

Customer Grievance Procedure

2017.

1. General Provisions

1.1. Customer Grievance Procedure (hereinafter – the Procedure) at VTB Bank (Georgia) JSC (hereinafter – the Bank) is an internal regulatory document establishing procedure for reviewing, resolving and replying to Customer grievances.

1.2. Compliance with the Procedure is obligatory for all structural units and sales points of VTB Bank (Georgia) JSC.

1.3. Key objectives of the Procedure are as follows:

- Arrangement, response and reporting of grievances using channels defined herein;
- Classification of Customer grievances and regulation of the review procedure;
- Regulation of procedure for employee-customer relations during revision of grievances and establishing procedure for measures to-be taken for ensuring proper response;
- Regulation of procedure for internal coordination between structural units during Customer grievances receipt and processing;
- Establishing control mechanisms for procedures envisaged herein.

1.4. Structural units of the Bank, within their scope shall make all reasonable effort to shorten terms for Customer Grievance Review.

1.5. All and any Customer grievance documents shall be drawn up and archived in Bank archive in compliance with designated internal procedure.

1.6. Present Procedure is drawn up on the basis of Georgian legislation, including Order of President of National Bank of Georgia #151/04 of December 23, 2016 “On Procedures for Protecting Customer Rights by Financial Organizations During Rendering Services”, as well as internal regulatory documents of the Bank.

1.7. Response of VTB Bank (Georgia) JSC to those Customer statements/ claims/ appeals/ letters, regarding issues within the scope of present Procedure, that were submitted to National Bank of Georgia or VTB Bank (Georgia) JSC, or to those Customer statements/ claims/ appeals/ letters that are submitting via National Bank of Georgia, shall be coordinated with the Compliance Control Unit.

2. Terms and Definitions

Customer grievance submission channels	- All means for submitting Customer grievances, envisaged herein;
Customer	- A Natural or Legal person, as well organizational formation, that does not represent a Legal person, that addresses the Bank in compliance herewith.
Sales point	- Bank’s sales office (<i>branch, service center</i>)

Retail Business Development Department	-	Structural unit of the Bank authorized and responsible for implementing provisions hereof;
Call-center	-	Structural unit of the Bank servicing Customers via telephone communications;
Customer grievance	-	Customer notification in a form of claim, recommendation or gratitude letter;
Claim	-	Claim shall be defined as any Customer grievance (<i>oral or written</i>) that expresses discontent, non-agreement or represents a claim against the financial institution and/or any of its product.
Recommendation	-	Customer grievance designated to improve performance of the Bank.
Gratitude letter	-	Customer grievance designated to express gratitude towards specific employee of the Sales point or the Bank as a whole.

3. Customer Grievance Submission Channels

3.1. Customer grievances shall be submitted via following channels:

- Sales points
- Call-center
- Public e-mail address: info@vtb.ge
- Postal or courier service
- Bank web-site

4. Customer Grievance Submission

4.1. Customer Grievance

4.1.1. Customer Grievance shall be submitted to both Head Office and Sales point in person (through the representative), electronically or via e-mal.

4.1.2. Customer grievance shall be reviewed and replied only if it includes all details, necessary for Customer identification:

4.1.2.1. Legal persons – tradename, registration ID number, name and surname of the authorized representative, contact address and telephone number.

4.1.2.2. Natural persons – name and surname, personal ID number, contact address and telephone number.

4.1.2.3. Organizational formation, that does not represent a Legal person – tradename, registration ID number (if any), name and surname of the authorized representative, contact address and telephone number.

4.1.3. All Customer grievances submitted shall be replied, except for:

4.1.3.1. Anonymous grievance that makes identification of the Customer impossible. The present clause also covers grievances that fail to include necessary details described hereinabove.

4.1.3.2. Customer grievances with obscene and offensive content.

4.1.3.3. Customer grievances that refer to refusal of the financial institution to provide the product, unless the Bank is imposed an obligation to provide specified financial product.

4.1.3.4. Customer grievances that had already been reviewed and no additional significant facts or circumstances are presented in this regard.

4.1.3.5. Customer grievances that are caused by delays or refusal of service, conditioned by the legislative requirements, including Law of Georgia on „Facilitation of Prevention of Legalization of Illicit Income”.

4.2. Customer Grievance Submission at Bank’s Sales Points

4.2.1. When Customer orally addresses the employee at Bank’s Sales point, the latter shall propose the former to submit the grievance in writing, with indication of necessary details described hereinabove and offer to fill in corresponding form (see Annex #1).

4.2.2. Employee at the Sales point, who was approached by the Customer, shall make all reasonable effort to resolve issue raised by the Customer. If the employee fails to do so, he/she shall offer the customer to submit written or digital grievance.

