



PAYMENT CARD SERVICE RULES

Responsible subdivision	Cash and Card Operations Division Product Development Division of Retail Banking Directorate Product Development Unit of Corporate Banking Directorate
Effective date	05/08/2022 for new customers 15/08/2022 for existing customers
Scope	All subdivisions of the Bank Cardholders of the Bank
Other provisions	
Related documents	Procedure of issuance and service of payment cards 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 regulate the relationship between “IDBank” CJSC and the Cardholder in terms of payment cards issuance, provision and service by the Bank, as well as define the rules of card usage (hereinafter the Rules), in accordance with the internal regulations of the Bank and rules of payment systems (ArCa, Visa, MasterCard).

CHAPTER 2. MAIN DEFINITIONS AND ABBREVIATIONS

2. 1. The definitions and abbreviations used in these Rules shall have the following meaning:

- 1) **Bank** means “IDBank” CJSC,
- 2) **RA/ NKR** mean the Republic of Armenia and Artsakh (Nagorno-Karabakh) Republic,
- 3) **Card** means a payment card which is the property of the Bank and is provided to the Cardholder for making cash withdrawals from the card account, as well as non-cash transactions and payments,
- 4) **Cardholder (Primary Cardholder)** means any physical or legal entity, or an individual entrepreneur who has concluded a written agreement on card issuance and service with the Bank,
- 5) **Card User** means an individual who, on behalf of the Cardholder, actually owns and uses the Card provided to the Cardholder, who is a legal entity or an individual entrepreneur,
- 6) **Card Account** means a bank account opened in the name of the Cardholder under the agreement concluded between the Cardholder and the Bank. The Card Account is used for carrying out transactions with the Card or its details,
- 7) **Linked Card** means any card connected to the Primary Card which is issued at the Primary Cardholder’s request in the name of Primary Cardholder or another person (Linked Cardholder) for implementing transactions using the Primary Card Account,
- 8) **Personal Identification Number or PIN** means a personal identification number of the Cardholder used to carry out card transactions in accordance with the rules of payment systems,
- 9) **Password** means a code provided to the Bank by the Cardholder which is used by the latter for acquiring information on the Card and Card Account by contacting the Bank by phone, creating a virtual card in ArCa online payment system, as well as in other cases defined by the Bank and ArCa payment system,
- 10) **CVV/CVC code** means a three-digit identification code on the back of the Card, which is used by the Cardholder to implement payments online,
- 11) **Agreement** means the offer on the provision and servicing of payment card submitted by the Cardholder together with the Bank’s acceptance, as well as the Agreement on Card Provision and Service concluded between the Bank and the Cardholder,
- 12) **Merchant** means any outlet of sale of products and/or services, including online stores, where the Cardholder may implement payments using the Card,

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- 13) **ATM/Automated Teller Machine** means any automatic device designed for carrying out financial transactions and enabling cash and non-cash transactions with a Card,
- 14) **POS-terminal** means an electronic device used for executing non-cash payments at the premises of the Merchants or cash withdrawal and non-cash transactions with the Card on the Bank premises,
- 15) **Transaction** means any transaction carried out with or without direct use of the Card,
- 16) **Authorization** means approval or authorization given by the Bank for Card transactions,
- 17) **Transaction Date** means the actual date on which the Card transaction takes place,
- 18) **Transaction Processing Date** means the date on which the transaction is processed by the Bank to the Card Account,
- 19) **Statement** means a report provided by the Bank to the Cardholder on the transactions carried out via the Card Account,
- 20) **Receivables** means amounts used beyond the limit (including credit funds) of available balance on the Card Account, as well as other obligations arising from the Card Account, which lead to the occurrence of receivables on the Card Account and shall be repaid by the client,
- 21) **Non-Reducing Balance** means the Card Account balance defined by the Bank's tariffs, and used within the spending limit,
- 22) **Bank Tariffs (Information Bulletin)** mean terms and conditions of Card provision and servicing for individuals, legal entities and individual entrepreneurs,
- 23) **Virtual Card** means a card issued without a physical card which allows carrying out non-cash transactions via the Card Account, as well as is used for cash withdrawals on the premises of the Bank and executing other payments. Furthermore, virtual cards are provided to individuals,
- 24) **Salary Project** means a salary project implemented with an organization cooperating with the Bank.

CHAPTER 3. GENERAL PROVISIONS

3. The client can order a card by submitting an application or an Application Form (Offer) on the Card provision and using the template approved by the Bank.
4. The Cardholder may change his/her personal data specified in the Application, as well as the Card limits, by submitting a relevant request using the template approved by the Bank. From the effective date of these amendments, the regulations in force related to the same issue shall be deemed repealed.
5. All legal relations between the Cardholder and the Bank not regulated by these Rules shall be regulated by the Bank Tariffs, the Agreement between the Cardholder and the Bank and the legislation of the Republic of Armenia. Where not regulated by the RA legislation, such relations shall be regulated by customary business practices.



