

## **General Terms and Conditions of TEXIM BANK AD To Framework Agreement for Opening and Maintenance of Bank Payment Accounts and Execution of Payment Transactions**

These General Terms and Conditions shall set out the general contractual relationship between TEXIM BANK AD (the 'Bank') and its clients in connection with the opening and maintenance of bank payment accounts and the execution of payment transactions. The General Terms and Conditions have been adopted based on the Law on Credit Institutions ('LCI'), Payment Services and Payment Systems Act (PSPSA) and internal regulations of TEXIM BANK AD. The General Terms and Conditions shall govern the execution of payment transactions and lay down the procedure for opening and maintenance of payment accounts between the Bank as a payment service provider and the payment service user (the 'Client'), unless explicitly agreed otherwise.

### **I. Information about TEXIM BANK AD**

**TEXIM BANK AD is a commercial bank**, with headquarters in Sofia city, ZIP 1309 and registered office at No: 141 Todor Aleksandrov Blvd., entered into the Commercial Register at the Registry Agency with UIC 040534040 and holding license for carrying out banking activities, including also a payment service provider. The activities of the Bank are regulated by the Bulgarian National Bank, with address: No: 1 Knyaz Aleksandar Battenberg square, Sofia city.

### **II. Payment services provided by the Bank**

Art.1. The Bank shall provide the following payment services to its clients:

- (1) services related to cash deposits into a payment account and the related transactions for servicing the payment account;
- (2) services related to cash withdrawal from a payment account and the related transactions for servicing the payment account;
- (3) execution of payment transactions, including transfer of cash to a payment account of the Client in the Bank or in another payment service provider:
  - a) execution of direct debits, including single direct debits;
  - b) execution of payment transactions through payment cards or other similar instruments;
  - c) execution of credit transfers, including orders for periodical transfers;
- (4) execution of payment transactions, where cash is part of a loan granted to the Client:
  - a) execution of direct debits, including single direct debits;
  - b) execution of payment transactions through payment cards or other similar instruments;
  - c) execution of credit transfers, including orders for periodical transfers;
- (5) issuance of payment instruments and/or acceptance of payments through payment instruments;
- (6) execution of available cash transfers;
- (7) execution of payment transactions, where consent of the Client as payer to execute the payment transactions is given by means of telecommunication, digital or information device and payment is made to the telecommunication or information system or network

operator who acts only as an intermediary between the Client and the provider of goods or services.

Art.2. The Bank shall not control the subject and legality of the transaction, in connection with which the payment service is provided, unless provided otherwise by the regulations or by an agreement with the Client.

Art.3. Regarding the execution of payment transactions on the account, the Client of the Bank can act both as a payer and/or payee.

### **III. Orders to the Bank**

Art.4.(1) The Client may submit the following orders to the Bank:

- a) to make payments or receive cash;
- b) to receive information about the status of its account;
- c) to open a new account or close an existing one; or
- d) to carry out any other transaction on its account.

(2) For payment orders sent electronically the provisions of the Electronic Document and Electronic Signature Act shall apply.

Art.5. Before executing an order of the Client the Bank shall take measures aiming to establish that the order was submitted by the Client and is clear and unambiguous.

Art.6. The Bank shall deem an order submitted by the Client, if it is submitted by any other person authorized by the Client and:

- the order is given in a document with a signature for which the Bank has a reason to believe that is the signature of the Client or of the person authorized by the Client. When opening an account of a Client – legal entity, a specimen of the seal of the Client and a specimen of the signature of the persons (legal representatives and proxies), who are entitled to operate the account of the Client ('specimen'), shall be submitted to the Bank and the Bank shall compare the signature and seal affixed on any order submitted for execution with these specimens;

- it is verified that the person submitting the order to a branch of the Bank is the Client, with whom the Bank has contractual relationship, or a person authorized by it;

- where appropriate, a payment instrument issued by the Bank to the Client has been used.

Art.7. The Bank shall accept that the information contained in any order submitted to it is correct, except in cases of obvious error. In particular, the Bank shall accept as correct the specified number of the account to be debited or credited, except in cases where the Bank finds that the data in the payment order (specified IBAN, BIC or names of the account holder and/or payee) do not conform to the data in the information system of the Bank. In this case the Bank shall have the right not to execute the order until the disconformities are removed.

Art.8. The Bank may refuse to execute a particular order, including a payment order, or credit the account of the Client, where it has a reason to believe that execution of the order will violate a law or any other legal obligation applicable to the relations between the Bank and the Client, or any of the terms

under article 5 and/or article 6 of the General Terms and Conditions is not satisfied.

Art.9. The Bank may also refuse to execute a particular order, including a payment order, or credit the account of the Client, where it has a reason to believe that execution of the order will create a risk to the Bank of sanctions or measures of administrative compulsion by any government, regulatory body or enforcement authorities.

Art.10. If the Bank has a reason to believe that execution of an order, including a payment order, will damage its reputation, the Bank shall refuse to execute the order, respectively credit the account of the Client.

Art.11. When receiving a payment order from the Client, the Bank has the right to decide how to execute the order, except in case of payments in Bulgarian currency (BGN) within the Republic of Bulgaria, in which case the method is specified by the ordering customer in the payment order.

Art.12. Any payment from a payment account of the Client shall be executed only by order or with the prior consent of the Client up to the amount and under the conditions set by it. The foregoing provision shall not apply in case of enforcement according to the procedure established by the law.

Art.13.(1) The Bank shall permit disclosing information to a proxy and disposing of funds in the account, opening, changing and closing accounts by a proxy on behalf of and for account of the Client only after the submission of a power of attorney with notarized signature of the principal or if the signature of the principal is laid in the Bank in the presence of Bank officers authorized for the purpose.

(2) The notarized power of attorney shall be submitted to the Bank in original and an original or a notarized copy of the power of attorney shall be retained in the Bank. In case the Bank does not keep the original notarized power of attorney the proxy shall submit the original to the Bank in any action that it performs on behalf of and for account of the Client.

(3) The Bank may deny accepting powers of attorney notarized in a foreign country (except those certified by the Bulgarian consular offices), as well as powers of attorney that contain unclear texts, complex hypotheses or specific restrictions, and shall not be responsible for this.

(4) The Bank shall not be liable for the execution of instructions given by a proxy whose powers have been revoked or withdrawn, if the Bank has not been informed of this in writing.

Art.14. An order or consent to execute a payment transaction or a series of payment transactions shall be given by the Client prior to the execution of the transaction against presentation to the Bank of payment documents prepared by sample.

Art.15. An order or consent of the Client to execute a payment transaction may be withdrawn by the Client at any time, but not later than the time the payment transaction has become irrevocable, as follows:

(1) The Client may not cancel a payment order after its receipt by the payment service provider of the payer.

(2) Where a payment order is initiated at the request of or through the payee, the payer may not cancel the payment order after

submission or after it has given consent to execute the payment order in favor of the payee.

(3) Where the Client and the Bank agree a payment order to be executed on a particular day, or on the day following the expiry of a particular period, or on the day of provision by the payer to the payment service provider of the necessary funds to execute the order, the Client may cancel the payment order latest until the end of the working day preceding the day agreed.

(4) In the case of direct debit the payer may cancel the payment order latest until the end of the working day preceding the day agreed for debiting its account.

(5) The Bank may charge a fee for cancellation of payment orders by the Client, according to the Tariff of the Bank in force at the time of cancellation.

(6) If consent to execute a series of payment transactions is withdrawn, all future payment transactions shall be deemed unauthorized.

Art.16. The Bank shall accept and execute orders for payment transactions containing details as specified below. Details of orders for transactions shall also be applicable in execution of transactions in another currency, provided that in the particular transaction the Bank is a payment service provider both to the ordering customer and the payee.

#### **IV. Content of deposit slip**

Art.17. A deposit slip submitted to the Bank shall contain the following details:

1. Name of the Bank;
2. Place and date of submission;
3. Signature of the depositor;
4. Name (company name) of the payee;
5. International bank account number (IBAN) of the payee;
6. Name of the bank which maintains the account of the payee;
7. Currency;
8. Amount of the payment transaction;
9. Depositor;
10. Basis of the deposit.

#### **V. Content of order-receipt**

Art.18. An order-receipt submitted to the Bank shall contain the following details:

1. Name of the Bank;
2. Place and date of submission;
3. Signature of the persons who are entitled to operate the account;
4. Name (company name) of the ordering customer;
5. International bank account number (IBAN) of the ordering customer;
6. Name of the bank which maintains the account of the ordering customer;
7. Currency;
8. Amount of the payment transaction;
9. Three names, personal number/alien personal number and particulars of the identity document of the person authorized to receive the amount in cash, if any;
10. Seal of the ordering customer, if the latter is a legal entity;

11. Payee – signature of the person who submits the document;
12. Control signature – signature of the person upon receipt of the amount;
13. Amount is received by – signature of the person authorized to receive the amount.

