

**GENERAL TERMS AND CONDITIONS  
FOR ISSUANCE AND SERVICING OF CIBANK PAYMENT CARDS  
FOR INDIVIDUALS**

**I. GENERAL PROVISIONS**

1. These **General Terms and Conditions** govern the relations between CIBANK JSC, referred to as '**Bank**', registered in the Trade Register of the Registry Agency under UIC 831686320, having its seat and registered office at 1 Tsar Boris III Blvd., Sofia, and website [www.cibank.bg](http://www.cibank.bg), supervised by the BNB Banking Supervision Department, and a payment service user (referred to as 'Holder') and an authorized payment service user (referred to as '**Cardholder**') upon issuance and servicing of a bank payment card (**payment card(s)**).

2. These General Terms and Conditions become binding for the Holder/Cardholder on the day of signing a Framework Contract for the provision of payment services to individuals, hereinafter referred to as "**Framework Contract**", and are an integral part of that contract, or on the date of their acceptance in writing by the Holder/Cardholder by depositing an Request for the issuance of a bank card for individuals (hereinafter referred to as '**Request**'), if the two dates are different.

**II. ISSUANCE AND USE OF A BANK PAYMENT CARD**

3. The bank card is a type of payment instrument on which information is recorded electronically and which is used repeatedly to identify the Cardholder to whom the card is issued. It provides remote access to the funds in a bank account and/or to a pre-defined credit limit negotiated between the Holder and the Bank.

4. The card is property of CIBANK as issuer.

5. The card may only be used by the Cardholder him/herself in compliance with these General Terms and Conditions, and it shall not be used by other persons.

6. The card is valid for a fixed period of time, which is written in a MM/YY (month/year) format on the front of the card and expires on the last calendar day of the month indicated.

7. CIBANK issues the following types of cards:

7.1. International debit cards **Visa Electron** and **Debit MasterCard PayPass for local and foreign individuals**, under the following conditions:

- Submission of a Request for the issuance of a card (as per template), including a written consent to these General Terms and Conditions;
- A current account opened in the Holder's name in the national currency (BGN), euro (EUR) or US dollars (USD);
- Signing of a Framework Contract;
- The General Terms and Conditions have the effect of a Contract for issuance of a bank payment card.

7.2. International credit cards with their own available funds and/or overdraft **MasterCard Gold PayPass** and **Visa Classic payWave for local and foreign individuals**, under the following conditions:

- Submission of a Request for the issuance of a card (as per template), including a written consent to these General Terms and Conditions;
- A current account opened in the Holder's name in the national currency (BGN), euro (EUR) or US dollars (USD);
- Signing of a Framework Contract;
- Signing a Contract for the issuance and servicing of a MasterCard PayPass and Visa payWave bank payment card with its own available funds and/or overdraft for individuals.

7.3. Revolving credit cards with an interest-free period **MasterCard Standard PayPass**, **MasterCard Gold PayPass** and **Visa Classic PayWave for local individuals**, under the following conditions:

- Submission of a Request for the issuance of a card (as per template), including a written consent to these General Terms and Conditions;
- A current account /CA/ opened in the Holder's name in the national currency (BGN);
- Signing of a Framework Contract;

- Signing a Contract for granting a credit limit on a revolving credit card

7.4. International debit Maestro for local and foreign individuals - not be issued after 20.05.2015

7.5. Co-branded bank payment cards.

8. Depending on how the available balance is formed, bank cards issued by CIBANK have:

- Available balance based on the actual CA balance (own available funds);
- Available balance based on a granted CA overdraft; the amount, conditions and collateral of the overdraft are stipulated in a separate Overdraft Contract.
- Available balance based on a granted revolving loan, which can be utilized only through the card. The amount, conditions and collateral of the overdraft are stipulated in a Contract for granting a credit limit on a revolving credit card

9. The Bank issues bank cards based on a notarized power of attorney indicating the right of the proxy to conclude the contracts required for the issuance of the card, to open the necessary bank accounts in the authorizer's name, and to establish any possible collateral.

9.1. The Bank also issues payment cards when a request has been submitted via Cibank Online, with the exception of cards under item 7.3.

10. The card is received by the Cardholder in person or on the basis of an express notarized power of attorney indicating the proxy's right to receive the card issued.

11. Access to the card account/credit limit is possible via all ATM and POS terminal devices in Bulgaria and/or abroad, which are installed in banks and commercial outlets with the respective card logo.