6. Terms and conditions, as well as tariffs and/or Agreements for specific card types, combined cards and other projects apply to these Rules to the extent that they do not contradict the latter, and may contain provisions and/or limitations different from those specified herein.
7. Any transactions conducted with the Card shall be regulated by these Rules, as well as the terms and conditions defined by ArCa, VISA and MasterCard payment systems.
8. Along with the provision of the Card, the Bank opens and administers a Card Account in the name of the Cardholder. In this case, the Card Account can be opened in any currency provided for in the Information Bulletin of the specified Card. Furthermore, Card transactions can be carried out both in the currency of the Card Account and in a different currency.
9. The rights of the Account holder to administer the Card Account and the funds contained therein may be restricted by a court decision based on the requirement of the enforcement authorities of judicial acts or tax authorities.
10. All fees related to Card transactions are charged in AMD. Currency card fees are charged at the exchange rate set by the Bank on the day of the transaction.
11. The Bank can collect funds from the account without the prior instruction of the Cardholder in case of a court decision based on the requirement of the enforcement authorities of judicial acts or tax authorities. The Card shall be valid up to the last day of the month indicated on the Card.
12. The Card is the property of the Bank and should be returned upon expiry of validity term or upon request of the Bank, except for Virtual Cards, in case of expiration of which the access to the Card Account is terminated and the Card Account is closed.
13. The Card shall not be used for illegal purposes.
14. The Bank shall not be held liable for any damage or loss the Cardholder may suffer due to Card Transactions resulting from breach of the rules and requirements contained herein or the use of information indicated on the Card, (Card number, CVV/CVC code, validity term) due to the provision or disclosure of this information to third parties.
15. For any Card-related inquiries or information, the Cardholder can contact the Bank via these numbers: (+374 10) 593333 and/or (+374 60) 273333, as well as via (+374 10) 592222 of the ArCa Processing Centre available 24/7. The Cardholder should call the ArCa Processing Centre only in case it is necessary to block the Card, and it is impossible to get through to the Bank at the moment. In other cases, the Cardholder needs to contact the Bank.

16. Upon expiry the Bank shall reissue the Card in accordance with then-current tariffs and terms of the Bank based on the Cardholder's written application or verbal instruction (given by the phone). Furthermore:

- 1) Cards issued as part of salary projects are subject to reissue only for clients who currently work in the organization cooperating with the Bank.
- 2) If a specific card type is no longer issued by the Bank, it should be replaced by another card type currently issued by the Bank.

17. The PIN-code is created by the Cardholder in the territory of the Republic of Armenia or the Nagorno-Karabakh Republic by inserting the Card into a working ATM of the Bank or an ATM of any other bank with such a function. For this purpose, the Cardholder's mobile phone number registered at the Bank must be correct and the SMS-notification service must be activated. If the mobile phone number is filled in correctly and the SMS-notification service is available, the Cardholder clicks the "Activate Card" button to receive a one-time password to the phone number linked to the Card. After typing the received one-time password in the respective field of the ATM screen, the Cardholder sets the PIN-code by entering it twice. No PIN-code is required for Virtual Cards.


18. In some cases, the Bank may provide a PIN-code together with the Card. The PIN-code and the Card shall be provided in separate and sealed envelopes. In this case, the Cardholder activates the Card after receiving the Card and the PIN-code.

19. The Cardholder may change the PIN-code at his/her discretion through an ATM with the appropriate function on the territory of the Republic of Armenia or the NKR. The Cardholder changes the PIN-code by entering the existing and the new PIN-code.

20. In case of forgetting the PIN-code, the Cardholder may submit a request for re-issuance of the Card using the template approved by the Bank. The Card shall be re-issued in accordance with the Bank Tariffs.

21. *All provisions of these Rules, regardless of using the "Virtual Card" term simultaneously with the "Card" term, also regulate the transactions with Virtual Cards unless specifically stated otherwise.*

22. The Cardholder's request on issuance of the Card cannot be processed by the Bank if the Cardholder fails to provide an email address to the Bank.

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CHAPTER 4. PROVISION AND ACTIVATION OF THE CARD

23. The Cardholder receives the Card that he/she applied for at the Bank's branch or online service in a sealed envelope on the Bank's premises or with a delivery to the address specified by the Cardholder, if such service is provided for in the Bank's internal regulations for this Card type.
24. The Card is issued and delivered to the Cardholder within the period set by the Information Bulletin of the Card. The Virtual Card will be displayed in the Idram&IDBank application and IDBanking online system within 2 working days after submitting the application. For Cards ordered online, internal regulations and/or information bulletins of the Bank may establish other provisions that apply alongside these Rules and contain provisions and/or limitations different from those specified herein.
25. Once the Cardholder receives the Card, it should be checked if the envelope has not been tampered with or compromised, if the Card is inside the envelope and matched the application and if the indicated data (name, last name) are correct. In case of Virtual Cards, the Cardholder should check if the name, last name and currency displayed in the Idram&IDBank Bank application and the IDBanking online system are correct. If any discrepancy is detected, the Cardholder should contact the Bank without delay.
26. If the Cardholder fails to receive the Card within 30 (thirty) days following Card application, the Bank shall have the right to close the Card and the Card Account and destroy it, while the Agreement concluded between the Cardholder and the Bank shall be deemed terminated.
27. To proceed with the Virtual Card activation it is necessary to press "ACTIVATE CARD" button in the Idram&IDBank application and the IDBanking online system.
28. If the Card is ordered online (online/mobile banking, etc.), which enables the Cardholder to activate it through this system, the Card activation is carried out exclusively by the Cardholder through the specified systems.
29. The Linked Card is provided on the following terms:
 - 1) The Cardholder (Primary Cardholder) can request the Bank to issue Linked Card(s) connected to the Primary Card in the name of the Cardholder or another person.
 - 2) The type of the Linked Card may differ from that of the Primary Card, but it should be classified as the same or lower than the Primary Card.
 - 3) All transactions with the Linked Card shall be processed to and displayed on the Primary Card Account.