**VI. Content of payment order for credit transfer in BGN**

Art.19. A payment order for credit transfer submitted to the Bank shall contain the following details:

1. Name of the Bank;
2. Name (company name) of the Client;
3. International bank account number (IBAN) of the account of the Client;
4. Name of the bank or other payment service provider of the payee;
5. International identification bank code (BIC) of the bank of the payee;
6. Name (company name) of the payee;
7. International bank account number (IBAN);
8. Amount of the payment transaction;
9. Currency;
10. Date of execution;
11. Basis (information about the payee);
12. Charges (the Bank shall execute orders for credit transfer in BGN within the Republic of Bulgaria, only if the charges are shared, i.e. the Client pays the charges to the Bank and the payee pays the charges to its payment services Provider);
13. Further details;
14. Date of presentation of the payment order;
15. Payment system – for example: BISERA or RINGS (to be completed where the accounts of the Client and of the payee are maintained in different banks);
16. Signature of the ordering customer;
17. Seal of the ordering customer, if the latter is a legal entity.

Art.20. A payment order for credit transfer may contain other details, including details as are necessary to meet the requirements of other regulations.

Art.21. For payment orders sent electronically the provisions of the Electronic Document and Electronic Signature Act shall apply.

Art.22. When executing a credit transfer in currency other than Bulgarian currency, the payment order may contain details other than those specified above, as required by the rules of the particular payment system.

Art.23. The Client shall have available funds on its specified account in the Bank as are necessary to make payment on the date specified for execution of the order.

Art.24. When submitting payment orders for international credit transfers, the Client shall also specify a value date of the transfer.

Art.25. The Bank accepts that the Client has given consent to the Bank to process its payment order after verification of its authenticity.

Art.26. A payment order for credit transfer shall be prepared by the payer, who is responsible for any consequences occurring as a result of incorrect preparation. Where the payment order is

prepared by a Bank officer, the Client shall check it before signing and declare by signing it that it is accurate and correct, that it accepts it and that it is responsible for any consequences occurring as a result of incorrect preparation.

**VII. Content of payment order/deposit slip for payment from/to the budget**

Art.27. A payment order/deposit slip for payment from/to the budget submitted to the Bank shall contain the following details:

1. Name of the Bank;
2. Date of presentation;
3. Signature of the ordering customer/depositor and seal in case of legal entities;
4. Name of the bank of the payee;
5. International identification bank code (BIC) of the bank of the payee;
6. Name of the payee;
7. International bank account number (IBAN) of the payee;
8. Payment type – six digit code according to the established nomenclature;
9. Amount of the payment transaction;
10. Currency;
11. Basis of the payment;
12. Type and number of the payment document, date of the payment document;
13. Period for which it is paid;
14. Liable person;
15. UIC/BULSTAT, respectively Personal Number/Alien Personal Number of the liable person;
16. Name of the legal entity/individual – ordering customer;
17. International bank account number (IBAN) of the ordering customer;
18. International identification bank code (BIC) of the bank of the ordering customer;
19. Payment system;
20. Charges – permissible only if the costs are shared;
21. Date of execution;
22. Payment type.

Art.28. A multi-line payment order/deposit slip for payment from/to the budget submitted to the Bank shall contain all details required for the preparation of a payment order/deposit slip for payment from/to the budget and additional information for each separate obligation (up to four in total), for the payment of which one transfer is made for a total amount in BGN. The information about each separate obligation shall contain:

1. Payment type;
2. Amount – the amount of the particular obligation is indicated;
3. Basis of the payment and further details;
4. Type and number of the document relating to the particular obligation;
5. Period to which the particular obligation relates.

**VIII. Content of consent for direct debit in BGN**

Art.29. A consent for direct debit in Bulgarian currency submitted to the Bank shall contain the following details:

1. Name and address of the Bank;

2. Date of presentation of the document;
  3. Name of the Client;
  4. Signature of the Client;
  5. International bank account number (IBAN) of the Client;
  6. Name (company name) of the payee;
  7. Period of validity of the consent;
  8. Conditions under which the consent is given;
- Art.30. If it is agreed between the Client and the Bank, the consent for direct debit may contain other information.

#### **IX. Content of payment order for direct debit in BGN**

Art.31. A payment order for direct debit in Bulgarian currency submitted to the Bank shall contain:

1. Name of the Bank;
2. Date of presentation of the payment order;
3. Signature of the Client;
4. Name (company name) of the Client – payee of the amount;
5. International bank account number (IBAN) of the Client – payee of the amount;
6. International identification bank code (BIC) of the bank of the payee;
7. Name of the bank of the payer;
8. Name (company name) of the payer;
9. International bank account number (IBAN) of the payer;
10. Amount of the payment transaction;
11. Currency;
12. Date of execution;
13. Basis (information about the payer);
14. Charges – execution is permitted, only if the costs are shared;
15. Further details;
16. International bank identification code (BIC) of the bank of the payer;
17. Date of presentation of the payment order;
18. Signature of the Client – payee of the amount.

Art.32. A payment order for direct debit may contain other details, including details as are necessary to meet the requirements of other regulations.

#### **X. Amounts transferred and received on a payment order**

Art.33. The Bank shall transfer the amount of a payment order for credit transfer without deducting charges from it. Where the Client has specified in the payment order for credit transfer in foreign currency that it transfers all bank commissions/charges to the payee, including those of the Bank, the latter shall transfer the amount of the payment order, less the charges due to the Bank.

Art.34. The Bank shall make a transfer from the account of the Client, if funds are available on it to cover the amounts of the ordered transfer, the payable charges and commissions, and the minimum balance required on it according to the Tariff.

Art.35. Partial transfers on separate payment orders or requests for direct debit shall not be permitted.

Art.36. When deciding whether the Client has the necessary available funds on the specified account in the Bank to make a credit transfer, the Bank shall:

- a) sum up the available balance on the account of the Client and the overdraft limit provided to it by the Bank (if any); and

b) reduce the above amount by the amount of the payments which the Client has ordered to the Bank to make from this account of the Client and which the Bank has not yet made (including all payments from the bank card of the Client which the Bank has authorized), and the bank commissions due by the Client.

Art.37. The Bank shall not take into consideration the regular future proceeds on the account of the Client and any proceeds received after the Bank has decided not to make a payment on the payment order of the Client.

Art.38. If the Client orders a credit transfer from its account and the necessary funds are not available on the account on the date of payment, the Bank shall refuse to make the payment.

Art.39. If on a particular day the Client orders the Bank to make two or more payments from any one of its accounts, but the Client does not have the necessary available funds to make all payments ordered, then the Bank shall make the payments in the order of their receipt in the Bank.

Art.40. If the Bank receives a payment order issued as originating from the Client and has reasons to suspect that the payment order does not originate from the Client, or for any other reason, for example suspected fraud, the Bank may request of the Client to confirm the authenticity of the payment order (written or oral) and the Bank shall not process it until it receive such confirmation from the Client. In this case the Client shall confirm the payment order as soon as possible in order to avoid any delay in its processing by the Bank. The Bank shall not make payment until it receives a confirmation from the Client.

Art.41.(1) Subject to the international and local legislation, the Bank shall execute received credit transfers, if the electronic message of the transfer contains the minimum required information about the payer/ordering customer of the transfer/, particularly:

a) Name, exact address and bank account number of the payer; or

b) Name, exact address and unique identifier of the payer.

For transfers received from EU states, it is not required to provide information about 'address'. For other transfers, instead of address, the date and place of birth of the payer, customer identification number or national identity number of the payer can be provided.

(2) 'Unique identifier of the payer' shall mean:

National Identity Number /NIDN/;

Alien Registration Number /ARNU/;

Passport number /CCPT/;

Tax Identification Number /TXID/;

Driver's License Number /DRLC/;

Customer Identification Number /CUST/;

Employer Number /EMPL/;

International Business Entity Identifier /IBEI/;

Social Security Number /SOSE/;

Art. 42. In case the Bank receives a credit transfer in favor of the Client in which the above-specified information of the payer is missing, the Bank has the right to suspend its execution and require the necessary information from the payment institution of the ordering customer, in which case the Bank shall delay



execution of the received transfer until it receives a new electronic message from the payment institution of the ordering customer providing the missing information about the payer. If the payment institution of the payer fails to provide within a reasonable period the information requested by the Bank, the Bank reserves the right to return the transfer to the payment institution of the payer.

Art.43. When receiving a transfer in Bulgarian currency, the Bank shall credit the amount to the account corresponding to the IBAN of the payee specified in the electronic message. If the account corresponding to the specified IBAN is closed, the Bank shall return the transfer to the ordering customer.

## **XI. Receipt of payment orders**

Art.44. The time of receipt of a payment order shall be the time of receipt by the Bank of the payment order submitted directly by the payer or indirectly by or via the payee to the relevant Bank office or electronically by using the internet banking service (see below).

Art.45. If the time of receipt is not a business day for the Bank, the payment order shall be deemed received on the next business day, except for internal bank transfers via the internet banking system.

Art.46. Payment orders shall be accepted within the working hours for banking transactions with customers.

Art.47.(1) Payment orders for credit transfers in foreign currency to be executed on the current business day as a value date shall be submitted to the Bank office, or respectively ordered via the internet banking system, within the following deadlines:

For transfers in EUR – up to 13:00 of the particular day;

For transfers in other foreign currency - up to 15:00 of the particular business day.

(2) Orders submitted after the specified time shall also be accepted for execution with a value date - earliest on the next business day.

