



## GENERAL TERMS AND CONDITIONS OF BULGARIAN AMERICAN CREDIT BANK AD for Provision of Payment Services and Related Payment Instruments

### SECTION I. SUBJECT MATTER AND GENERAL PROVISIONS

These General Terms and Conditions ("General Terms and Conditions"/ GTC) shall govern the procedure and the terms and conditions under which Bulgarian American Credit Bank AD ("the Bank"/ BACB) provides payment services and the payment instruments related to their use within the meaning of the Payment Services and Payment Systems Act (PSPSA), including the following: governing the relations between the Bank and any natural persons - users within the meaning of the PSPSA ("Customer-User" with the meaning of "User" within the meaning of the PSPSA and/or "Customer"); governing the relations between the Bank and legal entities and sole proprietors (hereinafter referred to as the „Customer“); governing the relations between the Bank and any third parties /other than the Customer/, duly authorized and/or empowered under the procedure laid down in these GTC.

1. The Bank shall provide the following payment services and payment instruments related to their use: 1/ opening, maintaining and closing of payment accounts, including payment accounts with basic features, transferring Customer-User's bank accounts within Bulgaria and facilitating the Customer-User in the cross-border opening of payment accounts within the European Union ("EU"), 2/ Depositing /withdrawal of cash to/from a payment account, as well as the operations, related to its servicing; 3/ payment transactions, incl. money transfers to Customer's payment account with the Bank or with another payment services provider, as well as individual or series of payment transactions: (a) execution of direct debit in BGN; (b) execution of credit transfers, incl. regular transfer orders; (c) execution of payment transactions through payment cards or other similar instruments, including remote banking applications; 4/ issuance of payment instruments and/or acceptance of payments with payment instruments, including issuance, use and maintenance of international debit cards; 5/ execution of cash transfers; 6/ other payment services and payment instruments, currently offered or introduced in the future by the Bank; 7/ execution of payment transactions performed by payment cards at the initiative of or through the consent of the beneficiary, where the Customer has given prior consent to the Bank for their execution in person or remotely.

2. Prior to opening an account and/or providing a payment service / payment instrument, the Bank shall provide to the Customer: these General Terms and Conditions (GTC), the Bank's Tariff of Fees and Commissions and Interest Bulletin, Glossary of Terms and Definitions, used in these GTC, Fee Information Document under Art. 103 PSPSA, Remote Banking Guidelines (User Manual for the use of the Virtual Bank, the Guidelines for using the remote banking applications BACB Online / BACB Mobile and Security Recommendations), BACB Terms of Use of the "Additional Authentication for Internet Payments" Service with a bank card, BACB General Terms and Conditions for text messaging services by mobile phone and e-mail, as these documents shall form an integral part of these GTC. The General Terms and Conditions and the other documents referred to above are available at any time in hard copy at the Bank's offices or on the Bank's website ([www.bacb.bg](http://www.bacb.bg)).

3 (1) The Bank and the Customer shall execute a Framework Agreement for Opening and Maintaining Bank Accounts and for the Provision of Payment Services and a Framework Agreement for Remote banking applications, respectively (hereinafter referred to jointly and individually as "Framework Agreement/s", "Agreement/ Agreements"), and Contract-Request for Debit Card Issuance, respectively, or other agreements for the services provided by the Bank. By signing the relevant agreement, the Customer accepts and agrees with these GTC. In the event that the respective agreement concluded between the Bank and the Customer contains terms other than those in these GTC, then the agreed herein different terms shall prevail.

(2) These General Terms and Conditions, Framework Agreements, Account Opening Applications, Applications for the Use of Remote Banking Applications and the related documents, may also be concluded/signed by the Bank and the Customer/Remote Banking Application User as electronic documents, signed by using: Qualified Electronic Signature (QES) / server certificate by the Bank and signed by the Customer / Remote Banking Channel User by: advanced electronic means of electronic signing as per art. 16 in this Section I, pursuant to the Electronic Document and Electronic Certification Services Act (EDECSA). The relations between the Bank and the Customer/Remote Banking Application User, the electronic means of signing of electronic documents, as specified in art. 16 of this Section I, shall have the effect of a handwritten signature, binding on the parties.

(3) The conclusion/signing of electronic documents by advanced electronic means, as per art. 16 of this Section I, shall be possible if expressly provided for electronic electronic in these GTC or other General Terms and Conditions of the Bank for certain products and services offered by BACB advanced electronic signature as specified on BACB's website or in Bank's offices.

(4) Art. 16 of this Section I sets out the consequences of concluding/signing electronic documents, using electronic means.

4. In the provision of payment services and related payment instruments, the Bank does not control the subject matter and the legitimacy of the transaction in connection with which the payment service/payment instrument is provided, unless otherwise provided by a statutory regulation.

5. The Bank shall reserve the right to amend and supplement these GTC at any time, and the changes shall be made and become binding on the Customer in accordance with the provisions of Section VII herein.

6. The Bank shall not be held liable for non-performance of its obligations under these GTC and the relevant agreement resulting from discontinuation of its business operations due to force majeure conditions, riots, war, natural disasters or other events beyond its control, in exceptional circumstances limiting in whole or in part its operations for a certain period of time, as well as for technical reasons or malfunctions beyond the control of the Bank.

7. Every person, including a person duly authorized under a notarized power of attorney, entering into a business relationship with the Bank (for the opening of a payment account or for the provision of a payment instrument, execution of an occasional transaction of a value exceeding the statutory threshold, etc.) shall be identified according to the requirements of the effective legislation. The person shall be identified according to the requirements of the anti-money laundering legislation and the requirements of the Bank and shall file a specimen of their signature before a Bank's officer.

7.1. An account may also be opened remotely, through electronic means, in accordance with the requirements of the Electronic Document and Electronic Certification Services Act (EDECESA) and the provisions of Section IV of these General Terms and Conditions. In this case a specimen of the signature of the respective holder and/or the proxy shall be executed before an employee of the Bank, during the first operation, performed at the Bank's desks.

7.2. Only the account holder or persons authorized by them shall be entitled to operate with the account under a notarized power of attorney, except for the cases where the Bank holds a deposited official order issued by a court or other competent authority that restricts the free disposal and use of the funds in the account or requesting a transfer to a certain amount specified in the order as well as in the cases referred to in these GTC.

7.2.1. An Account Holder may provide third parties of his sole choice, the rights for passive access to the accounts and products of the Account Holder, without the right of disposal thereof ("passive access"), which shall include access to accounts with the persons with passive access to be solely entitled to see account movements and operations, performed by the Account Holder on such accounts, using the remote banking applications. Passive access may be provided to third parties by the Account Holder by submitting a Request for using remote banking applications at Bank's offices, as such request shall be signed by the Account Holder and the Remote Banking Application User and by it the Account Holder shall authorize the user to represent him before the Bank with passive access.

7.2.2. An Account Holder may provide third parties of his sole choice, the rights for limited access to the accounts and products of the Account Holder, without the right of disposal thereof ("limited access"), which shall include access to accounts with the persons with passive access to be solely entitled to see account movements and operations, performed by the Account Holder on such accounts, using the remote banking applications, as well as to solely create payment orders to BACB on behalf and for the account of the Account Holder, without being entitled to send such orders for processing by the Bank. Limited access may be provided to third parties by the Account Holder by submitting a Request for using remote banking applications at Bank's offices, as such request shall be signed by the Account Holder and the Remote Banking Application User and by it the Account Holder shall authorize the user to represent him before the Bank with limited access.

7.3. The representative power of the authorized person shall include the exercise of their rights, both at the Bank's offices and through a remote banking applications of the Bank, unless otherwise explicitly stated in the power of attorney.

7.4. Powers of attorney for representation before the Bank shall be valid until explicitly withdrawn. The withdrawal of the power of attorney shall have effect to the Bank only and shall be binding on it as from the time the Bank has been notified in writing of the withdrawal.

7.5. The powers of attorney deposited by a Customer - legal entity shall be valid and binding on the Bank until the date of their explicit written withdrawal deposited with the Bank, including after the change of the representation power of the legal entity, duly registered with the respective public register.

7.6. Powers of attorney drawn up in a foreign country shall be deposited with the Bank: a/ certified in the Bulgarian Embassy or in the Bulgarian Consulate in the respective country; or (b) legalized according to the appropriate procedure; or (c) certified by Apostille. The powers of attorney shall be presented to the Bank with a certified translation into Bulgarian (with a notary certification of the translator's signature).

7.7. The power of attorney for representation before the Bank must meet the requirements of the Bulgarian legislation and, unless explicitly stated therein, it shall not include the right to re-authorize.

8. Any amendments to the constituent documents, the good standing of the company, the representative power of the Customer, as well as to other documents presented by the Customer to the Bank, and/or to the personal and other data of the Customer and the persons authorized to dispose with the funds in a current account, shall have effect in relation to the Bank and shall be binding on the Bank as from the time it has been notified in writing of the amendment, even if the amendment has been registered with a public register.

9. Upon accrual of interest on the account, in compliance with the effective Bulgarian legislation, the Bank shall withhold the tax at the source where the holder is a non-resident and a tax on interest income where the holder is a resident and according to the Bulgarian tax legislation is subject to interest income tax.

10. The Bank shall not be held liable for: 1/ execution of dispositional actions with funds of a Customer on its current accounts opened with the Bank by a proxy/person with an active specimen in the Customer's file; meaning, by a person who, on the basis of documents presented to the Bank and a specimen, is authorized to act with respect to the management and disposal

of the funds on the account, until the explicit written withdrawal of the rights by the account holder is made by depositing the written withdrawal at a Bank's office; 2/ execution of orders on behalf of the Customer in paper form, signed with signatures, which are externally similar to the specimens placed before a bank employee or submitted notary certified specimens, whether or not the signatures on the payment orders are authentic.

**11.** The Customer shall be liable for all damages caused to the Bank as a result of: a/ the fact that the Bank has not been informed about any restrictions or changes in the Customer's representation, the powers of its representatives, with whom the Bank has entered into business relations; b/ breach of confidentiality of the data concerning the creation of the electronic signature used by them, which the Bank has not been notified of.

**12.** In the event of death of a Customer - natural person or termination and/or transformation of a Customer - legal entity, the provisions of the Bulgarian legislation shall apply to all legal consequences resulting therefrom. The Bank shall require the submission of documents certifying the rights of the legal successors of the Customer (certificate of heirs, certificate of paid taxes, etc.).

12.1. In the event of death of a customer-natural person, the Bank shall pay each of his/her heirs (by law or by last will and testament) their respective parts of the amount of the deposit, subject to the submission of the following documents: 1/ Certificate of heirs; 2/ Certificate from the register of property relations at the Registry Agency, regarding the registration regime of the property relations (not required if the Account Holder had died prior to 1.10.2009, as well as if such person has died widowed, divorced or single). The certificate shall be required for a deceased Account Holder or the surviving spouse; 3/ A document of inheritance (if such document has been provided by the parties or if after the verification, carried out by Bank's lawyer with the IKAR – property registry, it has become evident that an last will and testament has been filed), in the form, required by the Inheritance Act; 4/ ID card or another document, evidencing heirs' identity; 5/ A certificate by the tax office, evidencing the payment of the inheritance tax or that no such tax is due (exempt from submission of such certificate shall be the surviving spouse and the direct heirs, without any limitation on the degree).

12.2. The Bank shall pay amounts under inherited accounts, subject to the following requirements and in the following manner: 1/ In case of simultaneous appearance of all heirs (such simultaneous appearance shall also include the presence of authorized persons, who have submitted an express notarized power of attorney by any non-present heirs, so that together with the present heirs, such proxies constitute the aggregate of all persons, invited to inherit the account) all the available amounts shall be paid in the manner, specified in the order, signed by all heirs; or 2/ If it impossible for all heirs to be present simultaneously – the payment of amounts from such inherited accounts shall only take place to the heirs present, after the Bank confirms the allocation of the moneys, in accordance with the law. 3/ Apart from the cases in items 1/ and 2/, or if other documents are submitted /objections, complaints, last will and testament, etc./ or in the event of occurrence of additional circumstances, the Bank may refuse to pay amounts from an inherited account, until the respective dispute is resolved and to request additional documents. 4/ In the case of inheritance with an international element, incl. in case of submission of a European Certificate of Inheritance, prior to paying any amounts, the Bank may request the submission of other documents by the heirs. 5/. Any disposal of the account of a deceased person, based solely on a last will and testament shall only take place at Bank's sole discretion.

Any amounts from an inherited account shall be paid to the heirs present, to the amount of their respective portions in the account and the submission of the documents, detailed above. The shares of the non-present heirs shall remain in the account of the deceased Account Holder until such other heirs appear and present their instructions. When amounts from an inherited fixed-term deposit are being paid and the heirs fail to appear at the bank simultaneously, the deposit shall be automatically terminated upon the payment of the share of the first appearing heir, and such deposit shall be transformed into a non-interest-bearing deposit. The shares of the non-appearing heirs shall remain in the same account until they subsequently appear and present their instructions.

If the deceased Account Holder has more than one account and/or deposits in different currencies and the heirs fail to simultaneously appear at the Bank, any and all amounts from one currency shall be accumulated in one of the existing accounts/deposits in the following order: Current Account; Savings Deposit; Fixed-Term Deposit. The other accounts/deposits shall be recalculated, based on the accrued interest, the respective account closing fee /if any/ shall be deducted and the moneys shall be transferred to the chosen active account in the same currency of the Account Holder. These remaining active accounts/deposits shall be transformed into non-interest-bearing accounts.

12.3. In the event of death of a pensioner, the Bank shall pay the heirs the assets from the account in such person's account, where the pension has been transferred up to that moment, subject only to the prior submission of a certificate by the Territorial Division of the National Social Security Institute, indicating the last month, for which the deceased person had been entitled to a pension, as well as the month, until which such person's pension was transferred to the deposit account. This certificate by the Territorial Division of the National Social Security Institute shall also contain information on the possible inappropriately transferred pension, which is to be refunded by the Bank to the NSSI.

12.4. Any and all amounts in accounts, belonging to deceased persons, shall be paid to the heirs (save for those, exempt from inheritance tax – spouse and direct heirs, without limitations) subject to the submission of a certificate from the Territorial Tax Directorate (TTD), evidencing that these have been specified in the declaration for taxation of the inheritance and that the tax has been paid (if payable). If the heirs submit a document from the TTD, indicating that the amounts on the accounts of the deceased person are specified in the declaration for taxation of the inheritance and that no inheritance tax is to be charged – they shall receive their respective amounts. If the certificate indicates an amount of a payable tax, without the latter being paid, such tax shall be deducted and transferred to the bank account of the respective municipality, and the heirs shall be paid amounts up to the assets in the accounts of the legator.

12.5. In the event of the death of a natural person, who is a holder of a joint account, solely the relevant share of such deceased holder in the joint account shall be allocated between his/her heirs. For this purpose, the amounts in the joint account shall first be allocated to the payment accounts to the name of each co-holder (if no such accounts are available, the bank shall automatically open such accounts), after any and all amounts, received in the payment account of the deceased co-holder, shall be allocated to his legal heirs or those, specified in his last will and testament. The bank shall notify the rest of the account co-holders of such redistribution of the amounts in the joint account and the payment accounts opened to their names (if any) and closes the joint account. Unless agreed otherwise in the joint account agreement, the account holders' shares therein shall be considered to be equal.

12.6. Information, regarding the presence of accounts and balances of deceased individuals shall only be provided to their legal heirs and/or heirs, according to the last will and testament subject to the provision of original documents: death certificate of the deceased person, certificate of heirs, last will and testament (for heirs, according to last will and testament) and document, evidencing the identity of the heir.

12.7. In the event of death of the representative of a legal entity, the entry in the respective register or court decision /Commercial Register or Register of the Non-Profit Legal Entities of the Registry Agency/ for the new individual, who shall manage and represent the company shall be required.

**13.** The Customer undertakes to pay to the Bank all fees, expenses, commissions and interest according to the Bank's Tariff of Fees and Commissions, as well as any other obligations, expenses and costs incurred in connection with the payment services / payment instruments provided by the Bank and/or related to the execution of instructions on its part, including legal costs. With the opening of a current account, the Customer gives their prior and irrevocable consent to the Bank to collect and debit ex officio, within the meaning of and under the procedure of Ordinance No. 3 of BNB, any of its current accounts (where the account is in a different currency, BNB's official exchange rate shall be applied) with the due receivables, fees, commissions, etc. payable by the Customer, as determined in the Tariff of the Bank or in a written arrangement between the Bank and the Customer.

**14.** Documents issued in a foreign language and/or drawn up abroad shall be presented to the Bank in the original or as a notarized copy, duly legalized or, respectively, accompanied by an Apostille and with a certified translation into Bulgarian language (with a notarized certification of the signature of the translator). At the discretion of the Bank, documents in English may also be accepted on a case-by-case basis, without translation into Bulgarian. If a document, issued by a foreign country, intended for use in the Republic of Bulgaria is submitted to the BACB in English, without a certified Bulgarian translation, the Customer shall – within 30 days, submit to his/her respective BACB office, a certified Bulgarian translation. Foreign documents, intended for use in the Republic of Bulgaria, shall be translated into Bulgarian in one of the following manners:

1/ By a person, appointed by order of the head of the diplomatic or consular mission of the Republic of Bulgaria abroad.

2/ By natural persons, working individually as translators /or with a translation agency/. For any foreign document, translated into Bulgarian, intended for use in the Republic of Bulgaria, the authenticity of translator's signature, affixed onto his/her translation, must be notarized by a Bulgarian notary public.

**15.** Instructions and/or orders for transactions shall be submitted by the Customer in writing at the Bank's offices or through a remote banking channel signed by the Customer or by a person authorized by him/her. The Bank shall also execute orders received by fax/email only if the Customer has previously signed and submitted to the Bank a consent for disposal by fax/email (according to a model of the Bank), as the Bank may also request receiving confirmation on a case-to-case basis, as any and all costs and expenses shall be borne by the Customer.

**16.** The Bank and the Customer / Remote Banking application User shall agree that in their relations, subject matter of these GTC, the following electronic means for signing electronic statements/ documents shall be equivalent to a personally affixed signature: (a) Qualified Electronic Signature (QES); (b) Server certificate, which constitutes an advanced electronic signature, within the meaning of Regulation (EU) 910/914; (c) "Electronic Transaction Authorization Number" (eTAN) or PIN for mobile banking or the Signer application or the respective application on the terminal mobile device, property of the Customer/User, which constitutes an advanced electronic signature, within the meaning of Regulation (EU) 910/914; (d) other electronic means, introduced by the Bank – for signing electronic documents, such as: marking a "check-box" and/or clicking on the respective virtual button, which constitute electronic signatures, within the meaning of Regulation (EU) 910/914.

(2) The electronic statements/ documents, signed by the Bank and/or the Customer/Remote Banking Application User, using electronic means, as per para. (1) shall be recognized in the relations between the parties, as duly completed, valid, personally signed and binding original documents, containing the personal handwritten signature of the respective party, within the meaning of the EDECSA.

**17.** The Bank shall be entitled to transfer to third parties its receivables from a Customer(s) resulting from the use of payment services and payment instruments. The Customer agrees that upon transfer of its receivables, the Bank shall provide to the new creditor any information related to the respective agreement for the provision of any payment service and payment instrument under these GTC.

**18.** The Bank shall verify and identify whether a Customer of the Bank falls within the scope of the categories of persons for whom the Bank should exchange financial information automatically and for such customers, in compliance with the legal provisions, the Bank shall annually provide information to the National Revenue Agency on their personal data, account balances at the end of the year, the interest income received during the previous year, and any other information required for the purpose of automatic exchange of financial information.

