

**TERMS AND CONDITIONS OF BANK ACCOUNT MAINTENANCE AND BANKING  
TRANSACTIONS OF LEGAL ENTITIES AND INDIVIDUAL ENTREPRENEURS  
IN KDB BANK UZBEKISTAN JSC**

(New revision approved by the decision of the Management Board № IMB/LGD/HO/22/96 dated 20.12.2022 and taking effect from 01.01.2023)

**1. Definitions.**

**Bank** – the Head Office and branches of KDB Bank Uzbekistan JSC.

**Client** – an entity or a person having one of the following forms: (i) resident legal entity engaged in entrepreneurial activity; (ii) non-resident legal entity (participant in open electronic trading of commodity exchanges, a foreign investor selling (purchasing) shares in organized trading), permanent establishment of a non-resident legal entity carrying on activities in the Republic of Uzbekistan, representative office of a non-resident (a diplomatic or other official mission, an international organization or its affiliate with immunity and diplomatic privileges, representative office of a foreign legal entity accredited in the Republic of Uzbekistan); (iii) individual entrepreneur; (iv) representative office and/or an affiliate of resident legal entity in the Republic of Uzbekistan; (v) other forms of entities and enterprises entitled to open accounts with commercial banks in the Republic of Uzbekistan.

**Terms and conditions of bank account maintenance and banking transactions of legal entities and individual entrepreneurs** (hereinafter “Terms and Conditions”) – this document, approved by the Management Board of the Bank and constituting an integral part of the Bank account agreement which contains the terms and conditions of crediting funds into the Client’s Account, execution of instructions for disposition of funds in the Client’s Account, right and obligations of the Client and the Bank related to such actions, banking fees payable and other terms and conditions. At the same time, these Terms and Conditions constitute an offer by the Bank to conclude a Bank account agreement if the Client wishes to accept this offer by accepting the Terms and Conditions posted in the automated system of state registration and registration of business entities or by submitting an application in the form approved by the Bank.

**Bank account agreement** (hereinafter “Agreement”) – the agreement between the Bank and the Client concluded in writing. The Terms and Conditions and the Bank Tariffs together constitute the Agreement.

**Account** – a demand deposit account (settlement or current account) and another type of bank account in the national currency of the Republic of Uzbekistan and/or foreign currency opened for (or on behalf of) the Client in the Bank as a result of the Agreement.

**Legislation** – the legislation of the Republic of Uzbekistan applicable to these Terms and Conditions, including laws, by-laws, regulations of the Central Bank of the Republic of Uzbekistan and other state authorities.

**Rules of internal control** – “Rules of internal control on countering the legalization of proceeds received from criminal activity, financing of terrorism and financing the proliferation of weapons of mass destruction in commercial banks” (approved by the regulator and registered with the Ministry of Justice of the Republic of Uzbekistan), as well as regulations of the Bank governing the organization and implementation of internal control in the Bank.

**Client Due Diligence (hereinafter “Due Diligence” or “Know Your Customer”)** – a set of measures to obtain information about the Client: identification and verification of the Client and its representatives, study of the composition of the Client’s founders (shareholders owning at least ten per cent of the entity’s shares, partners), identification of parties owning more than 10 per cent of the entity’s share capital, identification of the Beneficial owner of the Client, identification of the purpose and nature of business relationship and

financial transactions carried out by the Client, including obtaining and recording information on the source of funds in order to verify its compliance with the documents (information) submitted to the Bank. The Bank performs the Client Due Diligence in accordance with the requirements of the Legislation, the regulations of the Bank, the rules of internal control, the regulations of the Specially Designated State Authority of the Republic of Uzbekistan and the sanctions programs adopted by the United Nations Security Council (“UNSC”), the European Union (“EU”), the Office of Foreign Assets Control of the United States Department of the Treasury (“OFAC”), the Financial Services Commission (“FSC”), the Financial Crimes Enforcement Agency (“FinCEN”) and the Bureau of Industry and Security of the U.S. Department of Commerce (“BIS”).

**Client identification** – identification of client data on the basis of documents provided by clients, identification of additionally verified information available in public sources and databases for the purpose of client due diligence.

**Enhanced Due Diligence** – a set of measures applied to the Client or an Account transaction that is in the high-risk category, including: collecting and keeping record of additional verified information about the Client available in public sources and databases; obtaining information from the Client about the source of funds or other assets; examining the purposes of planned or executed Account transactions; maintaining ongoing monitoring of the Account transactions in progress.

**Client’s representative** – a person acting for or on behalf of the Client whose authority is based on a power of attorney or other document on behalf of the Client.

**Beneficial owner** – a person who directly or indirectly owns or controls the Client and for whose benefit transactions with funds or other assets are carried out.

**Client’s Compliance Questionnaire (Know Your Client (KYC) form)** – the information about the Client obtained in the course of the Client Due Diligence process.