(3) Payment orders for credit transfers in foreign currency other than that specified in paragraph 1 shall also be accepted for execution with a value date - earliest on the business day following the day of receipt.

Art.48. Payment orders to be executed via RINGS shall be accepted by the Bank until 15:00 of the particular business day. Transfers via RINGS with a future date of execution are not permitted.

Art.49. Where the Client submitting the payment order and the Bank agree the payment order to be executed on a particular day or on the day following the expiry of a particular period, or on the day of provision by the payer to its payment service provider of the necessary funds to execute the order, the day agreed shall be deemed the time of receipt of the payment order and, if such day is not a business day for the Bank, the next business day.

Art.50. Where the Bank refuses to execute a payment order, it shall notify the Client of its refusal and, if possible, of the reasons for its refusal and the procedure for removal of the actual errors leading to the refusal, unless the provision of such information is prohibited by any law other than the PSPSA or by an act of the European Community. The Bank shall promptly give or make available notice to the Client in a Bank office and/or by e-mail within the deadlines for execution of the payment transaction under article 54 of these General Terms and Conditions.

Art.51. The Bank has the right to charge a fee for the provision of notice, if the refusal to execute a payment order is objectively justified, at a rate according to the current Tariff of the Bank.

Art.52. If all conditions provided in the Framework Agreement are satisfied and the Client is the payer, the Bank may not refuse to execute an authorized payment order, whether it was submitted by the Client or by or through the payee, unless execution of the payment order is restricted by a regulation.

Art.53. A payment order which execution was refused shall be deemed not received and accordingly the Bank shall not be liable.

## **XII. Deadlines for execution of payment transactions**

Art. 54. The deadlines for execution of payment transactions specified below shall be applicable to payment transactions in BGN, in EUR, or involving a single BGN and EUR exchange, provided that such exchange is carried out in the Republic of Bulgaria and in cases of international payment transactions, when the payment transaction is executed in EUR.

(1) The payment account of the payment service provider of the payee shall be credited with the amount of the payment transaction latest until the end of the next business day after receipt of the payment order. This deadline may be extended by one business day, if payment transactions are initiated on paper.

(2) When executing payment transactions in Bulgarian currency between payment service providers participating in RINGS payment system or in a payment system with access to RINGS, the payment account of the payment service provider of the payee shall be credited on the business day on which the payment order was received.

(3) Where the Client is the payee, the Bank shall fix the value date for crediting and make available the amount of the payment transaction on its payment account not later than the business day of crediting the account of the Bank with the amount of the payment transaction. The value date for debiting the payment account of the Client, where the latter is the payer, shall be not earlier than the time of debiting the payment account with the amount of the payment transaction.

(4) Where the Client is the payee, the Bank shall deliver the payment order to the payment service provider of the payer, given by or via the Client within the deadlines agreed between the Client and the Bank so as to enable settlement on the agreed date.

(5) Where cash is deposited by a client - consumer on a payment account in the Bank in the currency in which the payment account is opened, the Bank shall make available the amount and set the value date for crediting promptly after the receipt of cash. Where the Client is not a consumer, the amount shall be made available and the value date set latest on the next business day after the receipt of cash.

## **XIII. Execution of direct debit in BGN**

Art.55. In case of payments by direct debit in Bulgarian currency, where the Client is the payer, it shall give prior consent to the Bank and a copy of the consent shall be sent to the payee.

Art.56. Where the Client is the payee, the Bank shall accept the direct debit order and submit it to the payment service provider of the payer without checking the basis for the use of direct debit.

Art.57. Where the Client is the payer, prior to the execution of the direct debit order the Bank shall check whether:

1. the Client has given prior consent for direct debit;
2. cash or authorized credit is available on the account of the Client which is sufficient to execute the direct debit order;
3. the conditions for execution of the direct debit order are satisfied, including the documents required for its execution are received, if submission of such was agreed.

Art.58. If within 5 business days from receipt of the direct debit order the conditions for its execution under article 57 of these General Terms and Conditions are not satisfied, the Bank shall refuse to execute the direct debit order and inform the payment service provider of the payee about this.

#### **XIV. Payment orders for international credit transfers and deadlines for execution**

Art.59. In case the Client orders an international payment, it shall provide the information to the Bank required in articles 17-32 of the General Terms and Conditions in order to help identify the bank and the account for which this payment is intended. If the Client fails to provide this information, the Bank shall use its best efforts to obtain it by its own methods, for which it shall charge an additional commission to the Client. The Bank shall give notice to the Client of the commission rate prior to processing the payment order.

Art.60.(1) In case the Client orders a payment in currency other than in EUR in favor of a payee, whose account is in a bank in the European Community, the Bank shall ensure that the amount of such payment reaches the payment institution of such person not later than 4 business days after receipt of the payment order of the Client. The payment institution receiving the payment shall credit the account of the payee in it on the day of receipt of the payment.

(2) In case the Client orders a payment in favor of a payee with an account in a payment institution outside the European Community, the Bank shall ensure that the amount of such payment reaches the payment institution of such person not later than 4 business days after receipt of the payment order of the Client. However, this shall not mean that the account of the payee will be credited on that day, as the latter depends on the banking practice in the particular state.

Art.61. When making an international payment, the Bank shall act on behalf of and for account of the Client, for which the Client and payee of the payment shall have satisfied all local legal requirements with respect to the payment. In case the Bank is required to pay costs resulting from non-performance of that obligation, the Client shall recover the costs to the Bank and indemnify it for the loss suffered.

Art.62. In order to make a particular international payment the Bank may be required to make it via an intermediary bank. In such cases the Bank shall select the intermediary bank.

#### **XV. Correction and cancellation of payment orders for international transfer**

Art.63. In case the Client orders to change or cancel a payment order deposited at the Bank, the Bank shall send the relevant notice to the payment instruction of the payee to change or cancel the credit transfer and charge an additional fee to the Client and, in addition to the commissions of the Bank the Client shall pay the commissions of the foreign payment institution due for the correction or cancellation of the transfer. A credit transfer ordered by the Client may be cancelled and returned only with the consent of the payee of the transfer.

#### **XVI. Charges for ordered international credit transfers**

Art.64. In case the Client orders to make an international transfer to a payee whose account is in a payment institution within the European Community, the transfer is in the national currency of a state from the European Community and currency conversion is not performed for its execution (i.e. the currency of the account of the Client and the currency of the transfer are the same), the payer and payee shall share the applicable commissions of their banks. According to the SWIFT terminology, this means that the bank transfer must be sent with charging code 'SHA' (i.e. 'shared commissions'). In this case the Bank shall execute the order with charging code 'SHA', regardless of what the Client has specified in the payment order. In all other cases the Client may also specify other methods of allocation of the bank commissions in the payment order and bear all bank commissions along the payment chain, including the commissions of the payment institution of the payee and intermediary bank (charging code 'OUR'), or transfer all bank commissions to the payee, including those of the Bank (charging code 'BEN').

#### **XVII. Execution of international credit transfers received in favor of the Client**

Art.65. If the Bank receives an international credit transfer containing details about the payer as required in article 41 and the name (company name) and bank account of the Client in the Bank are correctly specified, the Bank shall execute the received payment order by crediting the account of the Client with the transfer amount with a value date – not later than the business day of crediting the account of the Bank with the credit transfer amount. The Bank shall make available the amount to the Client promptly after making sure that the credit transfer amount was received on the account of the Bank.

Art.66. TEXIM BANK AD accepts that international transfers received from other banks in favor of clients of TEXIM BANK AD are received in the bank on the current business day, if the time of receipt registered by SWIFT is up to 17:00. International transfers received in TEXIM BANK AD from other banks in favor of clients of TEXIM BANK AD shall be deemed received in the bank on the next business day, if the time of receipt registered by SWIFT is after 17:00.

Art.67. In case the Bank receives an international credit transfer in favor of the Client specifying that the Client must pay the commissions of the Bank for the received transfer (charging code 'SHA' or 'BEN'), when crediting the account of the Client in the Bank with the transfer amount, the Bank shall officially debit by

another transaction the account of the Client with the commissions of the Bank due for the receipt of the transfer.

Art.68. In case the Bank receives an international credit transfer in favor of the Client specifying that all bank commissions must be paid by the ordering customer (charging code 'OUR'), the Bank shall credit the specified account of the Client in the Bank with the transfer amount and not charge commissions to the Client for receipt of international transfer in foreign currency. The Bank shall request the payment institution – sender of the credit transfer to pay the commissions due to the Bank for the transfer at the expense of the payer. If within 1 (one) month from the date of the request the Bank does not receive fully the commissions due to it, the Bank reserves the right to deduct them from the Client by officially debiting its account in the Bank.

Art.69. In case the Bank receives a credit transfer in favor of the Client in currency other than the currency of the account of the payee, the Bank shall execute the received transfer by applying the current arbitration exchange rate (announced by it in its offices) at the time of crediting the specified account of the payee, unless agreed otherwise.

#### **XVIII. Execution of payments with the prior consent of the Account Holder**

Art.70. In case the Client owes any payment to the Bank, the latter may collect the amounts due by the Client on an account opened in the Bank based on a written consent of the Client given by the fact of signing the agreement with the Bank. The Bank shall notify the Client of the basis, amount and value date of the amount collected from its payment account.