## **SECTION II. DETAILS OF THE BANK. DEFINITIONS**

**1.** BULGARIAN AMERICAN CREDIT BANK AD is registered with the Commercial Register kept at the Registry Agency under UIC 121246419, with seat and registered office at: 2, Slavyanska Str., Sredets District, Sofia Municipality, 1000 Sofia. Contact e-mail: [bacb@bacb.bg](mailto:bacb@bacb.bg). Website: [www.bacb.bg](http://www.bacb.bg). Competent supervisory authority: Bulgarian National Bank with registered address at 1 Knyaz Aleksandar I Sq., 1000 Sofia.

**2.** Any and all terms and definitions used in these GTC are explained in the Glossary of Terms and Definitions, available to the Customer at the Bank's offices in printed form, as well as on a durable media, within the meaning of the art. 61 (1) and §1 (8) of the PSPSA on the Bank's website, section Documents/GTC and Framework Agreements. For convenience, some specific terms and definitions regarding specific products and services provided are also defined in the relevant sections of these GTC.

## **SECTION III. PAYMENT SERVICES PROVIDED BY THE BANK**

### **III.1. TYPES OF PAYMENT SERVICES PROVIDED BY THE BANK**

**1. Opening and management of a payment account with basic features.** The Bank offers to the Customers-users a payment account with basic features, in BGN, through which the Bank provides the Customers-users with services in BGN within the Republic of Bulgaria: 1/ opening, using and closing a payment account with/without issuing a debit card to that account; 2/ depositing amounts to the payment account; 3/ cash withdrawal from the payment account at a Bank's desk or ATM during Bank's business hours or outside of such hours; 4/ execution of the following payment transactions: (a) direct debits; (b) payment transactions performed using a payment card, incl. online payments; (c) credit transfers in BGN using BISERA, incl. regular transfer orders, at ATMs and POS terminals and at desks, as well as using the Bank's remote banking. The payment account with basic features may be used to execute unlimited number transactions related to the aforesaid services on-site – at Bank's offices or using the Bank's remote banking. Detailed information on the payment account with basic features and the fees and commissions applied is available in the Information Leaflet regarding the payment account with basic features, available on Bank's website in the section Products for Individual Customers/Accounts/Account with basic features, as well as at the Bank's desks. The use of additional products and services provided by BACB shall not be a mandatory condition for the access to the payment account with basic features. Upon receiving an application for opening a payment account with basic features, the Bank shall open or refuse to open such an account within 10 days after receiving any and all necessary documents from the Customer-User. The Bank shall refuse to open a payment account with basic features, when: 1/ the opening of such an account would result in violation of any legal regulations regarding the prevention of the use of the financial system for the purposes of money laundering and terrorist financing; 2/ the Customer - user declares that he/she holds a payment account with basic features with the Bank or another bank in the Republic of Bulgaria or that he/she holds more than one payment account which enables him/her to use the services, detailed in this article, unless he/she has been notified that the respective account shall be closed. In case of refusal for opening a payment account with basic features, the Bank shall notify the Customer-User of the specific reason for the refusal, in the cases set out in the applicable legal regulations.

**2. Transfer of a current account.** A Customer- user may initiate a transfer of a current account from one payment service provider to another one in the territory of Bulgaria only if the current accounts of that Customer with both providers are kept in the same currency. When transferring a current account, the Bank may act as a transferring or receiving provider. The Bank shall provide the Customer in hard copy / electronic form, free of charge, with the following information: 1/ the functions of the transferring and receiving providers; 2/ deadlines for execution; 3/ fees, if any; 4/ other information requested by the Customer; 5/ alternative dispute resolution procedures. A detailed Procedure for current account transfer is available on the Bank's website in the Individual Customers / Accounts / Transfer of a Current Account section and upon request on paper at the Bank's desks.

**3. Facilitation of Customers - Users in cross-border account opening.** When a Customer holding a current account with the



Bank notifies the Bank in writing that they want to open a current account with a payment service provider located in another EU Member State, the Bank shall: 1/ provide free of charge a list of all currently active orders for periodic credit transfers and direct debit consents, incoming periodic credit transfers, made to the Customer's current account for the previous 13 months. This list shall not create an obligation for the new payment service provider to provide services that it does not generally provide; 2/ transfer the balance, if any, to the Customer's current account with the new payment service provider, provided that the request contains the full identification details of the new payment service provider and the new current account; 3/ close the Customer's current account. If the agreed time limit for the termination of the Framework Agreement is respected and the Customer has no outstanding obligations on their current account with the Bank, the Bank shall perform these actions on the date specified by the Customer, which should be at least 6 business days from the receipt of the request, unless otherwise agreed. The Bank shall immediately notify the Customer if the Customer's account cannot be closed due to the presence of outstanding liabilities, active liens and/or other blocking/reasons.

**4. Payment accounts, offered in packages.** If the Bank offers services to the Customer-User, involving the offering of the payment account as a part of a package, together with another product or service, not related to the payment account, the Bank shall provide the option that the payment account is opened and managed separately from the other services in the package. The costs, expenses and fees, related to each and every of the other products and services, offered in packages, which may be purchased separately, shall be available in Bank's Tariff.

**5. Mass transfers.** The Customer may carry out mass transfers of amounts in BGN from his current account at the Bank to third-party accounts with the Bank or with other Bulgarian banks, in accordance with a mass payment file (MPF), submitted by the Customer in electronic form, in a format, as specified on Bank's website in the section "Products for Business Customers/Payments/Mass payments". The Customer, acting through its legal representative or his duly authorized proxy, shall send the MPF to the Bank in electronic form using the remote banking applications. The Customer may send the MPF in a signed email message to a group address of his respective service office, and as an exception, in case of technical problems for remote sending, he may deposit the MPF also at Bank's desk in electronic form. In case of sending by email or depositing at Bank's desks, the following mandatory conditions must always be met:

a/ sending of MPF by email: 1/ The Customer shall have submitted in advance to his respective bank office, a duly signed Declaration for Sending Instructions by fax/email; 2/ the MPF sent by email must be signed, using a Qualified Electronic Signature /QES/ by the legal representative/s or authorized proxy/ies, having all necessary authority and powers to dispose of Customer's account; 3/ the email must be accompanied by a scanned List of Payments, contained in the MPF, signed by a legal representative or authorized proxy, with the powers and authorities to dispose of Customer's account; 4/ the email must also be accompanied by an attached scanned "Payment Order for a Transfer by a Mass Payment File" form, containing general data on the MPF, signed by a legal representative or authorized proxy, with the powers and authorities to dispose of Customer's account; 5/ the email shall be sent by a legal representative or authorized proxy or bearer.

b/ depositing MPF at Bank's desks: 1/ the deposited MPF shall be signed using a QES by the legal representative/s or authorized proxy/ies, having all necessary authority and powers to dispose of Customer's account; 2/ the deposited MPF shall be accompanied by a List of Payments, contained in the MPF, signed by a legal representative or authorized proxy, with the powers and authorities to dispose of Customer's account; 3/ the deposited MPF shall be accompanied by the "Payment Order for a Transfer by a Mass Payment File" form, containing general data on the MPF, signed by a legal representative or authorized proxy, with the powers and authorities to dispose of Customer's account; 4/ The MPF may be deposited at a desk by a legal representative, authorized proxy or bearer.

In the case of any difference in the data, included in the Payments List and the data, contained in the file, the data, included in the file, shall prevail for the Bank. When processing the MPF, the Bank shall be guided by the specified account /IBAN/ of the ordering customer, and not his name. The deadline for receiving an MPF for processing on the same business day shall be 15.00 h. The MPFs, received after that time, however within Bank's business hours, may also be processed for the ordering customer, on the same business day, as the internal transfers for the Bank shall be received by the beneficiaries in the same business day, and the interbank transfers - on the next business day. MPFs, containing transfers through RINGS, shall be received and processed in the same business day, however, only if deposited by 3:00 pm.

The Customer shall be fully responsible for any and all amounts, incorrectly transferred by the bank, as a result of incorrect or inaccurately specified data in the electronic file sent and/or inaccurate/invalid/non-existent account number (IBAN) or BIC of beneficiary's bank. The Bank shall not process MPFs in the presence of any of the following circumstances: a/ invalid/non-existent account number or BIC of beneficiary's bank; b/ insufficient availability in Customer's account for the performance of all transfers, specified in the MPF and the payment of the fees and commissions due; c/ other unfulfilled conditions and/or mistakes in the MPF form and d/ failure to meet the conditions, set out in this Article. The Bank shall notify the Customer of the non-performance of the payments, ordered in the MPF, using the remote banking applications, used to order the MPF, and if submitted at a desk or sent by email - the Customer shall be notified by telephone or email.

**6. Information provided by the Customer.** In order to ensure appropriate execution of the payment orders, the Customer shall provide the Bank with the information, as required in the standardized payment order forms. The IBAN of the beneficiary's bank account, international bank identification code of the beneficiary's bank (BIC), or other unique identifier of the

beneficiary's account (for countries outside the European Community) is required for the appropriate identification of the beneficiary.

**7. Authorization of payment transactions by the Customer.** The Bank shall execute payment transactions in accordance with the procedure and under the provisions of these GTC if they have been previously authorized by the Customer, whereby (1) the Customer has given a payment order (instruction); or (2) the Customer has agreed to execute a payment transaction in another way, expressly agreed between the Customer and the Bank or provided for in the applicable for the relevant transaction General Terms and Conditions of the Bank or in an agreement concluded between the Bank and the Customer. In the absence of consent, the payment transaction shall be considered unauthorized. The Bank shall accept payment orders which are not prepared in accordance with its template form only if they contain all the requisites required for their execution. It shall be considered that the Customer has ordered or agreed to execute a payment transaction if the Customer, either personally or through an authorized person, has signed a standard form of payment order (instruction) for a payment transaction on paper / in electronic form and the same is: (a) deposited at Bank's desks; (b) sent by fax/email to the Bank (if the Customer has previously signed a declaration, based on the Bank's template, authorizing the Bank to accept and execute payment transactions, received by fax/email); (c) sent through the Bank's remote banking applications as set out in these GTC; (d) in another written agreement/document the Customer has given his express consent and/or ordered the Bank to execute the payment transaction; (e) the Customer has remotely provided his/her consent for the execution of a payment transaction by using a payment instrument at the initiative of or through the beneficiary of the payment transaction f/ The client has given remotely his/her consent to the execution of the payment operation, having signed the payment order for the payment operation, using QES, if this is expressly provided for in these General Terms and Conditions or in other General Terms and Conditions of the Bank, applicable to certain products and services, offered by BACB..

7.1. The Bank shall execute the payment transactions ordered by the Customer only if the following conditions are met simultaneously: 1/ the payment transaction is ordered by the Customer or a person duly authorized by him/her or the Customer has given his/her consent to it; 2/ The Customer has sufficient free available funds to execute the transaction and pay the due fees and commissions; 3/ The Customer has provided to the Bank duly drawn up payment and other necessary documents for the execution of the respective payment transaction required by the Bank or by a statutory instrument; 4/ The amount and type of the payment transaction are within the scope of the powers of the Customer or the person authorized by him/her; 5/ The transfer order is clear and precise, in accordance with the applicable legal framework, the Framework Agreements and the General Terms and Conditions of the Bank, the bank forms-template and it contains all the requisites for its execution; 6/ there are no restrictions in a normative act for execution of the payment transaction. If any of these conditions is not met, the Bank shall refuse to execute the payment transaction and shall not be held liable for damages resulting from its non-execution. In this case, the Bank shall promptly notify the Customer within the deadlines for execution of the respective payment transaction about the reasons for the refusal and the correction procedure of the factual errors that led to the refusal, unless there is a ban on the provision of such information under an EU law or act. A payment order, the execution of which has been refused by the Bank, shall be deemed not to have been received. If all the foregoing conditions are met, the Bank may not refuse the payment transaction.

7.2. The Bank may debit a Customer's current account without their consent in the following cases: 1/in the event of an automatic corrective transfer within the meaning of the PSPSA and Ordinance No.3 of BNB; 2/ in the case of imposed attachment and enforcement, in accordance with the rules, set out in the applicable laws; 3/ for the payment, based on a direct debit order, received, subject to the presence of Customer's prior consent; 4/regarding ex-officio collection by the Bank, subject to Customer's preliminary consent; 5/ in any and all other cases, regulated by law, by Bank's General Terms and Conditions or as expressly agreed in writing with the Customer.

7.3. No partial transfers on individual payment orders or direct debit requests shall be allowed. Partial payments may be executed only in the case of enforcement in accordance with the law and in the cases of ex-officio collection by the Bank.

7.4. (1) The Bank shall not enter into professional and business relations with entities engaged in the trading/ distribution of virtual/ crypto currencies.

(2) The Bank shall enter into contractual relations with persons providing services related to financial instruments (including: binary options, contracts of difference - CFDs, etc.) only upon the presentation of a license issued by a competent authority.

7.5. The Bank shall not execute payment orders and payment transactions related to the trading in virtual currencies (crypto currencies, bitcoins, etc.) as well as to platforms trading in such currencies. Upon receiving payment orders in favor of persons associated with the trading in virtual currencies (crypto currencies, bitcoins, etc.) or trading in virtual / crypto currencies, the Bank shall not execute the payment transaction and shall reverse the funds to the ordering party's account.

**8. Withdrawal of an order/ consent.** The Customer may withdraw their order or consent to execute a payment transaction at any time but no later than the time the payment transaction becomes irrevocable as provided for in the following Article. A Customer acting as a payer may not cancel the payment order after its filing to the Bank.

**9. Revocability/ irrevocability of a payment transaction.** Where the payment transaction is executed by the initiative of or through the beneficiary, the payer may not cancel the payment order after its transmission or after giving consent to the execution of the payment transaction in favor of the beneficiary. When a Customer and the Bank agree to execute a payment

order on a certain day or on the day following the expiration of a certain period, or on the day on which the payer provides the Bank with the funds necessary to execute the order, the Customer may revoke the payment order at the latest the end of the business day preceding the day agreed. In the case of direct debits, the Customer acting as the payer may cancel the payment order at the latest by the end of the business day preceding the agreed day of debiting the account. Upon the expiration of the deadlines set out in this Article, but not later than the endorsement of beneficiary's account, the payment order may be revoked with the consent of both the Customer and the Bank, as in the case of the direct debit, beneficiary's consent shall also be required. This Article shall not be applicable to a Customer, who is a legal entity or a sole proprietor (Customer who is not a user within the meaning of the PSPSA) – such a Customer may revoke a payment order only with the Bank's consent and always prior to its execution.

**10. Execution of a direct debit in BGN.** In the case of direct debit payments in BGN, where the Customer is a payer, it shall give its consent in advance to the Bank, and a copy of the consent shall be sent to the beneficiary. Prior to the execution of the payment, based on a received direct debit order, the Bank shall verify that: 1/ the payer has given in advance a consent for the direct debit, related to the respective payment, incl. that all documents, required for such execution have been received, if the submission of such documents has been agreed; 2/ there is free available balance on the respective account, for making such a payment.

**11. Payment order receipt.** The time of receipt of a payment order shall be the time when the Bank receives it directly from the Customer as a payer according to the procedure and in the manner specified in the Bank's General Terms and Conditions. In the event that the time of receipt is not a business day, the payment order shall be deemed to have been received on the following business day. Where the Customer and the Bank agree that the payment order is to be executed on a certain day or on the day following the expiration of a certain period, or on the day on which the payer provides the Bank with the necessary funds for its execution, the time of receipt shall be considered to be the day agreed, and if that day falls to be a non-business day for the Bank – on the following business day. Payment orders in paper form deposited with the Bank by 3.00 pm shall be processed on the same business day for the ordering party and payments orders deposited after this time shall be processed on the following business day. Orders via remote banking shall be governed by the Remote Banking Section of these GTC.

**12. The Bank shall be entitled to refuse to execute the payment transaction requested by the Customer** under restrictions imposed by the applicable law or these GTC for the respective payment transaction and/or in other cases agreed between the Bank and the Customer and where the order is unclear, inaccurate or does not contain all the details required in the bank forms-templates, etc. In case of refusal to execute a payment order, the reasons for it shall be communicated to the Customer, unless there is a prohibition to provide such information in accordance with the effective legislation. A payment order, the execution of which has been refused by the Bank, shall be deemed not to have been received.

**13. Deadline for execution of payment transactions in BGN, EUR and payment transactions related to a single currency exchange between BGN and EUR in Bulgaria, as well as cross-border payment transactions in EUR:** a) endorsement period: 1/ The Bank shall ensure the crediting of a current account of the payment service provider of the beneficiary with the amount of the payment transaction by the end of the next business day, following the receipt of the payment order; This period may be further extended by one more business day in case of execution of payment operations, initiated on paper. 2/ In the case of a transfer through RINGS, the Bank shall ensure that the beneficiary bank's current account is credited on the same business day within 1 hour of receipt of the transfer order; 3/ Upon receipt of funds on a current account, the Bank shall determine the value date of crediting and shall immediately make available the amount of the payment transaction to the beneficiary's current account after receiving the funds from the respective payment service provider of the payer. The value date of crediting of the beneficiary's current account shall be not later than the business day on which the Bank's account is credited with the amount of the payment transaction; 4/ In the case of payment documents with a future execution date (no more than 5 (five) business days after their submission), the Bank shall execute them with the value date specified; 5/ When executing a direct debit order, the Bank shall transmit the payment order to the payment service provider of the payer on the same business day when the payment order was received or at the latest on the next business day but so that settlement could take place at the agreed date; 6/ If within 5 (five) business days of receipt of a direct debit order the conditions for its execution are not met, the Bank shall refuse it and inform the Bank of the beneficiary; 7/ Where the beneficiary does not have a current account with the Bank, the Bank shall provide at its disposal the funds received within the above-mentioned deadlines; 8/ When cash is deposited by a Customer - User in a current account in the currency of the account, the Bank shall make available the amount and set the crediting value date immediately after the receipt of the funds. Where the user of payment services is not a holder of a bank account, the amount is made available and the value date is determined at the latest on the following business day after receiving the funds. b) period for the execution of transfers, initiated through the remote banking applications: 1/ In case of a standard credit transfer in Euros (SEPA), the Bank shall debit ordering party's account with the amount of the transfer on the date of receiving the order and execute it not later than the next business day; 2/ In case of express credit transfers in Euros (TARGET2), the Bank shall debit ordering party's account with the amount of the transfer on the date of receiving the order and execute it with value date on the same business day.

**14. Deadline for execution of payment transactions in other currency:** 1/ In executing payment transactions in other currencies and outside the cases specified in the preceding Article, the Bank shall apply the above mentioned deadlines, except in the



case of payment transactions on behalf of the payer, whereby in this case the Bank shall ensure the crediting of a current account of the beneficiary's payment service provider with the amount of the payment transaction at the latest within 4 business days after receiving the payment order; 2/ When the current account of the payer and the beneficiary is opened with the Bank, the value date of the beneficiary's current account shall be the same business day; 3/When executing transfers, initiated through remote banking applications, the following deadlines shall apply: in the case of a standard credit transfer (SWIFT), the Bank shall debit Ordering party's account with the amount of the transfer on the date of receiving the order and execute it with a value date within 2 business days; in case of an express credit transfer (SWIFT), the Bank shall debit ordering party's account with the amount of the transfer on the date of receiving the order and execute it with value date on the same business day..