- 4) The Cardholder may submit a written application to the Bank to set maximum cash withdrawal limit and maximum number of card transactions and number of cash-withdrawal transactions per day for the Linked Card.
- 5) All liabilities arising from the use of the Primary Card and Linked Cards shall be deemed the Primary Cardholder's liability to the Bank.
- 6) The Bank may proceed with the re-issuance of the Linked Card before its expiry date with the consent from both the Primary Cardholder and the Linked Cardholder.

Linked Cardholder shall notify the Bank about decease, incapacity, insolvency or bankruptcy of the Primary Cardholder and not use the Linked Card if such circumstances have become known to him/her.


CHAPTER 5. TYPES OF CARD TRANSACTIONS

30. The Cardholder may withdraw and/or deposit the cash into the Card, execute non-cash payments (including Card-to-card transfers) via cash-dispensing ATMs or POS-terminals, etc., at the Bank's premises, unless there are restrictions on the card transactions determined by any Card-specific terms and conditions, rates and fees and/or agreements of the Bank. Non-cash payments can also be made via distant banking systems and ArCA online payment system or its mobile application to purchase goods or services from various merchants (including online stores). ATMs also enable the Cardholders to change their PIN-codes, view statements from retirement accounts, etc.
31. The amount deposited into the Card through the Bank teller, or by a transfer from a Bank account, as well as card-to-card transfers via ATMs or ArCA online payment system become available on the Card balance within 5 (five) minutes, provided there are no technical or software issues.
32. The amounts debited or credited to the Card are activated on the card immediately, but normally are processed to the Card Account on the next business day if the transaction is performed via ArCa system. If the transaction is not performed via ArCa system, the amounts are processed to the Card Account within 3 (three) business days, provided there are no technical or software problems at ArCa Processing Centre and/or Visa and MasterCard payment systems.
33. For the purposes of clause 31 of these Rules, card-to-card transfers (both when debiting and crediting funds) shall also be deemed as Card transactions. The amounts of Card transactions performed for loan repayment purposes must be

- transferred on the business day preceding the date of the loan repayment. Otherwise, the loan shall be considered overdue.
34. The Bank shall not be liable for any losses and damages incurred by the Cardholder if the amount is made available on the Card with interruption or delay. Specifically, as a result of technical issues or failures, as well as in case of the transactions made on the first business day of each month, as the amounts of such transactions may become available on the Card Account with delay.
35. Maximum cash withdrawal limit and maximum number of card transactions per day are defined in the Bank tariffs. If the Cardholder wants to withdraw an amount beyond the set cash withdrawal limit, the Cardholder should submit a relevant application to the Bank (if this option is provided for in the Information Bulletin of the specified card type). For security reasons, the Bank shall have the right to set limits on other types of cash transactions, as well as to define the limit of the maximum amount and number of transactions by publishing the relevant information on the Bank's website.
36. Daily amount withdrawn from the ATMs of Armenia-based banks shall not exceed AMD 500,000 (five hundred thousand).
37. The Bank may suspend, at its sole discretion, Card transactions (block the Card) if the Bank has reasonable ground to believe or suspect that the Card transactions involve card fraud, and/or if the Cardholder has outstanding liabilities to the Bank.
38. If the Card is blocked, the Cardholder may contact the Bank and request to unblock it. The Bank shall unblock the blocked Card on the same business day of receiving the Cardholder's request. If the Card had been blocked on the initiative of the Bank, the Bank shall lift the block from the Card on the same day when the reasons for blocking are discharged.
39. During the block period, accrual and charging of Card service fees continue.
40. Any transaction performed by the Cardholder with the use of the Card shall be deemed the Cardholder's liability.

CHAPTER 6. CONTACTLESS TRANSACTIONS


41. The Bank also issues contactless-enabled payment cards.
42. When making contactless payments, there is no need to provide the Card to the teller. Instead, the Cardholder simply taps the contactless payment Card over the POS-terminal.
43. When making payments in the amount not exceeding AMD 20,000 or its equivalent in foreign currency, entering a PIN-code may not be required.