#### **XIX. Information prior to the execution of an individual payment transaction**

Art.71. Where the Client as a payer requests to execute an individual payment transaction under the agreement, upon receipt of the request of the Client the Bank shall provide specific information to it about the maximum period of execution and the charges and commissions payable by the Client.

#### **XX. Information provided to the Client about individual payment transactions under the framework agreement**

Art.72. After the account of the Client as a payer is debited with the amount of an individual payment transaction under the agreement, the Bank shall promptly provide the following information to it on paper or another durable carrier (e-mail):

1. registration number of the payment transaction and, where appropriate, information about the payee;
2. amount of the payment transaction expressed in the currency, in which the payment account of the Client is debited, or in the currency specified in the payment order;
3. information about the amount of all charges and interest due by the Client for the payment transaction, presented by type and by value;
4. exchange rate applied by the Bank in respect with the payment transaction and amount of the payment transaction after currency conversion;
5. value date for debiting the payment account or date of receipt of the payment order.

Art.73. After making an individual payment transaction under the agreement, the Bank shall promptly provide the following information to the Client, when the latter is the payee, on paper or another durable carrier (e-mail):

1. registration number of the payment transaction and, where appropriate, information about the payer, as well as any other information that accompanies the payment transaction;
2. amount of the payment transaction expressed in the currency, in which the payment account of the Client is credited;
3. information about the amount of all charges and interest due by the Client for the payment transaction, presented by type and by value;
4. exchange rate applied by the Bank in respect with the payment transaction and amount of the payment transaction before currency conversion;
5. value date for crediting the account of the Client.

Art.74. Information about all payment transactions made during the current month and during the previous calendar month shall be provided to the Client at any time upon request in the Bank offices.

Art.75. In addition to the above, information about all payment transactions made during the previous calendar month shall be provided or made available to the Client by any of the following methods selected by the Client, in particular:

Up to the 10<sup>th</sup> day of the current month – by mail to an address indicated by the Client in the agreement;

Up to the 10<sup>th</sup> day of the current month – by e-mail to the e-mail address indicated by the Client in the agreement.

Art.76. Irrespective of the selected method of notification and in case the Client has not received the notice, the Bank shall provide and make available to the Client information about all payment transactions made during the previous calendar month at the counters of its banking offices up to the 20<sup>th</sup> day of the next calendar month, from which date the Client shall be deemed unconditionally notified of the particular circumstances and information, if receipt is not certified earlier.

#### **XXI. Liability**

Art.77. When the Client is the payer in case of unauthorized payment transaction, the Bank shall promptly refund the value of the unauthorized transaction and, where appropriate, shall recover the payment account of the Client to the state it was prior to the execution of the unauthorized payment transaction.

Art.78. Recovery shall be performed immediately after completion of the procedure for verification of the authenticity and correct execution of the payment transaction, but not later than 21 days after the receipt of notice from the Client for the execution of unauthorized or incorrectly executed payment transaction.

Art.79. The Client shall bear the losses related to all unauthorized payment transactions as a result of the use of a lost, stolen or misappropriated payment instrument, where the Client was not able to protect the personalized security features of the instrument, up to the amount of the losses, but not more than BGN 300.

Art.80. The Client shall bear all losses related to unauthorized payment transactions, if it caused such losses by acting fraudulently or by breaching intentionally one or more of its obligations under articles 119-127 of the General Terms and Conditions, or due to gross negligence. In these cases the Client shall bear any damages, regardless of their size.

Art.81. The Client shall not bear any property damages resulting from the use of a lost, stolen or misappropriated payment instrument, if it has duly notified the Bank about this, except where the Client has acted fraudulently.

Art.82. The Client shall not be liable for property damage resulting from the use of a payment instrument, if the Bank has failed to provide appropriate methods of notification at any time of a lost, stolen or misappropriate payment instrument, except where the Client has acted fraudulently.

Art.83. The Bank shall correct a payment transaction, only if the Client has notified it without unreasonable delay promptly after it has become aware of the unauthorized or incorrectly executed payment transaction, which gives rise to the option to claim its rights, but not later than 13 months from the date of debiting its account.

Art.84. It shall be understood that the Client has become aware of any unauthorized or incorrectly executed payment transaction latest by the provision of information under article 74 of the General Terms and Conditions.

## **XXII. Correction of errors**

Art.85. Where the Bank is liable to a payer - Client for any unauthorized or incorrectly executed payment transaction as a result of which cash was incorrectly credited to another account, the Bank shall be entitled to demand from the payment service provider of the payee to make an official corrective transfer from the account of the payee, on which the cash was incorrectly credited, within 5 business days from the date of refund by the Bank of the amount of the unauthorized or incorrectly executed payment transaction on the account of the Client, but not later than one month after the Bank was notified by the Client or otherwise of the incorrectly executed payment transaction.

Art.86. The payment service provider of the payee of the incorrectly executed payment transaction shall – within 5 business days from receipt of the request – make a corrective transfer from the account of the payee to the account of the Client of the Bank.

Art.87. If no official corrective transfer is executed by the method and within the periods specified above, the relations between the parties shall be settled according to the general provisions.

## **XXIII. Incorrect or invalid unique identifier**

Art.88. Where a payment order is executed in accordance with the unique identifier specified in it, the order shall be deemed correctly executed in respect with the payee specified with the unique identifier.

Art.89. The Bank shall not be liable for the non-execution or incorrect execution of a payment transaction, if the unique identifier specified by the Client is not correct.

Art.90. If a payment transaction is not executed due to an invalid unique identifier, the Bank shall refund the amount on the payment account of the payee on the next business day.

Art.91. In the above-specified cases the Bank shall use its best efforts to refund the amount of the payment transaction and has the right to charge a fee for the refund according to its current Tariff.

Art.92. The Bank shall be liable for the execution of a payment transaction, only in accordance with the unique identifier provided by the Client.

Art.93. Where a payment order is submitted by the Client as a payer, the Bank shall be liable to the Client for the correct execution of the payment transaction, unless it proves to the Client or payment service provider of the payee that the payment service provider of the payee received the amount of the payment transaction within the deadlines defined in these General Terms and Conditions, in which case the payment service provider of the payee shall be liable to the payee for the correct execution of the payment transaction.

Art.94. Where the Bank is liable under article 83 of the General Terms and Conditions, it shall refund promptly to the Client the amount of the payment transaction not executed or executed incorrectly and, where applicable, shall recover the debited payment account to the state it was prior to the execution of the incorrectly executed payment transaction.

Art.95. The Bank shall be liable to the Client as a payee for the execution of the payment transaction in accordance with article 66 of the PSPSA and make available to the Client the amount of the payment transaction promptly after crediting the account of the Bank with this amount.

Art.96. Where a payment order is submitted by or through the Client as a payee, the Bank shall be liable to the Client for the proper delivery of the payment order to the payment service provider of the payer in accordance with article 64, paragraph 6 of the PSPSA. In this case the Bank shall deliver promptly the payment order to the payment service provider of the payer.

Art.97. If a cancelled or incorrect payment is received on the account of the Client, the Bank may officially debit the account of the Client with the particular amount.

Art.98. If a payment operation ordered by the Client as a payer or payee is not executed or is incorrectly executed, upon request the Bank shall take all reasonable actions to track the payment transaction and shall inform the Client about the result.

Art.99. The Bank shall be liable to the Client for the refund of any charges paid by it and for the recovery of any interest charged on the Client as a result of the non-execution or incorrect execution of the payment transaction due to the fault of the Bank.

Art. 100. The Client as a payer may demand from the Bank to refund the total amount of an already executed and authorized payment transaction, if it is ordered by or through the payee and the following conditions are met:

1. its exact value is not specified at the time of giving the authorization to make the payment transaction; and
2. the value of the payment transaction exceeds the value expected by the Client compared to its previous costs for similar transactions, the terms of the framework agreement and other



case-specific circumstances, as the Client may not refer to reasons related to performed foreign currency exchange, if the reference exchange rate agreed with the Bank is applied.

Art.101. The request for refund under article 100 shall be made by the Client within 56 days from the date of debiting its account. At the request of the Bank the Client shall provide evidence of the existence of conditions under article 100 of the General Terms and Conditions.

Art.102. Within 10 business days from receipt of the request the Bank shall either refund the total amount of the payment transaction to the Client, or refuse to refund it, specifying the reasons for its refusal and the bodies to which the Client may object, if it does not accept the specified reasons for refusal.

Art.103. The Client shall not be entitled to refund, if it has given consent directly to the Bank to execute the payment transaction and the Bank or the payee has provided or made available to the Client information about the anticipated payment transaction in the manner agreed at least 28 days before the date of execution of the payment transaction.

#### **XXIV. Release from liability**

Art.104. Liability, as provided above, shall not be borne in cases of extraordinary and unforeseen circumstances beyond the control of the party referring to the existence of such circumstances, the consequences of which would have inevitably occurred despite all effort to prevent them, and where the Bank acted to perform a normative obligation according to the Community law or the legislation of a member-state.

#### **XXV. Duration of the agreement**

Art.105. Framework agreements for payment services have an indefinite duration, unless a particular duration is specified by the parties in the particular agreement.