### **III.2. FEES, COMMISSIONS, INTEREST RATES AND EXCHANGE RATES**

**15. Fees and commissions.** The Bank shall collect from the Customer fees and commissions for the payment services provided and the payment transactions executed in compliance with the Bank's Tariff of Fees and Commissions. The Bank and the Customer may negotiate other fees and commissions. The Bank shall reserve the right to change its Tariff at any time, and the changes shall become effective for the Customers - Users in accordance with the provisions of Section VII below.

15.1. In the case of a payment transaction in EUR or in a currency of a Member State, where the payment service providers of the payer and the beneficiary, or the sole payment service provider are located within the territory of the European Union, the payer shall pay the fees collected by its payment service provider, and the beneficiary shall pay the fees collected by its payment service provider, that is, for these payment transactions, the Bank will execute the payment orders with a SHA (shared – shared fees principle) fee and expense option.

15.2. A Customer may order a foreign currency transfer by choosing one of the following cost options: (1) SHA (shared fees); (2) OUR (all fees are borne by the payer), or (3) BEN (all fees are borne by the beneficiary) in the following cases: (a) the transfer is in a currency other than EUR or the currency of an EU Member State; (b) where the payment transaction is outside the territory of the European Union.

**16. Interest rates.** On the payment accounts opened, the Bank shall apply the interest rates set out in the Bank's Interest Bulletin. The Bank and the Customer may also negotiate other interest rates. The Bank shall reserve the right to change the interest rates on the current accounts opened and the changes shall become effective for the Customers - Users in accordance with the provisions of Section VII below. When the changes in the interest rates are more favorable to the Customer - User, they shall apply without prior notice. The deposit accounts offered by the Bank shall solely serve for the purpose of saving money and accordingly the changes in the interest rates on them shall be applied without prior notice.

**17. Exchange rate.** When exchanging currency, the Bank shall apply the valid buying exchange rate and selling exchange rate at the time of the exchange accounting, announced on the Bank's counters and on the Bank's website, as well as in the remote banking applications. Within the day, these exchange rates may change, and the change shall be made public in a prominent place. The Bank and the Customer may negotiate other exchange rates. Upon the receipt of a transfer in a currency other than the currency of the account, the Bank shall ex-officio convert the amount received to the currency of the account at the exchange rate at the time of the conversion.

### **III.3. CORRESPONDENCE WITH THE CUSTOMER IN RELATION TO PAYMENT SERVICES AND PAYMENT INSTRUMENTS PROVIDED. ACCOUNT STATEMENT**

**18.** In order to record a payment transaction on a Customer's account, including the one executed with a debit card issued by the Bank and/or through a remote banking applications, the Bank shall prepare an Account Statement and shall provide it to the Customer according to the procedure and in a frequency agreed between the Parties.

**19.** Upon opening an account, the Customer shall declare and indicate in writing to the Bank the method chosen and the periodicity for receiving the Account Statement and any correspondence, notifications and other information from the Bank ("Customer's correspondence"). At any time, the Customer shall be entitled to change the selected method and frequency for receiving the Customer's correspondence by submitting a written application to the Bank. The Bank shall provide the Account Statement for the account of the Customer - User for free at least once a month in the method selected by the Customer. The official language of the Customer correspondence shall be Bulgarian.

**20.** The possible methods of receiving the Customer's correspondence by the Customer shall be: 1/ at the Bank's counters; 2/ by e-mail to an e-mail address specified by the Customer; 3/ through the remote banking applications system of the Bank.

**21.** If using remote banking, the Customer shall receive an Account Statement by default through the remote banking, and may request an additional method / frequency for receiving the Account Statement.

**22.** Depending on the selected by the Customer method of receiving the Customer's correspondence, the Customer shall be deemed to have been notified by the Bank of the payment transaction(s) executed and also to have received the Customer's correspondence at the following times: a/ at the counters of the Bank - the Customer shall be deemed to be notified on the date of distribution of the Customer's correspondence in the Customer's file, in which case the Bank shall provide the Account Statement at the latest on the next business day following the date on which it was prepared, depending on the periodicity of

receipt chosen by the Customer; b/ by e-mail - the Customer shall be deemed to be notified on the date on which the Bank has sent the e-mail to the e-mail address specified by the Customer; c/ irrespective of the method chosen by the Customer for receiving the Customer's correspondence, if the Customer uses remote banking applications providing the opportunity to exercise ongoing monitor of all transactions in real time on a daily basis, the Customer shall be deemed to be notified immediately after accounting of the respective transaction; d/ upon request - the Customer shall be deemed to be notified as of the moment of the accounting of the respective transaction, no matter when the Customer's correspondence is delivered to the Customer. The Customer acknowledges and agrees that by using this method there is a risk of untimely receipt of the Customer's correspondence and that the Customer shall bear all the consequences of this risk.

**23.** Any claims or objections relating to the Customer's correspondence, the Account Statement and the transactions recorded in these documents shall be submitted to the Bank by the Customer in writing within the time limits provided for in these GTC. The lack of objection within the stated period shall be considered tacit approval and consent by the Customer with the payment transactions executed.

**24.** The responsibility for the validity of the correspondence email address specified by the Customer shall be entirely to the Customer. If the Customer has changed its e-mail address specified for receiving correspondence in the form of electronic documents without informing the Bank of that or if the Customer has indicated an invalid false/ non-existent/ incorrect e-mail address, all electronic statements and documents shall be deemed to have been received at the time of their sending from the Bank's information system.

**25.** For Customers - Users, the Bank shall provide for free a Report on Fees in compliance with Art. 106 PSPSA at their request once a year.

**26.** At the request of the Customer, the Bank may also issue other documents relating to the transactions carried out on an account, its balance or other information, including past periods, for the payment of a fee specified in the Tariff of the Bank.

**27.** The Customer shall be bound to notify the Bank immediately if they do not receive an Account Statement which ought to have been received in the period of time normally required for that, according to the selected communication method.

**28.** The Customer shall be required to immediately review the received Account Statement and to notify the Bank in the event of inconsistencies, without delay and according to the procedure and under the terms and conditions for submitting objections/ complaints under these GTC.

**29.** The Bank shall provide the Customer with information in Bulgarian about the payment transactions he/she has made and the payment services he/she uses. In the Request, the Customer may express a written request for receiving information about the payment transactions and services performed in English, in which case the Bank shall provide the information in English except for the transactions initiated by the Customer in Bulgarian language and the received translations into Bulgarian.

**30.** Upon request and with the express consent of the Customer, BACB shall provide the Customer with a SMS notification service for each payment transaction, upon payment of a fee specified in the Tariff of the Bank.

**31.** Upon request by the Customer, BACB shall provide the Customer with a notification service and information on accounts events under a contract concluded under the General Terms and Conditions for text messaging services by mobile phone and e-mail. Events in respect of the Customer's accounts shall include: movements / transactions / availability / balances / maturity / expiry of subscription or other events specified by the Customer and related to the Customer's current accounts.

**32.** The Bank shall send all notifications, messages /including SMS, or other communications by mobile phone or other mobile device/, the Customer's correspondence and other documents to the permanent/ present address / correspondence address, e-mail address and/or mobile phone number as specified by the Customer in the respective request for provision of payment services/ payment instrument. In case the Customer changes these addresses/ mobile phone number, all notifications, messages /including SMS or other communications via mobile phone or other mobile device/, the Customer's correspondence, including the Account Statement and other documents sent by the Bank to the most recent addresses / mobile phone number specified by the Customer, shall be deemed validly received by the Customer until the latter has notified the Bank in writing of its current contact details. The new contact details shall be effective for the Bank from the time of its notification. The Bank shall not be held liable to the Customer for any damages caused in the event of non-notification or receipt of an untimely notification as a result of changing contact details for which the Bank has not been duly notified.

**33.** The Bank shall not be held liable if the mobile operator or the service provider fails to deliver in time or ensure the transmission of the SMS or other messages sent to a mobile telephone or other mobile device as well as in cases where due to circumstances beyond the control of the Bank, the SMS or other messages are not sent, respectively not received in time.

**34.** In the event of legal proceedings on a dispute arising out of the conclusion, performance, interpretation or termination of the Agreement under the General Terms and Conditions, the parties' addresses specified in the agreements shall be considered their judicial addresses within the meaning of the Civil Procedure Code for the service of summons and communications by the court unless the party concerned expressly notifies the other party of a change of its address.

#### **III.4. OBLIGATIONS ON USING PAYMENT INSTRUMENTS AND ACCESS TO CUSTOMERS' ACCOUNTS. BLOCKING.**

35. The obligations described below shall be binding on and are applicable to the Customer, to the Authorized Debit Card User and to the Remote Banking Applications User when executing payment and other transactions at a counter, by using a payment instrument, including a debit card or through the remote banking applications.

**36. Obligations to ensure the security of payment instruments / personalized security tools and access to the current accounts.** When using a payment instrument / personalized security tools provided by the Bank, as well as when accessing current accounts opened with the Bank, the Customer / Authorized Debit Card User / Remote Banking Applications User shall be required to take all actions to ensure their safety, including: a/ to use the payment instruments in compliance with the terms governing their issue and use; b/ upon receiving the payment instrument, to take immediately all reasonable steps to ensure the inaccessibility of the personalized security devices (username, password, eTAN, mobile banking PIN, debit card PIN, additional debit card security code, dynamic and static password for additional authentication for Internet payments and/or other similar measures), including not to record any information about these security tools on the payment instrument and not to store such information with it; to use only in person and not to disclose or make available to third parties the data of their personalized security tool and the devices on which they are stored or from which such data is generated; c/ to inform the Bank immediately after: finding out of any loss, theft, misappropriation or unauthorized use of the payment instrument / personalized security tools / terminal device for mobile banking; execution of unauthorized payment transactions through a current account and/or a payment instrument; disclosure / compromise of the secrecy of any personalized security tool of the Customer / Authorized Debit Card User / Remote Banking Applications User (eTAN, PIN, additional debit card security code, dynamic and static password for two-factor authentication for Internet payments, mobile banking PIN or B-Trust Mobile application, Signer application or the respective terminal-mobile device application, property of the customer / user), including not to record any information, regarding such security features on the payment instrument and not store any such information, together with it; to only use personally and never disclose or provide to any third parties the details of their own personalized security tools and the devices, on which these are stored or from which these are generated; c/ to notify the Bank immediately if: they find out about the loss, theft, misappropriation or unauthorized use of any payment instrument/personalized security tool/end device for mobile banking; any unauthorized payment operations, through a payment account and/or a payment instrument; of any disclosure / compromising of the secret of any of the personalized security tools of the Customer / Authorized Remote Banking Applications User (eTAN, PIN, additional security code of a debit card, dynamic and static password for two-factor authentication for online payments or B-Trust Mobile application, PIN for mobile banking, Signer application or the respective application on the terminal mobile device, property of the customer/user) and the devices, where these are stored or from which these are generated; of any inaccurately executed payment operation.

**37.** The Customer / Authorized Debit Card User / Remote Banking Applications User shall perform their information obligation by contacting the Bank in the following ways:

- for payment services made at a counter and through a remote banking applications - by a written notice submitted personally at a counter in an office of the Bank within the working hours of the Bank, or electronically via remote banking applications signed with the appropriate personalized security means, which the Bank accepts and processes within its business hours.

- for debit cards, at the telephones of Borica AD: **+359 2 8705149 or +359 2 9702600 - 24 hours a day.**

**38.** In order to obtain information on the use of payment services and payment instruments for remote banking applications and the procedure for their blocking, the Customer / Remote Banking Applications User shall contact the Bank on the contact telephones of the Bank announced on the Bank's website.

**39. Blocking of payment instruments and the access to current accounts.** The Bank shall be entitled to block the use of a payment instrument and the access to current accounts of the Customer / Authorized Debit Card User / Remote Banking Applications User for objective reasons related to: (a) the security of the payment instrument; (b) suspicion of unauthorized use of a payment instrument and/or a current account; (c) suspicion of the use of a payment instrument and/or a current account with the purpose of fraud; (d) for security reasons; in case of information about illegitimate transfers received; in case of suspicion of performing an action with the use of a payment instrument and/ or current account related to money laundering or terrorist financing; (e) significant increase in the risk that the Customer may not be able to implement their obligations to make duly payments - for loan-related payment instruments; (f) notification by the Customer under Art. 36(c) herein; (g) upon receipt of an explicit written request for blocking by the Customer / Authorized Debit Card User / Remote Banking Applications User sent in compliance with the procedure of Art. 37 herein, at any time without the need to state a specific reason. The Bank shall block any payment instrument and/or access to payment accounts through remote banking applications for a specific user, also at such user's express request or at the request by a Customer/Authorized debit card user/Remote banking application user, as the blocking/termination of the access shall take place within 2 hours after the submission of a written request in one of BACB's offices or after the receiving of Instructions, signed by the respective security tool, using BACB's remote banking applications and within Bank's business hours. If the request is submitted through an unauthorized channel (email, contact form on Bank's website, telephone, fax) and/or if the applicant for the removal/blocking of a user in the remote banking applications is not identified as a person, having the relevant rights to carry out such actions, the Bank shall block the access and carry out inspections to determine the authenticity of the received message.

40. In case of blocking of a payment instrument and the access to payment accounts at Bank's initiative, if possible before blocking the payment instrument for a remote banking applications and/ or the current account, or at the latest thereafter, the Bank shall inform the Customer / Authorized Debit Card User / Remote Banking Applications User of the reasons for the blocking of the payment instrument, unless such disclosure is not permitted for security reasons or to comply with regulatory requirements that prevent the Customer from being informed.

41. The Bank shall unblock the payment instrument or replaces it with a new payment instrument after the reasons for blocking have been eliminated.

42. The Bank shall not be held liable to the Customer for its failure to execute transactions ordered by the Customer / Remote Banking Applications User / Authorized Debit Card User if the Bank has blocked a payment instrument, access to a current account under the provisions of this section, including if the blocking was made after a false notification/ request for blocking.

### **III. 5. NOTIFICATION OF UNAUTHORIZED OR INACCURATELY EXECUTED PAYMENT TRANSACTIONS**

43. Upon becoming aware of an unauthorized or inaccurate executed payment transaction, the Customer / Authorized Debit Card User / Remote Banking Applications User shall be required to notify the Bank in writing of the unauthorized / inaccurately executed transaction within the following deadlines: (a) the Customer / Authorized Debit Card User / Remote Banking Applications User, who is a natural person (User within the meaning of the PSPSA) shall be required to notify the Bank without undue delay, but in any case not later than 13 months from the date of debiting the account; (b) the Customer who is not a User within the meaning of the PSPSA shall be required to notify the Bank: (i) in case of a payment transaction made at a counter or through a debit card - by the end of the first working day after the unauthorized / inaccurate transaction was discovered, but in any event not later than 14 days from the debiting of his/her account, (ii) in case of a payment transaction made through a remote banking applications - not later than the next business day of debiting his/her account.

The Customer shall be deemed to have become aware of the unauthorized or inaccurately executed payment transaction by the provision of the Customer's Correspondence by the Bank to the Customer concerning the respective payment transaction in the manner and according to the procedure specified in Section III.3 above, except in the case of a transaction executed via a remote banking applications. When the transaction is executed through a remote banking applications, the Customer shall be deemed to have become aware of the unauthorized / inaccurately executed payment transaction from the time of the accounting of the respective transaction and/or the receipt of electronic notification of the transaction.

The Bank shall adjust a payment transaction only if the Customer has notified it in compliance with the procedure and within the time limits specified in this Article.

### **III.6. LIABILITY IN CASE OF UNAUTHORIZED PAYMENT TRANSACTIONS**

44. In the event of an unauthorized payment transaction, the Bank shall reverse its amount to the Customer and, where applicable, reverse the current account in the state in which it was before the execution of the unauthorized payment transaction. The Bank shall make the refund within the statutory time limits after receiving the Customer's written notification of unauthorized payment transactions in the observance of the procedures and within the time limits set out in Art. 43 above. The value date for crediting the beneficiary's current account shall be no later than the date on which the account was debited with the amount of the unauthorized payment transaction.

45. For Customers - natural persons (Users within the meaning of the PSPSA), the provision of the preceding Article shall not apply and the customer shall bear losses up to a maximum of BGN 100 from unauthorized payment transactions resulting from the use of a lost, stolen or misappropriated payment instrument. For Customers who are not Users within the meaning of the PSPSA, the provision of the preceding Article shall not apply, the Bank shall not be liable for unauthorized payment transactions and the Customers shall bear fully the losses related to all unauthorized payment transactions resulting from the use of lost, stolen or misappropriated payment instrument, regardless of the size.

46. The Customer shall bear all losses regardless of their amount when such losses are related to unauthorized payment transactions caused by fraud, intentionally or due to gross negligence or as a result of the failure to implement one or more of the Customer's obligations under these GTC, including but not limited to the obligations under section III.4, Art. 36 above.

47. When a Customer / Remote Banking Applications User / Authorized Debit Card User notifies the Bank of the loss, theft, misappropriation or unauthorized use of a payment instrument / personalized security tool immediately upon becoming aware thereof, the Customer / Remote Banking Applications User / Authorized Debit Card User shall not suffer any property damage / loss as a result of the unauthorized use of this payment instrument / personalized security tool, except where the Customer / Remote Banking Applications User / Authorized Debit Card User acts or has acted fraudulently.

48. In the event the Customer claims that they have not authorized the execution of a payment transaction or that the transaction has been inaccurately executed, the burden of proof and the obligation to prove that the payment transaction has not been authorized and/or executed accurately, as well as that the transaction has been affected by a technical fault or other defect in the service, shall lie completely with the Customer who is not a natural person (User within the meaning of the PSPSA), and where the Customer is a natural person (User within the meaning of the PSPSA) - it shall be borne by the Bank.

49. The Bank shall not be held liable for any damages caused by the use of a payment instrument in case it has executed



the instructions of the Customer / Authorized Debit Card User / Remote Banking Applications User before being notified by the Customer of the destruction, loss, unlawful seizure, tampering or unlawful use of a payment instrument / personalized security tools, which has led to unlawful use of the respective payment instrument or access to a current account.

**50.** The Bank shall not be held liable for any instructions executed by it ordered by the Customer/ Remote Banking Applications User / Authorized Debit Card User whose rights and/or powers have been changed and the Bank has not been duly informed thereof, as well as in the cases where the Customer/ Remote Banking Applications User / Authorized Debit Card User has not complied with its obligations under these GTC.

### **III.7. RESPONSIBILITY OF THE BANK FOR THE EXECUTION OF PAYMENT TRANSACTIONS**

**51.** The Bank shall transfer in full the amount of the payment transaction without deducting any fees from it. No partial transfers on individual payment orders or direct debit requests shall be allowed. The Bank in its capacity of the beneficiary's bank may, before crediting the account of the Customer - Beneficiary, to deduct from the amount transferred the fees due, in which case the information provided to the Customer shall indicate the amount of the payment transaction separately from the amount of the fees withheld.

**52. Unique Identifier (IBAN).** Where a payment order has been executed in accordance with the unique identifier specified therein, the order shall be deemed to have been accurately executed in respect of the beneficiary indicated by the unique identifier. The Bank shall not be liable for any failure or inaccurate execution of a payment transaction in the event of incorrectly specified / invalid unique identifier by the Customer. In this case, the Bank shall, within the scope of the due cares, take efforts to recover the amount of the payment transaction, including by providing the information required for the reversal of the funds under the general procedure. In the event of failure to execute a payment transaction due to an invalid unique identifier specified, the Customer's Bank in its capacity as an ordering party shall refund the amount to the Customer's current account at the latest on the following business day.