**Business day** – a time-limited part of the Bank's business day during which the Bank carries out banking transactions and executes cash and settlement documents and records accounting information on transactions. The duration of a Business Day may be set in terms of currencies and services provided by the Bank and in terms of channels of interaction between the Bank and the Clients in the course of provision of the services. Information about the duration of the Business Day is communicated to Clients by means of placing it in the Internet Banking iDBA.

**Banking day** – each day on which the Bank is open for regular banking activities.

**Bank Tariffs** – fees for banking products and services approved by the Management Board of the Bank and posted on the Official website.

**Official website** – official website of the Bank at: <https://kdb.uz>.

## **2. General provisions.**

2.1 These Terms and Conditions are standard and regulate the relationship between the Bank and the Client in relation to the Account opening and performance of banking transactions in accordance with the Legislation and are binding on both parties to the Agreement (hereinafter "the Parties").

2.2 The procedure for opening, re-opening, closing of the Account, performing banking transactions and charging fees for banking transactions in the Account shall be determined by the Legislation, the regulations of the Bank, the Bank Tariffs and these Terms and Conditions.

2.3 Signing of the Agreement by the Client means that:

- has received, read and agrees to all the provisions of these Terms and Conditions as well as the Bank Tariffs;
- is aware of the provisions of the Legislation governing the procedure for opening, re-opening and closing of bank accounts;
- is familiar with the provisions of the Legislation governing the settlement and cash transactions.

- 2.4 The fact of performing the actions necessary to open a bank account in the Bank using the automated system of state registration and registration of business entities<sup>1</sup> constitutes the acceptance of these Terms and Conditions and the expression of will of the Client to enter into the Agreement.
- 2.5 The Bank shall have the right to unilaterally amend these Terms and Conditions and approve them in a new revision, as well as to change the Bank Tariffs and approve them in a new revision provided that the Client is given at least 10 calendar days prior notice of such amendments by posting updated information on the Official website and on information boards at branches of the Bank.
- 2.6 Certain banking services, interest rates and tariff rates may be regulated by separate agreements and terms and conditions, and in the event of disagreement (differences), those separate agreements and terms and conditions shall prevail.
- 2.7 All obligations and responsibilities of the Bank arising in connection with the Account maintenance and banking transactions shall be assumed solely by KDB Bank Uzbekistan JSC.

### **3. Account opening and maintenance.**

- 3.1 The Bank opens an account to the Client:
- after the Client has submitted all the necessary documents and signed the Agreement, or
  - upon acceptance of these Terms and Conditions in the automated system of state registration and registration of business entities.
- 3.2 The list of documents required for Account opening shall be compiled by the Bank in accordance with the requirement of the Legislation and the regulations of the Bank. The Bank shall have the right to amend the list of documents required for Account opening and maintenance in case of amendments to the Legislation or the regulations of the Bank. The list of documents required for Account opening shall be posted on the Official website and on information boards in the branches of the Bank.
- 3.3 The Account shall be opened no later than the deadline stipulated by the Legislation subject to successful completion of the Client Due Diligence.
- 3.4 The Bank may refuse to open an account to the Client in any of the following cases :
- if the Client fails to submit a complete set of documents required for Account opening in Accordance with the Legislation and the regulations of the Bank
  - if the Client has not submitted the documents required for the Client Due Diligence in accordance with the legislation on countering legalization of proceeds received from criminal activity, financing of terrorism and financing the proliferation of weapons of mass destruction in commercial banks, in accordance with the sanction programs and as well as the documents necessary for determining the Client as subject to the Foreign Account Tax Compliance Act (FATCA);
  - if the Bank has a resolution to suspend operations or has information about suspended operations on the Client's accounts in other banks or if the Bank has information about the ban on opening new accounts for the Client;
  - if sanctions are applied to the Client or there is a risk of sanctions against the Client;
  - in other cases, stipulated by the Legislation.

### **4. Correspondence.**

- 4.1 Correspondence includes Account statements and/or other information regarding the Account. The Bank shall forward the correspondence to a mailbox if there is a Mailbox rental agreement between the Bank and the Client. In the absence of the Mailbox rental agreement, the Bank shall keep the correspondence for six months. The Client assumes responsibility and all possible risks associated with

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<sup>1</sup> Applicable to entities entitled to open accounts remotely (e.g. legal entities and individual entrepreneurs whose founders are residents of the Republic of Uzbekistan).

the non-receipt of correspondence.