12. The card can be used to perform the following operations:

- withdrawal of cash from ATM terminal devices;
- payment for goods and services, and receiving cash via POS terminal devices;
- payment for goods and services, and fund transfers between accounts via virtual POS terminal devices;
- transfers between accounts via ATM terminal devices in the country;
- payment for services via ATM terminal devices in the country;
- getting information on the card funds and performing other payment and non-payment operations
- getting information on the card funds and performing payment operations through the platform for secure mobile payments called **mobb**, which is operated by BORICA-BANKSERVICE AD.
- contactless payment of goods and services via cards with the MasterCard PayPass/Visa payWave logo.
  - Transfer of amounts in BGN to another person at an ATM in the country which supports the Cash M service.

13. All cards issued can be used to perform operations online, where each bank card operation is approved by the authorization system of the operator, BORICA-BANKSERVICE AD, which is connected to the terminal device from which the transaction is performed via a telecommunications environment.

14. Cards with the MasterCard and Visa logo can be used to perform offline transactions, for which no approval from the authorization system of BOBS and/or the issuer CIBANK is required within limits defined by the respective international card organization. With offline transactions, it is allowed to exceed the available balance or the credit limit.

15. **Visa payWave** and **MasterCard PayPass** cards can be used to make also contactless payments via POS terminal devices with the respective PayPass/payWave sign by approaching the card to a special contactless reader without inserting/sliding it into/through the POS terminal device.

16. Contactless payments are made:

- On the territory of Bulgaria – offline within the limits defined by international card organizations (ICOs) and the Bank, without entering a PIN and/or putting a signature on the document for the transaction.

- Outside Bulgaria – offline within the limit for the respective country approved by ICOs and the bank servicing the terminal device, without entering a PIN and/or putting a signature on the document for the transaction.

- Above the limit approved by ICOs and the Bank for the respective country – the transaction is made either via contactless payment online or via direct physical contact payment (by inserting/sliding the card into/through the POS terminal device) depending on the requirements in the respective country. Either way the payment is made after entering a correct PIN and/or putting a signature on the document for the transaction.

17. The Holder shall pay fees and commissions for the issuance and servicing of the card according to the Bank's Tariff.

18. The payment between the Bank, in its capacity of the card issuer and the institution servicing the respective terminal, with respect to an executed payment bank card operation, is processed through the national settlement via BNB for transactions in the country or through international settlement by the respective international card organization (MasterCard Inc. for card transactions with Maestro and MasterCard, or Visa Europe for card transactions with Visa) for transactions abroad.

In case of payment transactions executed through the settlement of BNB, the Bank uses the national currency for payments, whereby the conversion to the holder's accounts in EUR or US dollars is done at the "standard-buy" exchange rate of the Bank, posted on the website of CIBANK on the date of booking the payment operation at the Holder's account. Conversion into an account in BGN is not performed.

In case of payment transactions executed through the settlement of international card organizations, the Bank receives the transaction amount in EUR at the rate set by the card organization. Conversion into a Holder's account is performed for accounts in BGN: from EUR to BGN at the "standard-sell" exchange rate of the Bank, posted on the website of CIBANK on the date of booking; for accounts in US dollars: from EUR to BGN at the "standard-sell" exchange rate; and from BGN to US dollars at the "standard-buy" exchange rate for the respective currencies, posted on the website of CIBANK. In case a payment transaction is executed in a currency identical to the currency of the Holder's account, conversion is not performed.

19. All payment operations are restricted by individual limits per transaction for 24 hours in total and for 7 days in total, as well as by a maximum number of card operations within 24 hours and within 7 days. The limits are described in the CIBANK's Tariff and its appendices (referred to as the 'Tariff') unless the parties have agreed otherwise.

20. All operations related to card use are automatically registered chronologically, in compliance with the operation rules of the respective payment system, through certain procedures and technical means, which guarantee secure storage and exact reproduction of the information, and which exclude any possibility for its subsequent alteration.

21. The card is issued with a four-digit Personal Identification Number /PIN/, which is unique and known only to the Cardholder.

22. The payment card and a letter with the PIN shall be issued within 5 /five/ work days for the Bank's branches and offices in Sofia, and within 7 /seven/ work days for the offices outside Sofia, starting from the date of the Request for the issuance of a card at branch of the Bank or after the date on which a request has been submitted via Cibank Online.

23. Upon the customer's request, Visa Electron, Debit MasterCard PayPass, MasterCard PayPass and Visa Classic payWave cards with their own available funds and/or overdraft can be issued as an express order within 3 /three/ working days for the offices in Sofia and within 4 /four/ working days for the offices outside Sofia. For express issuance the Holder shall pay an additional fee in accordance with the Tariff.