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CHAPTER 7. CARD LOSS, THEFT OR FRAUDULENT USE

44. If the Card has been lost, stolen or used without authorization (or in case of such suspicion), the Cardholder shall notify the Bank or ArCa Processing Centre without delay by contacting the Bank via its 24/7 support line (+374 10) 593333, or ArCa Processing Centre via its 24/7 support line (+374 10) 592222, or by visiting any branch of the Bank during its working hours.
45. The Bank shall block the Card following a notification from the Cardholder in the cases specified in clause 44 of these Rules.
46. After the Card is blocked by the Bank, the Cardholder shall confirm the card loss, theft or fraudulent use in writing within reasonable time frames (including by sending an e-mail from the address registered with the Bank to card@idbank.am). The Bank is considered duly notified upon receipt of the written notice and submission of the relevant application. The application may be submitted via Idram&IDBank application and IDBanking online system, if such option is provided by the application or the online system.
47. The Cardholder shall be liable for all Card transactions performed before reporting the loss, theft or fraudulent use of the Card to the Bank.
48. The Cardholder shall also be liable for Card transactions performed after reporting the loss, theft or fraudulent use of the Card to the Bank if such transactions don't require authorization (including online payments). To enable disputing of transactions not requiring authorization, the Bank shall place the Card in the Stop-List (an international list of bank cards which, as per terms of payment systems, require authorization for transactions) upon the Cardholder's request and in accordance with the rules defined by the respective payment system. The service fee is defined in the Bank tariffs.
49. The Cardholder shall compensate the losses and damages the Bank may suffer due to the Cardholder's failure to notify the Bank about the loss, theft or fraudulent use of the Card, as well as due to unauthorized use of the Card by third parties before notifying the Bank.
50. The Bank recommends replacing the Card in case of its loss, theft or fraudulent use (or such suspicion). If the Cardholder still wishes to continue using the Card, he/she may request the Bank to unblock it. In this case, the damages and losses incurred by the Cardholder due to use of the Card shall be solely his/her liability.



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51. If the Cardholder has not performed contactless transactions and payments that do not exceed AMD 20,000 and do not require entering a PIN-code, such transactions shall not be subject to dispute (for instance, in case of the Card loss or theft).

CHAPTER 8. FEES AND CHARGES

52. The Cardholder shall pay Card service fees defined in the Bank tariffs. The fees set by the Bank are published in the relevant information bulletins available on the Bank's website

53. The Card service fees shall be charged in advance as prescribed under the Bank tariffs, unless otherwise provided for by the internal regulations of the Bank.

54. If Card transactions go beyond the available balance on the Card Account, the Card Account will be overdrawn and receivables shall be subject to immediate repayment. In this case, the Bank shall have the right to charge a penalty fee from the Cardholder, if such is provided for by the tariffs for this card type, these Rules or the Agreement.


55. The Bank shall charge all Card service and other related payments (including service fees, receivables and all other amounts payable) through direct debiting without acceptance or additional payment instruction from the Cardholder. The amount will be first charged to the Card Account, and if there are no funds on it – to the Cardholder's other accounts with the Bank. The Cardholder should ensure that there are sufficient funds on his/her bank accounts with the Bank at all times to make the payments. The Bank shall have the right to charge to the Cardholder's Card Account other amounts payable to the Bank without acceptance.

56. Amounts of cancelled transactions refunded to the Cardholder by the merchant shall be charged back to the Cardholder's Card Account after deduction of chargeback fees (if any). Regardless of the circumstances and terms of refund of the amount of cancelled transaction to the account, the Cardholder shall fully repay his/her liability to the Bank arising out of such transaction.

57. The Bank shall not be held liable for any fees for services/goods provided by the merchant or fees of another bank charged to the Card Account of the Cardholder for cash withdrawal transactions at cash dispensing office of another bank.

58. Terms and procedures for repayment of a loan and/or credit line provided to the Cardholder, the calculation of annual nominal and effective interest rates, the accrual of interest, as well as terms and procedures for repayment of the liabilities of the Cardholder as a borrower are defined by tariffs, as well as terms and



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conditions approved by the Bank for the specified loan, as well as the concluded loan agreement.

CHAPTER 9. CARD TRANSACTIONS AND SECURITY RULES

59. The Cardholder may not make the Card, its PIN-code and password available to third parties. The Cardholder should take all precautions to ensure that the Card, its PIN-code, password and the information printed on the Card are not visible or otherwise accessible to third parties. The Cardholder shall solely bear all the risks of using the specified data of the Card.
60. The Cardholder should sign in the designated field on the back of the Card upon receiving it. Absence of signature or its mismatch shall be a basis for rejection of Card transaction or confiscation of the Card. The provisions of this clause do not apply to Virtual Cards.
61. The PIN-code record and the Card should never be kept together. For Virtual Cards, never write and keep the card number and the CVV-code together.
62. The Cardholder is not required to provide (enter) the PIN-code while paying via Internet (online stores). If, however, the PIN-code was disclosed in an online store, the Cardholder should immediately terminate the transaction and contact the Bank to block the Card.
63. In case of unauthorized use of the Card or such threat (or such suspicion), the Cardholder shall notify the Bank immediately and request to block the Card.
64. When entering the PIN-code, the Cardholder should make sure it is not visible to other persons and video recording devices. The provisions of this clause do not apply to Virtual Cards.
65. The Cardholder should take extra precautions during transactions made at leisure and entertainment facilities. It is recommended that the Cardholder does not entrust the Card to other persons and does not allow the Card to be used out of his/her sight.
66. It is necessary to ensure that the Card is not read by any device other than devices intended for the transaction. The provisions of this clause do not apply to Virtual Cards.
67. It is not recommended to use ATMs, cashing devices, POS-terminals or merchants the Cardholder finds suspicious or not reliable, as well as devices the card readers, keyboard, or cash slots of which are connected to additional devices, conductors, adhesive tapes or other suspicious objects.