**53. Bank's liability for non-execution and inaccurate execution of payment transactions for payments ordered by the Customer as the payer.** When the Customer has submitted a payment order to the Bank as a payer, the Bank shall be held liable to the Customer for the correct execution of the payment transaction unless it proves to the Customer or to the bank of the beneficiary that the latter has received the payment amount within the statutory time limit, and in this case, the beneficiary's bank shall be liable to the beneficiary for the exact execution of the payment transaction and immediately makes available to the beneficiary the amount of the payment transaction and, where applicable, shall credit the beneficiary's current account with the corresponding amount. In the event of a failed or inaccurate payment transaction ordered by the Customer as a payer, the Bank shall, upon request, take actions within the scope of the due cares to track the payment transaction and notify the Customer of the outcome.

**54. Bank's liability for non-execution and inaccurate execution of payment transactions for payments ordered by the Customer as the beneficiary.** Where a payment order is filed by or through the Customer as a beneficiary, the Bank shall be liable to the Customer for the accurate transmission of the payment order to the payer's bank in due time ensuring the possibility of the settlement on the agreed date. In this case, the Bank shall immediately transmit the respective payment order to the payer's bank. The Bank shall be liable to the Customer as a beneficiary for the execution of the payment transaction and shall make available to the Customer the amount of the payment transaction immediately after the account has been credited with that amount. In the event of a failed or inaccurate payment transaction ordered by the Customer as a beneficiary, the Bank shall, upon request, take actions within the scope of the due cares to track the payment transaction and notify the beneficiary of the outcome. In case of delayed transmission of the payment order, the value date of crediting the beneficiary's current account with the amount of the transaction shall be not later than the date on which the account would have been credited if the transaction was executed without delay.

**55.** When the Customer is a user, the Bank shall be liable to the Customer for the reimbursement of all fees paid by them, as well as for the reimbursement of the accrued interest, due to the failure or incorrect execution of the payment transaction.

**56. Discharge from liability.** The Bank shall not be held liable under this Section in cases of force majeure, exceptional and unforeseen circumstances beyond the control of the Bank, the consequences of which would inevitably occur in spite of the efforts made to prevent them, as well as in cases where the Bank acted in compliance with a statutory obligation under the European Community law or the Bulgarian law.

**57. Reversal of a payment transaction, executed at the initiative or through the beneficiary.** When the Customer is a natural person (user within the meaning of the PSPSA) and acts as the payer, he/she shall be entitled to claim from by the bank the full reversal of an already executed and authorized payment transaction, if it is ordered by or through the beneficiary and provided that the following conditions have been met: 1. at the time of the authorization for execution of the payment transaction, its exact value was not indicated, and 2/ the value of the payment transaction exceeds the value, expected by the Customer with view of his/her previous costs on similar transactions, the provisions of these GTC and other case-specific circumstances. The reversal request by a Customer who is a natural person (user within the meaning of the PSPSA) shall be submitted to the Bank within 56 days after the date of debiting the account, and in the case of a Customer who is not a natural person (user within the meaning of the PSPSA) - within 14 days after the date of debiting the account. Upon request of the

Bank, the Customer shall provide evidence of the existence of the conditions under this Article. The Bank, within 10 business days after receiving the reversal request of the Customer – natural person (user within the meaning of the PSPSA) shall reverse the entire amount of the payment transaction or refuse to do so, explaining the reasons for such refusal, as well as the bodies to which the Customer may file a complaint, if he/she does not agree to the proposed reasons for refusal. The Customer may not claim a full reversal of an already executed and authorized payment transaction, referring to the reasons, related to a currency exchange, if the exchange rate agreed with the Bank in these GTC is applied. The Customer shall not be entitled to a full reversal of an already executed and authorized payment transaction if he/she has given his/her consent to the execution of the payment transaction directly to the Bank and the Bank or the beneficiary has provided or made available to the Customer the relevant information regarding the forthcoming payment transaction in an agreed manner not later than 28 days prior to the actual date of the payment transaction.

### **III.8. CORRECTING ERRORS**

**58.** Where the Bank of the Customer as a payer is liable to the Customer for an inaccurate payment transaction where the funds have been wrongly transferred to another account (an account with a different IBAN from that specified by the Customer in the payment order), or the account of the beneficiary has been credited but with an amount other than that specified by the Customer in the payment order, or when the Bank has debited the Customer's account with an amount other than that specified by the payer in the payment order, or in case of a duplicate execution of an authorized payment transaction, the Bank shall be entitled to request from the beneficiary's bank to perform a corrective transfer ex officio from the account of the wrong recipient of the funds within 5 business days from the date on which the Bank has refunded the amount of the incorrectly executed payment transaction in the Customer's account but no later than one month after being notified by the Customer or in any other way of the incorrectly executed payment transaction.

**59.** The Bank of the Customer in the capacity of the beneficiary of the incorrectly executed or unauthorized payment transaction shall, within 5 business days of receipt of the request under the preceding Article, carry out a corrective transfer from the beneficiary's account to the account of the payer's bank. The Bank shall not collect any fees and commissions for performing a corrective transfer ex officio.

**60.** In cases where, in accordance with the procedure and within the terms of this Section III.8. no corrective transfer has been executed ex officio, the relationship between the Bank and the Customer shall be settled according to the general procedure.

## **SECTION IV. REMOTE BANKING**

### **IV.1. GENERAL PROVISIONS. TERMS AND DEFINITIONS**

**1.** The Bank shall also provide payment services and the related payment instruments within the meaning of the PSPSA through remote banking applications and these GTC shall regulate the relations in connection with the use of remote banking applications between the Bank, on one hand, and on the other – the Customers, and/or the persons authorized by the Customers to represent them before the Bank (referred to in these GTC as "Remote Banking Applications User").

**2.** For the purposes of these GTC and the provision of payment services through remote banking applications, the terms below shall have the following meanings:

**"Remote Banking Applications"** – means of remote communication between the Bank and the Customer, and in the cases and within the scope, provided for in these GTC – also for remote communication between the Bank and the Remote Banking Applications User, for the provision/use of remote payment services without the simultaneous physical presence of an authorized employee of the Bank and of the Customer/ Remote Banking Applications User. The Remote Banking Applications shall be: a) web-based applications; b) mobile banking applications or c) other applications with similar characteristics

A) "Web-based remote banking application" – information system of the Bank, accessible online, through which the Bank provides the Customer with payment and other services remotely, in accordance with these GTC. The web-based applications, offered by the Bank for remote banking, are: Virtual bank (BACB Plus) and BACB Online.

**"Mobile Banking Applications"** – a set of banking services provided by the Bank remotely where the communication between the Bank and the Customer is carried out through the Bank's information system and the respective specialized software applications installed on the terminal mobile device of the Customer (smart phone, tablet, etc.) Virtual Bank (BACB Plus) and BACB Mobile.

The Bank may terminate the functioning of any of the applications by means of a two-month advance notice to the Customers/Remote Banking Applications Users. In this case, the Bank shall offer an alternative application/s with identical rights of access or combination of rights of access to the accounts and products.

**"Electronic Transaction Authorization Number (eTAN)"** – means a unique one-time usable identification digital code used in the Bank's remote banking applications by the Customer /Remote Banking Applications User for signing and sending electronic payment orders, instructions and other documents to the Bank. The Bank shall send the eTAN through SMS or other type of message to the mobile telephone number registered for the respective Customer / Remote Banking Applications User. The

Bank and the Customer or the Bank and the Remote Banking Applications User assume that the eTAN is an advanced electronic signature and agree and acknowledge that in their relations the eTAN shall have the value of a handwritten signature.

**"Qualified Electronic Signature" (QES)** means an advanced electronic signature that is created by a Qualified Electronic Signature Generator and is based on a qualified electronic signature certificate. The legal validity of a qualified electronic signature is equivalent to that of a handwritten signature.

**"Terminal mobile devices"** - products or parts thereof intended to be connected to the public electronic communications network interfaces. Terminal devices through which Mobile Banking Applications can be used are smart mobile phones or other mobile terminal devices indicated on the Bank's website.

**"Personalized Security Tools, Used in the Remote Banking Applications"** are personalized features provided by the Bank to the Customer for the purposes of identity verification and/or authentication such as: username, password, eTAN, PIN for Mobile Banking Applications, Signer application, QES, etc.

**"Mobile Banking PIN"**, where PIN is applicable: code registered by the Customer or the Remote Banking Applications User for confirming transactions through Mobile Banking Applications. The Bank and the Customer or the Bank and the Remote Banking Applications User accept and agree that the "Mobile Banking PIN", where applicable is an advanced electronic signature and acknowledge that in the relationship between them "Mobile Banking PIN" shall be equivalent to a handwritten signature.

**"Remote Banking Applications User"**- a person duly authorized by the Customer to access the remote banking applications (active, limited, passive), offered by BACB AD. The term Remote Banking Applications User shall not be used and shall not have the meaning of a User within the meaning of the PSPSA, except in the cases explicitly stated in these GTC.

**"Server Certificate"** means an advanced electronic signature within the meaning of the EDECSA issued to the Bank in accordance with the due procedure by a certification service provider with which the Bank signs electronic statements and documents. In the relations between themselves, the Bank and the Customer or the Bank and the Remote Banking Applications User accept that the "Server Certificate" is an advanced electronic signature and as such they agree to recognize the Server Certificate to have the same value as a handwritten signature in their relations.

**"Remote Banking Guidelines"** – documents related to process descriptions, descriptions of required steps performed and actions by the Customer/ Holder/ Remote Banking Applications User, and security recommendations that the Customer/ Holder/ Remote Banking Applications User must observe when working with applications available on the Bank's website. The Remote Banking Guidelines may also describe the technical requirements for the equipment and software that the Customer / Holder/ Remote Banking Applications User should use when ordering payment transactions and other communication with the Bank in order to prevent unauthorized payment transactions when accessing a current account and using a payment instrument.

**"Signer"** is the commercial name of an application for identification and confirmation of electronic statements for ordering payment operations, using the remote banking application BACB Online, using a mobile device with built-in or activated function for biometrical recognition: fingerprint, facial recognition iris recognition, as these biometrical data are not accessible by the Bank, these are not stored or processed at any time. The use of the "Signer" application for signing/confirmation of electronic documents and payment operations through BACB Online has the effect of an advanced electronic signature and in the relations between the Bank and the Customer / Remote Banking Applications User it shall be equivalent to a personally affixed signature.

**"QR code"** – specific matrix barcode, recognizable to the mobile applications, provided by the Bank and readable by the camera of the mobile device of the Customer / Remote Banking Applications User. The barcode consists of black modules, arranged in a square template on white background, these are temporary, single-use and non-reproducible and contain information, regarding a payment operation or electronic statement, sent by the Client or Remote Banking Applications User to the Bank. The QR code is generated in the web-based remote banking application through the Signer application, which, based on such QR code, issues a dynamic, single-use and non-reproducible code for the confirmation of payment operations, initiated in the web-based remote banking application. The entering of the QR code has the effect of an advanced electronic signature and in the relations between the Bank and the Customer / Remote Banking Applications User, the QR code and the resulting dynamic, single-use and non-reproducible code for the confirmation of payment operations, shall be equivalent to a personally affixed signature. The QR code is used in the remote banking application, offered by the Bank - BACB Online/BACB Mobile and Signer.

#### **IV.2. SERVICES PROVIDED.**

3. By means of a web-based remote banking applications application, the Bank shall provide the Customer with access to the funds in the Customer's accounts with the Bank for the use of payment and other services, including: opening of accounts (current, deposit, savings and other), payments in BGN and foreign currency in Bulgaria and abroad, buying and selling foreign currency, direct debit, operations with deposits and other accounts, payment of household and utility bills, regular orders and orders with future value dates, submission of requests for the granting of loans, submission of requests for the issuance of

payment cards, and other payment instruments, management of Customer's funds in his accounts with the Bank by creating payment templates, sending instructions to the Bank with free-form text etc. Through the web-based remote banking applications application, the Bank also provides the Customer with the option to obtain reference information on: the status and movement of their bank accounts with the Bank, their obligations to the Bank, exchange rates, interest rates, etc., creation of a personal calendar for forthcoming payments, reporting of problems with the use of remote banking applications and filing complaints related to the servicing by the Bank's employees, keeping track of the current status of orders, requests, complaints, etc. filed with the Bank; maintaining and providing the Customer with access to the documents signed electronically by the Customer, as well as the possibility to trace their current status.

4. Through the Remote banking applications, the Bank provides the Customer /Remote Banking Applications User with the capability of making electronic statements for ordering the execution of payment transactions, to carry out other operations, with limits, set out in BACB's Tariff, applicable to customers – natural persons and BACB's Tariff applicable to customers – legal entities, depending on the personalized security tool, used by the Customer / Remote Banking Applications User

5. The Bank may, at any time and at its own discretion: (a) to modify, introduce new or complementary personalized security means for verification of Customer's/ Remote Banking Applications User's identification and/or for signing/ confirming by the Customer/ Remote Banking Applications User and by the Bank of electronic documents/ instructions/ payment transactions and (b) to change the scope of the services offered through the remote banking applications, as well as to exclude the possibility of using them in respect of separate accounts of the Customer in the cases of service changes, regulatory changes, security considerations or other considerations at the discretion of the Bank. For these changes, the Bank shall notify the Customer in writing on paper or electronically.

6. For signing of payment transactions through remote banking applications, the Customer/ Remote Banking Applications User shall use the personalized security tools and authorization methods approved by the Bank so far and proposed to and selected by the Customer/ Remote Banking Applications User.

7. All payment and other transactions performed by the Customer / Remote Banking Applications User through the Bank's remote banking applications are subject to these GTC, the General Terms and Conditions on deposit agreements, the General Terms and Conditions on deposits, concluded online.

#### **IV.3. ACTIVATING AND USING REMOTE BANKING APPLICATIONS. OPENING A CURRENT ACCOUNT ELECTRONICALLY. LIMITS. OBLIGATIONS OF THE CUSTOMER.**

8. Access to the remote banking applications shall be granted upon explicit written request by the Customer (Request) to the Bank, conclusion of the Framework Agreement for Remote banking applications and in strict compliance with the requirements stipulated below.

9. The Customer may submit his Request to the Bank in person, in printed form at any of Bank's offices/ branches or for certain products and services, offered by the Bank in electronic form, signed by the Customer, using a QES, or in another manner, set out in these GTC. In the Request, the customer should fill in the following information: identification data of the natural person or the legal entity, respectively, mobile phone, permanent address / seat and registered office (for legal entities), correspondence address (if different from the permanent address / registered office), e-mail address and customer number (if the Customer is already a customer of the Bank), as well as other information necessary for the identification of customers within the meaning of the European and Bulgarian legislation, including for tax purposes.

10. A Customer– Natural person /Bulgarian citizen or natural person with usual residence – having a Personal No. or Foreigner's Personal No./, who has signed with the Bank a Framework Agreement for the provision of payment services and has agreed to these GTC, may obtain access to the Bank's remote banking applications – BACB Online/BACB Mobile, by self-registering in such applications on their website for access. In this case, the Bank, after verification and confirmation of Customer's identity, shall generate and provide to the Customer for signature in the web-based application, a personalized Framework Agreement for Remote Banking, which shall be considered to constitute Bank's consent and signature to such document by an electronic signature, within the meaning of the EDECSA. The Customer shall sign the personalized Framework Agreement for Remote Banking, using an eTAN, received by SMS on the mobile number, provided by the Customer to the Bank. Subject to the successful self-registration, the Customer may access any and all of his/her accounts and products and carry out "active operations" within the standard limits, according to BACB's effective Tariff, depending on the personalized security tool. The service for self-registration in the remote banking applications shall not be accessible for authorized persons or legal representatives of the customers – natural persons and legal entities.

11. Upon filling in the Request, the Customer/ Remote Banking Applications User is required to indicate a valid e-mail address for receiving electronic statements and documents from the Bank and a valid mobile phone number, accordingly. This data can only be used by the Customer/ Remote Banking Applications User and cannot be used by any other Remote Banking Applications User of the Bank. If an email address and/or mobile phone number that has already been registered in the system and are being used by another user, are specified, the registration of the respective Client/User remote banking applications shall be denied. A single Customer/ Remote Banking Applications User may only have one registration in the Remote Banking Applications, whether or not he/she is an authorized person of more than one account holders. The Customer/ Remote



Banking Applications User undertakes upon any change in the data filled in the Request to notify the Bank. If the Customer/ Remote Banking Applications User has changed its e-mail address or mobile phone number without notifying the Bank in writing or has indicated incorrect or non-existent ones, all messages sent to the Customer's/ Remote Banking Applications User's e-mail address or mobile phone number shall be considered to be received in accordance with the procedure described above in Section III.3 of these GTC. In the absence of an e-mail address and/or mobile phone number, the Customer/ Remote Banking Applications User may not be registered as a User of any of the remote banking applications of BACB AD.

**12.** Each and every change in the data, provided by the Customer/ Remote Banking Applications User (permanent address/ change of ID card / email address / mobile phone No.), rights (active/ passive/ limited/ adding/ removing a user), limits or re-registration (due to forgotten username), shall be carried out in person by visiting one of Bank's offices and filling-in a hard-copy of a Request for the use of remote banking applications, and if it is to be done by a proxy, if such proxy has been expressly authorized to do so, as the Power of Attorney shall expressly specify the specific mobile phone number or the specific email address /if these data are to be changed/.

**13.** The rights of a user may be terminated or the email address and/or mobile phone number may be personally changed by a Customer through instructions, submitted through the remote banking applications, signed by the Customer, using his/her chosen security tool. Such requests shall only be complied within Bank's business hours.

**13.** Filing the Request at the Bank's offices / branches

13.1. The Customer/ Remote Banking Applications User by an express notarized Power of Attorney may submit the Request to the Bank's offices .

13.2. When filing the Request at the Bank's offices / branches, the Customer may authorize one or more Users who will be able to operate on their behalf and on their account through the remote banking applications with their accounts held with the Bank, in which case the Request shall also contain their identification details and their respective rights to represent the Customer. The Remote Banking Applications Users with the right to dispose of the Customer's accounts may only be persons who are explicitly authorized by the Customer with a notarized power of attorney and the same is deposited at the counters of the Bank. With respect to the users with "passive access" or "limited access" rights, it shall be sufficient that they are mentioned by the Account Holder in the Request for using remote banking applications, signed by the Account Holder and by the Remote Banking Applications User, without the need to submit a notarized Power of Attorney. By completing a Request for using remote banking applications, the Account Holder agrees to authorize the user to represent him/her before the Bank, with "passive access" or "limited access".

13.3. After identifying the Customer and the Remote Banking Applications Users authorized thereby, and verifying that all prerequisites for granting access to the remote banking applications are present, the Bank shall: 1/ conclude a Framework Agreement for opening, maintaining bank accounts and for the provision of payment services, a Framework agreement for remote banking with the Customer; 2/ activate the access to the remote banking applications within the deadlines described below;

13.4. For the use of remote banking applications, the Customer and the Remote Banking Applications Users authorized thereby, should register for access to the respective remote banking applications according to the procedure specified by the Bank.

**14.** Activation of Remote banking applications. The Bank shall activate the use of a remote banking applications within 3 business days after: 1/ Receiving the Request, submitted to the Bank using one of the methods, indicated above; 2/ Acceptance by the Customer of these GTC and the documents, specified in Art. 2 of section I of these GTC, by the signing of the Request, performed by the Customer / Remote Banking Applications User; 3/ The signing by the Bank and the Customer of the Framework Agreement for the opening and maintenance of bank accounts and the provision of payment GACY services and a Framework Agreement for Remote Banking, as specified in these GTC.

