthquake, flood, war, introduction of martial law or state of emergency, political upheavals, , communications breakdown, , acts of state bodies and other circumstances which make impossible the fulfillment of obligations assigned by these rules.



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CHAPTER 9. LIMITATIONS

30. For the purposes of fulfilment of conditions stipulated by these rules, both the Client and the Bank undertake to be governed by and strictly follow the requirements of effective regulations that prohibit corruption, money laundering and terrorism financing among public and private figures.

31. Both the Bank and the Client confirm that they are aware of the legislation of RA and international commitments of RA that prohibit money laundering or aiding money laundering, transactions with individuals and organizations associated with terrorism, the provision of financial resources and assistance to them.

32. Both the Bank and the Client undertake to take necessary and reasonable steps and measures to foresee and prevent corruption, money laundering, and financing of terrorism.

33. Both the Bank and the Client declare that to the best of their knowledge their authorized persons, agents and any other persons, involved in implementation of the present contractual relations or any how influence the process of taking decisions, neither directly nor indirectly offer, give, agree to give money or similar values in the form of bonus or a gift to any person or company, including representative or an employee of the Government, representative of any political party, candidate of political mandate, or any other person performing legislative, administrative or judicial functions on behalf of any government, agency or public organization or representative of international public organization aiming to corrupt and/or promote illegal activities and operations for the execution of any transactions or receipt of advantages during the implementation of their commercial activities.

34. Both the Bank and the Client are aware that their activities cannot cause environmental misconduct and confirm that their relations and consequences of such relations don't cause unallowable damage to the environment.

35. In the course of carrying out the operations provided for by these rules, both the Bank and the Client shall comply with the requirements of all applicable laws and regulations that prohibit discrimination on the basis of race, religion, skin color, nationality, age, gender, or disability. 36. To open a Bank account an email address is required.

CHAPTER 10. VALIDITY PERIOD, PROCEDURE FOR AMENDMENT AND TERMINATION OF THE RULES. OTHER CONDITIONS. LIABILITY .


37. These rules shall take effect from the moment of their approval, and shall be valid for the entire period of servicing of the Client's Bank Account with the Bank.

38. The Bank account service can be terminated, and the contractual obligations canceled at any time, if the Client submits an application to the Bank one banking day before the proposed termination or cancellation and zero balancing of the Bank accounts.

39. The Bank can terminate the the Bank account service and cancel the contractual legal relations with the Client:

- 1) if no transactions have been carried out with the account within one year,
- 2) if, as of the date of the next recurrent payment, there are not enough funds to collect the account service fee.



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3) if the Client has violated the restrictions established for the purpose of combating money laundering and terrorism financing, or there has been an attempt of such violation, or the Bank has suspicions about the transactions carried out or planned by the Client, and the Client has not provided sufficient evidence to deflect such suspicions.

4) In other cases, contractual relations can be terminated upon the request of the Bank in accordance with the procedure established by the legislation of the Republic of Armenia.

40. Relations between the parties concerning the fulfillment of these provisions are described as relations based on the special confidence to each other of parties that most accurately cover the implementation of their goal.

41. The requirements arising from the relationship of opening and servicing an account can be submitted to the Financial System Mediator, who resolves disputes that have arisen between the Parties in accordance with the RA Law "On Financial System Mediator". At the same time, if the amount of the property claim does not exceed AMD 250,000 or its equivalent in foreign currency, the decisions of the Financial System Mediator cannot be challenged by the Bank.

42. Disputes arising between the Bank and the Client regarding these rules, opening and servicing of the account are resolved through negotiations. If the parties do not come to an agreement within thirty days, the resolution of disputes is carried out in court, in accordance with the legislation of the Republic of Armenia.

43. The Bank and the Client confirm that as of the time of opening the account they are not aware of such circumstances which can prevent or prohibit conclusion or implementation of these rules.

44. Both the Bank and the Client confirm that implementation of these rules fully corresponds to their interests and doesn't damage their reputation.

45. For the purposes of implementation of these rules, all notifications, approvals and inquiries shall be duly sent or made on site in writing and signed by the authorized persons.

46. The information about the account of the Client and the account service constitutes a banking secret and should not be disclosed, unless required by the legislation of RA.

47. The provisions of these rules are interpreted in the literal sense of the words and expressions contained therein, with consideration to other conditions, their full meaning and purposes that guide the Bank and the Client.

48. If any of the provisions of these rules is recognized invalid or becomes non-applicable, it should be revised within the framework of the effective legislation in order to restore the intentions of the Bank and the Client. The invalidity or non-applicability of any of the provisions of these rules in no way affects the validity or applicability of other provisions. The Bank and the Client undertake not to use the unenforceability of any provision of these rules in order to avoid fulfilling their obligations established by these rules. 49. Relations, not regulated by rules shall be governed in accordance with the procedure established by the legislation of the Republic of Armenia.