- 4.2 The Bank shall provide the Client with information on the Account's debit and credit turnover in the form of a statement at a frequency determined on the basis of the Client's request. The frequency of statements may be changed at any time. A statement shall be sufficient proof that bank transactions have taken place.
- 4.3 The attachments to the statements confirming the debiting or crediting of funds to the Client's Accounts may not be provided by the Bank, provided that the statement contains the details confirming the payment.
- 4.4 A paper statement is printed on a letterhead, does not require the signature of authorized persons of the Bank and is not certified with the Bank's stamp, yet confirms a particular transaction. On the basis of the Client's separate written request, statements provided by the Bank in paper form may be certified with the signature of an authorized person and the Bank's stamp.
- 4.5 Account statements may be received by persons authorized to do so (e.g. persons specified in the signature card, representatives of the Client under a power of attorney).
- 4.6 The Client undertakes to check all correspondence received from the Bank immediately upon receipt. The Client undertakes to inform the Bank immediately if the Client finds any inaccuracies and/or incomplete execution of instructions.
- 4.7 If the Client does not object to the content of the correspondence received from the Bank within 7 calendar days from the date of sending the correspondence to the Client, it will be deemed that the Client has approved the content of the correspondence.

## **5. Account management.**

- 5.1 The Client shall use the Account for banking transactions in accordance with the requirements of the Legislation and these Terms and Conditions.
- 5.2 The Account may be managed by means of written instructions given the Bank by persons whose details and signatures are included in the Client's specimen of signature and stamp duly executed and submitted to the Bank (hereinafter the "Specimen of signature and stamp"). Client's written instructions to manage the Account shall be executed using the prescribed standard forms if the Bank has the approved standard forms for this type of transaction. The signatures of the authorized persons must be handwritten and shall comply with the Specimen of signatures and stamp submitted to the Bank.
- 5.3 The Account opened through the automated system of state registration and registration of business entities<sup>2</sup> may be managed upon submission of two copies of the Specimen of signature and card as well as the original identity document (passport or a document substituting it) of the person authorized to sign banking and settlement documents on behalf of the Client.
- 5.4 The Account may be managed electronically by means of electronic documents (instructions) subject to the relevant agreement regulating the relations between the Bank and the Client in case of using the Bank's remote banking systems (for example, Internet Banking iDBA).

## **6. The rules of Account transactions.**

- 6.1 The Bank shall not accept for execution:
  - any payment documents not filled or not signed by the Client or not containing the information required by the Legislation;
  - any payment documents containing corrections;

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<sup>2</sup> Applicable to entities entitled to open accounts remotely (e.g. legal entities and individual entrepreneurs whose founders are residents of the Republic of Uzbekistan).

- any payment document on behalf of a Client who has not undergone the Client Due Diligence;
  - instructions for transactions that violate the Legislation, as well as in other cases stipulated by the Legislation and regulations of the Bank. The Bank shall not be liable for any loss and damage incurred by the Client due to a refusal on the part of the Bank to execute those instructions;
- 6.2 The Client undertakes to submit to the Bank all necessary documents and information which are necessary for the Bank for execution of Account transactions, correct Account maintenance and as well proper performing of the functions assigned by the Legislation. Such documents and information shall be clear, complete and reliable.
- 6.3 The Client undertakes not to conduct its business with persons/entities included in the sanctions programs. If funds are frozen or blocked by the relevant banks, the Client shall be solely responsible for resolving the situation by obtaining appropriate approvals in accordance with the Legislation.
- 6.4 The Bank shall not be liable for deficiencies and errors of correspondents, subagents and other third parties, including for non-performance or improper performance of obligations under the Agreement caused by actions or omissions of third parties if the Bank can prove that it exercised due care in the performance of its obligations.
- 6.5 The Bank shall have the right to take measures in respect of the Client's Account transactions in order to comply with the requirements of the legislation on countering legalization of proceeds received from criminal activity, financing of terrorism and financing the proliferation of weapons of mass destruction in commercial banks.
- 6.6 The Bank shall have the right, in Accordance with the Legislation, to request from the Client any documents confirming the validity and legality of the transactions carried out by the Client, including the documents necessary for the examination and registration of a financial transaction subject to special control under the legislation on countering legalization of proceeds received from criminal activity, financing of terrorism and financing the proliferation of weapons of mass destruction, for the examination and registration of other legal acts performed or being performed as well as to determine the Client subject to the Foreign Account Tax Compliance Act (FATCA) and to determine the Client subject to sanctions programs.
- 6.7 When providing settlement and/or cash services to the Client, the Bank shall perform monitoring functions to ensure proper control over the execution of foreign trade contracts and invoices within its competence in accordance with the Legislation and these Terms and Conditions.
- 6.8 The Bank shall notify the Client immediately if the Bank discovers an error in the Account posting made by the Bank. The Bank shall have the right to make settlement adjustments without the prior consent of the Client. The Bank shall not be liable for losses resulting from such corrections, unless such incorrect calculations were the result of gross negligence on the part of the Bank.

## **7. Account transactions.**

- 7.1 Within the Agreement the Bank shall:
- a) accept and credit the funds received to the Client's Account.
  - b) execute payments and transfers of funds in accordance with the Client's instructions within the balance of the Account. The Bank shall have the right to refuse to execute the payment document in case of insufficient funds in the Client's Account.
  - c) perform other banking operations and functions in relation to the Client's Account as provided by the Legislation or these Terms and Conditions;
  - d) upon the Client's request, notify the Client of the transactions carried out on the Client's Account.
- 7.2 Transactions in the Account shall be carried out during the Business Day unless otherwise agreed with the Client or provided for by the Legislation and these Terms and Conditions.