#### **XXVI. Amendment and termination of the framework agreement**

Art.106. All planned changes in the framework agreement relating to changes in the preliminary information shall be notified by the Bank to the Client in advance on paper or another durable carrier (e-mail) or published on the website of the Bank and in its offices for customer service within a period not less than two months before the date, on which the changes are proposed to take effect.

Art.107. By the notice the Bank shall inform the Client that it considers that the latter has accepted the changes in the conditions of the framework agreement, unless the Client notifies the Bank that it does not accept these changes before the date on which the changes take effect. In these cases the Bank shall notify the Client that the latter is entitled to immediately terminate the framework agreement before the date, on which the changes are proposed to take effect, without being liable for costs and indemnification.

Art. 108. Changes in the applicable interest rates and exchange rates under the agreement, where reasonably required by changes in the applicable reference interest rate or reference exchange rate, shall apply immediately and without prior notice. In these cases the Bank shall notify the Client of the changes as early as possible by giving notice on paper or another durable carrier (e-mail) or by

publishing announcements on the website of the Bank and in its offices for customer service.

Art.109. Where changes in the interest rates or exchange rates are more favorable to the Client, they shall apply without prior notice.

Art.110. The scope of payment services provided may be extended by mutual agreement between the Bank and the Client.

Art.111. The Client may terminate the agreement at any time without prior notice to the Bank, unless expressly agreed otherwise.

Art.112. If a permanent framework agreement or a framework agreement with a period longer than 12 months is signed between the Bank and the Client and less than 12 months expired from the signing of the agreement, the Client shall pay the appropriate charges or penalties to the Bank in conformity with the actual costs of the Bank. The Client shall also pay charges or penalties in case of earlier termination of the termed framework agreement signed for a period shorter than 12 months.

Art.113. The Bank shall be entitled to terminate a permanent framework agreement by at least two-month prior notice. The notice shall be given to the Client on paper or another durable carrier (e-mail).

Art.114. Upon termination of the agreement the Client shall pay all charges charged periodically under the agreement for payment services in proportion with the expired period of the agreement. If such charges were paid in advance, they shall be refunded proportionally to the period of termination.

Art.115. If any of the parties to the framework agreement fails to perform any of its obligations, the other party shall be entitled to terminate it without prior notice. The defaulting party shall be liable for any damages caused to the non-defaulting party.

Art.116. If the Client fails to perform any of its obligations, the Bank shall be entitled to terminate the provision of services under the agreement until remedy of the default.

Art.117. If notice of termination of the framework agreement is received from the Bank, the Client shall pay all its debts to the Bank under the framework agreement relationship. Expiry of the period of notice in itself shall not lead to termination of the agreement, if all debts of the Client have not yet been fully paid.

Art.118. Upon termination of the framework agreement the payment account that was opened on its basis shall be closed and the Bank shall refund the residual balance on the account to the account holder and return the payment documents received on the account without executing them.

#### **XXVII. Communication between the parties**

Art.119. Communication between the Client and the Bank shall be carried out via Internet banking, by ordinary or electronic mail, to the addresses indicated in the agreement, and in exceptional cases – by phone, fax or SMS, as specifically requested by the Client. Some of the forms of communication are not fully protected and therefore the Client shall take adequate protective measures against unauthorized access, reading or other use of the customer information by third parties. The Bank shall not be liable for damages caused as a result of the intervention of third

parties in the communication between the Bank and the Client. The Client shall be liable, if it fails to notify timely the Bank of the change of its address/method of notification and notices sent to the address known to the Bank, respectively method of notification, are deemed duly served.

Art.120. The power of attorney of the person authorized to receive statements and other documents relating to the account shall be notarized or signed by the account holder in the presence of a responsible officer of the Bank. The notarized power of attorney shall be deposited at the Bank in original and an original or notarized copy of it, certified by the authorized person, shall be retained in the Bank. The Bank shall not be liable for the execution of orders given by a proxy, whose powers were terminated, cancelled or withdrawn, if it was not notified about this in writing.

Art.121. The Client shall ensure that current contact details for communication with it and current information about the persons authorized to operate with the Client's account and the methods of execution of the banking transactions are available to the Bank. The Client shall promptly give written notice to the Bank of any change concerning its acts of incorporation and the persons who are entitled to dispose of funds on the account, including proxies, and submit the documents required. Changes shall take effect for the Bank only from the time it was notified in writing of their occurrence.

Art.122. If it is necessary to send information by the Bank to the Client, the information shall be sent to the contact details of the Client last known to the Bank. If the Client fails to notify timely the Bank about changes occurring in the above-specified circumstances, the information intended for the Client may be at risk, given the fact that such information is likely to be exceptionally important (including about changes in the Agreement between the Bank and the Client) and not received by the Client.

Art.123. The Client may also carry out communication with the Bank via Internet banking (a banking service whereby the Client has access to online banking services through a computer or another portable device with the appropriate functions).

Art.124. The Bank may record phone conversations or other communications carried out with the Client both in order to check the instructions of the Client and their authenticity and to check compliance with the internal standards of the Bank for carrying out banking services.

Art.125. Where it has been expressly agreed between the Bank and the Client that the Client may use a particular payment instrument (for example a bank card or e-banking) in connection with a particular bank account, the Client shall have the following obligations:

1. use the payment instrument in accordance with the conditions of its issue and use specified below in Sections 'Additional terms relating to bank cards issued on current accounts' and 'Additional terms relating to the use of Internet banking service';
2. notify the Bank of any loss, theft, misappropriation or unauthorized use of a payment instrument promptly after knowing about this;
3. after receipt of the payment instrument, take all reasonable actions to protect its personalized security features, including not record any information about these features on the payment

instrument and not store this information together with the payment instrument.

Art.126. The Bank shall be entitled to block the use of a payment instrument for objective reasons related to:

1. security of the payment instrument;
2. suspected authorized use of the payment instrument;
3. fraudulent use of the payment instrument;
4. highly increased risk that the Client is not able to perform its obligation for payment – for payment instruments based on the provision of a loan.

Art.127. The Banks shall inform the Client about the blocking of a payment instrument and about the reasons that required to block it prior to blocking or latest promptly after it, unless the provision of such information is not authorized for reasons of security or in order to comply with the regulatory requirements preventing notification of the payer. The Bank shall unblock a payment instrument or replace it with a new payment instrument after the reasons for blocking are eliminated.

#### **XXVIII. Limits when executing payment transactions**

Art.128. The Bank and the Client may agree limits in the execution of payments by using payment instruments.

#### **XXIX. Additional terms relating to bank cards issued on current accounts**

Art. 129. These additional terms shall govern the rights and obligations of the Bank and a Client-cardholder (hereinafter referred to in this section, depending on the aspect, 'Cardholder' or 'Account Holder') relating to a bank card issued on its current account in the Bank, and the rights and obligations of a Client-holder of a current account (hereinafter referred to in this section 'Account Holder'), on which a card is issued to a Third party-cardholder (hereinafter referred to in this section also 'Cardholder').

Art.130. Cards can be issued and authorized on the basis of available cash on the account, agreed overdraft or credit limit authorized by the Bank.

Art.131. Cards issued by the Bank shall be a property of the Bank and shall be provided for use to the Cardholders. Upon expiry of the card validity, respectively upon termination of the relationship, the Cardholder shall promptly return the card to the Bank. The holder of a current account, on which a card is issued to a Third party-cardholder, shall be liable jointly with the Cardholder for all obligations arising out of or in connection with the use of the card, and the obligations of the Cardholder shall by their nature be obligations of the Account Holder.

Art. 132. For the purposes of this Section anywhere, where specified in these General Terms and Conditions that the account of the Client is debited, shall be understood that the card of the Client is also debited.

Art.133. Cards shall be intended for use at home or at home and abroad for:

- a) cash withdrawal via ATM and POS terminals.
- b) payment of goods and services via POS terminals, including virtual;
- c) change of the PIN code via ATM;

d) other non-payment and payment transactions.

Art.134. When using the card at ATM (automated teller machine), it shall be inserted into the particular opening in a way so as to permit the information recorded on the card to be read by the device. The desired transaction shall be selected. When withdrawing cash, the desired amount shall be selected. The PIN code shall be entered using the keyboard. Upon completion of the transaction the Cardholder shall take the card, banknotes and printed receipt.

Art.135. When using the card at POS terminals and in the Internet, by phone or other virtual devices, the following terms and conditions shall apply:

1. When using the card for non-cash payment or when withdrawing cash at POS terminal in cases other than those specified in article 134, the Cardholder must make sure that the amount of the transaction is correct and then enter its PIN code, where such is required, and/or sign the transaction document provided to it by the trader, where required. The signature on the document of the performed transaction must be the same as the signature on the card. The Cardholder must keep the obtained receipt for reference. When using the card at a terminal, by inserting/passing/touching/approaching it in/through/to the device, entering the PIN code of the card, respectively signing the transaction document, the Cardholder confirms the amount of the transaction and instructs the Bank to debit the card account with the amount of the transaction and transfer it to the account of the payee of the payment. The trader may request from the Cardholder to prove its identity, as well as request the so called 'authorization' of the transaction, whereby funds of the available balance on the account and/or of the credit limit will be blocked.