24. The PIN of the Cardholder is a strictly personal four-digit code, which is entered using the keypad of the ATM or the electronic POS terminal equipped with a special PIN entry device, and serves to prove the identity of the cardholder when performing PIN-based transactions.

25. Upon receiving the card and PIN, the Cardholder shall start to bear the full responsibility for keeping them safe.

26. Upon receiving the envelope with the card and PIN, the Cardholder needs to check if the number printed on the front of the card corresponds to the number inside the envelope with the PIN. If they match, the Cardholder shall sign on the back of the card in the signature field in the presence of an employee of the Bank, and shall confirm that he/she has received the PIN and the card by signing the Request where required. In case the numbers do not match, CIBANK shall issue a new PIN at its expense within 3 /three/ working days for the offices in Sofia and within 4 /four/ working days for the offices outside Sofia.

27. The card and the envelope with the PIN shall be kept at an office of the Bank for 3 /three/ months of their issuance. If the Cardholder/Holder does not collect them within this period, they shall be destroyed.

28. Before the card validity expires, the Bank shall re-issue it automatically or after a written request for card re-issuance has been deposited at an office of the Bank. The request shall be deposited not later than 10 /ten/ days before the validity period expires. The Bank may refuse to re-issue the card without motivating its decision.

29. Before the card validity expires and with an approved request for re-issuance, the Cardholder may receive his/her new card upon returning the old one, which shall be destroyed. In case the Cardholder does not return the card, he/she shall pay a fee in accordance with the Tariff.

30. The Cardholder may perform card operations within 4 /four/ working hours after receiving the PIN and the card.

31. Cards have a special three-digit number, called CVC2 for MasterCard/Maestro and CVV for Visa - the last three digits printed on or next to the signature field on the back of the card. This code is used to prove the Cardholder's identity during transactions where the card is not present. The code is unique for each card. The customer shall keep both his/her CVC2/CVV code and the number of his/her card secret.

32. The Cardholder can perform card transactions within the amount of the available balance, which is determined as follows:

- for cards based on actual balance and/or granted overdraft, the available balance shall be calculated as a sum of the available funds on the account plus the approved unutilized overdraft amount and minus the blocked amounts and the minimum balance required as per the Tariff.

- for cards based on a credit limit – the available limit equals the unused credit limit.

33. Payment operations with a card are approved after the Cardholder has granted consent and identified himself/herself in any one of the following ways:

- during ATM transactions – via PIN entry;
- during POS transactions – by signing on the POS receipt and/or entering the PIN;

- during payments without the physical presence of the card, i.e. for mail order/telephone order transactions – via CVC2/CVV code entry;

- during payments without the physical presence of the card for good and services provided by Internet merchants:

- for online merchants that do not support the 3D Secure protocol, known by the trademarks "Verified by Visa" or "MasterCard Secure Code" – the number of the card, expiry date, three-digit code printed on the back of the card (Card Verification Value (CVV) or Card Verification Code (CVC)).

- for online merchants supporting the 3D Secure protocol, known by the trademarks "Verified by Visa" or "MasterCard Secure Code" – the number of the card, expiry date, three-digit code printed on the back of the card (Card Verification Value (CVV) or Card Verification Code (CVC)), and a 3-D secure code entered when using the service "Secure Internet Payments". The registration and use of the service is described in the Terms and Conditions for using the service "Secure Internet Payments" with a payment card issued by CIBANK JSC, which are an integral part of the current General Terms and Conditions.

- When using the **mob** platform of the operator BOBS – via a payment code (PC) generated by the mob platform. The PC is a single-use unique digit code which is valid for a limited time. The generation and

use of the PC are in accordance with General Terms and Conditions for Using the **mobb Service** ([www.mobb.bg](http://www.mobb.bg)).

- During payments with payPass and/or payWave cards within the limit allowed by the issuer – without entering the PIN and/or signing the document for the transaction.
- When using the Cash M service:
  - -identification of bank card and entry of PIN.
  - - entry of a random four-digit code for the transfer;
  - - entry of the payee's mobile telephone number of a Bulgarian operator;
  - - entry of the ordering party's mobile telephone number of a Bulgarian operator;

**34.** During card transactions, the Cardholder may be invited to identify himself/herself via an ID document.

**35.** If the Cardholder enters the wrong PIN three consecutive times, PIN-based transactions with the card are blocked automatically. Upon the next attempt to use an ATM, the Card may be retained by the device.