### **Account debiting.**

- 7.3 The Bank writes off funds from the Account on the basis of payment instructions received from the Client, except for cases of debiting funds after reconciliation of the Account in the event of errors in the Account postings or incorrect Account crediting made by the Bank.
- 7.4 The Account shall only be debited with the Client's consent, except for the cases provided by the Legislation and these Terms and Conditions. The Bank shall not be liable for any loss, damage or other costs incurred by the Client as a result of such debit.
- 7.5 Transfer of funds and cash withdrawal from the Client's Account shall be made within the limits of the available balance on the Client's Account. "Available balance" means free funds on the Client's Account that are not subject to freezing, claims, restrictions and other limitations at the time of the banking transaction on the Account. The Bank shall have the right to refuse to execute the Client's instruction (request) if there are insufficient funds in the Client's Account. The Bank shall have the right not to make a partial payment on the Client's instructions (request).
- 7.6 If there are sufficient funds in the Client's Account, funds are debited from the Account in the order in which they are received by the Bank, unless otherwise agreed between the Bank and the Client.
- 7.7 Payment claims and collection orders of third parties that comply with the requirements of the Legislation shall be accepted for execution without the Client's acceptance (if it is stipulated by the Legislation or agreed between the Bank and the Client).
- 7.8 If there are insufficient funds in the Account, payment claims or collection orders of third parties will be executed by the Bank in accordance with the procedure established by the Legislation.
- 7.9 The Bank shall have the right to debit the Account for the amount of fees due to Bank for transactions and services provided by Bank in accordance with the Bank Tariffs without a Client's instruction (request).
- 7.10 The Bank shall have the right to refuse to debit the Client's Account on the Client's instruction in cases stipulated by the Legislation and regulations of the Bank, including the Rules of Internal Control.

### **Account crediting.**

- 7.11 The Bank shall credit funds received in favor of the Client in non-cash form or in cash paid to the Bank's cash desk in accordance with the procedure stipulated by the Legislation and regulations of the Bank.
- 7.12 In case of crediting of funds to the Client's Account which the Client did not expect or should not have received, the Client shall notify the Bank not later than 3 (three) banking days from the date of crediting of funds to the Client's Account.
- 7.13 The accrual of credit interest on the Account is subject to a separate agreement between the Bank and the Client. Debit interest on the Account shall be calculated in accordance with the Bank Tariffs.
- 7.14 The Bank may refuse to credit funds received in favor of the Client in non-cash form or deposited at the Bank's cash desk in cash in cases stipulated by the Legislation and regulations of the Bank as well as in accordance with the Rules of Internal Control.

## **8. Timeframe for Account transactions.**

- 8.1 Paper based Client's orders/instructions in the national currency of the Republic of Uzbekistan accepted for execution during the Business Day shall be executed by the Bank on the day of receipt (except for orders/instructions with a deferred value date).
- 8.2 Client's orders/instructions in the national currency of the Republic of Uzbekistan sent and received electronically via the Internet Banking iDBA after the end of the Business Day (ANOR type of payment) shall be executed by the Bank no later than the next Business Day (except for payment

instructions with a deferred value date).

- 8.3 Client's orders/instructions in the national currency of the Republic of Uzbekistan sent electronically by the Client on non-banking days via the Internet Banking iDBA (ANOR type of payment) shall be executed by Bank within the Business Day opened in the Single Correspondent Accounts Clearing Centre at the time of sending the payment instruction by Client, but no later than the next Transaction Day (except for payment instructions with a deferred value date).
- 8.4 Client's orders/instructions in foreign currency are executed by Bank no later than two working days from the date of receipt by the Bank, provided that the Client has successfully passed the Due Diligence procedure. Transfer application in foreign currency and/or conversion application shall be executed in accordance with the business hours of counterparty banks taking into account weekends and public holidays in the country of origin of the foreign currency.
- 8.5 The Bank shall accept cash funds submitted at the Bank's cash desk during the Business Day and shall credit those funds to the Client's Account on the same day. The Bank shall transfer the cash funds to the Client's account with another bank no later than the next Business Day, if such a transfer is required upon the Client's request. When accepting cash at the Bank's cash desk through the collection service performing operations on weekends and public holidays, the Bank shall credit the funds to the Client's Account no later than the next Business Day. The Bank shall credit non-cash funds in the national currency to the Client's Account within the Business Day of receipt.
- 8.6 The crediting of funds in foreign currency to the Client's Account shall take place during the Business Day within the following time limits, provided that the Client has successfully passed the Due Diligence procedure:
- funds received from other Client's Accounts opened with the Bank shall be credited to the Client's Account during the Business Day;
  - funds received via SWIFT channels under the payment (credit advice) of correspondent banks shall be credited to the Client's Account no later than the next Business Day.