**15.** Registration for access to Remote banking applications.

15.1. When filing the Request at the Bank's offices / branches for access to the remote banking applications, as well as in the cases, as per art. 10 of this Section IV, the Customer and the respective Remote Banking Applications Users shall receive from the Bank at the e-mail addresses specified in the Request an electronic link to a remote banking applications access registration form and to the mobile phone number, specified in the Request –SMSs, containing access activation codes.

15.2. The Bank shall send the Customer a self-registration form at the email address specified by the Customer, enabling the Customer to create a username, password and PIN for mobile banking or identification applications, applicable to the respective remote banking applications: Virtual Bank "BACB plus" or BACB Online / BACB Mobile. The form shall be validated by a unique code obtained by an electronic message sent to the mobile phone number specified by the Customer in the Request. The Bank shall not guarantee the delivery of the SMS with a unique code or eTAN to the mobile phone number with foreign operators. In case it is not possible to send by SMS a unique code or eTAN to a mobile phone number with a foreign operator, the User must request in person a new mobile phone number of a Bulgarian operator by visiting an office of the Bank.

15.3. In order to get access to Mobile Banking Applications in addition to the registration under the preceding Article by the Customer, it shall be necessary for the Customer to have a terminal device with the necessary technical capabilities and

operating system to allow the installation and proper functioning of the specialized software application for Mobile Banking Applications specified by the Bank on its website, to have installed this software application on its terminal device and to have secured the connectivity of its terminal device with the mobile network in a way that allows the Customer to use mobile phone services and mobile network data transmission services.

**16.** Upon activation of access to remote banking applications, the Customer shall have access to all their accounts and products opened with the Bank through the remote banking applications in accordance with the Customer's access rights. Any newly opened account or product thereafter shall automatically become available to the Customer through all the remote banking applications in accordance with the Customer's access rights.

**17.** Limits in remote banking applications:

**17.1.** The Customer and their authorized Remote Banking Applications Users may order payment transactions and sign other instructions through the Remote banking applications up to the Customer's specified limits for transactions from the Customer's accounts within a calendar day.

17.2. The specific size of the limits for Customers who are natural persons and legal entities for banking through the remote banking applications is specified in the Tariff of the Bank. The size of the limits may be changed unilaterally at the discretion of the Bank for security reasons of the Customers at any time, and the change will take effect 5 business days from the date of sending of a notification by the Bank to the Customer through a remote banking applications.

17.3. A Customer or a Remote Banking Applications User may request a change to the standard daily limits set by the Bank or a change to the limit of an individual Remote Banking Applications User by filling-in, signing and submitting at the Bank's counters of a statement in a format specified by the Bank explicitly specifying the reasons why it wishes to change the standard limits of the Bank. A Customer/Remote Banking Applications User may request adjustment to the standard daily limits for a single day, once every month, in accordance with the Exceptions Matrix, by sending for this purpose, instructions, using the remote banking applications. These instructions shall be signed, using Customer's/Remote Banking Applications User's chosen security tool. No exceptions from the daily limits shall be permitted at the security tool level.

In any case, the Bank may refuse to change limits, in accordance with Bank's internal policies, in case of suspicions, regarding the use of a payment instrument and/or payment account for the purpose of fraud, in case of suspicions for money laundering and/or for security reasons. In case of a refusal to change (increase) such limits, the Bank shall notify the Customer, without having to explain such refusal.

**18.** Obligations of the Customer:

18.1. The Customer and the Remote Banking Applications Users declare that they are aware of and will use the remote banking applications in strict compliance with the terms of the signed Framework Agreements and these GTC.

18.2. Without being exhaustive listed, the Customers and the Remote Banking Applications Users declare that the following cases shall represent a default of their obligations under Art. 75 PSPSA and shall be considered gross negligence: 1/ when, due to Customer's/Remote Banking Applications User's failure to observe the Remote banking applications Instructions, a third party acquired personalized security features of the Customer/Remote Banking Applications User, used to sign electronic documents and order payment transactions; 2/ when the unauthorized payment transaction was performed from a computer/terminal device, where malicious software/virus is installed or the Customer has provided his authentication features for the activation of a phishing attack; 3/ when the unauthorized payment transaction was signed by eTAN, PIN, application on a device with built-in biometrical identification and conformation of electronic statements or another safety feature provided by the Bank for mobile banking; 4/ when the Customer/Remote Banking Applications User has failed to use the protected remote banking channels, detailed in the Remote Banking Instructions (User Manual for the use of the Virtual Bank, the Guidelines for using the remote banking applications BACB Online / BACB Mobile and Security Recommendations), and has visited a "phishing address"; 5/ if the Customer/User has failed to notify the Bank in writing and in due course, of the change in the persons, authorized to dispose of Customer's accounts and this has caused the occurrence of preconditions for unauthorized transactions, involving Customer's accounts; 6/ other cases, different from those, detailed above;

18.3. The Customer and the Remote Banking Applications User shall have all obligations under these GTC, specifically those in Section III.4, and shall be fully responsible for all actions performed by them or by third parties through the use of any devices and/or personalized security tools. In the cases where the Customer or the Remote Banking Applications User has granted access to any of the devices and/or personalized security tools specified herein to a third party, in the relationships with the Bank, any actions performed by these persons through the use of those devices and/or personalized security tools shall be deemed actions, authorized and performed by the Customer or the Remote Banking Applications User and the latter shall be fully responsible for all the consequences of doing so.

18.4. The Customer or the Remote Banking Applications User who has received an official password from the Bank, must change this password on the first access to the respective remote banking applications.

18.5. In case of a forgotten password and/or username, and/or where the Mobile Banking PIN is known to another person, or loss/theft of terminal mobile devices, as well as in case of unauthorized access to a username, password or mobile device for remote banking, the Customer may request in writing from the Bank a new registration with the option to create a new username and a new password after having been identified according to the procedure provided for in these GTC. The change

to the Mobile Banking PIN may only be performed using the web-based application for remote banking, and only for the users with active access. In case of a forgotten username a second registration shall be required, as well as filling-in personally in one of Bank's office, a new Request for using remote banking applications BACB Online / BACB Mobile, which shall be signed by the Account Holder and the Remote Banking Applications User.

18.6. Where the Customer has designated one or more duly authorized Remote Banking Applications Users, each one of them shall use a separate individual tool of identifying and signing documents. As part of the Multi-Factor User Identification, the Bank must require the provision of a unique email address and a unique mobile phone number, through which the User is registered in the remote banking applications. Different Users may not be registered with the same email address and mobile number in the remote banking applications statements.

18.7. One natural person may be an authorized Remote Banking Applications User of more than one Customer (legal entity / natural person).

19. The Bank shall provide the use of the remote banking applications offered for certain supported operating systems and browsers and with the specified technical requirements for the software that are published on the website of the Bank for login to Remote banking applications. The use of other operating systems and browsers outside the published ones will be considered as a gross negligence on behalf of the Customer/ Remote Banking Applications User and will engage their responsibility in accordance with the PSPSA.

#### **IV.4. IDENTIFICATION. ACCESS RIGHTS. CONFIRMATION OF ELECTRONIC PAYMENTS STATEMENTS.**

20. The identification of the Customer and the Remote banking applications Users when using remote banking applications and the confirmation of the electronic payment statements shall be made in one of the following ways:

1/ **For web-based remote banking application:** a/ for logging in - by entering a username and a password, selected by the Customer/Remote Banking Applications User/second factor of user identification/ or by using the Signer application; b/ for confirming electronic statements: using eTAN, received as an SMS on the mobile number, provided by the Customer/Remote Banking Applications User or using the Signer application. The entry of eTAN or the use of the Signer application to confirm electronic payment operations, shall have the value of a legally valid statement signed by a handwritten signature. By using eTAN or the Signer application, the messages sent by the Customer / the Remote Banking Applications User are verified for authenticity, the identity of the Customer / Remote Banking Applications User is verified, their consent to the electronic statement / authorization of the payment transaction/ and the content of the electronic payment request is secured.

2/ for mobile remote banking applications: a/ for logging-in by entering the username and a password, selected by the Customer/Remote Banking Applications User or PIN or by using the respective terminal mobile device, property of the Customer/Remote Banking Applications User /second factor of user identification/; b/ for confirming electronic payment statements: using PIN, eTAN, an SMS received on the mobile phone number, provided by the Customer/Remote Banking Applications User or by using the respective application on the terminal mobile device, property of the Customer/ User. Electronic entering of the PIN, created by the Customer/Remote Banking Applications User, of the eTAN, received as an SMS or using the respective application on the terminal mobile device, property of the Customer/Remote Banking Applications User when confirming electronic payment operations, shall have the value of a legally valid statement signed by a handwritten signature of the Customer/Remote Banking Applications User.

#### **IV.5. EXECUTION OF PAYMENT ORDERS.**

21. The Customer and/or the Remote Banking Applications User shall have access to the respective remote banking applications on a 24/7 basis. The Bank shall accept payment orders from the remote banking applications until the officially announced closing hours for payment orders and after these hours the payment orders shall be considered to be deposited with the Bank on the next business day and shall be processed in accordance with the working hours of the payment systems, to which the Bank has access and through which it provides payment services. For the status of any payment order deposited through remote banking applications, the Bank shall notify the customer through the appropriate remote banking applications.

21.1. For the execution of transfers between Customer's own accounts, transfers for the repayment of liabilities, related to a credit card, issued by the Bank, as well as payment of utility bills, ordered through the remote banking applications, BACB Online/ BACB Mobile, no signing of the payment operation by the Customer or User, using a security tool shall be required. By ordering such a payment operation, using the remote banking applications BACB Online/ BACB Mobile, the Customer/User agree that it shall be signed by the Customer/User by electronic signature, equivalent to a personally affixed signature.

21.2. for blocking/ unblocking a debit / credit card, using the remote banking applications BACB Online/ BACB Mobile, no signing the order by the Customer/Remote Banking Applications User with security tools shall be required. By ordering the operation, using the remote banking applications BACB Online/ BACB Mobile, the Customer/ Remote Banking Applications User agree that it shall be signed by the Customer/ Remote Banking Applications User by electronic signature, equivalent to a personally affixed signature.

22. The data received by the Bank electronically shall have the force of valid and binding on the Customer written statements signed by the Customer / Remote Banking Applications User. By accepting these GTC, the Customer shall be deemed to be informed and agrees that the Bank may store in log files traffic data and the IP address of the Customer and the Remote Banking Applications User as well as any other information necessary to identify the Customer / Remote Banking Applications User and reproduction of electronic statements/ documents sent by the Customer/ Remote Banking Applications User to the Bank in connection with ordering payment and other transactions. The information and documents thus collected may be used by the Bank in the event of litigation and other statutory obligations of the Bank, as well as to be provided by the Bank to relevant authorities in case of suspicion of unauthorized use of the payment instrument and suspicions of money laundering, terrorist financing and/or transactions with funds of criminal origin.

23. A payment order or other instruction received by the Bank in the form of an electronic statement through one of the remote banking applications shall be deemed to have been received upon its entry into the accounting system of the Bank servicing the Bank's remote banking applications. The content and timing of receipt of the electronic statement in the accounting system of the Bank shall be established through an operating journal kept by the Bank.

24. In cases where, according to the current legislation, the Customer/ Remote Banking Applications User has to submit a written ground, additional information and/or documents for execution of a transaction ordered by electronic payment order, the Customer/ Remote Banking Applications User shall be required to provide to the Bank by e-mail or in other manner indicated by the Bank all necessary documents justifying the transaction.

25. In the event that an ordered payment or transaction cannot be executed, the Bank shall immediately notify the Customer/ Remote Banking Applications User by telephone or in writing, by e-mail to the e-mail address or via one of the remote banking applications.

26. The Customer may cancel an electronically transmitted electronic statement only in case that the transaction is not executed by the Bank (in the case of a payment order - the Customer's account is not debited). Cancellation occurs when the Customer/ Remote Banking Applications User deposits at an office / branch of the Bank or sends a statement to the Bank via the Remote banking applications with an explicit request for cancellation of the transaction signed by an authorized person.

27. For the transactions executed through the remote banking applications, the Customer shall pay to the Bank fees and commissions according to the Bank's Tariff of Fees and Commission.

28. After accounting a payment transaction ordered through remote banking applications, the Customer may monitor and track the status of the transaction, the movements on the accounts, and the amount of fees and commissions collected through the real-time remote banking applications. Upon request, the Customer may receive from the Bank a certified copy of a payment document received and processed through a remote banking applications.

#### **IV.6. NOTIFICATION. BLOCKING. RESPONSIBILITY. OBJECTIONS**

29. The procedure and the terms and conditions for notifying of unauthorized actions in using a remote banking applications, unauthorized or inaccurate payment transactions, blocking a payment instrument and a current account, and the responsibility of the parties are regulated in Sections III.4, III.5, III.6, III.7 and III.8 of these GTC.

30. The Bank shall block the Customer's/ User's access to a remote banking applications in the cases and in accordance with the procedure described in Section III.4:

31. The Customer / Remote Banking Applications User shall be entitled to submit written objections regarding the use of the payment instrument - remote banking applications and the execution of unauthorized or inaccurately executed payment transactions through a remote banking applications under the procedures and conditions of Section VIII of these GTC.

32. The Customers declares that they agree that all telephone conversations conducted with the Customer Service Remote Center will be recorded and kept by the Bank and declare that they have been informed that in case of dispute the Bank shall be entitled to use them as evidence.

#### **SECTION V. CASHLESS PAYMENTS FOR UTILITY BILLS AND OTHER SERVICES**

##### **V.1. GENERAL PROVISIONS. TERMS AND DEFINITIONS.**

1. These GTC shall regulate the terms and conditions under which the Bank provides the Customer with the option to execute cashless payments for utility bills and other services, as well as the option to subscribe for their automatic payment. When using these services, the Customer undertakes to strictly comply with the provisions of these GTC, the Technical Guide of the service is described in the Remote Banking Guideline, part "Utility Bill Payments", available on the BACB's website.

2. The terms listed below shall have the following meanings:

"Merchant" means a person providing utility services and other services, who is a party to a contract with ePay AD and EasyPay AD and accepts online payments through the system of ePay AD and EasyPay AD. "ePay.bg" is a payment system with online exchange of data related to payments for utility services and other services.

ePay AD is the operator of the ePay.bg system.

EasyPay AD is a payment institution within the meaning of the PSPSA, licensed by BNB and providing payment services.



3. The Bank shall provide the customer with the option to make cashless payments for utility bills and other services to Merchants, with whom ePay AD and EasyPay AD have concluded agreements.
4. The Bank receives information about the amounts due by the Customer for utilities and other services through the ePay.bg system. The payment of obligations through the Bank is possible only and solely for the Customer's obligations to the Merchants who have concluded a Contract with ePay AD and EasyPay AD. The information provided is received by the Bank from ePay AD and the Bank is not responsible for its authenticity and accuracy, including in case of inaccurate information submitted by the Merchant to ePay AD for the Customer's obligations. EPAY AD provides real-time information to the Bank about the amount of the Customer's obligation submitted by the respective Merchant.
5. The Bank undertakes to use the received information related to the customer's obligations and payments to Merchants only for the purposes, subject to these GTC.
6. The payments for utility services ordered by the Bank's Customer shall be executed through the mediation of EasyPay AD, the amounts being credited to a special (protected) account of EasyPay AD opened with the Bank under a specific contract entered into by and between the Bank and EasyPay AD, subject to the provisions of Art. 23 (2) PSPSA. The Bank undertakes to credit the account of EasyPay AD with the amounts paid by the Customer of the Bank to the respective Merchant, with a value date of the payment order of the Customer, for which the Bank sends a confirmation to ePay AD for the executed payment.
7. Upon payment by the Customer to a Merchant, which is confirmed by the Bank as "paid": a/ EasyPay shall transfer the amounts paid by the Bank's Customer to the account of the respective Merchant under the terms and within the time limits stipulated in the contract concluded between ePay AD. EasyPay AD and the Merchant, and b/ ePay AD shall send to the respective Merchant a confirmation for the successful payment in its favor according to the procedure an within the time limits stipulated in the contract concluded by and between ePay AD and the respective Merchant. The Bank shall not be liable to the Customer for the exact implementation of the obligations of EasyPay AD and ePay AD described in (a) and (b) of this Article.
8. From the moment when the account of EasyPay AD with the Bank is credited with funds coming from an account of a Bank's Customer, the latter shall not be responsible for the crediting of the accounts of the respective Merchant by RasyPay AD. The Bank is not a party to the contracts between ePay AD, EasyPay AD and the Merchants and is not liable to the Merchants for non-received payments. The Bank shall be liable in case of default or delayed implementation of its obligation under Art. 6 of this Section.
9. In case the Customer informs the Bank in writing that the Customer has duly made payment to the Merchant, but the Merchant does not verify it as paid, the Bank shall take immediate measures to clarify the case by using the mediation of EasyPay AD and ePay AD. The Bank shall promptly notify the Customer of the result of the investigation.
10. In the event that the Customer has been sanctioned (by imposing a fine, penalty, etc.) due to the default or delayed implementation of the obligation by EasyPay AD under Art.7(a) of this Section, EasyPay AD shall have to pay the Bank a penalty equal to the full amount of the penalty imposed on the Customer (fine, penalty, etc.) under a contract concluded between ePay AD, EasyPay AD and the Bank, and upon the receipt of this amount, the Bank undertakes to transfer it to the Customer's account with it.
11. In case of culpable default or delayed implementation of the obligation by ePay AD under Art. 7 (b) of this section, if the Customer has been sanctioned (fine, penalty, etc., as stipulated in the contract between the Customer and the respective Merchant), ePay AD shall pay the Bank a penalty in the size of: the full amount of the sanction imposed (fine, penalty, etc., as stipulated in the contract between the Customer and the respective Merchant) under a contract concluded between ePay AD, EasyPay AD and the Bank. Upon the receipt of this amount, the Bank undertakes to transfer it to the Customer's account with it, together with the sums received from ePay AD as interest, indemnities and other (if any).

## **V.2. EXECUTION OF CASHLESS PAYMENT FOR UTILITY BILLS AND OTHER SERVICES THROUGH THE REMOTE BANKING APPLICATIONS.**

12. The Bank shall provide the Customer with an option, through a remote banking applications, to register Customer / other numbers for which the Customer wants to receive up-to-date information about the amounts due to Merchants, with whom ePay AD and EasyPay have concluded a contract, and subsequently the Customer may, at their own discretion, order payment of all or part of these obligations.
13. The Bank shall maintain a list of Merchants providing utility services and other services that can be monitored and paid. The list shall be updated daily. The information on the obligations payable under these GTC shall be updated upon request via the remote banking applications. When creating a subscription by the Customer, the name of the obligation (entered by the Customer), type (Merchant providing the service), Customer number, period, amount and details shall be displayed. When paying for obligations, the Customer selects one or more obligations from the subscription list and signs it with the relevant active personalized security tool.
14. The Customer shall alone manage the subscription list - designating the account from which to pay the obligation, name of subscription, as well as deleting a subscription from the existing list.