**36.** If the Cardholder forgets his/her PIN, at his/her written request, submitted at a branch of the Bank or by a request submitted via Cibank Online, the Bank will issue:

- for Maestro cards - new debit card with PIN Visa Electron or Debit MasterCard optional.
- A new PIN for Visa and MasterCard cards within the time limit specified in item 22, for which the Holder shall pay a fee in line with the Tariff. The Holder shall receive the PIN in a branch of the Bank specified by him/her.

**37.** The transfer via the Cash M service shall be blocked:

- automatically, if the payee enters the wrong mobile phone number, four-digit code or six-digit code three consecutive times, or if the seven-day validity period of the transfer expires;
- by order of the Ordering Party's Bank.

### III. OPENING AND USING A CURRENT ACCOUNT

**38.** For operations with cards with their own available funds and/or overdraft, the Bank opens a current account (CA) in the name of the Holder, which can be used for all types of payments in accordance with the General Terms and Conditions of CIBANK JSC for the provision of payment services to individuals.

**39.** For operations with MasterCard and Visa revolving credit cards, the Bank opens a current account (CA) in the name of the Holder, which can be used for all types of payments in accordance with the General Terms and Conditions of CIBANK JSC for the provisions of payment services for individuals, and an account servicing the granted revolving loan in line with a Contract for granting a credit limit on a revolving credit card.

**40.** Upon submitting a Request for the issuance of a card, the Holder shall deposit a minimum sum determined by the Bank, which consists of the minimum balance required and other fees in accordance with the Tariff.

**41.** The Bank shall issue a bank statement of the current account operations and present it to the Holder in the form and within the time limit stipulated in the Framework Contract.

**42.** The current account can be credited in the following ways:

- by depositing cash in one of the Bank's offices;
- by intra-bank transfers;
- by transfers from other banks /in the country and abroad/.

**43.** The funds in the current account shall bear interest at a rate in accordance with the Tariff.

**44.** The current account can be closed in case of contract termination, but not earlier than 14 (fourteen) days for Maestro, Visa Electron and Debit MasterCard cards, and 30 (thirty) days for MasterCard Standard and Visa Classic cards, after the occurrence of a reason for such termination. During this period, the funds in the card account shall be blocked to cover pending authorizations for payments. After the period expires and after all fees, commissions and other

expenses payable by the Holder have been deducted from the CA, the account balance:

- shall bear interest and be paid at a cash desk;
- shall be transferred to another account specified by the Holder.

### IV. ISSUANCE OF ADDITIONAL CARDS

**45.** The Bank issues additional cards at the request of the Holder of the Current Account submitted at a branch of the Bank or through a request submitted via Cibank Online. The request is as per a Template of the Bank and in it the Holder specifies the Card Holder's data and s/he can set individual limits for using the additional card. Additional cards, issued under this item should be the same brand as a primary card. For Cobranded bank cards the bank does not issue any additional cards.

All payment transactions specified in item 12 can be performed with the additional card. The limits on additional cards can be changed only by the Holder of the Current Account with a request submitted at a branch of the Bank. The Holder of the Current Account undertakes to familiarize the Cardholders of the additional cards with the Rules on Using a Bank Card.

- The Cardholder of the additional card is entitled to:
  - block the card in case of loss or theft;
  - block the card temporarily without indicating the reason for that;
  - deactivate the card.

**46.** The issuance and use of additional cards shall be the Holder's responsibility and entirely at his/her own risk.

**47.** The Holder shall be responsible for all damages inflicted to the Bank or third parties, which are related to additional bank cards issued by CIBANK.

**48.** All fees, commissions and other expenses related to card use shall be paid by the Holder of the CA.

### V. RIGHTS AND OBLIGATIONS OF THE HOLDER/CARDHOLDER

**49.** The Cardholder can withdraw money from an ATM or POS terminal, conduct transfers to another person via an ATM or mobile phone, pay for goods and services within the amount of the available balance, card status or transaction limits.

**50.** The holder/the Cardholder of a revolving credit card with a grace period, issued from 09.05.2016, is entitled to receive to his/ her account amounts, representing the discount for purchase/payment in certain retail outlets on the territory of the country and abroad under the conditions set out in the tariff and its applications.

**51.** The Holder/Cardholder shall change the PIN provided by the Bank with a value known to him/her alone - via an ATM terminal device serviced by the Bank or other Bulgarian banks, whose system operator is BORICA-BANKSERVICE AD.