## **9. Mail box.**

- 9.1 If there is a Mailbox renting agreement, the Bank shall provide the Client with a mailbox to receive correspondence (hereinafter "Mailbox"). The Mailbox is available to the Client at the address specified in the Mailbox Renting Agreement and during the time limits set for entering the Bank's building on Banking Days.
- 9.2 The Bank shall provide the Client with the Mailbox keys against the deposit payable to the Client when the Mailbox key is returned to the Bank. Duplicate keys shall be kept at the Bank and the Client shall not transfer the key to third parties.
- 9.3 The Client undertakes to use the Mailbox in accordance with its intended purpose only, not to store any documents or items that do not correspond to the purposes for which the Client is provided with the Mailbox.
- 9.4 Mailbox renting fee shall be paid monthly in accordance with the Bank Tariffs.
- 9.5 The Client shall be responsible for the use of the Mailbox. Any correspondence delivered by the Bank to the Mailbox will constitute sufficient notice to the Client on behalf of the Bank.

## **10. Payment for Bank services.**

- 10.1 The Client undertakes to pay the Bank commission in accordance with the Bank Tariffs (in accordance with agreements if separate agreements have been concluded between the Bank and the Client).
- 10.2 The Bank shall have the right to refuse to execute the Client's order/instruction or to execute a transaction on the Client's Account if the Client does not hold sufficient funds to pay (cover) the Bank

commission.

- 10.3 The Bank shall have the right to debit the Client's account in the amount of the Bank commission in accordance with the Bank Tariffs without prior notice and without the Client's order/instruction.
- 10.4 Payment for settlement and cash service transactions in foreign currency shall be made in the national currency at the exchange rate of the Central Bank of the Republic of Uzbekistan as of the date of transaction, unless otherwise stipulated by the Bank Tariffs. If there are insufficient funds in the Client's Account in the national currency or if it is not possible to charge the commission in the national currency, the Bank may debit the commission amount from the Client's Accounts in another currency at the exchange rate of the Central Bank of the Republic of Uzbekistan as of the date of transaction, unless otherwise stipulated by the Legislation.
- 10.5 The terms and procedure for payment of Bank commission shall be determined by these Terms and Conditions, the Bank Tariffs, additional agreements to the Agreement or separate agreements. If the term for payment of the commission is not stipulated in the Bank Tariffs or a separate/additional agreement to the Agreement, the commission shall be paid on the day of transaction or service.
- 10.6 The monthly commission fee stipulated in the Bank Tariffs is charged automatically on the penultimate business day of the month. If the Agreement is terminated before the 15th day of the calendar month (inclusive), the monthly fee shall not be withheld. If the Agreement is terminated after the 15th day of the calendar month, the monthly fee must be paid in full.
- 10.7 The bank undertakes to include a confirmation of the commissions charged in the Account statement.

## **11. Internal control.**

- 11.1 When opening a bank account remotely<sup>3</sup> in the process of state registration and when the registration authority (public service centers<sup>4</sup>) conducts its own Client Due Diligence, the Bank shall independently decide whether to enter into a business relationship with the Client based on its own risks and on the results of its own Client Due Diligence procedure.
- 11.2 The Bank shall have the right to unilaterally suspend transactions of the Client or block (freeze) the funds in the Account, to refuse to provide services to the Client as well as to terminate the Agreement in the cases and pursuant to the procedure provided for in the Legislation and regulations of the Bank as well as in accordance with the Rules of Internal control.
- 11.3 The Bank shall have the right to conduct Due Diligence to all the Bank clients on a periodic basis throughout the service period and upon the occurrence of certain events/circumstances. The Bank shall also have the right, at its own discretion, to take Enhanced Due Diligence measures as provided for in the Legislation and the regulations of the Bank.
- 11.4 Upon the request of the Bank, the Client undertakes to immediately submit reliable documents (information) necessary for the Bank to perform the functions assigned by the Legislation, including the documents and information for Due Diligence, as well as other documents (information) necessary to verify the compliance of the Account transactions with the Legislation and the Rules of Internal Control. The Bank shall repeatedly conduct the Client Due Diligence if there is any doubt as to the accuracy of the information provided by the Client, including the data provided in the Client's Compliance Questionnaire (KYC form).
- 11.5 The Bank shall have the right to refuse to execute the Client's instruction if the Client fails to provide information and documents requested by Bank in order to meet and comply with the requirements of the Legislation and regulations of the Bank as well as to conduct the Client Due Diligence.

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<sup>3</sup> Applicable to entities entitled to open accounts remotely (e.g. legal entities and individual entrepreneurs whose founders are residents of the Republic of Uzbekistan).

<sup>4</sup> Automated system of state registration and registration of business entities.