68. When making online payments, preference should be given to secure payment websites.
69. After three consecutive incorrect entries of the PIN-code, the Card will be blocked and/or stuck at the ATM. The Card may also be stuck at the ATM if it is not taken within 20 (twenty) seconds after it pops out, as well as if there are technical problems with the ATM or if the Card is damaged. The provisions of this clause do not apply to Virtual Cards.
70. If the Card is not returned by the ATM after completing the transaction, and the ATM screen and the receipt do not display the card confiscation notice, the Cardholder should immediately contact the Bank and ensure that the Card has been blocked. If the Card has not been blocked, the Cardholder should block it without delay. The provisions of this clause do not apply to Virtual Cards.
71. To obtain the Card retained by the ATM, the Cardholder should contact the Bank. The retained Card shall be returned to the Cardholder within 3 (three) business days if the ATM is located in Yerevan or any city or place where the Bank has a branch, or if the Cardholder wishes to receive back the Card in the same city where the Card was retained by the ATM; within 5 (five) business days if the ATM is located in any city or place where the Bank has a branch, but the Cardholder wishes to receive the Card at one of the Yerevan-based branches; 10 (ten) business days if the ATM is located in any other city or place in RA or NKR where the Bank doesn't have a branch; If the Card was retained by the ATM of another bank, the Bank will return it to the Cardholder on the same day of receiving the Card from the respective bank or on any other business day following the receipt of the Card. The provisions of this clause do not apply to Virtual Cards.
72. The Bank shall not be held liable for any direct or indirect losses that the Cardholder may incur as a result of failure or malfunctioning of ATMs, rejection of Card transactions at cash withdrawal centers or merchants, except where otherwise provided by law and where the Bank is at fault, and the Cardholder visited any branch of the Bank to withdraw cash available (or the required amount) on the Card but was refused the service.
73. The Cardholder may request the Bank to send SMS-notifications or use other options of notification offered by the Bank to notify the Cardholder about Card transactions. The service is subject to the Bank tariffs.
74. To use the SMS-notification service, the Cardholder is required to fill in an application form at the Bank. The Cardholder shall inform the Bank without delay about any change in his/her mobile phone number registered at the Bank for providing the SMS-notification service. If the Cardholder's information becomes

- available to third parties as a result of failure to inform the Bank about changes in the Cardholder's phone number, such action shall not be deemed as disclosure of bank secrecy.
75. When receiving an SMS-notification, the Cardholder should check the transaction amount and status (executed, rejected, etc.). If the Cardholder has any objections concerning the transaction, the Cardholder should contact the Bank to block the Card, if necessary.
76. For security reasons, when making online payments, preference should be given to websites displaying logos verified by payment systems ("Verified by Visa" - for Visa payment system, "MasterCard Secure Code" – for MasterCard, "ArCa SecurePay" – for ArCa). When performing transactions on websites displaying the specified logos, the Cardholder will be required to enter a one-time password that he/she will receive during every such transaction either as SMS sent to the Cardholder's mobile number registered at the Bank, or an email sent to the Cardholder's email address. The Bank shall not be held liable if the Cardholder does not receive the password via SMS or email due to any technical or other issues not related to the Bank's operations, which may cause failure of any transactions.
77. When entering the received one-time password, close attention should be paid to the address of the input page. The Cardholder should not enter the specified one-time password on a page with a different address.
78. To ensure the security of the Card data, when making purchases in online stores, it is recommended to make payments only on a personal computer or by phone.
79. When making payments at online stores, it is recommended to use only those websites that start with "https" protocol instead of "http".
80. The Cardholder should make sure that the website he/she has accessed has the correct address, since fake websites with similar addresses may be created. In case of using an unfamiliar website, the Cardholder should do research and read online reviews about the website, as well as make sure that terms and conditions for the provision of goods/services, delivery, return, and contact information for feedback are available on the website.
81. It is recommended to use a separate Card intended for making payments at online stores.
82. For security reasons, the Bank shall have the right to unilaterally change the card transaction and/or authorization procedure by requiring identification codes (one-time passwords, etc.) which will be sent to the Cardholder either via SMS to the mobile number registered at the Bank, or via email or through other means of communication.