**52.** The Holder/Cardholder shall keep his/her PIN confidential and shall not store it together with his/her card or write it on the card. The Holder/Cardholder shall also take all necessary measures to prevent the PIN becoming known to third parties, including when typing it into an ATM or POS keypad.

**53.** The Holder/Cardholder shall be the only person to use the card.

**54.** The Holder/Cardholder shall use the card with due care, store it carefully, and protect it from physical damage, magnetic and electromagnetic fields.

**55.** The Holder/Cardholder is entitled to a total of 10 /ten/ cards of all the card types issued by the Bank, but not more than 2 /two/ of each type.

**56.** The Holder/Cardholder shall immediately notify the Bank upon becoming aware of:

- Destruction, loss, theft, misappropriation or unauthorized use of the bank card, as well as PIN disclosure by a third party;
- An operation with the bank card performed without the approval of the Holder/Cardholder;
- An error or fault he/she has found during the Bank's operations with the account.

57. The Cardholder can notify the Bank of the circumstances specified in the preceding article at the following tel.numbers: **02/ 981 05 29** and 0700 1 4554 Contact Center of CIBANK JSC. A notification of destruction, loss, theft, embezzlement, forgery or use of the bank card in any other illegal manner, as well as PIN disclosure to a third party, can be sent via the system operator BORICA-BANKSERVICE AD at any time by calling **02/9702600**, and is valid only if the Cardholder provides the number of the card and his/her personal ID number.

58. The notification under the preceding article shall be made by phone or fax, or in writing at the offices of the Bank. In case of phone or fax notification, within 3 /three/ working days thereof the cardholder shall submit at one of the Bank's offices a written confirmation by filling in a Request for card blocking, describing the reasons for that. The Holder can block the card by submitting a request via Cibank Online.

59. The Holder has the right to request in writing the issuance of a new card or by submitting a request via Cibank Online, within the time limit under **item 22** in the following cases:

- destruction of or damage to the card;
- loss, theft or other embezzlement of the card;

Before receiving the new card, the Cardholder shall return the old one (whenever possible), which shall be destroyed in his/her presence. The Holder shall pay for the issuance of the new card in accordance with the Tariff.

60. The Holder/Cardholder shall return his/her card to the issuer CIBANK within one month of its expiry date, or respectively of the date of early contract termination. In case of default or overdue payments, the Bank has the right to charge a fee in accordance with the Tariff.

61. The Holder undertakes to grant his/her consent to CIBANK JSC to inform the system operator BORICA-BANKSERVICE AD, MasterCard Inc. and Visa Europe about the card parameters, the amount of the cover and related limits.

62. The Holder/Cardholder has the right to dispute the data on the operations in the bank statement by filling in a claim form (as per template) and submitting it to an office of the Bank within 30 /thirty/ days of the date of issuance of the statement containing the disputed transaction. If the data in the statement is not disputed within the said period, they shall be considered approved by the Cardholder. Failure to receive the statement is not a reason for extension of that period.

63. Upon receiving a claim form from a Cardholder, the Bank shall start a procedure to determine the authenticity of the operation/operations and the legitimate use of the bank card, including its personalized protection characteristics. Complaints under **item 61** shall be examined in accordance with the procedure and time limits determined by the international card organizations MasterCard Inc. and Visa Europe.

64. If the Cardholder claims not to have authorized a particular payment operation, the Bank shall refund the amount in question within 21 /twenty one/ days.

65. If, upon concluding the authentication procedure concerning the operation, the claim is found to be unjustified:

- The Holder shall pay all expenses related to the dispute;
- The Holder shall pay a fee for an unjustified claim in accordance with the Tariff;
- The amount refunded under **item 64** shall be debited from the account/credit limit of the Holder/Cardholder. If the available funds at the time of debiting are not sufficient, the Bank has the right to form a debt for the respective amount in the form of an unauthorized overdraft, bearing interest in accordance with the Tariff.

66. The provisions under **item 63** shall not apply and the Holder shall bear the losses related to all unauthorized payment operations when they ensue from the use of a lost, stolen or misappropriated card, whose personalized protection characteristics he has not succeeded to protect, but these shall not exceed BGN 300.

67. The Holder shall bear any loss related to unauthorized payment operations if he/she had caused these through fraud or deliberate failure to perform one or more of his/her obligations, or due to gross negligence.

In this case the Holder shall cover the damages irrespective of their amount.