11.6 If sanctions are imposed on the Client or financial transactions on the Client's Account or a risk of sanctions applying arises, the Bank shall have the right to: request additional information from the Client to examine transactions; limit the quantity of transactions; limit (refuse) to perform financial transactions or refuse to perform financial transactions that do not comply with the information provided in Client's Compliance Questionnaire (KYC form), as well as refuse to open an Account and terminate the Agreement with the Client unilaterally.

## **12. Account closing.**

12.1 The Client shall have the right to terminate the Agreement by giving the Bank a prior (3 (three) banking days) notice in writing. All payment obligations of the Client are due and payable based on the date of such notice.

12.2 The Account may be closed at the initiative of the Client on the basis of the documents, the list of which and the procedure for their submission shall be determined by the Bank, taking into account the requirements of the Legislation.

12.3 If the Client has a current or overdue debt to the Bank under any obligations, or if the Client's obligation to have a bank account with the Bank is stipulated by other agreements concluded between the parties, the Bank shall have the right to refuse to close the Account until the repayment of the debt.

12.4 The Agreement may be unilaterally terminated out of court upon the request of the Bank subject to due notice to the Client as stipulated in clauses 17.3, 17.4, 17.5 of these Terms and Conditions in the following cases:

- in the absence of any Account transactions and (or) funds in the Account within the last 12 (twelve) months. The period of seizure of funds in the Account or suspension of Account transactions shall not be included in this period;
- in the cases stipulated in paragraphs 11.2, 11.6 and 16.7 of these Terms and Conditions;
- if the Client submits false or invalid documents (information);
- if the Client is known to be involved in the legalization of proceeds received from criminal activity, financing of terrorism and financing the proliferation of weapons of mass destruction obtained in line with the Legislation and the Bank's internal regulations
- if the Client fails to provide the documents necessary to determine whether the Client is subject to the U.S. Foreign Account Tax Compliance Act (FATCA);
- if the Client fails to comply with the obligations set out in these Terms and Conditions;
- in other cases, provided by the Legislation or these Terms and Condition.

### ***Termination of the Agreement shall be the basis for closing of the Client's Account.***

12.5 The Bank shall have the right to close the Account unilaterally and out of court without notifying the Client upon receipt of information about the exclusion of the Client from the Single State Register of Entrepreneurs.

12.6 Upon termination of the Agreement for any reason, the Client and the Bank shall be obliged to perform all remaining instructions and obligations that have arisen but have not been fully completed by the time of termination of the Agreement. The Client agrees that the Bank shall have the right to set off any claims it may have against the Client. If it is not possible to terminate the liability of the Bank due to the nature of certain outstanding obligations (e.g. bank guarantee, open letter of credit, etc.), the Client shall, upon the Bank's request, provide appropriate collateral for the Client's obligations to the Bank.

12.7 Within three (3) working days of performance of all existing obligations between the Bank and the Client, the available balance in the Account shall be, upon the Client's written instruction, transferred

to another Account with the Bank or another bank or paid in cash, if permitted by the Legislation.

### **13. Information disclosure.**

- 13.1 The Bank shall not have the right to disclose to any third party any information regarding the Account, the Client or the Client's business activities, except as required by the Legislation.
- 13.2 In certain cases of information disclosure permitted by the Legislation, the Bank, upon individual requests, may provide KDB Bank (Republic of Korea) or its subsidiary banks and branches with information on the Client and on transactions between the Client and KDB Bank (Republic of Korea) or its subsidiary banks and branches worldwide for the purposes of execution of such transactions or for other purposes directly related to the services of KDB Bank Uzbekistan JSC provided to the Client.
- 13.3 The Client hereby acknowledges and agrees that the Bank, as part of the KDB Bank network of branches and affiliated entities/banks regulated by such regulators as FSC, FSS of Korea, the Central Bank of the Republic of Uzbekistan, local regulatory authorities etc., actively works to prevent the Bank from being involved in criminal activities and money laundering schemes such as legalization of proceeds received from criminal activity, financing of terrorism and financing the proliferation of weapons of mass destruction, fraud, corruption, etc. The policies and standards of the Bank are designed to maintain and protect the reputation of the Bank and that the confidence of public and Clients in the Bank has not been undermined in any way. In this regard, the Bank, at its sole discretion, shall set the requirements for any transactions executed by the Bank. If any transactions are found to be inconsistent with the established requirements, the Bank may request any additional document to clarify the nature of the transaction and may also refuse to execute the transaction.
- 13.4 The Client irrevocably and unconditionally gives consent to the disclosure of any information about the Client and/or his banking transactions/payment documents both within the KDB Bank network and to authorized state authorities if there are real grounds for the Bank to be concerned that these banking transactions/payment documents may be unusual or suspicious as well as for the purpose of countering money laundering, terrorist financing, fraud, corruption, other dangerous acts.