2. When paying for goods and services ordered by phone, via the Internet, etc., the Cardholder usually makes the transaction by communicating/entering its name, card number and validity, including CVC2/CVV2 code – the last three digits of the number written in the field for laying a signature on the card back. For transactions via the Internet, in order to enhance security, the Bank may provide a possibility, according to the type of the card product, to any one of its cardholders to register their cards in the programs for cardholder identification – Verified by Visa and MasterCard Secure Code through the service 'Secure payments via the Internet'. When making transactions via the Internet through the service 'Secure payments via the Internet', except the above-specified individualizing details, the Cardholder must also enter its personal secret password. By providing the necessary details the Cardholder proves its identity, confirms the amount of the payment, and instructs the Bank to debit the card account with the payment amount and transfer it to the account of the payee of the payment. The Bank shall not be liable for losses suffered by the Cardholder as a result of the illegal use of its card to carry out transactions with Internet traders after knowing by other persons of the secret password and/or a response to reminder, if prior to having been informed by the Cardholder the Bank performed in good faith the transactions ordered by the card and the personal secret password. Damages relating to transactions referred to in the preceding sentence shall be for account of the Cardholder. The Bank shall not be liable for losses suffered by the Client as a result of illegal transactions performed via the Internet by a card, which is not

registered for the service 'Secure payments via the Internet', where the Bank has provided this possibility for the particular card product.

3. When using a card with the logo PayPass of MasterCard, respectively PayWave of Visa, to pay at a POS terminal marked with the sign of PayPass service, respectively PayWave service, the transaction can also be performed without a contact by touching/approaching the card to the POS terminal without inserting/passing it in/through it. Depending on the amount of the contactless payment, it may be necessary to enter the PIN code or lay the signature of the Cardholder. By signing an agreement with the Bank the Cardholder acknowledges (declares) that it is aware of and accepts the method of payment and the methods of ordering and execution of transactions by cards with the logo PayPass of MasterCard, respectively PayWave of Visa, agrees that the Bank shall deem each contactless payment authorized by the Cardholder and execute it by debiting the card account with the payment amount and transferring it to the account of the payee of the payment.

Art.136. A card shall be issued in accordance with a submitted request to issue a card and the relevant framework agreement, or annex thereof, within 15 days from signing the agreement/annex. The Cardholder shall promptly notify the Bank in writing of any change in the data provided by it upon signing the agreement/annex and of any occurring inability to perform its obligations under the agreement/annex. If it is explicitly requested in writing by the current Account Holder, the Bank shall issue a card to a cardholder authorized by the Account Holder to dispose with funds on the account.

Art.137. The Bank shall provide a personal card to the Cardholder issued on its name with a unique PIN code. In particular cases (for example transactions with the card via ATM or POS) the card may be used only with its particular PIN code. The card and PIN code shall be received from the Cardholder, who shall sign by pen in the field of the card provided for this in the presence of a bank officer. The card may also be received by a proxy having a notarized explicit power of attorney that is submitted to the Bank in original and an original or a notarized copy of it shall be retained in the Bank. The Bank shall not be liable for the execution of orders given by a proxy or other actions performed with the card by a proxy, whose powers were cancelled or withdrawn, if the Bank was not notified about this in advance in writing.

Art.138. The Cardholder shall use the card only personally and not deliver it to other persons. The Cardholder shall protect the card with due care, taking all the appropriate measures to prevent its stealing, loss, destruction, damage, falsification or use in any other illegal way. The card shall be protected against the impact of adverse external factors such as: magnetic fields, wetting, scratching, folding, etc. The cardholder shall keep secret the card number and not communicate it to third parties, except Bank officers who are engaged in servicing the card and when paying at traders. The Cardholder shall keep secret its PIN code and secret password for payments via the Internet, as well as all security features, by taking all necessary measures to prevent their knowing, including when entering them during a transaction,

and prevent any access and use of its bank card by third parties. The Cardholder shall be liable for any damages and shall fully bear losses, regardless of their size, related to all unauthorized payment operations, if it caused them fraudulently and/or due to default of one or more of its obligations related to the issuance and/or use of the card according to these General Terms and Conditions (including protection of the personalized security features), which the parties shall deem a default under article 53 of the PSPSA due to gross negligence.

Art.139. The PIN code shall only be known to the Cardholder. An exception to this rule is not allowed, unless authorization is given by the Cardholder in the events under article 137 of these General Terms and Conditions. The Cardholder may change its PIN code at any time via ATM. It is not recommended that the PIN code consists of numerical combinations that are easy to decode – same or consecutive numbers, date of birth, etc.

Art. 140. In transactions carried out by entering the PIN code, the entitled person for the Bank shall be the person who is legitimized by the card and by entering a valid PIN code. If the card is used without entering a PIN code, the Cardholder shall check the receipt issued by the terminal device and sign it, if this is required, and the signature on the receipt shall be the same as the signature on the back of the card. When using the card at POS device by inserting/passing/touching/approaching in/through/to the device and, where required by the terminal device, by entering the PIN/code and/or signing the transaction document, as well by providing a secret password and/or a CVC2/CVV2 code, when paying for goods or services ordered via the Internet, by phone or other virtual devices, the Cardholder shall identify and verify the authenticity of the particular transaction, give consent and instruct the Bank to execute the transaction, which unconditionally binds him with the consequences of the transaction and the Bank shall not be liable for damages or lost profits in the execution of the transaction. In transactions carried out via the Internet, by phone or other virtual device, entering a correct secret password and/or CVC2/CVV2 code shall have the legal effect of an entered PIN code. Any transaction confirmed by a secret password and/or CVC2/CVV2 code shall be deemed carried out by the Cardholder with his knowledge, participation and/or consent.

Art.141.The Cardholder may carry out transactions with the card up to the amount of the credit limit, agreed overdraft or available cash above the minimum balance required on the card current account and must not exceed them, including when accruing interest, charges and commissions.

Art.142.The Bank shall set an amount for each Cardholder holding a card with a credit limit, up to which the Cardholder may carry out transactions with the Card. The credit limit shall be used only by using the card. When the amount of the credit limit used exceeds the amount set by the Bank, the latter has the right to immediately block the card.

Art.143. When using the card, the Cardholder may carry out transactions up to the amount of the available balance on the account or credit limit, within the transaction limits set for the card, which are defined for one transaction, for one day, for 7 consecutive days and for maximum number of transactions for the period.

Art. 144. The usual period in which the Bank performs the instructions of the Cardholder at transaction orders shall be up to 3 (three) minutes from receipt of the order.

Art.145. The Cardholder shall:

- 1) Use the card in accordance with the agreement signed with the Bank;
- 2) Notify the Bank immediately after becoming aware of:
  - a) suspected or actual loss, theft, misappropriation, destruction, falsification of the card, and illegal use of the card or knowing the PIN code, secret password and/or response to reminder question and/or CVC2/CVV2 code by another person without the consent of the Cardholder. In these cases the Cardholder may also inform the National Cards and Payments Operator BORIKA – BANKSERVICE AD;
  - b) registration on its card/account of any unordered transaction and any error or other discrepancy in maintaining the card/account by the Bank;
- 3) Not record the PIN code, secret password and/or response to reminder question on the card and not keep them together with the card. The Cardholder shall keep secret its PIN code, secret password and/or response to reminder and/or CVC2/CVV2 code and take all the necessary measures to prevent their knowing by third parties; enter its PIN code at ATM or POS and/or secret password and/or response to reminder and/or CVC2/CVV2 code in a way that ensures that they will remain secret to third persons not authorized by him;
- 4) Use the service 'Secure payments via the Internet' in carrying out transactions via the Internet, always when this opportunity is offered by the trader;
- 5) Not provide information about its personal secret password and/or reminder question, regardless from whatever source, for whatever reason and in whatever way the question is received, except in cases of making payments via the websites of traders participating in the programs Verified by Visa and MasterCard Secure Code.

Art.146. Notification of the National Operator BORIKA, as specified in article 145, subparagraph 2, can be performed at any time of the day and night and shall be deemed valid, if the Cardholder communicates the card number. The Cardholder shall notify the Bank within its working hours by fax or by letter in the bank offices or at any time of the day and night by the hotlines announced by the Bank. If notice is given by phone, the Cardholder shall - not later than 3 days after that - submit written notice to the Bank on paper. Notification shall be performed in order to block use of the card and minimize damages. The Cardholder shall fully cooperate to clarify the case and minimize damages. The costs for blocking the card, of which notice was received in the above-described manner, shall be borne by the Account Holder and the Cardholder. Any blocked card shall be activated by depositing written request personally by the Cardholder or the Account Holder.

Art.147. If a card is retained by ATM, the Cardholder shall notify the Bank. The Assistance proposed by third parties shall not be accepted. The Bank shall ensure that the card is returned or shall issue a new card.



Art.148. The Cardholder or Account Holder may request of the Bank in writing to issue a new card, if the card is lost or stolen or if the card is destroyed or damaged. If the PIN code of the card is forgotten, the Cardholder or Account Holder may request of the Bank in writing to issue a new PIN code, if technically possible, or a new card.