### **V.3. SUBSCRIPTION FOR AUTOMATIC PAYMENT OF UTILITY BILLS AND OTHER SERVICES.**

**15.** The Customer may conclude with the Bank a Contract for Automatic Payment of Utility Bills and for Other Services (hereinafter referred to as "the Contract") by virtue of which it orders the Bank to pay automatically on the Customer's behalf and for the Customer's account the obligations for utility bills or other services payable to service providers designated by the Customer for specified Customer numbers. The Customer shall specify in the Contract: a/ the Customer's current accounts with the Bank from which the obligations for utility bills and other services for which the Customer wants to subscribe for automatic payment. The Customer shall also specify the priority of debiting the respective accounts; b/ Service Providers, the obligations to which the Bank should pay automatically upon the receipt of the bills on behalf and for the account of the Customer. The Customer shall also specify the priority of making payments by the respective Customer numbers and the Bank shall act accordingly when making payments within one business day; c/ Customer numbers the obligations of which are ordered by the Customer to be paid automatically by the Bank to the respective suppliers upon the receipt of the relevant bill; d/ The period of validity of the consent for automatic payment of the obligations of the respective Customer number to the respective service provider; e/ Instructions on whether to pay the entire amount due to the respective provider or to pay the obligation only if below the maximum amount of single payment is defined by the Customer; e/ Whether the Customer wants to receive notification by SMS or e-mail to a designated telephone / e-mail address and in what cases: Receipt of a bill for obligations to a specific supplier; unsuccessful attempt to pay the bill and/or successful payment of the bill.

**16.** The Contract may be changed at any time at the request of the Customer with respect to the parameters described in the previous Article: change / entry of new Customer's bills, change / entry of new service providers, change / entry of new Customer numbers, change of the validity of the consent, entry of a new / another maximum payment amount, change of the method and in the cases of notification to the Customer, change of the order of debiting the accounts, change of the priority of payment over other obligations, change of telephone, email for notification, etc. The changes shall be made at the request of the Customer, for which the Customer and the Bank shall conclude a new Contract and the Customer shall pay the fees specified in the Bank's Tariff.

**17.** In case of automatic payment of a debt from a foreign currency account, the currency exchange shall be made at the buying exchange rate of the Bank for the day of the exchange.

**18.** Automatic payment of utility bills and other obligations. Every business day the Bank receives information from ePay AD about the obligations of the Customers according to the Customer numbers designated by the Customers to the respective suppliers and the Bank proceeds as follows: 1/ If in the Contract that the entire amount due to the respective provider for the respective Customer number should be paid and the Customer has sufficient available cash in the account designated for automatic payment, the Bank shall debit the respective account of the Customer with the amount of the obligation and transfer the amount due in the account of EasyPay AD under Art. 23 (2) PSPSA with the Bank. If the customer does not have sufficient available cash on any of the accounts designated for automatic payment, no payment shall be made. The Bank shall pay the respective obligations, observing the priorities specified by the Customer under the Contract for the account to be debited and for priority payment of the respective Customer numbers. Upon making a transfer, the Bank shall ex officio debit the Customer's account with the amount of the fee accrued in accordance with the Tariff of the Bank; 2/ If the Customer has designated in the Contract that the Bank shall pay the obligation only if it is below a certain maximum amount and the obligation is below or equal to that maximum amount and the Customer has sufficient available cash to make the transfer, the Bank shall debit the respective Customer's account with the amount of the obligation and transfer the amount due to the account of EasyPay AD with the Bank. If the customer does not have sufficient available cash on any of the accounts designated for automatic payment, no payment shall be made. The Bank shall pay the respective obligations, observing the priorities specified by the Customer for the account to be debited and for priority payment of the respective Customer numbers. Upon making a transfer, the Bank shall ex officio debit the Customer's account with the amount of the fee accrued in accordance with the Tariff of the Bank; 3/ If the Customer has designated in the Contract that the Bank shall pay the obligation only if it is below a certain amount, but the obligation is greater than this amount, the Bank shall not make the payment. The Bank shall make automatic payments of obligations for utility bills and other services in accordance with these GTC.

**19.** Notification of the Customer by SMS or e-mail. It may be specified in the Contract that the Customer wants to receive notification from the Bank by SMS or e-mail at the phone or email address specified by the Customer in the following cases: a/ receipt of a bill for the obligation to a specific provider; b/ unsuccessful attempt to pay the bill; and/or c/ successful payment of the bill. The Bank shall charge each notification in accordance with the Tariff of the Bank and collect the total amount of the notification fees due from the Customer ex-officio at the end of the month. If within two months the Customer fails to provide sufficient available cash on one of the accounts designated for payment of the notification fees due, the Bank shall automatically terminate the notification of the Customer.

**20.** The Customer may terminate the Contract early and unilaterally at any time in the event that the Customer has no obligations to the Bank under this Contract by depositing at the Bank's desks a written instruction for the termination of the Contract. The termination of the Contract shall enter into force on the day following the registration of the termination with the Bank.

21. At the end of the expiry date of the consent for payment of utility bills or other obligations under the Contract, the Bank shall stop monitoring the Customer's obligations under the respective consent for payment under the Contract.

22. When service providers enter an additional fee for the payment through EasyPay AD due by the Customer who has concluded a contract for automatic payment of obligations for utility bills and other services and information on the basis and amount of this additional fee introduced by the service provide is not provided by EasyPay to the Bank, the Bank shall refuse and shall not execute payment orders to these service providers if it cannot provide the Customer with the preliminary information on the type and amount of fees and commissions due by the Customer to the relevant service provider. In this case, the Bank shall terminate the subscription for automatic payment to this service provider and notify the Customer by e-mail to the address designated by the Customer upon the registration with the Bank within 14 business days of the change and the deactivation.

## **SECTION VI. ISSUANCE AND USE OF INTERNATIONAL DEBIT CARDS**

### **VI.1. GENERAL PROVISIONS. DEFINITIONS AND INTERPRETATION.**

1. These GTC shall also regulate the terms and conditions for issuance, use and service of international debit cards VISA CLASSIC DEBIT, VISA GOLD DEBIT, V PAY, MASTERCARD STANDARD, MASTERCARD GOLD and VISA BUSINESS by the Bank (hereinafter referred to as "the Card" or "the Cards") as well as the relationship between the Bank and the Customer / Authorized User regarding the issuance, use and service of international debit cards issued by BACB.

2. For the payment services provided by the Bank in relation to the issuance, use and service of debit cards under the provisions of this Section, the Bank and the Customer shall sign a Contract-Request for the issuance of a bank card which shall have the force of a Framework Agreement within the meaning of the PSPSA. In the event that the respective Contract-Request concluded between the Bank and the Customer contains terms other than those in these GTC, then the agreed herein different terms shall prevail.

3. The international cards VISA CLASSIC DEBIT, VISA GOLD DEBIT, MASTERCARD STANDARD, MASTERCARD GOLD AND VISA BUSINESS are designed for transactions in Bulgaria and abroad, and the cards V PAY are designed for transactions in Bulgaria and Europe, as well as on all ATM and POS terminals in the world, which are capable of servicing chip cards (contact and/or contactless transactions) on VISA and MasterCard standards. The cards shall be used for carrying out transactions via terminal devices marked with the trademark of the relevant card - V PAY, MASTERCARD and VISA, and the Bank undertakes to execute the following transactions when instructed by the Authorized User: payment for goods and services and receiving cash at POS terminals; payment for goods and services, as well as transfer between accounts through virtual online POS terminals and online payment for goods and services through the online payment systems; cash withdrawal at ATMs; payment for services at terminal ATM devices; transfer between payment accounts, payment for services and transfer /order/ of amounts, based on the CashM service at ATMs in Bulgaria, if the respective card operators and the respective banks, operating the ATMs, have provided the necessary technical capabilities for that; card payment transactions initiated by or executed through the beneficiary; reference and other payment and non-payment transactions.

4. The Bank may extend or limit the scope of the services that may be used through the Card; to change the conditions, incl. fees, interest rates, and commissions based on changes to the legislation in force, security considerations, or improvements in the particular service. The Bank shall notify the Customers of the new services and the special terms and conditions of their use by publishing them on the Bank's website and shall not be liable for any damages and lost profits as a result of limiting the scope of the services. In the event that, as a result of a change in the terms and conditions, the fees, interest rates, and commissions are higher, the Bank shall notify the Customer at least two months prior to the date of entry into force of the changes pursuant to Section VII of these GTC.

5. The Bank accepts to make payments to the account under which the card transactions are reported under the terms of overdraft only if this is expressly agreed between the parties in a separate Contract-

6. The terms listed below shall have the following meanings:

**"Two-Factor Authentication Model"** is a combination of two components: Dynamic and Static Password for Internet payments, which must be entered by the Authorized User to confirm payment transactions with a bank card. The Dynamic Password is a single-use unique 6-digit code generated by Borica AD and provided to the Authorized User by sending a free SMS to a mobile phone number specified by the Authorized User. For each transaction performed by the Authorized User which requires Two-Factor Authentication of the Authorized User, Borica AD shall generate and send via SMS a different combination of digits, together with data on the amount of the payment transaction, part of the bank card number, merchant's name or website through which the payment transaction is performed and this combination shall be valid for 15 minutes. The Static Password is created personally by the Authorized User on the web portal provided by Borica AD bearing the logo of BACB AD and is used together with the Dynamic Password to confirm card transactions with Internet merchants participating in the Visa Secure and MasterCard ID Check programs. For each transaction performed by the Authorized User which requires Two-Factor Authentication and confirmation of payments by bank card on the Internet, the Authorized User shall enter simultaneously the Static Password created by the Authorized User and the Dynamic Password received via SMS for authorization of card

transactions.

**“B-Trust Mobile Application”** – an application, used by the Authorized User to utilize the biometrical authentication, built in his/her mobile device, to confirm payment operations with bank cards for online payments at retailers, registered for additional level of protection with the Visa Secure and MasterCard ID Check programs. At every transaction, performed by the Authorized User, requiring his/her authentication, Borica AD shall generate a push notification, using the B-Trust application, to confirm the bank card payment operation, providing details on the amount in the payment operation, a part of the bank card number, the name of the retailer and the website, through which the payment operation is performed. When logging-in, using biometrical data, built-in and activated on the mobile device, on which the application is installed, the authorized user shall choose the payment operation, review the details thereof and authorize the payment. The B-Trust Mobile application is property of BORICA AD, and the Bank and Borica AD do not have access, at any time, do not store and do not process any biometrical data of the Customer/Authorized User, built-in the mobile device of the Customer/Bank Card Authorized User. By registering the card, issued by BACB, the Authorized User activates a B-Token in the B-Trust Mobile application, by which any and all cards of the Authorized User, issued by BACB are automatically registered for this method of authentication of online card operations.

**“Additional card”** is a card issued to an Authorized User of an additional card to the Customer's current account. The Authorized User of the primary card and the Authorized User of the additional card shall jointly use the balance available on the account. At the request of the Customer, the additional card may also be issued to a separate current account of the Customer.

**“Authorized User”** is an adult person having proper capacity, a Bulgarian citizen or a foreign natural person. The Authorized User shall be: i) Customer - natural persons who is the holder of the account or a legal representative of a Customer - legal entity who is the account holder when a primary card is issued to the account, or ii) another natural person (Authorized User of an additional card) indicated by the Customer in the Contract-Request for a debit card issuance.

**“Authorized User of an additional card”** is: i) a fully able natural person of full legal age, a Bulgarian national or a foreign natural person; or ii) a natural person, at an age of at least 14 years, Bulgarian national or a foreign natural person, at an age of at least 14 years, as specified by the Customer who is the parent or guardian of the respective person, aged between 14 and 18 years, in the Request-Agreement for the issuance of a debit card.

**“Primary card”** is a card issued to the Customer to a current account held by the Customer, including to a payment account with basic features.

**“Personalised security tools for a payment instrument - a payment card”** - passwords and security codes for payment on the Internet, POS and ATM such as: PIN code, CVV2, CVC2, static and dynamic password of the two-factor model for authentication in payment transactions by payment card with Internet merchants registered for the Visa Secure and MasterCard ID Check programs, B-Trust Mobile Application..

**“Account”** or **“the Account”** for the purposes of this section shall mean a current bank account with BACB in the following currencies: Bulgarian lev /BGN/ or Euro /EUR/ or US Dollar /USD/, as well as payment account with basic features within the meaning of the PSPSA in Bulgarian lev /BGN/ to the name of the Customer, having one or multiple Cards issued in relation to that amount, where all the transactions, performed with the Card/s shall be charged and recorded, and the principal shall be repaid (only applicable if an overdraft to Customer's account has been negotiated in advance), the interests and other fees, payable by the Customer. The account availability may not be only blocked for card use.

## **VI.2. ISSUANCE OF PRIMARY AND ADDITIONAL CARDS.**

7. At the request of a Customer-natural person, the Bank shall issue to the Customer's current account (including to a payment account with basic features) a Primary Card, for which the Bank and the Customer shall conclude a Request-Agreement for the issuance of a debit card, in compliance with these GTC. At the request of the Customer-legal entity or sole proprietor and on the basis of a Contract-Request for the issuance of a business debit card concluded between the Bank and the Customer, the Bank shall issue to the Customer's current account a business debit card VISA Business ("business debit card") in the name of the Authorized User: the natural person - legal representative of the Customer.

8. Upon Customer's request, the Bank shall issue additional debit cards / additional business debit cards to the account in the name of Authorized Users of additional cards specified by the Customer in the Contract-Request for the issuance of a debit card. At the request of a Customer - natural person, the Bank shall issue up to 5 additional debit cards, regardless of the number of accounts opened in the name of the Customer - natural person and regardless of the debit card brand. By using additional cards / additional business debit cards, the Authorized Users of additional cards may dispose of the funds available on the Customer's account and/or to the overdraft amount, if any, within the transaction limits for which the Customer shall expressly give his consent. The Bank shall identify the Authorized Users of additional cards as provided in these GTC. The Authorized Users of additional cards shall sign the Contract-Request for the issuance of a debit card.

9. The issuance and use of additional cards shall be at the sole risk and responsibility of the Customer. The Customer assumes responsibility for all actions performed with the additional card. All transactions made with the additional card and the fees, principal amounts /in case of authorized overdraft/ and interest rates charged, as well as other liabilities associated with transactions ordered by the Authorized User of an additional card, shall be valid and shall be for the account of the account



Holder.

**10.** Each card issued by the Bank is personal and is issued to a natural person - Authorized User.

10.1. The Bank shall issue bank cards based on a power of attorney in the following cases: when depositing to the Bank a Contract-Request by a person duly authorized by the Customer who is authorized by virtue of a notary certified power of attorney, in which case a bank payment card shall be issued to the Customer or to the authorized person, as specified in the power of attorney. The right to receive a payment card issued by an authorized person shall occur only if there is an explicit text concerning receipt of the payment card in the notary certified power of attorney issued in favor of the proxy, in which case the Authorizing Customer shall bear the full responsibility and risk of misuse of the bank payment card by a third party, insofar as the Customer has explicitly authorized a third party to receive from the Bank a debit card and the PIN code to it.

10.2. The Bank reserves the right to refuse the issuance of a card upon a completed and signed Contract-Request for a debit card without giving any reasons.

**11.** Each card shall be issued with a unique Personal Identification Number (PIN). The PIN is a type of personalized security tool that represents a combination of at least four digits and serves to identify the Authorized User in making payment and non-payment transactions in accordance with these GTC.

11.1. Upon transmission of the card and the PIN thereto to the Authorized User, the Bank shall ensure that it is kept secret.

11.2. The Bank shall transmit the card and the PIN thereto in person to the Authorized User within 10 days as from the conclusion of the Contract.

11.3. The card shall be transmitted to the Authorized User in one of the following manners: (i) via courier to the address specified by the Authorized User in the Contract-Request for the issuance of a card, or (ii) at an office of the Bank, as specified in the Contract-Request for the issuance of a card; that the change of the respective payment account, for which the debit card of an authorized user office is issued, shall take place at user's express written application/request.

11.4. The PIN shall be passed to the Authorized User in one of the following manners: (i) in a sealed envelope sent by courier to the address specified by the Authorized User in the Contract-Request for the issuance of a card (for security reasons, the PIN is sent separately from the Card); (ii) in a sealed envelope at the Bank's office specified in advance in the Contract-Request for the issuance of the card; (iii) via SMS message to the telephone of the Authorized User set out in the Request-Agreement for the Issuance of a Card; (iv) via a web-based remote banking application, where possible.

11.5. The Bank may transmit the card and the PIN to the Authorized User also in a manner other than the above-described meeting the requirements of security of the international VISA and MasterCard organizations.

**12.** The card is inactive at the time of the card and the PIN are received by the Authorized User. The activation of the card takes place after the Customer makes a phone call to the telephones specified by the Bank - **+359 2 8705149 or +359 2 9702600 – available 24 hours a day** and after the identification of the Authorized User and the verification of the data stated by the Authorized User: name, PIN, mother's maiden name (keyword) and other information specified in the Contract-Request, the card shall be activated. The Bank recommends to the Authorized User of a primary or additional card to change the PIN code at an ATM as soon as the Authorized User receives and activates the card. The PIN may be changed at any time by the Authorized User with a new one known only to him by an ATM (of the bank or of other bank) installed on the territory of the country.

12.1. If the Authorized User has forgotten the PIN, at their request the Bank shall issue a new card with a new PIN and shall transmit to the Authorized User the new card and the new PIN within 10 days in accordance with the provisions of Art. 11.1 and Art. 11.2 of this Section. For the issuance of a new card with a new PIN thereto the Customer shall pay the Bank a fee according to the Tariff.

12.2. The Authorized User shall be required to affix his/her signature on the signature strip on the back of the card upon its receipt (not applicable and not valid for VPAY cards).

**13.** The card shall be the property of the Bank and the Authorized User is required to return it to the Bank upon the expiration of its validity or upon the termination of the Contract.

**14.** The name of the Authorized User according to an identity document (and the name of the legal entity nor the sole proprietor for business debit cards) - in Latin characters, the card number and the expiry date are written on the face of the card. Upon change of name, the Customer / Authorized User is required to file a request for re-issuance of the card, subject to a fee according to the Tariff.

**15.** In order to make remote payment transactions with payment cards, the Bank shall provide the Authorized User with personalized security tools other than a PIN that ensures the compliance with the requirements of the PSPSA for the thorough identification of the identity of the payer. In order to provide maximum security for card payments on the Internet, the Bank shall provide the Authorized Users with automatic registration for the service – "Additional Authentication for Internet Payments" (Visa Secure and MasterCard ID Check). The Bank provides a temporary password for logging in the web portal bearing the BACB logo, through which the Authorized User is identified and creates a permanent static password for authentication in Internet payments by bank card simultaneously with the dynamic password received via SMS, according to the BACB Terms of Use of the service "Additional Authentication for Internet Payments with a Bank Card" The Bank shall

provide the Authorized user the option to register a bank card in the B-Trust Mobile application, activating the B-Token for authorization of payment operations using mobile devices with biometrical data. By the activation of the B-Token in the B-Trust Mobile application, any and all cards of the Authorized User, issued by BACB are automatically registered for this method of authentication of online card operations.

15.1. Dynamic Internet Payment Password is generated at each payment with a merchant registered under the Visa Secure and MasterCard ID Check programs and is sent free of charge by SMS to the telephone number provided by the Authorized User. In the process of card payment via the Internet the Authorized User shall also enter, in addition to the card details, the additional model for authentication in payment transactions by card on the Internet, thus minimizing the risk of misuse of a payment instrument when using it on the Internet. For the use of the Additional Authentication Model for Internet payments by bank card on the Internet, the BACB Terms of Use of the "Additional Authentication for Internet Payments" service by bank card, available on the BACB website, shall apply.

