

**GENERAL TERMS OF CIBANK PLC
FOR PROVISION OF PAYMENT SERVICES TO INDIVIDUALS
/users pursuant to the Law on Payment Services and Payment Systems (LPSPS)/**

I. SCOPE

1. These General Terms shall govern the conditions of CIBANK JSC (**hereinafter "Bank"**) entered in the Commercial Register at the Registry Agency with UIC 831686320, with headquarters and registered address at: 2 Slavyanska Str., Sofia, and email address www.cibank.bg, with the BNB as supervisory authority, for the provision of payment services in local and foreign currency to individuals - consumers ("**Customers**") under the Law on Payment Services and Payment Systems (**LPSPS**), and the relations arising between the Customers and the Bank in connection with payment services provided to them.

II. PAYMENT SERVICES PROVIDED BY THE BANK

A. Description of the payment services provided by the Bank:

1. Depositing cash to a payment account and the associated operations for servicing the payment account.
2. Withdrawing cash from a payment account and the associated operations for servicing the payment account.
3. Execution of payment transactions, including transfers of funds to a payment account of the Customer with the Bank or with another payment service provider:
 - 3.1. Execution of direct debits, including one-off direct debits;
 - 3.2. Execution of payment transactions through payment cards or other payment instruments;
 - 3.3. Execution of credit transfers, including orders for periodic transfers;
 - 3.4. Execution of money remittances.

B. Nature and characteristics of information which must be provided by the payment services user to ensure the correct execution of the payment order

4. When the payment service provider is a bank, the Customer must provide the international banking identification code of the bank (BIC) and the International Bank Account Number (IBAN) or other unique identifier of the account (for non-EC countries) to the recipient by entering them into the payment order.

C. Form and procedure for granting and withdrawal of consent to carry out payment transactions

5. The Bank does not control the subject of the transaction as a result of which the transfer occurred, unless such control arises from the credit agreement, through which the Bank has provided the sum to the client or other agreement to which the Bank is a party.

6. In executing the transfers, the Bank shall not be responsible for the legality of the transactions, unless a regulatory act provides otherwise. The Bank shall not be liable for normal banking intermediation in transactions of its clients, concluded in violation of the regulatory acts.

7. The Bank processes personal data of Customers in compliance with the Law on Personal Data Protection, as in cases of prevention, investigation and detection of fraud related to payment services, processing can be performed without the consent of the Customer whose data are concerned.

8. The Bank executes transfers at the simultaneous adherence to the following conditions:

- 8.1. only at the order or with the prior consent of the Customer, signed by persons authorised to handle the originator's account or by a duly prepared electronic payment order;
- 8.2. presence of sufficient funds in the originator's account to cover the transferred amount and the costs associated with the transfer;
- 8.3. submission of documents required by a regulatory act or other documents required by the Bank to carry out the respective transfer;

9. The Bank shall execute a payment order only to the extent of the funds available in the Customer's account or to the amount of the agreed credit, if any. If these conditions are not met, the Bank shall refuse to execute the payment order.

10. The Bank shall not execute partial transfers on individual payment orders or direct debit orders. Partial payments may be made only in cases of enforcement in accordance with the order established by law, and in cases of official collection by the Bank.

11. To ensure the correct execution of the payment transactions by the Bank, the Customer shall submit payment orders on paper, as instructed by the BNB, in accordance with a sample form provided by CIBANK JSC and / or electronically through the Online Banking service, in compliance with the requirements of the Law on Electronic Document and Electronic Signature.

12. The Bank shall accept payment orders that are not in accordance with its sample form if they contain all required details and are completed in accordance with the legislative acts and the secondary legislative acts. Forms, on which the name of another bank has been pre-printed or written, shall not be accepted.

13. When a payment transaction in foreign currency has been ordered, the Customer shall provide the Bank with all the necessary documents required under the Currency Act, Ordinance No. 27 of the BNB for the balance of payments statistics, Ordinance No. 28 of the BNB on information collected from banks when executing international transfers and payments.