83. For security reasons, the Bank shall have the right to ban or restrict Card transactions in countries identified as high-risk by the Bank or reject any transaction with the Card if the Bank considers such transactions as high-risk. In such cases, the Cardholder contacts the Bank and requests an authorization to perform high-risk transactions by submitting a written application or sending an email from the address registered with the Bank. Once the Bank gives authorization to carry out such transactions, the Cardholder shall be solely responsible for all subsequent similar transactions performed with the Card.
84. The Bank shall have the right to suspend service of the Card if there is a good reason to suspect that the transactions with the Card are unauthorized. The Bank will lift such suspension after receiving enough evidence or sufficient clarifications regarding the authenticity of the transaction(s).
85. In case of closure of Card (cancellation or expiry of validity term) the Cardholder shall return the Card to the Bank. If the Card was closed via phone call, or online-application/message, or by any other possible means specified in these Rules and for any reason the Cardholder is unable to return the Card but still has it, the Cardholder should destroy it by cutting through the magnetic stripe and the chip. The Bank shall not be held liable for any transactions made with the Card as a result of the Cardholder's failure to return the Card to the Bank.
86. The Cardholder shall not disclose Card identification data (full Card number, expiration date, CVV code, security code specified in clause 77 of these Rules, as well as PIN-code) to third parties, including Bank employees, by phone, via email or through messages received on social media. In case of leakage of such information, the Cardholder shall be liable for transactions made with the use of the Card.
87. To avoid any financial losses, when receiving funds via card-to-card transfers, the Cardholder should not provide other data (including CVV-code, validity term, 3D Secure code etc.) than the Card number.
88. When performing transactions through an ATM or at merchants, the Cardholder should make sure that the PIN-code is not visible to other persons or installed devices. It is recommended to cover the ATM keypad with a free hand when entering the PIN-code.
89. No physical force should be used to insert the card into the ATM. In case of such a problem, it is necessary to notify the bank servicing the ATM and, if possible, use another ATM.

CHAPTER 10. RIGHTS AND OBLIGATIONS OF THE PARTIES

90. The Cardholder shall be entitled to:

- 1) Make cash and non-cash transactions with the Card within the payment limit of the Card;
- 2) Request the Bank to change the payment limits of the Card, reissue the Card, dispute the Card transactions, replace the Card type, close it, as well as to change the Card data and unlock the Card;
- 3) Receive Card account statements within the time frames established by the legislation of the Republic of Armenia,
- 4) Request the Bank to send SMS-notifications about transactions with the Card,
- 5) Submit claims arising from the agreement on Card issuance and service to the Financial System Mediator, which settles the disputes between the Parties in accordance with the procedure established by the RA law "On Financial System Mediator". Moreover, the decisions of the Financial System Mediator cannot be challenged by the Bank unless the property claim exceeds AMD 250,000 or equivalent amount in a foreign currency. The provisions of this clause apply only to individuals (including individual entrepreneurs) and legal entities that are subject of micro-entrepreneurship as provided under the legislation of the Republic of Armenia.

91. The Cardholder undertakes to:

- 1) In case of loss, theft of the Card or disclosure of its data to third parties, immediately inform the Bank by the means indicated in these Rules;
- 2) Pay Card and Card Account service fees defined by the Bank's tariffs for the specific Card type;
- 3) Not to use Visa/MasterCard/ArCa card logos for other purposes;
- 4) Notify the Bank in case of change of employment (dismissal, transfer to another job) as a result of which the Cardholder no longer receives his/her salary through the Bank, if the Card was provided as part of a Salary Project;
- 5) Unconditionally comply with the security rules of Card transactions defined by these Rules.

92. The Bank shall be entitled to:

- 1) Terminate the Card transactions if the required amount (including fees payable) exceeds the payment limit of the Card;
- 2) Reject any application on Card issuance and/or reissuance without assigning any reason therefore;

- 3) Close the Cards received by the Cardholder and not activated within 60 (sixty) and more days,
- 4) Unilaterally change the tariffs for Card issuance and service, these Rules, as well as other Card service fees. The tariffs, as well as other fees and charges set forth in this clause are defined in the Information Bulletins on the tariffs for issuance and service of Cards 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 and in these Rules shall take effect 15 days after publishing them on the official website of the Bank and notifying the Cardholder in a manner indicated by him/her – in the event of a change in the annual percentage yield, and in all other cases –7 days after publishing them on the official website of the Bank and notifying the Cardholder in a manner indicated by him/her (in case of individuals and individual entrepreneurs) and in case of legal entities - from the date of their entry into force;
- 5) Terminate the agreement in cases defined by law, or in case of violation of these Rules and/or the provisions of the agreement by the Cardholder. The Bank shall explicitly notify the Cardholder 10 days before the termination of the agreement;
- 6) Charge from the Cardholder's accounts with the Bank the amounts incorrectly credited to the Cardholder's account, amounts payable under the agreements, fines and penalties, as well as amounts subject to recovery based on decisions of competent state authorities.
- 7) Track transactions and their progress on the Cardholder's Card and, in case of cancelation of salary transfers, reconsider the tariffs if the Card was provided as part of a Salary Project.
- 8) With the consent of the Cardholder, reissue or replace the Card issued under the Agreement with a Card of another type.
- 9) If the agreement on the issuance and service of the Card was concluded within the framework of the packages offered by the Bank and the Cardholder refuses to use the specified service package, or any of the services provided within the specified package, the Bank may unilaterally change the terms and conditions of the card by setting then-current terms and conditions available on the official website of the Bank and notifying the Cardholder.
- 10) Reject Card transactions in the following cases:
 - a. The information about the Cardholder registered with the Bank is contradictory,
 - b. The relevant documents are drawn up in violation of the established requirements,
 - c. The transaction processed on the account is illegal under the RA laws in effect,
 - d. There are no sufficient funds on the account,