15.2. By signing the Contract-Request for the issuance of a debit card, the Customer consents to Borica AD to send Dynamic Internet Payment Password by an SMS to the specified mobile telephone number for a payment transaction on the Internet, as well as a temporary password to be used by the Authorized User to log in the web portal bearing the BACB AD logo in order to identify and create a permanent static password for Internet payments according to the BACB Terms of Use of the Terms of BACB for use of the "Additional Authentication for Internet Payments" service.

15.3. The Bank shall be entitled to change the tools used for ensuring the security of the online payments in case of changes in the requirements and standards of International Card Organizations. The Bank shall notify all customers of the changes made by posting a notice on its website, through personalized messages to the cardholders and by other electronic means of providing information.

15.4. The Bank offers the Customer/Authorized user the option to use the B-Trust Mobile application, property of BORICA AD, and is used by Customers/Authorized users of bank cards, issued by BACB for the authorization of payment operations with bank cards at retailers, registered for the Visa Secure and MasterCard ID Check programs of the international card organizations.

15.5. BACB and the Customer/Authorized user agree that in case of payment operations, using bank cards at a low value of up to BGN 20.00 (twenty) or the equivalent amount in another currency, additional authentication may not be requested by the Customer/Authorized user. The bank may at any time change this amount, in order to ensure compliance with the security requirements of the payment instrument or any legal amendments and regulations of the International Card Organizations. Upon reaching five successive low-value payment operations with a bank card with no additional authentication, the Bank shall request from the Customer/Authorized user to use his/her chosen method of additional authentication.

#### **16. PROVISION OF REMOTE CONSENT FOR CARD PAYMENT TRANSACTIONS INITIATED BY OR EXECUTED THROUGH THE BENEFICIARY.**

16.1. The Bank shall apply strong customer authentication at the time the Customer provides his/her consent to the following: the beneficiary of a payment transaction to perform on behalf of and for the account of the Customer (acting as the payer) payment transactions using a payment card in cases where the beneficiary is a merchant registered for the Visa Secure and MasterCard ID Check programs in compliance with the standards of the international card organizations.

16.2. The consent shall be given through an initial transaction, verified by strong customer authentication of the Customer through the additional authentication model and initiated by the Customer. Through this transaction, the Customer agrees to the beneficiary of the payment transaction on the basis of the requirements / policies of the merchant or its servicing bank, respectively, for subsequent transactions to be initiated by the merchant acting as the beneficiary.

16.3. The subsequent transactions effected with a payment card at the initiative of or through the beneficiary shall be carried out without applying strong customer authentication of the Customer as the beneficiary. Such transactions may have the nature of future or periodic subscription payments, payment of insurance premiums, payment of utility bills, payment for media services, etc., for which the Customer has given prior consent to be executed using a payment card at the initiative of or through the beneficiary.

16.4. In cases where the beneficiary of a payment transaction executed using a payment card at the initiative of or through the beneficiary is not registered for the Visa Secure and MasterCard programs for an additional level of security, the strong customer authentication of the Customer shall be carried out by the respective merchant, acting as the beneficiary, rather than the Bank - issuer of the payment instrument.

16.5. The Bank shall not be liable for unauthorized payment card transactions executed at the initiative of or through the beneficiary, where the Customer has given his/her consent, without applying the Bank's procedures for strong customer authentication. In this case, the responsibility for the authorized transactions shall be borne by the respective merchant as the beneficiary and the merchant's payment service provider, who shall prove whether the payment transaction made with a payment card at the initiative of or through the beneficiary is authorized by the Customer or not.

16.6. The Customer, as a payer, shall be entitled to request the Bank to reverse the entire amount of a card payment transaction already executed and authorized, provided that it has been ordered at the initiative of or through the beneficiary and the following conditions have been simultaneously met:

16.6.1. At the time of the authorization for execution of the payment transaction, its exact value was not indicated, and  
16.6.2. The value of the payment transaction exceeds the value, expected by the Customer with view of his/her previous costs on similar transactions.  
16.7. The request for reversal shall be made by the Customer to the Bank within 56 days from the date on which the account was debited. Upon request of the Bank, the Customer shall provide evidence of the existence of the conditions under para. 16.6.1. and 16.6.2.  
16.8. Within 10 business days of the receipt of the request, the Bank shall reverse to the Customer the full amount of the payment transaction or refuse to recover it, stating the reasons for the refusal and the authorities to which the payer may make an appeal if it does not accept the reasons for the refusal set out. This period may be extended in the event of an international dispute regarding payment card transactions in compliance with the rules and policies of the international card organizations VISA and MasterCard.  
16.9. For the purposes of para 16.6., the Customer may not refer to reasons for currency exchange operations where the reference exchange rate agreed with the Bank has been applied.  
16.10. The Customer shall not be entitled to reversal under para 16.6., when he/she has given his/her consent to the execution of the payment transaction directly to the Bank or where the beneficiary has provided or made available to the Customer, in his/her capacity as a payer, information about the forthcoming payment transaction, as agreed, at least 28 days before the date of the execution of the payment transaction with a payment card initiated by or executed through the beneficiary.

17. The Customer shall maintain on the account to which the debit payment card has been issued a minimum non-reducible balance specified in the Tariff of the Bank. The Bank shall be entitled ex officio to close the Account if the card has not been received by the Authorized User and no transactions have been made on the account for a period of three months and there are no funds in the account. Where an issued card has not been activated within three months of its production, the Bank shall be entitled to deactivate it ex officio without further re-issue or re-activation.

18. The Bank shall make available to the Customer - natural person (User within the meaning of the PSPSA) in writing on a durable medium a monthly Account Statement for the expired period in accordance with the procedure of Section III.3 of these GTC. If the Bank does not receive a written objection from the Customer-natural person (User within the meaning of the PSPSA) within 45 days from the date of receipt of the Account Statement, in accordance with the provisions of Section III.3 of these GTC, the Holder shall be deemed to have received and approved the reporting documents. The notification to the Bank after this period shall be considered unreasonable.

### **VI.3. TERMS OF USE. OBLIGATIONS OF THE AUTHORIZED USER**

19. The card shall be used only in person by the Authorized User in accordance with the terms and conditions for its issuance and use in compliance with the security measures and the provisions of these GTC. The card may not be borrowed, transferred or made available to third parties in any other way. The card number shown on its front side as well as the additional security code (CVC2/CVV2), depicted on the back of the card shall not be communicated to third parties, except for the transactions under Art. 22.2 of Section VI.4.

20. By using the card by the Authorized User at a terminal device (ATM and POS) by inserting / sliding / approaching in/through the device (contact and/or contactless transactions) and in cases where the terminal requires it - by entering the PIN and/or by affixing a signature on the transaction document and by presenting an identity document upon request by the merchant when using the card at a POS at the merchant, the Authorized User shall be identified and authenticate the respective transaction, agrees and instructs the Bank to execute it, which unconditionally binds the Authorized User with the consequences, and the Bank shall not be liable for any damages or lost profits resulting from its execution.

21. The Customer / Authorized User undertakes: 1/ to take all reasonable steps to preserve the personalized security tools of the card such as: (a) to keep the card responsibly with the due care by taking all necessary measures against its damage, destruction, loss, tampering, stealing, misappropriation or use in any other illegal manner other than the conditions for its issuance; (b) to keep in secret the PIN, the additional security code (CVC2/CVV2) and the Dynamic and Static Password for two-factor authentication for payments by bank card online or the B-Trust Mobile application and take all necessary measures against third parties' knowledge of it. The Authorized User shall be required not to keep the PIN in a way that makes it possible to be known by third parties, including not to write it on the card or on any item carried together with the card. The PIN selected by the Authorized User should not consist of an easily identifiable combination (such as telephone number, date of birth, vehicle registration number, etc.). The Authorized User shall be required to use the PIN (Dynamic and Static Password for Payments online or the B-Trust Mobile application) only after making sure that the PIN / Dynamic and Static Password for Payments online or B-Trust Mobile application cannot be seen/acquired by third parties in order to prevent possible malicious actions (frauds) by third parties; 2/ to protect the card from bending, breaking, demagnetizing and other mechanical damage; 3/ to provide funds for repayment of the liabilities under the account, including through the overdraft provided, if any; as well as to maintain the minimum non-reducible balance specified in the Tariff of the Bank; 4/ to promptly notify the Bank to one of the following telephone numbers in Borica AD: **+359 2 8705149 or +359 2 9702600 - 24 hours per day** in case of: (a)

destruction, damage, retention, loss, theft, other misrepresentation, tampering or use in any other unauthorized manner of the card, as well as any suspicion that a third party has or could have known the PIN; (b) carrying out a transaction with the card not authorized by the Authorized User; (c) in all other cases provided for in Section III.4. of these GTC; 5/ The Customer / Authorized User shall also have all other obligations under these GTC, specifically under Section III.4 and III.5. herein.

#### **VI.4.1. PAYMENTS AND CASH WITHDRAWALS**

**22.** The card entitles the Authorized User to make non-cash payments of goods and services at home and abroad, by contact or contactless, on-line or in off-line mode, at traders via terminal devices marked with the sign of the respective card. The VPAY debit card entitles the user to carry out transactions in the Republic of Bulgaria and in Europe, and the transactions by it shall always be authorized by the issuer and made on-line.

22.1. When using the card for payment of goods and services on a terminal device, the Authorized User shall be required, prior to confirming the transaction, to make sure that the payment amount is correct and then enter the PIN when required and/or to sign the document of the performed transaction (receipt, voucher, other) presented to the User by the person receiving the payment. The signature on the document for the performed transaction should correspond to the signature placed on the back of the card. By using the card at a terminal device, by entering the PIN of the card, respectively by signing the document for the performed transaction, the Authorized User certifies the amount of the payment and orders the Bank to debit the account with the amount of the payment and transfer it to the account of the beneficiary, including in case of contactless transactions. The person accepting the payment order shall be entitled to verify the identity of the Authorized User by requiring the presentation of an identity document.

22.2. When paying for goods or services ordered by telephone, fax, Internet, etc. the Authorized User typically executes the transaction by communicating / entering the holder's name, card number and expiration date, including CVC2 / CVV2 - the last three digits of the code printed on the paper strip on the back of the card in Italics, as well as other information in accordance with the rules of the card organizations, where necessary. By entering the required data, the Authorized User is identified, confirms the amount of the payment and orders the Bank to debit the account with the amount of the payment and transfer it to the account of the beneficiary.

22.3. In the process of Internet payment by card on websites marked as safe (according to the standards of VISA and MasterCard - Visa Secure and MasterCard ID Check), in addition to the card details, the Authorized Holder shall also enter the components of the two-factor authentication for Internet payments - dynamic and static password, or the B-Trust Mobile application or use another security tool provided by the Bank, with the aim to perform secure payments on the Internet and minimize the risk of abuse in this type of payments.

**23.** The person accepting payment by cards at a POS (Merchant) through which the payment is made may refuse to use the card in the case of: (a) invalidity of the card; (b) non-compliance of the signature on the card with the signature on the transaction document or identity document or absence of signature on the card (not applicable to VPAY cards); (c) refusal of the card holder representing himself for Authorized User, to produce a document confirming his identity, or where the Trader finds that an unauthorized person is using the card; (d) inability to obtain confirmation of the transaction; (e) suspicion of a false or forged card.

**24.** The persons accepting card payments shall be entitled to request the authorization of the card payment by blocking funds from the availability on the Customer's account.

**25.** The card may be used to withdraw cash in one of the following methods: (a) at an ATM (ATM terminal); (b) at POS terminals (cash advance) of the authorized banks at home and abroad, for cards bearing the MASTERCARD AND VISA TRADEMARKS (VPAY cards for Europe); or (c) (cash back) at retail establishments in the country providing this service, after authorization of terminal devices on the territory of the country marked with the trademarks MASTERCARD and VISA.

**26.** Using the card, the Authorized User may transfer /order/ an amount in BGN at an ATM, supporting the service Cash M, to another individual – Recipient of the transferred amount, as the Authorized User agrees to carry out the following activities: a/ to enter the amount of the transfer – at least BGN 10.00 / maximum – BGN 400.00, as each such amount must be divisible by BGN 10; b/ to enter a randomly selected four-digit code for the transfer; c/ to enter the mobile telephone number /for Bulgarian operators only/ of the payment recipient; d/ to enter his mobile telephone number /for Bulgarian operators only/ - optional, to be specified only if the sender wants to receive a SMS when the transferred money is withdrawn/; e/to notify the recipient of the code of the “Cash M transfer” and that the money is to be withdrawn within 7 /seven/ days (168 hours) after the transfer initiation

**27.** The Bank agrees that within its working hours, it shall refund to the account of the Customer with the Bank, not later than 2 /two/ business days, the amount of the Cash M transfer, which is not withdrawn, if the transfer recipient has not withdrawn the amount of the transfer within 7 /seven/ days (168 hours) after it is ordered by the Authorized User or due to complete or partial blocking of the transfer, after the transaction of the ordered transfer is recorded in Customer's Account.

**28.** The Bank shall block the Cash M transfer in one of the following cases: a/ three successive wrong inputs of one and the same code, required for withdrawing the transfer; b/ expiry of the validity of the Cash M transfer /seven days or 168 hours after the transfer of the amount by the Authorized User/; c/ in case of doubt on the part of the Bank, for unauthorized use of



the card.

**29.** For any cash withdrawal from an ATM on the territory of the country the Authorized User may order issuance of a receipt by activating the respective service.

**30.** The Bank shall execute the transactions ordered through the Card by debiting the Customer's account with the amounts in accordance with the order of their receipt at the Bank.

**31.** The usual deadline for the Bank to debit the account is up to 3 business days after a transaction in the Republic of Bulgaria and up to 10 calendar days after a transaction abroad, depending on the type and location of the particular transaction. The account may also be debited for another, longer period, depending on the time of receipt of the payment request by the bank servicing the person receiving the payment. The transaction shall be registered for the account with a Value Date being the date on which the payment has been ordered by the Authorized User.

**32.** When making a payment in a currency other than the currency of the Account, the Bank shall carry out conversion of the amount using the exchange rate of BACB as at the time of debiting / crediting the account. For transactions abroad, the amount shall be converted into a settlement amount in the currency and at a VISA or MasterCard exchange rate, according to the Card type, after which the Bank shall convert the amount so received into the currency of the Account by applying the exchange rate of BACB as at the time of debiting / crediting the account.

**33.** For each card transaction other than payment of goods and services at e Merchant, the Customer shall pay a fee in accordance with the Tariff, debited ex officio from the account by the Bank.

**34.** The Authorized User may make cashless payments and withdraw cash using the card up to the limits set by the Bank for: one transaction, for 24 hours, for seven consecutive days, and for a maximum number of transactions for the relevant period (withdrawal/payment limits) as well as according to the amount of account balance and the authorized overdraft, if any. In case of a transfer of money through an ATM, using the Cash M service, the transferred amount shall decrease the limits for cash withdrawals, accordingly.

34.1. The Bank may unilaterally modify the limits set for the card, for which it shall promptly notify the Customer by announcing it at its bank offices or on its website at [www.bacb.bg](http://www.bacb.bg) or in any other appropriate manner.

34.2. The limits set for the card may be changed at the request of the Customer and after approval by the Bank. Upon change of limits upon request of the Customer, the latter shall pay to the Bank a fee according to the Tariff.

**35.** The usual period within which the Bank executes the Customer's instructions for changing the parameters of the card is up to 5 business days.

**36.** Payment by a contactless debit card.

36.1. The maximum amount that does not require a PIN shall be determined for each country by the International Card Organizations (ICO). For security reasons, it is possible to require a PIN for contactless payments below the amount set for the relevant country.

36.2. By signing a Contract-Request for the issuance of a debit card with the option of contactless payment, the Authorized User confirms to have become familiar with and agrees with the type of payment, the methods of ordering and executing the transactions made using the Card, agrees that any ordered contactless payment using the Card shall be considered by the Bank as authorized by the Authorized User and shall be executed by debiting the Account with the ordered amount and transferring it to the account of the beneficiary, even in case of insufficient cash on the Account. In case of insufficient cash in the accounting processing of contactless payment, an unauthorized overdraft is formed on the Account.

**37.** The amount of the Customer's liabilities on the account shall be established on the basis of the entries in the Bank's books of account. The entries of all transactions performed with the card are accounting documents within the meaning of the Accountancy Act and shall be considered to be true until proven otherwise. The records of orders for execution of transactions kept by the Bank and other information shall be accepted as final evidence of their content as well as of the time when they are filed or executed.

#### **VI.5. OVERDUE PAYMENTS WHEN THE ACCOUNT BALANCE IS EXCEEDED**

**38.** The Customer and the Authorized User shall be entitled to make payments using the Card up to the amount available on the Account (available balance or the authorized overdraft, respectively, if any). Upon exceeding the availability of the account due to offline transactions or for any other reason, the Bank shall open ex officio a loan account of the Customer that shall be treated as an unauthorized overdraft and shall accrue interest at an interest rate for the respective currency according to the Tariff and the Interest Bulletin. The Customer must immediately repay the amount that exceeded the account balance.

**39.** In the event that the customer fails to implement any of its obligations under the Contract-Request for the issue of a debit card under these GTC within the specified period of time, the Bank shall be entitled immediately: 1/ to collect the outstanding amounts due as an unauthorized overdraft ex officio, without court intervention; 2/ to block all cards issued to the account. The cards shall be unblocked after the repayment of the overdue payments and the payment of a fee according to the Tariff. The Bank shall be entitled to unblock the card ex officio upon the implementation of the above conditions if, within the time limit set by the Bank, the Customer repays all of the due liabilities; 3/ The Bank shall be entitled to deactivate the cards issued to the account and to take immediate actions on enforced collection of the amounts due, including by court proceedings.

## **VI.6. RESPONSIBILITIES. OBJECTIONS**

40. The responsibility of the Bank and the Customer for any unauthorized or inaccurate transaction in connection with the use of a payment instrument-debit card is regulated in Sections III.4, III.5, III.6, III.7 and III.8. of these GTC.
41. The Bank shall not be responsible in any way for the transactions on which the Authorized User makes payments using the card. In case the Customer / Authorized User fails to implement its obligations to the Bank in connection with the use of the card, they may not make objections based on their relations with third parties.
42. The Bank shall not be liable for any unreasoned refusal of third parties to accept payments using the card or if a payment initiated by the Authorized User cannot be made with the card for technical, communication or other reasons beyond the control of the Bank.
43. The use of an expired card subject to return to the Bank, of a blocked or forged card is forbidden and may serve as a basis for seeking civil and/or criminal liability in the court.
44. The Customer shall be responsible for all obligations incurred in connection with the issuance and use of all cards issued to the Customer's account.
45. The Bank shall not be liable for transactions refused for reasons beyond its control.
46. The Customer / Authorized User shall be entitled to file written objections regarding the use of the payment instrument - Card issued by the Bank, and the execution of unauthorized or inaccurately executed payment transactions using a card in accordance with the procedure, under the terms and within the time limits specified in these GTC. The time limits for notification by the Customer to the Bank of unauthorized payment transactions executed with a debit card are specified hereinabove, in Sections III.4 and III.5 of these GTC, regardless of whether the Customer is a User within the meaning of PSPSA.
47. In the event of a dispute, the Bank undertakes to take all actions to protect the interests of the Customer / Authorized User.
48. In the event of an unfounded or unjustified objection of a card transaction, the Customer shall pay the Bank a fee according to the Tariff.