14. The payment documents shall be drawn up by the Customer who shall be responsible for the incurred consequences if they have been incorrectly filled out.

15. The Bank shall assign a unique registration number to each payment document submitted for execution, which shall be recorded on the payment document and shall serve to identify each payment.

16. The Bank shall debit the customer's account without a submitted order by the client in the following cases:

16.1. When carrying out an enforcement procedure in a way established by the law;

16.2. When correcting errors attributable to a bank;

16.3. For payment of fees and commissions for services provided by the Bank, for payment of interest on the debt owed by the customer to the Bank, and in other cases agreed upon in writing between the Bank and the Customer;

17. The Bank shall not be responsible for incorrectly filled out data and has the right to refuse to accept payment documents if they are not duly completed and are not completed legibly, and if the Customer has not submitted declarations and/or other documents required by the current legislation of the Republic of Bulgaria or internal bank documents.

18. The Bank has the right to refuse to execute the payment transaction ordered by the customer in case of restrictions under the current laws of the Republic of Bulgaria, the rules for execution of payment transactions and these General Terms.

19. The Customer may cancel and withdraw payments orders submitted to the Bank only if until the withdrawal the order has not been executed, and shall pay to the Bank a fee for the cancellation of the payment order in accordance with the Bank's Tariff.

D. Receipt of a payment order

20. For the moment of receipt of the payment order shall be considered the moment when the Bank received the payment order in accordance with the order and manner set out in these General Terms.

21. When the day of receipt is not a business day for the Bank, the payment order shall be considered received on the next business day.

22. When upon request by the Customer a payment order should be enforced on a specific day, the moment of receipt of the payment order shall be considered the agreed day, and if that day is not a business day for the Bank - the next business day.

23. The Bank shall set a deadline within the business day, after which each payment order shall be considered received on the next business day as follows:

- Transfers through BISERA - after 1.00 pm;
- Transfers through RINGS - after 2.30 pm for orders on paper and after 15.00 h for electronic orders ;
- cross-border transfers - after 3.00 pm.

E. TIMELINE FOR EXECUTION OF THE PROVIDED PAYMENT SERVICES

24. To execute local transfers, the Bank shall accept payment documents /payment orders/ on paper or electronically through the Online Banking service, and execute them as follows, when the date of execution has not been specified in the payment document:

24.1. through BISERA for amounts below BGN 100,000.00, with value date on the same day for the payer and the recipient, if they have been submitted on paper by 1.00 pm, and in electronic format by 3.00 pm on a business day of the Bank;

24.2. through RINGS for amounts equal to or above BGN 100,000.00, with value date on the same day for the payer and the recipient within one hour after their receipt, if they have been submitted on paper by 2.30 pm, and electronically by 3.00 pm on a business day of the Bank;

24.3. through RINGS for payments requested by the Customer for amounts below BGN 100,000.00, with value date on the same day for the payer and the recipient, and within one hour after their receipt, if they have been submitted on paper by 2.30 pm, and electronically by 3.00 pm on a business day of the Bank;

24.4. cashless payments between accounts of customers of the Bank shall be carried out with value date on the same business day if they have been submitted on paper by 5.00 pm, and electronically by 6.00 pm on a business day of the Bank;

24.5. payment documents with a date of execution other than the date of submitting the document shall be executed where the value date shall be the date of execution. The Bank shall accept payment orders with date of execution not more than 5 (five) working days from the date of submitting the payment orders;