### **14. Force majeure.**

- 14.1 The Parties shall not be liable for the total or partial failure to perform their obligations under the Agreement if such failure is caused by force majeure circumstances (fires, floods, earthquakes, natural phenomenon and other natural disasters, as well as war, hostilities, strikes, accidents, power outages, a prohibition of activity as a result of government decrees and regulations, inability to make payments as a result of banking system failure, failure of an interbank payment system and other events and circumstances) the occurrence of which cannot be foreseen and prevented in advance, and if such circumstances have directly affected the performance by the Parties of their obligations under the Agreement.
- 14.2 The Party affected by force majeure and unable to perform its obligations under the Agreement shall notify the other Party in writing no later than 5 (five) banking days of the occurrence of those circumstances, with subsequent confirmation of such circumstances by the competent authority
- 14.3 Failure to notify of force majeure in a timely manner shall deprive the Party of the right to invoke it as justification. Performance of the obligations of the Bank and the Client under the Agreement shall be suspended for the duration of the force majeure and shall be resumed immediately after its termination.

### **15. Liability of the Parties.**

- 15.1 The Parties shall be liable for improper performance of their obligations under the Agreement in accordance with the Legislation.
- 15.2 The Bank shall be liable for the non-execution, improper execution or untimely execution of payment instructions of the Client in accordance with the Legislation and these Terms and Conditions.
- 15.3 The Bank shall be responsible for the safety of funds deposited by the Client in the Account.
- 15.4 The Bank shall not be responsible for the authenticity and reliability of the documents submitted by the Client for the Account opening, as well as for the accuracy and reliability of the information provided by the Client in payment.
- 15.5 The Bank shall not be liable for any shortage of cash received if it is detected during the counting of cash outside the Bank premises and in the absence of representatives of the Bank.
- 15.6 The bank shall not be liable for non-execution, improper execution or untimely execution of payment instructions that result from:
- incorrect details of payment instructions given by the Client;
  - improper execution and corruption of payment instructions by other banks and interbank payment systems involved in the execution of settlements;
  - a breakdown or malfunction of technical systems used by the Bank, not attributable to the Bank;
  - other cases provided for by the Legislation.
- 15.7 The Bank shall have no obligation to verify payment instructions received from the Client other than to verify the authenticity, manner of execution and completion of the mandatory details in accordance with the requirements of the Legislation, unless otherwise provided by the Legislation.
- 15.8 The Bank shall not be liable for the execution of Client's instructions signed by the persons named in the Client's Specimen of Signature and stamp in case if their authority has been terminated or changed for any reason but the Bank has not been notified thereof in due time.
- 15.9 The Bank shall not be liable to the Client for losses caused by the execution of Client's instructions signed by the persons named in the Client's Specimen of Signature and stamp in case if the powers of such persons or their appointment (election) are subsequently found to be invalid.
- 15.10 The Client shall be liable for the authenticity of instructions, the accuracy of the information contained therein and timely submission to the Bank
- 15.11 The Client shall be liable for the prompt submission of necessary documents and information required by the Bank to perform the Client Due Diligence and to monitor foreign trade transactions as well as to control the accuracy of information contained therein in accordance with the Legislation.
- 15.12 The Client shall be liable for the timely provision and accuracy of the information contained in the documents certifying the authority of the persons authorized to sign financial documents.

## **16. Anticorruption provisions.**

- 16.1 When performing their obligations under the Agreement, the Parties, their affiliated entities, employees or intermediaries undertake not to carry out, directly or indirectly, actions qualified as giving/receiving bribes, commercial bribery, abuse of official position, as well as actions that violate the requirements of the Legislation, international regulations and international treaties on countering the legalization of proceeds received from criminal activity, financing of terrorist and financing proliferation of weapons of mass destruction and other corruption violations - both in relations between the Parties to the Agreement and in relations with third parties and state authorities. The Parties also undertake to communicate this requirement to their affiliated (interested) persons, employees, authorized representatives and intermediaries.
- 16.2 Each Party declares and guarantees to the other Party that prior to the signing the Agreement it did not provide or sought any financial/non-financial incentives, interests, inducements, offers, i.e. did

not offer, promise or provide financial remuneration, property, property rights to any party involved for the purpose of establishing and/or expanding any business relationship with the other Party to the Agreement.

- 16.3 Each Party shall ensure that its contractors, consultants, agents and other persons acting on its behalf under the Agreement comply with the anticorruption provisions of both international regulations ratified by the Republic of Uzbekistan and the Legislation of the Republic of Uzbekistan.
- 16.4 Each Party to the Agreement shall refuse to induce the employees/representatives of the other Party in any way by offering money, gifts, by providing work (services) to those free of charge and in other means not listed in this clause which may place the employee in a certain dependence and are aimed at ensuring that the employee performs any actions for the benefit of the inducing Party.