Art.149. The Bank shall provide a statement to the Cardholder with information about the transactions carried out with the card containing: data permitting to identify the transaction, transaction amount in the particular currency and its equivalent in another currency (applied exchange rate) in case of currency exchange, amount of all charges and commissions applied to the particular types of transactions. The Bank may provide information by phone about the amounts due for the use of the card and transactions performed by the person who is identified by the password specified by the Cardholder/Account Holder in the 'Request to issue a card'.

Art.150. If in accounting for transactions it is necessary to perform currency translation, the Bank shall apply the rate of MasterCard or Visa to determine the amount of settlement and/or the 'sell' rate of the Bank that is applied on the day of accounting for the particular transaction to determine the amount, with which the card/account of the Account Holder to be debited.

Art.151. Failure by the Cardholder to receive a statement of the transactions carried out with the card shall not release the Account Holder from the obligation to timely repay its liabilities.

Art.152. In all cases the Account Holder and/or Cardholder shall provide sufficient funds on the account to repay all transactions delayed due to the specificity of transactions and all other liabilities. The amount of the liabilities of the Cardholder shall be established on the basis of entries made on the accounts of the Bank.

Art.153. If the Cardholder or Account Holder fails to perform any of its obligations under the agreement, including under these General Terms and Conditions, or if the Agreement is cancelled, the Bank shall be entitled to: block/disable the card, collect the debt officially and without court intervention from all accounts of the Account Holder in the Bank, of which the Account Holder gives explicit consent by signing the Agreement; if the Bank proceeds to collecting the debt according to the procedure described in this paragraph from bank accounts of the Account Holder that are in other currency, the exchange rate of the Bank valid for the particular currency on the day of execution of the transaction shall be applied; the Bank may also block the card in case of withdrawal by the Account Holder of the authorization of the Cardholder.

Art.154. The Bank shall be entitled to request documents concerning the financial and property status of the Account Holder and Cardholder until final repayment and termination of the contractual relationship.

Art.155. The Bank shall be obliged:

- 1) to keep any recorded information allowing to track transactions for a period of 5 years;
- 2) to create the appropriate conditions to give and accept notices under article 145, subparagraph 2 at any time;
- 3) to prevent use of the card after notice under article 145, subparagraph 2 within the period agreed for this and take any steps to prevent further use of the card. The Cardholder and/or Account

Holder may not object on the basis of their relations with third parties.

Art.156. The Bank shall not be liable for its denial to carry out a transaction ordered with the card, if sufficient cash or free credit limit is not available on the current account.

Art.157. The Bank shall not be liable for transactions in which the Cardholder carries out transactions by using the card.

Art.158. The Bank shall not be liable in case of denial by third parties to accept transactions with the card or if a transaction initiated by the Cardholder cannot be carried out with the card for reasons beyond the control of the Bank.

Art.159. Except in cases of proven defect in issuing the card, the Bank shall not be liable, if the card cannot be used due to mechanical damage, blocked card, technical problems, untrue notice of destruction, loss or misappropriation of the card.

Art.160. The Bank shall not be liable for damages caused as a result of deactivation of the card in accordance with the Agreement and these General Terms and Conditions.

Art.161. The Bank shall not be liable for its denial to authorize payments with the card, if the notice of destruction, loss, theft, falsification or use in any other illegal manner of the card is untrue.

Art.162. It shall be prohibited to use a card with expired validity, a card subject to return to the Bank, a blocked or falsified card, which is a reason for prosecution.

Art.163. By signing the Agreement the Account Holder entitles the Bank to disclose information to the National Operator BORIKA-BANKSERVICE AD and the relevant international card organization about the status of the card and the account.

Art.163.a. Termination of the relationship between the Bank and the Cardholder relating to an issued bank card shall not automatically lead to termination of the relationship under the framework agreement for bank payment account.

### **XXX. Additional terms relating to the use of Internet banking service**

Art.164. The Bank shall ensure that payment transfer orders are received via the Internet banking service nonstop and every day.

Art.165. Payment orders received via the Internet banking service shall be executed as follows: within the real working hours of the Bank – for payment orders received on the current working day; within the working hours of the Bank on the following working day – for payment orders received after the end of the working hours of the Bank.

Art.166. The Bank has the right to set minimum technical requirements for the Client's equipment for using Internet banking service.

Art.167. When making transfers to foreign countries via the Internet banking service, the Client shall provide promptly to the Bank office/branch, where its account is maintained, documents in original or as certified copies on the basis for making the transfer and other details, in accordance with the requirements of the Currency Act and other regulations in the Republic of Bulgaria.

Art.168. The Client shall be liable for any adverse consequences from electronic documents and performed banking transactions

entered and confirmed by it incorrectly or inaccurately. The Bank shall not be liable for any errors in the data filled in the orders received electronically.

Art.169. The Bank shall use reasonable effort to ensure the security and prevention of unauthorized access to the electronic services provided by it and the software and hardware provided by the Bank to the Client.

Art.170. In exceptional circumstances the Bank may terminate the provision of a particular electronic service at any time, of which it shall notify the Client as promptly as possible.

Art.171. The Client shall be obliged:

- to ensure that the computer, modem and any other device that is used by it is safe, available and compatible with the standards and requirements set by the Bank;
- to perform regular checks for the existence of viruses and take the appropriate actions to ensure protection against them;
- to take preventive measures to avoid unforeseen system failures;
- to comply with the procedures and guidelines in the user guides provided by the Bank for a particular service, including also use the authenticity devices provided by the Bank;
- to notify the Bank as promptly as possible after it becomes aware of any failure, delay, improper operation, virus or error in sending or receiving orders, or any suspected fraud, as well as provide the necessary assistance to restrict damages according to the instructions of the Bank.

Art.172. In case the Client uses certain services under this agreement outside the Republic of Bulgaria, it shall take the relevant risk, if by its actions it violates a law in another state. The software, security devices or payment instrument used with the service may be subject to copyright and contain security features such as for example cryptographic applications, which may be subject to import and export requirements and whose use may be prohibited by a foreign law.

Art.173. Unless the Bank notified the Client otherwise, any software, hardware and device that the Bank provides in connection with an electronic product/service shall be licensed for the Client. The copyright and other rights thereof and in the user guide and other information that the Bank provides shall be a property of the Bank or of the person that has granted the license. The Client shall use them exclusively for the purposes of this agreement in the manner specified in the user guide or other information provided by the Bank. The Client shall not acquire any intellectual property rights thereof.

Art.174. The Client shall keep secret any confidential information, including, but without limitation, the internal rules and procedures of the Bank and other information, which is not available to the public and which has become known to the Client in connection with the services provided by the Bank. The Client shall not attempt and shall ensure that third parties do not attempt:

- a) to change (including by modification, decompilation or reversion), copy, use or distribute software or other components provided by the Bank; or
- b) to retrieve or modify in any way any data contained in the device or hardware provided by the Bank without the prior written approval of the Bank.

Art.175. The Client shall indemnify the Bank for all costs, losses, damage or liability incurred or caused as a result of:

- a) infringement of third party intellectual property right by the Client, or b) modification of software by the Client, unless the software licensor, respectively the Bank, has given prior written approval for this.

Art.176. The records that are maintained by the Bank for all electronic messages, orders, payments or other transactions shall be a conclusive evidence of these messages, orders, payments and transactions and of the time they were given or executed.

Art.177. The Client shall be liable, if, while using Internet banking, it gives incorrect instructions or orders erroneously any payment to be made more than once.

### **XXXI. Charges, commissions and interest on accounts**

Art. 178. When providing payment services, the Bank shall accrue, respectively apply charges, commissions and interest rates according to its Tariff of Interest Rates, Charges and Commissions.

Art.179. Where the Client is the payee, the Bank has the right to deduct its charges from the amount transferred before crediting the account of the Client. In the information provided to the Client the value of payment transaction shall be indicated separately from the amount of charges to be deducted from it.

Art.180. Charges and commissions for transfers from/to a bank account shall be accrued and collected officially by the Bank on the day of execution of the transfer.

Art.181. Charges for maintaining and servicing a bank account shall be accrued and collected officially by the Bank every month. A charge shall be deducted in advance on the last working day of the month preceding the month for which the charge is due. In case the necessary balance to repay the claims of the Bank is not available on the account of the Client, the Bank shall form officially 'unauthorized overdraft' for the particular shortage.

Art.182. For the provision of information in cases other than those specified in the General Terms and Conditions the Bank shall collect officially a charge from the Client's account according to the Tariff. In case the account, for which information is prepared, is closed, the Client shall deposit the payable amount in cash in the Bank or make non-cash remittance on an account of the Bank.

Art.183. The Client shall pay all charges and commissions due under the agreement to the Bank and gives consent to the Bank, based on article 21 of Ordinance No: 3 on the Terms and Conditions of Execution of Payment Transactions, to collect them officially from all its accounts in the Bank.

Art. 184. Interest, where applicable, shall be accrued at the rate, specified in the Tariff, on the balance on the Client's account on a daily basis.

### **XXXII. Exchange rates**

Art.185. When providing payment services in a currency other than Bulgarian currency, the Bank shall apply the current arbitration exchange rate (published by it in its offices) at the time of provision of the payment service, unless agreed otherwise.