25. The Bank shall execute the received direct debit order from the bank to the recipient after checking if:

- 25.1. there is prior consent of the payer for a direct debit;
- 25.2. the payer's account has available funds sufficient to execute a direct debit or an authorised credit;
- 25.3. the conditions for executing the direct debit order have been satisfied and the documents required for its execution have been received, if submission of such documents has been agreed in advance.
26. If within five (5) business days from receipt of the order for direct debit, the conditions for its implementation under item 25 are not met, the Bank shall refuse to execute the direct debit order and shall inform the recipient's bank.
27. To execute transfers in foreign currency, the Bank shall accept payment documents on paper or submitted through Online Banking and execute them through their correspondent banks and the S.W.I.F.T international payment system, such as:
 - 27.1. all orders for cross-border transfers, submitted to the Bank by 3.00 pm on a business day, shall be executed with a value date not later than two bank business days from the receipt of the payment order by the Bank;
 - 27.2. upon request by the Customer and based on availability, the Bank shall execute express international transfers for a fee specified in the Bank's Tariff;
 - 27.3. for transfers received in foreign currency, the Bank shall credit the Customer's account with value date not later than the business day on which the account of the Bank is credited with the amount of the payment transaction;
 - 27.4. The Bank shall accept and execute cross-border transfers in EUR or in a currency of a Member State of the European Union, only with shared fees and commissions.

III. FEES, COMMISSIONS, INTEREST RATES AND EXCHANGE RATES IN CONNECTION WITH THE PROVISION OF PAYMENT SERVICES

1. The Bank shall accrue interest on the funds in payment accounts opened with it in an amount, determined by its Management Board and specified in the Tariff and Interest Rates Bulletin of CIBANK JSC, attached to the Tariff.
2. In determining the interest rates on payment accounts in BGN, the level of the base interest rate set by the BNB, the levels of demand and supply of free cash and the efficiency criteria in the Bank's interest rate policy shall be taken into consideration. In determining the interest rates on payment accounts in foreign currency, the conditions in international markets as well as the supply and demand of foreign currency on the local market shall be taken into consideration.
3. The annual interest for current accounts in BGN of individuals shall be calculated on an annual basis at the end of the respective calendar year, and interest shall be accrued on the available balance in the account for each day interest is payable, and shall be deposited on the day of remuneration to the current account.
4. Savings accounts in BGN and foreign currency shall bear interest on an annual basis, and interest shall be accrued on the available balance in the account for each day interest is payable, and shall be deposited on the day of remuneration to the savings account.
5. Current accounts of individuals in foreign currency shall bear interest annually at the end of the respective calendar year, and interest shall be accrued on the available balance in the account for each day interest is payable, and shall be deposited on the day of remuneration to the current account.
6. Interest shall be calculated on the basis of the actual number of days, and the year shall be considered to have 360 days and the month to have 30 days
7. Upon closing of an account, interest shall be accrued and paid on the day of closing.
8. The Bank shall automatically calculate and collect tax on interest income from a payment account of the Customer, if he or she is a foreign person and this tax is payable under Bulgarian tax legislation.
9. For servicing payment accounts and conducting operations on them as well as for closing an account, the Customer shall owe fees and commissions in accordance with the current Bank's Tariff. These due amounts shall be collected automatically from the Customer's account, for which he/she shall give his/her explicit and unreserved consent by signing a framework agreement for payment services.
10. Upon receipt/order of a transfer in currency different from that in which the Customer account has been opened, the Bank automatically converts the received/ordered amount by applying the exchange rates declared by the Bank for the day.
11. The exchange rates of currencies offered by the Bank for purchase/sale shall be declared for the day at the designated areas in the bank offices.
12. All fees and commissions due for the execution of local and international payment transactions shall be automatically collected by the Bank. In case of lack of funds, the amounts shall remain outstanding until the payment account has been activated, whereas the sequence of claims shall be determined by the order of their occurrence.

IV. PROCEDURES FOR COMMUNICATION BETWEEN THE BANK AND THE CUSTOMER

1. In order to reflect and control the funds kept by the Bank, a statement of account(s) shall be drawn up and submitted to the Customer or to his/her authorised representative in a manner as agreed in the framework agreement. For a period in which there is no movement on the account, an account statement shall not be issued.
2. Account statements shall be drawn up in Bulgarian.

3. The client shall be entitled to receive upon request in writing, information about any change in the availability on a payment account.

4. Information on the payment account shall include: initial balance, data for each individual transaction and ending balance on a payment account as of the end of each business day, information for each non-cash transfer – information identifying the payment, the amount of the transfer, the amount of all costs, charges and commissions payable by the Customer, the value date of the executed payment, the exchange rate used by the Bank when exchanging currency, information about the originator.