- e. The Cardholder has not appropriately disclosed and/or, at the request of the Bank, has not provided information required under the RA legislation in force about the source of funds used in suspicious transactions, or the lawfulness of the source of funds has not been properly substantiated;
- f. The Bank has trouble verifying the Cardholder's identity or has reasonable grounds to suspect that the transaction with the Card is unauthorized;
- g. Restrictions are imposed on the bank account of the Cardholder under the legislation of the Republic of Armenia. In other cases, provided for by these Rules, the agreement or other documents.

93. The Bank undertakes to:

- 1) Ensure proper provision of Card services, in accordance with the rules and agreements envisaged under local and international payment systems;
- 2) Provide account statements to the Cardholder through a preferred means of communication of the Cardholder as defined in Clause 103 of these Rules;
- 3) Charge interest on the credit balance on the Card Account of the Cardholder in accordance with the tariffs in force in the Bank;
- 4) Suspend Card transactions upon receipt of a notification from the Cardholder and/or payment systems about the loss, theft, fraudulent use of the Card.

94. By concluding the Agreement, the Cardholder:


1. Hereby confirms that he/she is familiarized with the requirements of articles 190 "Legalization of Proceeds of Crime (Money Laundering)" and 217¹ "Terrorism Financing" of the RA Criminal Code, and all funds that will be transferred to the account(s) opened under the Agreement will be received legally and will have nothing to do with money laundering or terrorism financing. If necessary, the Cardholder is ready to provide the Bank with information (supporting documents) about any and all transactions.
2. Acknowledges and accepts that in case of failure to submit within two weeks the documents/information provided for by the Law of the Republic of Armenia "On Combating Money Laundering and Financing of Terrorism", internal regulations of the Bank or other legal acts concerning the amount credited to his/her account by a transfer of non-cash funds, the Bank shall have the right to transfer the specified amount back to the sender without additional instruction from the Cardholder (without acceptance).
3. The Client acknowledges having read the Anti-Money Laundering and Anti-Terrorism Financing Policy of ID Bank (<https://idbank.am/information/consumer-rights/contentfooter/AML-CTF-control/>), as well as accepts and undertakes to abide by it throughout the business relationship with the Bank.

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CHAPTER 11. LIABILITY

95. The Bank shall be responsible for maintaining the confidentiality of all information concerning the Cardholder, the Card and transactions involving its use in accordance with the provisions of the legislation of the Republic of Armenia and the Agreement.
96. The Bank shall not be liable for disputable situations arising beyond its control and related to the malfunctioning of equipment belonging to the Bank or other banks, or rejection of the Card transactions by service outlets.
97. The Cardholder bears full responsibility for non-fulfillment and/or improper fulfillment of his/her obligations under the agreement.
98. If the Cardholder has duly notified the Bank of the loss/theft of the Card, from that moment the Bank shall be liable for any damages and losses caused to the Cardholder as a result of online transactions authorized through the fraudulent use of the Card, except for transactions that do not require authorization (off-line transactions).
99. Upon receipt of an SMS-notification of a Card transaction, the Cardholder should immediately contact the Bank to verify the authenticity of the transaction and, if necessary, replace the Card. In case of failure to perform the specified actions, the Cardholder shall be liable for the risk of fraudulent/unauthorized use of the Card and the resulting financial implications.
100. If the Cardholder has activated the SMS notification service, but has not received notifications of transactions made with the Card, the Bank shall be held liable for the risk of transaction fraud, except in cases when the transaction is authorized by the Cardholder or the disputing of the transaction by the latter is subject to rejection in accordance with these Rules and/or terms and conditions of local and international payment systems. In this case the Cardholder shall be solely liable for the financial implications of the performed transactions.
101. The provisions of clauses 99 and 100 of these Rules do not apply if the SMS-notification of the transaction was not sent in a timely manner or was not sent to the Cardholder at all due to a communication failure or technical or other issues encountered by the communications provider.
102. The Cardholder shall be liable for any and all Card transactions performed before having reported the loss, theft or fraudulent use of the Card (such suspicion) to the Bank, except in cases stipulated by clause 100 of these Rules.