**XXXIII. Right of set-off**

Art. 186. If the Bank owes money to the Client on a current, savings or other account regulated by this or another agreement between the Bank and the Client and the Client has not paid any debt that it owes to the Bank on an authorized or unauthorized overdraft, credit card or any other loan agreement between the Bank and the Client, the Bank may use the money that it owes to the Client to repay the debt of the Client to the Bank. The Bank may use this right of set-off without prior notice to the Client.

**XXXIV. General provisions**

Art. 187. The contractual relationship between the Bank and the Client shall be governed by the Bulgarian law.

Art. 188. The framework agreement shall be made, respectively the communication between the parties performed during the period of the agreement in Bulgarian language, unless agreed otherwise.

Art. 189. By filing a request for payment service, respectively by signing the agreement, the Client declares that:

1. The Bank has informed it of its rights under the Personal Data Protection Act (PDPA) and provided the information required in article 19, paragraph 1 of the PDPA;

2. It gives consent to the Bank to process its personal data provided by it or by third parties in accordance with the law;

3. It gives consent to the Bank to provide its personal data to third parties – assignees, credit bureaus, and persons to whom the collection of debt, if any, is assigned, etc.;

4. It gives consent all personal data of the Client, which are processed by third parties, including the National Revenue Agency and National Social Security Institute, to be provided to the Bank.

Art.190 By signing the agreement the Client gives consent to the Bank to process its personal data for the purpose of execution of the obligations of the parties thereof and for statistical and marketing research. The provisions of this article and article 189 shall also apply to the managers and representatives of legal entities.

Art.191. During the period of the framework agreement the Client may receive upon request the terms of the framework agreement and preliminary information under article 41 of the PSPSA on paper or other durable carrier (by e-mail).

Art.192. The Client shall have the right to submit a written objection to the Bank in connection with the provision of payment services under the agreement. The Bank shall make a decision and give written notice to the Client of its decision on the received objection within a period of seven days from submission. If the Bank fails to make a decision within the specified period and where its decision does not satisfy the Client, the dispute may be referred for consideration to the Conciliation Commission for Payment Disputes.

Art.193. Deposits in Bulgarian and foreign currency shall be guaranteed by the system for insurance of bank deposits that operates in the Republic of Bulgaria through the existing Deposit Insurance Fund, which guarantees full payment via a commercial bank of deposits per individual, regardless of their number and amount, up to BGN 196,000. The latter shall not apply to persons who have acquired rights on a deposit as a result of performed

actions of disposal of the deposit after the decision of the Bulgarian National Bank (BNB) to withdraw the license to carry out banking operations from the commercial bank.

The Deposit Insurance Fund shall pay insured deposits via a commercial bank designated by the Management Board. Payment of amounts by the Deposit Insurance Fund shall start not later than 20 working days from the date of the decision of the Bulgarian National Bank to withdraw the banking license. If exceptional circumstances exist, the Fund may extend the period by not more than 10 working days.

Insured deposits in the bank shall not be paid to: 1. persons to whom preferential interest accruing conditions have been provided other than those announced by the bank that it applies to its depositors; 2. persons holding shares that entitle them to more than 5 percent of the votes in the general meeting of shareholders of the bank; 3. members of the management and supervisory board, respectively board of directors of the bank, procurators and members of its internal control bodies; 4. individuals who are partners in specialized audit companies elected or appointed in the manner provided by the law to certify the annual financial statements of the bank; 5. spouses and relatives by direct and by collateral line up to the second degree, including to the persons under paragraphs 2, 3 and 4; 6. banks, where established on their behalf and for their account; 7. financial institutions under article 3 of the Law on Credit Institutions; 8. insurers; 9. pension and insurance funds, except funds for supplementary mandatory pension insurance; 10. investment intermediaries, where established on their behalf and for their account; 11. investment companies of closed type, collective investment schemes and special purpose vehicles; 12. the State and governmental institutions; 13. municipalities; 14. Deposit Insurance Fund, Fund for Compensation of Investors in Securities and Insurance Fund under article 287 of the Insurance Code. Insurance shall not be provided for deposits arising out of or relating to transactions and actions constituting 'money laundering' within the meaning of article 2 of the Law on Measures against Money Laundering, if the offender has been convicted by an effective verdict.

Art.194. An integral part of these General Terms and Conditions shall be the Tariff of Interest Rates, Charges and Commissions of the Bank, referred to for brevity the 'Tariff'.

Art. 195. These General Terms and Conditions and all their revisions shall be published on the website of Texim Bank AD – [www.teximbank.bg](http://www.teximbank.bg).

**XXXV. Within the meaning of these General Terms and Conditions:**

1. 'Value date' shall mean a reference date used by a payment service provider to calculate the interest accruing on the funds which are debited or credited to the payment account. Where interest accrual of the payment account has not been agreed, the value date shall be the date on which the payment service provider is required to debit or credit the payment account.

2. 'Date of execution' shall mean:

a) for transfer orders for credit transfers – the date on which the Bank debits the account of the Client to execute the transfer

order, if the necessary funds are available to execute the transfer and to pay the bank charges due;

b) for transfer orders for direct debit in BGN – the date on which the Bank sends a message to the payer's bank, if the Client has provided funds to pay the bank charges due;

Where the Client has not indicated a 'date of execution', it shall be understood that the date of execution is the date of acceptance of the document. If on the date of execution funds are not available to pay the transfer and bank charges, the Bank shall refuse to execute the order and shall not execute it on another date.

The date of execution may not precede the date of acceptance of the order for execution.

For foreign currency transfers the value date of the transfer may not precede the date of execution.

3. 'Direct debit' shall mean a payment service for debiting a payment account of the payer, when the payment transaction is initiated by the payee on the basis of consent given by the payer to the payee, to the payment service provider of the payee or to the payment service provider of the payer.

4. 'Durable carrier' shall mean any instrument which enables the payment service user to store information addressed to it in a way that is accessible for future reference, for a period that is sufficient for the intended purposes of the information and that allows to reproduce the stored information without change. Durable carriers shall be printouts of devices for printing account statements, diskettes, CD-ROM, DVD, computer hard disks for storage of electronic messages, and websites that are accessible for future references, for a period that is sufficient for the purpose of the information and that allows to reproduce the information stored without change.

5. 'Transfer order' in a payment system shall mean any order of a participant in the system to make an amount available to a payee by recording on the accounts in the bank, central bank or settlement agent, or any other order that leads to the assumption or execution of a payment obligation according to the rules of the system.

6. 'Invalid unique identifier' shall mean an identifier that does not meet the standardized requirements, if any.

7. 'Unauthorized overdraft' shall mean any unauthorized excess of payments over the balance on the account in official transactions of the Bank;

8. 'Payment instrument' shall mean a personalized device/devices and/or a set of procedures agreed between the payment service user and payment service provider and used by the payment service user in order to submit a payment order.

9. 'Personalized security features' of a payment instrument shall be: card number, card validity, PIN code, CVC2/CVV2 code, user name and password, secret password, response to reminder question, and other details in accordance with the guides and guidelines of the Bank and the applicable regulations.

10. 'Response to reminder question' shall mean a response to a question stated personally by the Cardholder in the registration for the service 'Secure payments via the Internet'. If a reminder question is asked, this response enables the Cardholder to change its secret password in the cases in which it has forgotten it.

11. 'Payment account' shall mean an account maintained in the name of one or more payment service users used to make payment transactions.

12. 'Payment order' shall mean any order by the payer or payee to the payment service provider instructing to make a payment transaction.

13. 'Payer' shall mean an individual or legal entity who holds a payment account and orders to execute a payment order on this account and, if a payment account is not available, an individual or legal entity that gives a payment order.

14. 'Payee' shall mean an individual or legal entity who is the end recipient of the funds, subject to a payment transaction.

15. 'Consumer' shall mean an individual - payment service user who in the case of agreements for the provision of payment services carries out activities, other than its commercial or professional activities.

16. 'Working day' shall mean the day on which the payment service provider of the payer or the payment service provider of the payee, who is involved in the execution of the payment transaction, carries out activities that are required to execute the payment transaction.

17. 'Reference interest rate' shall mean the interest rate which is used as a basis for calculation of the applicable interest rate and which is derived from a public source that can be checked by both parties to the agreement for the provision of the payment service.

18. 'Reference exchange rate' shall mean the exchange rate which is used as a basis for calculation in currency exchange and which is provided by the payment service provider or a public source.

19. 'Tariff' shall mean the Tariff of Interest Rates, Charges and Commissions of the Bank.

20. 'Unique identifier' shall mean a combination of letters, numbers or symbols communicated by the payment service provider to the payment service user, which must be provided by the payment service user in the execution of the payment transaction in order to identify unambiguously the other payment service user and/or its payment account.

These General Terms and Conditions have been adopted by the Management Board of TEXIM BANK AD with Protocol No: 99 of 8 September 2011 and repeal the Rules for Internet Banking (adopted by decision of the Management Board - Protocol No: 63 of 21 April 2007) and the General Terms and Conditions for Issuance and Maintenance of Electronic Debit Cards of TEXIM BANK AD (adopted by decision of the Management Board - Protocol No: 45 of 26 March 2007), amended by Protocol No: 53 of 19 May 2014 from a meeting of the Management Board of TEXIM BANK AD.