5. The framework agreement shall be provided to the Customer on paper, in Bulgarian, in two identical copies, one for each party.

6. Communication between the Bank and the Customer during the validity of the framework agreement shall be in Bulgarian.

7. The Customer shall be obliged to inform the Bank of any changes in the information provided by him to the Bank. The Bank shall not be liable if the Customer has not fulfilled this obligation in due time.

V. PROTECTIVE MEASURES

1. The Bank shall be responsible for the proper execution of the payment order in accordance with the Customer's order.

2. The Bank shall not be liable for inaccurately submitted data for executing a payment, and for an incorrectly submitted unique identifier (IBAN).

3. The Customer shall notify the Bank of any unauthorised or incorrectly executed payment transaction, immediately after receiving information about it without undue delay, but not later than 13 (thirteen) months from debiting of the account.

4. The Bank shall be responsible to the payer (Customer) for the correct execution of the payment transaction and in case of any determined error shall take appropriate actions to trace the payment transaction, to notify the Customer, and to take appropriate measures to recover the amount, where applicable.

5. The timeline under item 3 shall not be applied if the Customer has not fulfilled his/her obligations to provide the necessary and correct information and details for executing the payment transaction.

6. The Bank shall not be responsible for not executing or delaying cash transfers ordered by the Customer in the event of extraordinary, unforeseen and unavoidable circumstances after the conclusion of a framework agreement as well as in case of actions taken by the Bank in order to comply with or avoid violation of regulatory requirements to prevent money laundering and terrorist financing.

7. The sums accepted by CIBANK JSC in accounts of the Customer, regardless of their number and currency, are guaranteed through the Bank's participation in the Bulgarian Deposit Insurance Fund for up to an amount in accordance with the Law on Bank Deposit Guarantee. Payment of amounts from the Fund shall begin no later than 20 (twenty) business days from the date of the decision of the BNB for revocation of the banking license of the respective commercial bank. The Fund shall pay the guaranteed amount of deposits through a commercial bank designated by the Management Board.

8. The guaranteed amounts of bank deposits at the Bank shall not be paid to:

8.1 persons who have been granted preferential interest rates, in deviation from the conditions announced by the Bank which it must apply to all of its depositors;

8.2 persons holding shares entitling them to more than five percent of the votes at the General Meeting of the shareholders of the Bank;

8.3 Members of the Management and Supervisory Board, respectively, of the procurators / attorneys-in-fact and members of the bodies for internal audit;

8.4 individuals who are specialised auditing companies elected or appointed in the manner prescribed by law to certify the annual financial statements of the Bank;

8.5 spouses and lineal and collateral relatives of up to the second degree, including the persons referred to in items 8.2, 8.3 and 8.4;

8.6 no guarantees shall be provided for deposits arising out of or related to transactions and activities representing "money laundering" pursuant to the meaning of Article 2 of the Law on Measures against Money Laundering (LMML), if the offender has been convicted and sentenced.

VI. CHANGES IN THE FRAMEWORK AGREEMENT

9. The Bank has the right to unilaterally change these General Terms, Tariff and Interest Rates Bulletin, notifying the Customer through its website and putting information in prominent places in its banking halls at least two months before the changes take effect.

10. It is considered that the Customer has accepted the changes, unless he/she has notified the Bank that he/she does not accept these changes before their entry into force.

11. The notification under item 2 should be submitted by the Customer in writing in a Bank office of his/her choice.

12. In the event that he/she has not accepted the changes, the Customer has the right to terminate the framework agreement up to the date on which the changes take effect, without owing compensation for termination of the agreement.

VII. TERMINATION OF THE FRAMEWORK AGREEMENT AND CLOSING OF A PAYMENT ACCOUNT

1. The framework agreement shall be terminated:
 - 1.1. At the request of the Customer at any time without due notice to the Bank;
 - 1.2. At the request of the Bank with a 2-month written notice.
2. The Customer shall not owe any fees or penalties for terminating the agreement after the expiration of 12 (twelve) months from the date of its conclusion.
3. Upon termination of the agreement before the expiry of the term under item 2, the Customer shall owe a fee in accordance with the Bank's Tariff.
4. In case of a breach of the agreement by either party, the non-defaulting party may terminate it without notice.