4.2.3. As soon as Customer certifies filled in grievance form with a signature, employee of the Bank’s Sales point shall:

- Certify submission of the grievance by own signature;
- Provide the Customer with a copy of submitted grievance (signed by him/ her);
- Notify the Customer that grievance will be replied to within a 1 month term using the channel, selected by the Customer in advance (letter; telephone; e-mail).

4.2.4. If the Customer is unwilling to provide at least one of necessary details, the Employee shall notify him/her that submitted grievance will be taken into Bank’s account, however further measures in regard with it will be implemented at Bank’s discretion.

4.2.5. Customer written or oral grievance, that falls outside the scope and authority of the Sales point, shall be transferred to Retail Business Development Department, no later than the working day following submission.

4.2.6. Written Customer grievance form (original) shall be kept at the Sales point (in specially designated folder), and the scanned copy shall be transferred to Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department via e-mail (s.nikolaishvili@vtb.ge and e.kublashvili@vtb.ge), no later than the working day following submission.

4.3. Customer Grievance Submission via Call-center/Video Bank

4.3.1. If the Customer addresses Employee of Call-center/ Video Bank, the latter shall offer the former following alternatives:

- Fill in written Customer grievance form at any of Bank's Sales points;
- Fill in digital Customer grievance form on Bank's web-site.

4.3.2. If the Customer refuses to submit any of forms described in clause 4.3.1, Call-center/Video Bank operator shall clarify to him/her that orally submitted grievance will be taken into Bank's account, however further measures in regard with it will be implemented at Bank's discretion and that the Bank does not undertake to provide any kind of response, whatsoever.

4.3.3. During interaction with the Customer, Call-center/Video Bank operator shall ensure grievance to be as detailed as possible (sales point, where service was provided, name of the banking service or product, name and surname of serving employee, date service was rendered, estimated time service was rendered and so on) and Customer details to be indicated in due manner.

4.3.4. Call-center/ Video Bank operator who receives Customer grievance shall make all reasonable effort, within his/her scope of authority, to resolve outstanding issue.

4.3.5. Customer oral grievance, that falls outside the scope and authority of the Call-center/Video Bank operator, shall be transferred to Retail Business Development Department and Head of the Call-center.

4.4. Customer Grievance Submission via Postal/Courier Service Channels and Public E-mail Address of the Bank info@vtb.ge

4.4.1. Any grievance submitted via postal/courier service or public e-mail address of the Bank shall accumulate at the corresponding unit of Administrative-logistics Department (hereinafter – Chancellery)

4.4.2. Original of the Customer grievance submitted to the Chancellery shall be transferred to Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department, no later than the working day following submission.

4.4.3. Receipt of any grievance submitted via postal/courier service or public e-mail address of the Bank shall be certified by the corresponding Chancellery employee.

4.5. Customer Grievance Submission via Designated Application Form Available on the Bank Web-site

4.5.1. Form filled in by the Customer (Annex #1) shall be transferred to Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department.

4.5.2. As soon as Customer grievance is submitted, he/she shall receive confirmation and information regarding term of revision (one month).

5. Customer Grievance Registration

5.1. Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department shall start review of each submitted grievance no later than the working day following receipt (the first working day following holidays/weekends).

5.2. Customer grievance with all necessary details shall be subject to obligatory registration.

5.3. During Customer grievance registration, preliminary content analysis shall be carried out, on the basis of which each grievance shall be assigned to the respective category (claim, recommendation, gratitude letter).

5.4. Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department shall constantly have updated notes in regard with received grievances, except for orally submitted ones, which shall include following necessary data: identification data of submitting Customer, nature of grievance, content of the response provided by the financial institution, measures taken to resolve outstanding issue and the outcome. Aforementioned notes shall be provided to the National Bank of Georgia upon its receipt.

5.5. Employee of Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department shall register the Customer grievance submitted at the Sales point in compliance with respective format (Annex #2), which shall include following information: identification data of submitting Customer, nature of grievance, content of the response provided by the financial institution, measures taken to resolve outstanding issue and the outcome.

In compliance with Order of President of National Bank of Georgia #151/04 of December 23, 2016 “On Procedures for Protecting Customer Rights by Financial Organizations During Rendering Services”, Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department shall log and report (Annex #3) Customer grievances and respective reports shall be submitted to the National Bank of Georgia upon request.

6. Customer Grievance Review

6.1. Where and when necessary, Manager/Head of Operations Division of Sales point shall participate in review of submitted Customer grievances, within the scope and authority of the Sales point.

6.2. Customer grievances which cannot be reviewed or resolved within the scope and authority of the Sales point, shall be reviewed by the Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department along with authorized structural unit, no later than the working day following submission.

6.3. When and where necessary, Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department shall be joined in efforts of reviewing Customer grievance by the structural unit, functionally connected to the grievance.