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CHAPTER 12. CARD TRANSACTIONS AND CURRENCY EXCHANGE

103. If a transaction with the Card is performed in a currency other than that of the Card Account, it will be converted into the Card Account currency for processing purposes.
104. The currency conversion includes two different stages:
105. In case of transactions performed via ArCa Processing Centre, the transaction currency is converted into the Card Account currency at the average CBA market rate of the card currency exchange rate effective at that time. The transaction is processed by reducing or increasing the interest of the exchange rate established by the decision of the management board of the Bank's processing centre.
106. In case of transactions performed without the use of ArCa Processing Centre, the transaction currency is converted into USD by payment systems at their respective exchange rates. The amount in USD is subsequently converted into the Card currency at the exchange rate set in clause 105 of these Rules.
107. At the second stage, the currency of transactions performed via ArCa payment system, as well as the currency of transactions performed via VISA and MasterCard payment systems in USD are converted into the currency of the Card Account at the exchange rate set by the Bank for the transaction processing date.
108. The currency of transactions performed via VISA or MasterCard is converted into USD by VISA or MasterCard at their exchange rates set for the banking day preceding transaction processing date (in case of VISA cards, conversion from another currency into USD is performed at the VISA exchange rate +2%). The transaction amount in USD is subsequently converted into the Card currency at the exchange rate set by the Bank for the banking day preceding the transaction processing date.
109. An exception to clauses 106 and 108 of these Rules is when the transaction currency is the same as the Card Account currency. In this case, no conversion is performed, and the transaction amount is the same as the amount processed to the Card Account.
110. The Bank shall not be held liable for any losses that the Cardholder may suffer as a result of difference caused by exchange rates used during currency conversion for the transaction processing.

CHAPTER 13. CARD STATEMENTS



111. The Bank, within a minimum period of 30 days, shall provide the Cardholder with Card Account statements which show transactions performed with all the Cards linked to the Card Account within the time frames and in the manner defined under the laws of the Republic of Armenia and/or determined between the Cardholder and the Bank, unless provided otherwise.
112. The Card Account Statement does not include authorized or unauthorized transactions that have not yet been processed by the Bank.
113. The Cardholder's objections regarding the statement are considered in accordance with the procedure provided for by the legislation of the Republic of Armenia, as well as the rules established by ArCa, VISA and MasterCard payment systems and/or internal regulations of the Bank.
114. The Bank and the Cardholder acknowledge that notifications sent to the Cardholder at the registration/residence addresses, or via e-mail or telephone number indicated in the Agreement, are considered to have been duly sent regardless of whether they were received or not.
115. If the Cardholder does not dispute in writing the transactions shown in the Statement within fifteen (15) calendar days after its date, the statement shall be deemed accepted by the Cardholder.


CHAPTER 14. CARD TRANSACTIONS AND THEIR DISPUTING

116. If the Cardholder has any objections or disagreement concerning the transactions performed directly with the Card or with the use of the Card data, the Cardholder shall file a transaction dispute application at the Bank in accordance with the established procedure, if all possible ways of resolving the issue directly with the merchant have been exhausted.
117. The transaction dispute application shall be submitted no later than within 15 (fifteen) calendar days following the receipt of the Statement. The application should be submitted together with supporting documentation about the transaction and any other information or documents, if necessary.
118. Disputing of transactions performed at merchants shall not be considered a complaint or claim against the Bank and the Bank's role shall be limited to mediation and facilitation only.
119. If the investigation of the disputed transaction shows that it was performed by the Cardholder or if the transaction was performed with a breach of Card rules by the Cardholder, the Bank shall charge a fee (if any) pursuant to the Bank tariffs

120. Final data on the transaction dispute application under consideration shall be provided within the time frames established by ArCa, Visa, MasterCard payment systems for the consideration of transaction dispute applications. In case of performing the transaction through a Bank ATM or at merchants - within 10 (ten) business days from the date of receipt of the transaction dispute application.
121. The Bank shall not be held liable for the Card transactions, but it will use its best efforts to assist the Cardholder in resolving the issue. The failure to resolve the issue shall not release the Cardholder from his/her liabilities to the Bank.
122. The transaction dispute application may not be admitted or may be rejected by the Bank if it is impossible to dispute the specified transaction by operation of law or restrictions imposed by payment systems (for example, international sanctions, restrictions, etc.).

CHAPTER 15. CARD CLOSURE

123. The Bank shall have the right to unilaterally close the Card and the Card Account under the procedure defined by these Rules and approved by internal regulations of the Bank, including the procedure for setting the criteria on recognizing the client as "undesirable" and regulating the relations with him/her if the Cardholder has Card-related liabilities and/or other outstanding liabilities to the Bank, as well as in case of death or bankruptcy of the Cardholder, based proper/reasonable notification.
124. When the Card is closed, all the Linked Cards shall be closed as well and should be returned to the Bank.
125. If the Card is closed at the Bank's initiative, the Bank may request the Cardholder to pay all outstanding liabilities of the Cardholder to the Bank.
126. The Cardholder can cancel the Card and close the Card Account at his/her discretion, submitting a respective application and paying all Card-related liabilities to the Bank. The notification on the Card closure can be received over the phone or by other means of communication accepted by the Bank.
127. In case of termination of the Card before the expiry date the charged service fees shall not be refundable.
128. The Card closure shall not release the Cardholder from his/her outstanding Card-related liabilities to the Bank, including interest and penalties accrued before the Card closure. In case of Card closure, the Cardholder will also be required to pay all dues under the transactions made before the closure date but reported to the Bank after the closure of the Card. Furthermore, the Cardholder acknowledges that he/she bears the entire risk of not receiving notifications sent by the Bank, and

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undertakes to take measures to properly receive notifications sent through the communication means registered with the Bank.