VIII. PROCEDURE FOR LEGAL PROTECTION

1. For the issues not settled in the framework agreement and these General Terms, the applicable regulations of the current Bulgarian legislation shall apply.
2. If case of an inaccurate or erroneous execution of the payment transaction by the Bank, the Customer may submit a written objection.
3. The Bank shall be required to provide a written notice to the Customer of its decision on any received objection within 7 (seven) days from its submission.
4. If the Bank does not provide a response within the prescribed time limit under item 3 and in case the decision does not satisfy the Customer, the dispute may be referred to the Conciliation Commission for Payment Disputes, established at the Commission for Consumer Protection.

IX. ADDITIONAL PROVISIONS

(1) Descriptions and definitions

1. **Value date** - a reference date used by the Bank to calculate interest on the funds debited from or credited to the payment account or the date on which the Bank is required to credit or debit the payment account when remuneration has not been agreed.
 2. **Direct debit** - payment service for debiting a payment account of the payer when the payment transaction is initiated by the recipient on the basis of consent given by the payer to the recipient, the Bank of the recipient or the Bank of the payer.
 3. **Credit transfer** - payment transaction ordered by the payer through his or her payment service provider in order to make the funds available to the recipient by his or her payment service provider. The payer and the payee may be the same person.
 4. **Cash transfer** – payment service where funds are provided by the payer without any payment accounts in the name of the payer or the payee, for the sole purpose of transferring the respective amount to the recipient or to another payment service provider, acting on behalf of the recipient and/or where such funds are received on behalf of the recipient and are at his/her disposal.
 5. **Transfer order** - any order by a participant in a payment system to make available to the recipient a sum of money by recording in the accounts in a bank, central bank or settlement agent or any other order, leading to assumption or execution of a payment obligation under the rules of the system.
 6. **Payment transaction** - any action taken by the payer or the payee, of placing, transferring or withdrawing cash, the primary relationship between the payer and the recipient.
 7. **Payment account** - an account held on behalf of one or more holders, used for execution of payment transactions.
 8. **Payment order** - any order by a payer or payee to a bank, ordering the execution of a payment transaction.
 9. **Payer** - a physical or legal person who is a holder of a payment account and orders the execution of a payment order from that account, and when there is no payment account – an individual or a legal entity that gives a payment order.
 10. **User of payment services** – an individual or a legal entity that uses payment service as a payer or a payee, or as both.
 11. **Recipient** - an individual or a legal entity designated as the final recipient of funds which are the subject of a payment transaction.
 12. **User** - an individual, user of a payment service, who, under agreement for the provision of payment services, performs an activity different from his/her business or professional activity
 13. **Business Day** - the day on which the bank of the payer or the payee involved in the execution of the payment transaction perform an activity necessary for the execution of the payment transaction.
- (2) Changes in legislation regarding the conditions for servicing a payment account shall be binding upon the parties under these General Terms from the moment these changes enter into force.
- (3) All communications to customers by mail shall be sent to the latest address declared by him/her at the Bank.

X. FINAL PROVISIONS

1. These General Terms are binding for the Customers and represent an integral part of the framework agreement concluded between the Bank and a customer (an individual) for providing payment services.

2. These General Terms have been adopted by the Management Board of CIBANK JSC by Minutes No. 39/08.10.2009 and have come into force on 01.11.2009. They replace the General Terms for Opening and Servicing of Current Accounts of Individuals adopted by Minutes No. 30/30.07.2009 effective as from 03.08.2009, supplemented and amended by Minutes No. 17/22.04.2010 effective as from 03.05.2010, supplemented and amended by Minutes No. 14/14.04.2011 effective as from 02.05.2011, supplemented and amended by Minutes No. 22/09.06.2011 effective as from 13.06.2011.