




PUBLIC

Approved

By resolution No 226-L of the Management Board
of "IDBank" CJSC dated May 27, 2021

PROCEDURE
ON DEFINING THE CRITERIA OF CLASSIFICATION OF A CLINET AS UNWANTED AND
MANAGEMENT OF RELATIONS WITH THEM


Responsible subdivision	Quality assurance unit
Prepared by	Legal division
Effective date	03/06/2021
Spread	All subdivisions of the Bank
Other provisions	
Related documents	RA Civil Code

 IDBank	PR-0323-0003-01			PUBLIC
PROCEDURE ON DEFINING THE CRITERIA OF CLASSIFICATION OF A CLIENT AS UNWANTED AND MANAGEMENT OF RELATIONS WITH THEM	Effective date 03/06/2021	Edition 1	pg 2 / 5	

CONTENT

CHAPTER 1. PURPOSE.....	3
CHAPTER 2. DEFINITIONS AND ABBREVIATIONS.....	3
CHAPTER 3. CRITERIA AND PROCESS OF CLASSIFICATION	3
CHAPTER 4. RELATIONS WITH THE UNWANTED CLIENT.....	4
CHAPTER 5. OTHER PROVISIONS	5



 IDBank	PR-0323-0003-01			PUBLIC
PROCEDURE ON DEFINING THE CRITERIA OF CLASSIFICATION OF A CLINET AS UNWANTED AND MANAGEMENT OF RELATIONS WITH THEM	Effective date 03/06/2021	Edition 1	pg 3 / 5	

CHAPTER 1. PURPOSE

1. The purpose of this Procedure is to define the criteria and the process of classification of entities who have performed illegal, non-ethical or other actions otherwise unacceptable for the Bank as clients unwanted for the Bank, as well as the management of operational relations with the latter.


CHAPTER 2. DEFINITIONS AND ABBREVIATIONS

2. The definitions and abbreviations used in this Procedure shall have the following meaning:
 - 1) **Bank** – “ID Bank” CJSC,
 - 2) **Client** – RA resident or non-resident physical entity who uses or has used the services rendered by the Bank, applies or may apply to use those services.
 - 3) **Unwanted client** – client of the Bank who is classified as an unwanted client in the order and cases provided by this Procedure,
 - 4) **Responsible subdivision** – Quality Assurance unit of the Bank.

CHAPTER 3. CRITERIA AND PROCESS OF CLASSIFICATION

3. The Bank may classify the client as an unwanted client in the following cases:
 - 1) The client has expressed himself/herself in an offensive or disrespectful manner about the brand of the Bank, services rendered by the Bank, employees, work style of the Bank or other topics related to the reputation of the Bank by using inappropriate words, insults. Moreover, this criterion can never and in no circumstance apply to cases when the client soundly criticizes the Bank and/or the activity of the Bank without any offensive and defamatory remarks,
 - 2) The client offends or shows unethical attitude towards the Bank's employees or the Bank. Moreover, this criterion applies to cases registered both at the premises of the Bank and outside the premises of the Bank, e.g. during a phone conversation etc.,
 - 3) The Bank possesses reasonable suspicion that using the Bank's services is intended exclusively or mostly for the Client to spend/waste the Bank's resources (human, time, material), cause material damage to the Bank, obtain personal benefits not derived from the nature of other services rendered through abuse of rights,
 - 4) Forgery or attempted forgery was committed in RA commercial banks and/or other financial organizations with the participation of the Client.
4. The Client can be not classified as an unwanted client if the latter did not bypass universally accepted bounds of legality and ethics while expressing his/her complaint or performing actions.
5. The Client can also be not classified as an unwanted client or, if classified, the classification can be removed, if the latter has changed his/her attitude, accepted and corrected his/her



 IDBank	PR-0323-0003-01			PUBLIC
PROCEDURE ON DEFINING THE CRITERIA OF CLASSIFICATION OF A CLINET AS UNWANTED AND MANAGEMENT OF RELATIONS WITH THEM	Effective date 03/06/2021	Edition 1	pg 4 / 5	

mistake after corresponding clarification, for example, removed or changed his/her post and/or apologized for violating the norms of ethics.

6. A motive (signal) for classifying the clients as unwanted can be:
 - 1) Providing (written) information about the client by the Bank employee,
 - 2) Information appearing in the press, social networks and public platforms,
 - 3) Reliable information received from RA commercial banks and/or other financial organizations,
 - 4) Actions of the Client.
7. The process of classification of a Client as unwanted is coordinated by the Quality assurance unit.
8. Within 10 days after receiving the signals indicated in paragraph 6 of this Procedure the Responsible subdivision performs study and verification of the information received. The indicated actions include but are not limited to listening to recordings, watching video-recordings, talks with employees and/or client, checking the content of the posts made in the press and social networks.
9. In case if, as a result of the summarization of the process indicated in paragraph 8 of this Procedure the Head of the Responsible subdivision estimates that there are sufficient justifications for classification of the client as unwanted, the former prepares and submits to the Chairman of the Management Board the draft of the corresponding legal act and attached justifications with the consent of the Retail Business Director, the Head of Legal Division, the Head of Security Service and the Head of Communication.
10. The classification of the unwanted client can be approved and removed by the resolution of the Chairman of the Management Board.

CHAPTER 4. RELATIONS WITH THE UNWANTED CLIENT

11. From the moment of classification of an entity as an unwanted client the Bank is entitled to:
 - 1) Refuse to render services or establish/maintain business relations with the unwanted Client,
 - 2) Block the communication channels of the Unwanted client with the Bank (such as the opportunity to receive call from the phone number etc.),
 - 3) Prevent the Unwanted client from entering the premises of the Bank,
 - 4) Block the Unwanted client's access to the official channels of the Bank in the social networks,
 - 5) Unilaterally terminate already concluded contracts with the Unwanted client and terminate all types of business relationships,
 - 6) Take any other restrictive and/or preventive measures to manage the potential risks arising from the actions of an Unwanted client.



 IDBank	PR-0323-0003-01			PUBLIC
PROCEDURE ON DEFINING THE CRITERIA OF CLASSIFICATION OF A CLIENT AS UNWANTED AND MANAGEMENT OF RELATIONS WITH THEM	Effective date 03/06/2021	Edition 1	pg 5 / 5	

CHAPTER 5. OTHER PROVISIONS

12. This Procedure is a public document and is placed on the official website of the Bank at www.idbank.am.
13. This Procedure is a document containing public terms of rendering services by the Bank. Accordingly, by using any service of the Bank each client of the Bank thus agrees to these public terms.