7. Customer Grievance Response

7.1. Response to the Customer grievance shall be prepared by the employee of Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department, along with the respectively authorized structural unit(s) (responses shall be subject to obligatory vising from authorized entities of the structural unit), except the cases, when nature of the grievance does not require engagement of other structural units.

7.2. The response shall include justified information in regard with all outstanding issues presented by the Customer.

7.3. If facts presented in the Customer grievance are confirmed, response shall include information regarding measures taken.

7.3.1. Response quality criteria:

- The response shall be justified and shall clarify Bank's standpoint;
- The response shall serve the purpose of avoiding/settling conflict situation;
- The response shall include Bank's constructive proposal on resolving the matter;

7.4. The response to Customer grievance shall be delivered in writing or digitally (as coordinated with the Customer and/or identically to the form of submission). The response shall inform the Customer on outcomes of respective review, which may also include grievance settlement conditions.

8. Customer Grievance Review Term

8.1. Customer grievance review term countdown starts from the date the latter is submitted to the Sales point/ head office.

8.2. Term for elaborating Customer grievance response shall be one month from the moment the latter is duly submitted to the Bank.

8.3. Any information necessary for due response, shall be provided by any department, Sales point or other structural unit, no later than the working day following information request is submitted by the Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department.

8.4. If a department, Sales point or other structural unit requires more time than stipulated hereinabove, the head of respective department, Sales point or other structural unit shall notify Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department with indication of corresponding cause.

8.5. In separate cases, it is possible the Head of Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department to carry out accelerated review and immediately resolve the matter, considering the nature of grievance.

8.6. If preparation of the response requires time more than stipulated hereinabove, Head of Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department makes decision regarding change of response term, which shall by all means be notified to the submitting Customer.

9. Reimbursement Limits for Disputed Amounts

9.1. Monthly reimbursement limit for disputed under Customer grievances funds shall be 5000 GEL.

9.2. Annual reimbursement limit for disputed under Customer grievances funds shall be 50 000 GEL.

9.3. Decision regarding reimbursing/ forgiving disputed funds within 5000 GEL limit shall be made by the Chief Retail Business Office, as for the funds over 5000 GEL limit – by the Chief Executive Officer.

10. Responsibility Clause

10.1. Responsibility for receiving oral or written Customer grievances submitted to the Sales points, as well as for sending them via e-mail to the Manager/Head of Operational Division of Sales point and Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department shall rest with the employees of Sales points.

10.2. Responsibility for receiving oral Customer grievances submitted via telephone channel, as well as for sending them via e-mail to the Head of Call-center and Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department shall rest with the employees of Call-center.

10.4. Responsibility for receiving Customer grievances submitted via postal/ courier services and public e-mail address of the Bank info@vtb.ge, as well as for sending them via e-mail to the Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department shall rest with the employees of Chancellery.

10.5. Responsibility for receiving Customer grievances submitted via designated forms available on the Bank's web-site, as well as for reviewing them, implementing respective measures and providing due response to the Customer shall rest with the employees of Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department.

10.6. Responsibility for submitting all and any information necessary for Customer grievance review or response to the Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department shall rest with the Heads of respective departments, Sales points or other structural units.

10.7. Responsibility for making notes on submitted Customer grievances, as well as for reviewing them, implementing respective measures and providing due response to the Customer shall rest with the employees of Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department.

10.7. Responsibility for submitting information to the National Bank of Georgia, including pursuant to Order of President of National Bank of Georgia #151/04 of December 23, 2016 "On Procedures for Protecting Customer Rights by Financial Organizations During Rendering Services" (Annex #3) shall rest with the Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department.

11. Reporting

11.1 Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department shall provide information requested by the National Bank of Georgia, including information applied for via digital channels, no later than one week term after the request is submitted. Besides, if failure to provide information within stipulated hereinabove term is conditioned by the causes independent from the Bank, the latter shall notify National Bank of Georgia on cause of delay and estimated time from preparation of information.

11.2. Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department shall keep reports in regard with statistical data of Customer grievances submitted envisaged under Annex #3 hereto and shall submit aforementioned reports to the National Bank of Georgia on monthly basis, no later than 10th day of month. The latter shall include Customer grievances statistics as of the last day of past month.

11.3. On the basis of quarterly results, Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department shall draw up a report using data on Customer grievances received throughout the reporting period. The report shall be submitted to the interested structural unit, upon request.

1. Additional Provision

1.1. Besides the grievances described hereinabove, Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department shall also review Customer grievances addressed to members of Bank's Board of Directors,

submitted in writing, regarding Banking services (hereinafter – Letter), that members of Board of Directors assign to respective units for further response.

Response to such Letter shall be drawn up by the employee of Network Administration, Monitoring and Quality Control Unit of Retail Business Development Department along with the respectively authorized structural unit (responses shall be subject to obligatory vising from authorized entities of the structural unit). The response shall be certified by the Chief Officer supervising respective fields.