## **VI.7. CONTRACT TERM AND METHOD OF TERMINATION. CARD VALIDITY**

49. The Contract shall be concluded for an unlimited period of time.
50. The Contract may be terminated at any time during its term: (a) unilaterally by the Customer with a 30 (thirty) days' written notice to the Bank, provided that the Customer has fully repaid all of its liabilities on the Account with the Bank and has implemented all the obligations to the Bank; (b) unilaterally by the Bank with 2 months' written notice to the Customer who is a User, i.e. A natural person, and where the Customer is a legal entity or sole proprietor (i.e. not a User) - by 30 (thirty) days' written notice, or (c) by mutual agreement between the Parties.
51. The Bank shall be entitled to unilaterally terminate the Contract without notice to the Customer due to the default on the obligations and/or liabilities of the Customer / Authorized Holder undertaken under the Contract-Request in compliance with these GTC.
52. By the termination of the Contract, regardless of the reason, all cards to the current account, incl. the additional ones, shall be deactivated.
53. The relations of the Parties upon closing the Account shall be regulated by these GTC.
54. In all cases of termination of the Contract: (a) the Bank shall be entitled to block all cards issued to the Account on the day of receiving, respectively sending of the notice of termination / non-renewal of the Contract and to deactivate them at the expiration of the notification period; (b) The Customer shall be required to ensure that the Authorized Users return all the cards issued to the account; (c) The Customer shall be required to fully settle all of the Customer's obligations under the Account to the Bank and to implement all other obligations to the Bank, incl. all fees and charges due relating to the use of the Cards and the servicing of the Account prior to the expiration of the notice of termination; (d) All outstanding liabilities, incl. payments received after the date of termination of the Contract, payment transactions made with the Card(s) before that date shall be due by the Customer until their final repayment, and the Customer shall remain liable to the Bank after the termination of the Contract, regardless of the grounds for termination, whereby (e) the Bank shall be entitled to ex officio collection in accordance with these GTC.
55. The validity period of each of the Cards issued to the account - Visa Classic Debit, Visa Gold Debit, VPAY, MASTERCARD STANDARD, MASTERCARD GOLD and VISA BUSINESS shall be 3 (three) years as from the date of issuance of the card. The expiration date shall be printed on the card and expires at the end of the specified month / year.
- 55.1. Upon the expiration of the validity of the Card, the Bank shall issue a new Card ex officio. Not earlier than 20 (twenty) days prior to the expiration of the validity of the Card, the Authorized User may receive the new Card at the address designated by that user for receipt of the card or according to any of the methods specified in this Section VI.
- 55.2. If the Customer does not want a new Card to be issued, the Customer shall notify the Bank in writing no later than 40 (forty) days before the expiry date of the Card. The Customer / Authorized User shall be required to update the requested address for receiving the card within the same period. The Bank shall reserve the right not to renew any of the Cards issued

to the Account without giving any reasons for it.

#### **VI.8. BLOCKING, DEACTIVATION OF THE CARD**

**56.** The Bank shall be entitled to block the Card under the following conditions: 1/ at the request of the Customer and at the request of the Authorized User of an additional card only in respect of the additional card issued in his/her name. The Customer shall be entitled without the consent of the Authorized User of an additional card to block or deactivate that card. The additional card shall be automatically deactivated upon the termination of the contract with the Customer; 2/ in case of seizure of the Customer's account, in accordance with the procedure provided by the law; 3/ for objective reasons related to: (a) the security of the Card; (b) suspicion of unauthorized use of the Card; (c) suspicion of the use of the Card with the purpose of fraud; 4/ in the event of death or placement under guardianship of the Customer and the Authorized User - as from the day on which the Bank became aware of this circumstance. In the event of death, the heirs shall be required to submit to the Bank a death certificate, a certificate of heirs and other documents required by law, and shall be required to return to the Bank the Card in order to be destroyed; 5/ automatically, in three consecutive entries of wrong PIN/ automatically in repeated entries of wrong components of the two-factor authentication model for Internet payments by bank card; 6/ at a significantly increased risk that the Customer is unable to fulfil its obligation under these General Terms, the Bank Facility Agreement - overdraft on a current account (if any) and / or in the event of exceeding the amount allowed (unauthorized overdraft); 7/ in the cases specified in the law or these GTC.

**57.** The Bank shall notify the Customer of the blocking of the Card in the cases referred to in Art. 56.3 and of the reasons for blocking, if possible before the blocking, or at the latest immediately thereafter, unless the disclosure of such information is not permitted for security reasons or regulatory compliance.

**58.** The Card blocked under Art. 56.2, Art. 56.3 and Art. 56.6 shall be deblocked ex officio by the Bank after the elimination of the reasons for its blocking, and for all other cases it shall be unblocked with the explicit written request of the Customer, deposited at a Bank's office or through the electronic / remote banking applications of the Bank and after the payment of a fee according to the Tariff.

**59.** The Bank shall automatically deactivate the cards issued to the account upon termination of the Contract-Request for issuance of a debit card, and in the case of a card blocked under Art. 56.4 - after the Bank has received a written notification of the heirs, respectively the appointed guardians. The Bank may also deactivate an issued Card in other cases expressly specified in the law and these GTC. The Bank shall not be liable for damages caused as a result of deactivation of the Card under these GTC.

**60.** The Bank shall not be liable for damages if it has received a false notification under Art. 21.4 of this Section VI by a person who, on unambiguous circumstances, has been empowered to do so and the Bank in good faith has taken the necessary measures for protecting the Customer and has blocked the card.

**61.** Upon receiving the notification under Art. 21.4 of this Section VI, the Bank shall take all necessary measures to stop the use of the Card by blocking the Card for any transaction within the time required to process the notification.

**62.** In the event of a card being held by an ATM due to technical failure at the ATM or mechanical damage to the Card, the Customer / Authorized User shall be required to notify the Bank and the latter shall issue a new Card upon the receipt of a request for reissuance of the card.

**63.** The provisions of Section III.4. of these GTC shall apply for specifying the procedure and conditions for blocking the Card by the Bank.

**64.** Upon renewal of the Card due to loss, theft, damage or other reason, the Customer shall pay the Bank a fee according to the Tariff.

#### **SECTION VII. AMENDMENTS TO THE GENERAL TERMS AND CONDITIONS. TERMINATION OF THE FRAMEWORK AGREEMENT**

**1.** The Bank shall be entitled to amend and supplement these GTC at any time, and all such changes shall become effective as of the date stipulated in the decision of the Bank's competent body. In respect of Customers - natural persons (Users within the meaning of the PSPSA) who already have a Framework Agreements with the Bank, the Bank shall notify the anticipated changes at least two months before the date of entry into force of the changes. The notice shall be in the form of information about the respective changes and shall be available on paper at the Bank's counters or on its website, in Bulgarian and English, or through the Bank's remote banking applications, in a way that allows its storage and reproduction. The Customer-User shall be deemed to have accepted the changes in the General Terms and Conditions and shall be bound by them, unless the Customer-User notifies the Bank in writing that they do not accept the changes in the General Terms and Conditions before the date on which they enter into force. In case the Customer-User notifies the Bank in writing about their disapproval of the changes of the General Terms and Conditions before their commencement date, the Customer-User shall have the right to promptly terminate the Frame Agreement before the date of commencement of those changes, without bearing any responsibility whatsoever for any expenses and compensations.

**2.** The amendments to the General Terms and Conditions, which are connected with the expansion of the scope of services and/or a change of the payment instruments provided by the Bank and/or a change of the personalized security means used,

as well as changes of the fees and/or conditions of the rendered payment services, which are more favorable for the Customers, shall be applicable without the need for a preliminary notice to the Customer as referred to in para. 1 above.

3. The amendments to the interest rates and currency exchange rates resulting from changes of the applicable reference exchange rates and interest rates for their determination, shall be immediately applicable and without the preliminary notification of the user. The Bank shall place at the user's disposal all respective changes through announcement of the applicable interest rates and currency exchange rates at its bank branches and on its website, or on any other permanent carrier, unless agreed otherwise by the Parties under the Agreement as regards the term and way of making the information available.

4. The Framework Agreement shall be terminated and the accounts opened under it shall be closed in the following cases: a/ by mutual agreement of the Parties; b/ unilaterally by the Customer by one-month written notice, in the event that the Customer has no outstanding liabilities to the Bank at the expiry of the notice period; c/ unilaterally by the bank by means of a two-month written notice, made available to the Customer-User in printed form or in another durable form, in the order of receiving the Customer Communications, specified by the Customer when opening the account or at Bank's desks or by registered mail, and with respect to a Customer, who is not a user – in the same manner, as the notice period in this case shall be one month; d/ unilaterally, ex-officio by the bank, in case of simultaneous occurrence of the following conditions: for a period of more than 6 (six) consecutive months there is no payment transaction in the Customer's account, the Customer has not paid the fees due for the monthly account maintenance and there is no balance under the account, upon the implementation of all conditions described in this para. (D), it shall also be possible to close current accounts with imposed distraint. The provision of the preceding sentence, concerning the period, shall not apply to Customers – Holders of payment accounts with basic features, for whom this period shall be 24 /twenty-four/ months; In case of accumulated liabilities of the Customer on such account, the Bank may collect such liabilities ex-officio from another account of the Customer, with sufficient balance, as in case of different currencies, Bank's exchange rate on the date of deduction shall be applied; e/ unilaterally by either Party, without an advance notice, in case of default by the other Party; e/ unilaterally by the bank, without any advance notice: in case of suspicious transactions by a Customer; in case of suspicion of unauthorized use of a payment instrument or a current account by the Customer or in case of doubt about the use of a payment instrument or a current account have been for the purposes of fraud; at the discretion of the Bank for security reasons; in the case of information received by the Bank for the execution of illegal payment transactions; in case of suspicion of actions related to money laundering or terrorist financing. In such cases, the Bank may immediately terminate the relations with the Customer and notify them in writing, unless the disclosure of such information is inconsistent with the applicable law.

5. If following the termination of a framework agreement there is a credit balance available in the Customer's account, then the Bank shall transfer it to its temporary, interest-free account until drawdown.

#### **SECTION VIII. APPLICABLE LAW AND DISPUTE SETTLEMENT**

1. As regards all issues not covered by these GTC or the Framework Agreement, or in other agreements between the customer and the Bank, the provisions of the following documents shall be applicable: the Payment Services and Payment Systems Act (PSPSA), Ordinance No. 3 of the Bulgarian National Bank (BNB) on the terms and conditions and the procedure for opening of current accounts, for execution of payment transactions and for the use of payment instruments, the Credit Institutions Act (CIA), the Law on Electronic Document and Electronic Certification Services (EDECSA), the Remote Providing of Financial Services Act (RPFA), the Measures Against Money Laundering Act (MAMLA), the Measures Against Terrorism Financing Act (MATFA), other applicable national and European legislation, the directions of the European Banking Authority, the rules of Visa and MasterCard with respect to the international debit cards issued by the Bank.

2. The Bank and the Customer shall take efforts and shall strive for the settlement of all disputes occurred between them by way of negotiation and by mutual agreement, out-of-court. In case of unauthorized payment transaction, inaccurate or incorrect execution of a payment transaction on behalf of the Bank, the Customer shall have the right to submit a written objection (complaint) to the Bank. Complaints/objections, regarding payment operations, made using payment cards, issued by the Bank, shall be submitted by the Account Holder/Authorized User in writing, in a form, required by the Bank, in one of Bank's offices or sent by the Account Holder / Authorized User electronically in the form of an electronic document, signed by means of a qualified electronic signature (QES) to Bank's email address: cards@bacb.bg, or using a remote banking channel, as electronic documents, signed using eTAN. A request for challenging payment orders and other payment operations, performed by a Customer in one of Bank's offices or through a remote banking channel shall be deposited by a customer – account holder/account holder proxy, in one of Bank's offices or sent by the customer as an electronic document, signed by a QES to the following email address of the Bank: Payments@bacb.bg or sent by the Customer, using a remote banking channel, as an electronic document, signed by an eTAN. The Bank shall take a decision on and notify the Customer in writing about every complaint received, within a term of 14 days as of its submission, following the procedure stipulated in the BACB's Customers Complaint Management Policy available online on the Bank's website. As an exception, whenever the Bank cannot take a decision within the above term of 14 days as of submission of the written complaint due to reasons beyond the Bank's control, the Bank shall send to the Customer a reply specifying the reasons for the respective delay, as well as the term, within



which the Customer would receive a decision on the complaint logged by him/her. The time limit for making a decision may not exceed 35 business days from the receipt of the complaint.

3. If the Bank does not rule on the objection, as well as when no agreement is reached between the Bank and the Customer or when the decision of the Bank does not satisfy the Customer, the dispute shall be referred to the Payment Dispute Conciliation Commission set up at the Consumer Protection Commission at: 4A Slaveykov Sq., fl. 3, 1000 Sofia; telephone: +35929330577; fax:+35929884218; e-mail: adr.payment@kzp.bg; website: www.kzp.bg and <http://abanksb.bg/pkps> or to the competent Bulgarian court.

4. The objections of the Customer / Authorized User on payments made abroad (chargeback) with a debit card issued by the Bank shall also be considered according to the procedure determined by the respective card organization - MasterCard International or VISA Europe.

#### **SECTION IX. PROTECTION OF PERSONAL DATA**

1. Personal data provided by the Customer to the Bank in connection with and upon conclusion of an agreement under these GTC shall be processed and kept by the Bank in compliance with Regulation (EU) 2016/679 of the European Parliament and of the Council on the protection of natural persons with regard to the Processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation).

2. Detailed information about the data identifying BACB AD as a data controller and the contact information for contact with the DPO, the objectives and legal grounds for the processing of the personal data, including whenever such processing is necessary for the purpose of protection of the legitimate interest of BACB AD; the categories of recipients of personal data; the term of storage of the personal data; the rights of data subjects in connection with the processing of personal data by BACB AD, as well as information about the way of exercising the same; including any other information required to be provided to the Customer by the General Data Protection Regulation, contained in the Personal Data Protection Policy of BACB AD and in a Notice to Customers of "Bulgarian American Credit Bank" AD regarding the protection of personal data (Privacy Notice) available and announced on [www.bacb.bg](http://www.bacb.bg) and at the offices of BACB AD.

#### **SECTION X. BANK DEPOSIT GUARANTEE**

1. The payment of funds under deposits (accounts) at the Bank shall be under the guarantee of the Bulgarian Deposit Insurance Fund (BDIF) in compliance with the Bank Deposit Guarantee Act (BDGA). The BDIF shall guarantee the deposits in the Bank of Bulgarian and foreign natural persons and legal entities, in BGN and in a foreign currency up to the amount and under the conditions specified in the BDGA and in the Bank's Information Bulletin available at the Bank's counters and on its website (<https://www.bacb.bg>), Section "Documents/Other Documents", and shall be provided to the Customer before the opening of an account.

2. The BDIF shall guarantee the payment in full of the amounts under a person's accounts with the Bank regardless of their number and size up to BGN 196,000 (one hundred and ninety-six thousand), as such amount shall also include the interests accrued as at the date of the BNB's decision for withdrawal of the issued license for bank activity of the Bank or another act specified in the following article hereunder. The following deposits shall be guaranteed up to an amount of BGN 250,000 (two hundred and fifty thousand) for a term of three months as of the moment, at which the respective amount is credited to the depositor's account or as of the moment, at which the depositor acquires the right to dispose of the deposit amount, as within the above term of 3 months the same are not part of the calculation of the total amount of the Bank's liability towards a depositor: (a) deposits of natural persons resulting from deals with real estates for residential needs; (b) deposits of natural persons occurred as a result of amounts paid in connection with the conclusion or termination of a marriage, termination of employment/official relations, disability, death; (c) deposits occurred as a result of insurance/social security payments or of the payment of a compensation for damages due to crimes or due to a cancelled sentence.

3. The BDIF shall pay the Bank's liabilities to the depositors up to the guaranteed amounts in the following cases: (a) when BNB has taken a decision for the withdrawal of a bank activity of the Bank; or (b) when BNB has taken a decision for the establishment of unavailable deposits and that at the Bank's discretion it seems incapable of paying the deposits and incapable of doing this for a short period of time; or (c) in case of an act ruled by a judicial body, which impedes the demands for depositors' receivables against the Bank.

#### **SECTION XI. MISCELLANEOUS**

§1. These GTC have been drawn up in Bulgarian language and adopted by the Management Board of the Bank. For convenience of the Customers, the Bank shall provide, at their request, the translation of these GTC into English. In case of discrepancy or contradiction between the Bulgarian and the English versions, the Bulgarian text shall prevail and shall be deemed binding on the parties.

§ 2. The Bank shall publish on its website ([www.bacb.bg](http://www.bacb.bg)) the updated version of the effective GTC. Throughout the term of validity of the Framework Agreement, the Customer may request, and the Bank shall provide the GTC on paper or another permanent carrier.

§3. These GTC have been adopted by a decision of the Management Board (MB) of BACB of 28 June 2018, effective as from 6 September 2018, amended by a decision of the MB of 4 July 2019, effective as from 29 July 2019 for legal entities and customers who are not users within the meaning of the PPSA and as from 15 September 2019 for customer - users within the meaning of the PPSA, as amended by Decision of the MB of 9 April 2020, and shall become effective as from 24 April 2020, amended by decision of the MB of 14 May 2020, effective as from 16 June 2020, amended by Decision of the MB of 21.10.2021, effective as from 15.11.2021.

§4. Existing Customers of the Bank – Natural persons, who have signed a Framework agreement for remote banking by 15.11.2021 and who use the remote banking applications - Virtual Bank „BACB Plus“ may migrate/ move to using the remote banking applications BACB Online/ BACB Mobile, provided that they have accesses as users the remote banking channel - Virtual Bank „BACB Plus“ after 01.01.2020. They shall access the remote banking applications BACB Online/ BACB Mobile using an existing username, registered mobile phone number and registered email address, as the applicable rights of access shall be those, established and used in the Virtual Bank „BACB Plus“.

For existing customers – natural persons, who have signed a Framework agreement for remote banking by 15.11.2021, who have not accessed as users the remote banking channel - Virtual Bank „BACB Plus“ after 01.01.2020, Their remote banking framework agreement shall be effective, but if they want to use the services of the remote banking applications BACB Online/ BACB Mobile, these shall have to fill-in a Request for using the remote banking applications BACB Online/ BACB Mobile , personally in one of Bank’s offices.

§5 Existing customers – Legal entities shall use the remote banking applications - Virtual Bank „BACB Plus“ until the launching of the remote banking application BACB Online for legal entities.

§6. These GTC shall also apply to and govern the relations with Customers who, prior to the effective date of these General Terms and Conditions, have executed Framework Agreements with the Bank for the provision of payment services and/or for using payment instruments, including framework agreements for the opening and maintaining bank accounts and the provision of payment services, for remote banking, automatic payment of utility bills and other services, for the issuance of debit cards and/or business debit cards.

§7. As these GTC become effective, the following documents shall be revoked: (a) GTC of BACB for its Business Operations, adopted by Decision of the MB dated 27 June 2013, latest revision effective as of 25 May 2018; (b) GTC of BACB for the provision of payment services, adopted by Decision of the MB dated 27 June 2013, latest revision effective as of 25 May 2018; (c) GTC of BACB for remote banking, approved by Decision of the MB dated 29 November 2012, latest revision effective as of 25 May 2018; (d) GTC of BACB for the execution of cashless payments of utility bills and other services, adopted by Decision of the MB dated 2 February 2012, latest revision effective as of 25 May 2018; (e) GTC for the issuance and use of international debit cards, adopted by Decision of the MB effective as of 30 August 2012, latest revision effective as of 25 May 2018.

For the Bank:.....

For Customer-User: .....

/signature and full name/