Actions taken by an employee for the benefit of the inducing Party/Client shall be understood to mean as:

- a) giving unjustified advantage over other counterparties;
  - b) provision of any guarantees;
  - c) facilitating existing procedures;
  - d) other actions performed by an employee within the scope of his/her official duties contradicting the principles of transparency and openness of relations between the Parties.
- 16.5 Should either Party have grounds to believe that a violation of any obligation provided for in this section of the Terms and Conditions has occurred or may occur, the Party shall immediately notify the other Party in writing as provided in clauses 17.3, 17.4 and 17.5 hereof. In a written notification, the Party is obliged to refer to facts or provide materials that reliably confirm or give reason to assume that a violation of anticorruption provisions by the other Party, its affiliated (interested) persons, employees, authorized representatives or intermediaries has occurred or may occur.
- 16.6 The Party receiving a notification of a violation of any provision provided for in this section of the Terms and Conditions shall review the notification and notify the other Party of the outcome within ten (10) banking days of receipt of the written notification.
- 16.7 The Parties guarantee to carry out proper proceedings of the facts of violations of the provisions provided for in this section of the Terms and Conditions in compliance with the principles of confidentiality and application of effective measures to prevent possible conflict situations. The Parties guarantee that there will be no adverse consequences for the notifying Party as a whole or for specific employees of the notifying Party who have reported a violation. If it is confirmed that one Party has violated the provisions of this section of the Terms and Conditions, the other Party shall have the right to terminate the Agreement unilaterally out of court by giving a written notice no later than (10) calendar days before the date of termination of the Agreement.

## **17. Other provisions.**

- 17.1 All notifications required under these Terms and Conditions shall be given in writing in Uzbek, Russian or English.
- 17.2 Notification to the Bank by the Client may be given by one of the following methods:
- 1) delivery in person with confirmation of receipt by signature;
  - 2) delivery via the postal service;
  - 3) sending a notification by e-mail.
- 17.3 Notification to the Client by the Bank may be given by one of the following methods:
- 1) posting the notification on the Official Website, in the premises of the Bank (Information board) and in the Internet Banking iDBA ("News" section);
  - 2) sending a notification by e-mail or via cellular communication (Short Message Service "SMS"), if

- there is a separate agreement between the Bank and the Client;
- 3) placing a notification in a Mailbox rented by the Client at the Bank if there is a separate agreement between the Bank and the Client;
  - 4) delivery in person with confirmation of receipt by signature;
  - 5) delivery via postal service.
- 17.4 All notifications given in accordance with the clause 17.3 herein shall be deemed to have been received:
- a) if posted on the Official Website, in the premises of the Bank and in the Internet Banking iDBA - on the day of posting;
  - b) if sent by e-mail, SMS – on the day of sending;
  - c) if delivered in person or via postal service – on the day of receipt.
- 17.5 Notifications shall be sent to the address of the Bank and the Client as specified in the Agreement. The Parties undertake to notify each other in writing of any changes in addresses, phone numbers and other essential information not later than ten (10) calendar days after the changes. Any changes shall become legally binding for the Bank only upon receipt of a written notification from the Client. At its discretion, the Bank may request and the Client shall provide written confirmation of any changes.
- 17.6 In case of amendments to the constituent documents and (or) certificate of state registration, the Client undertakes to immediately provide the Bank with copies of the new documents.
- 17.7 In case if after the conclusion and before the termination of the Agreement an act of law is passed which imposes obligations upon the Parties other than those in force when the Agreement was concluded, these Terms and Conditions shall be brought into compliance with the Legislation unless otherwise provided by the Legislation.
- 17.8 Expenses of the Bank that may arise in court or under an amicable settlement agreement in connection with any legal proceedings arising out of disputes between the Client and third parties shall be paid at the expense of the Client, except as provided by the Legislation. In addition, all other costs and expenses incurred by the Bank as a result of its relationship with the Client, which are not stated in the Bank Tariffs, shall be invoiced to the Client. The Client shall pay the invoice without delay.
- 17.9 These Terms and Conditions have been drawn up in Uzbek, Russian and English languages with the utmost effort taken on the part of the Bank to ensure authenticity of the versions in different languages. In case of discrepancies between the versions, the English version shall prevail.

## **18. Addresses and details of the Bank**

- 18.1 KDB Bank Uzbekistan JSC, Head office  
Address: 3, Bukhara Street, 100047, Tashkent, the Republic of Uzbekistan  
Phone: (+998 78) 120-80-00  
E-mail info@kdb.uz  
Tax ID: 202167236  
Bank Code: 00842  
SWIFT Code: KODBUZ22
- 18.2 KDB Bank Uzbekistan JSC, Oybek Branch  
Address: 32, Oybek Street, 100015, Tashkent, the Republic of Uzbekistan  
Phone: (+998 78) 140-06-30  
E-mail info@kdb.uz  
Tax ID: 207045749  
Bank Code: 01065

SWIFT Code: KODBUZ22