68. The Holder shall not cover any material damage originating from the use of a lost, stolen or misappropriated bank card for transactions approved online, which are performed 4 /four/ hours after sending the notification specified in **item 55**, except when the Cardholder has committed fraud.

69. If the Holder/Cardholder allows the sum of the funds spent through the card to exceed the available balance, the BANK shall open automatically a loan account for the Holder, which shall be treated as an unauthorized overdraft and shall bear interest at a rate for the respective currency in accordance with the Tariff. As of that moment the Holder/Cardholder's liabilities shall become immediately due and the BANK may block the card automatically, deciding at its discretion for each particular case whether to include it in the electronic stop list. The Holder shall cover all expenses of the BANK related to blocking the Card.

70. In the cases under **item 68**, the Holder grants his/her express consent for the automatic collection of his/her liabilities by the Bank, on the grounds of which the Bank can collect amounts due by automatically debiting his/her bank accounts (current, deposit and other accounts) in national and foreign currency at CIBANK, including where necessary – by buying out the currency and converting it according to the Bank's exchange rate on the day of the operation, with the right to terminate the Holder's term deposits before maturity along with the negative effects arising thereof for the interest applied to the deposit under the deposit contract. After the amounts due have been paid, the remaining funds in the deposit shall bear the interest currently applied for current accounts. The Holder entitles the Bank to determine the order in which his/her liabilities to it will be settled /also in the case of automatic collection/ if they arise from two or more credit relationships between him/her and the Bank, and the available balance in his/her accounts is not sufficient to repay them in full.

71. The Holder/Cardholder shall notify the Bank immediately upon any change occurring in the declared data. Otherwise, all notifications, invitations and messages sent by the Bank to the known address would be considered duly received.

72. The Holder shall pay all due fees for the servicing and use of the card according to the Tariff, which the Bank automatically collects from the CA.

## VI. RIGHTS AND OBLIGATIONS OF THE BANK

73. The Bank shall perform the operations under the Holder's CA within the amount of the available balance, while observing the requirements for maintaining the defined minimum balance required and the limits of the cards serviced through this account. If the Holder/Cardholder authorizes operations exceeding the available balance/credit limit, including for offline transactions, the Bank has the right to form a debt for the respective amount in the form of an unauthorized overdraft bearing interest at a rate in accordance with the Tariff.

If the Bank suspects an unauthorized use of the card, the Bank is entitled to block the transfer conducted via the Cash M service.

74. The Bank shall perform payments in the chronological order in which the transaction orders are received.

75. The Bank collects automatically from the CA or the credit limit the fees and commissions payable by the Holder in accordance with the Tariff. If the funds/credit limit are/is insufficient, the Bank has the right to form a debt for the respective amount in the form of an unauthorized overdraft bearing interest at a rate in accordance with the Tariff.

76. The Bank has the right to change unilaterally the fees, commissions and interest rates applied to card transaction, of which it shall inform the Holder/Cardholder on the website of CIBANK [www.cibank.bg](http://www.cibank.bg) and/or by displaying the information in a prominent place in its offices at least two months before the changes come into effect.

77. The Bank has the right to change the limits and parameters related to the use of the bank card.

78. The Bank shall accrue interest on the CA funds at a rate defined in the Tariff.

79. The Bank shall protect bank secrecy with regard to the Holder's assets on the account. The Bank has the right to provide information about the CA available balance only upon the express written permission of the Holder or in compliance with the procedures established by law.

80. The Bank informs the system operator BORICA-BANKSERVICE AD and MasterCard Inc. and Visa Europe of the status of the Holder's CA, as well as of the parameters and limits of the cards serviced by the account.

81. The Bank shall ensure that the Cardholder is able to notify it of loss, theft, embezzlement, forgery or unauthorized use of the Card in the manner specified in **items 55 and 56**.

82. In the case of the preceding article, the Bank shall block online operations with the Card within 4 hours of receiving confirmation from the Cardholder under items 54 and 55 to inform the system operator BORICA-BANKSERVICE AD of the refusal of card payments.

83. The Bank has the right to collect receivables automatically, without court interference, from all the accounts of the Holder in the Bank in order to cover his/her liabilities under issued bank cards.

## VII. CARD ACTIVATION, BLOCKING, UNBLOCKING AND DEACTIVATION

84. **Activation** of the payment card is putting it into a status which allows it to perform online transactions.

85. **Blocking** – a temporary ban on using the card online. The card may be blocked on the grounds of:

- loss, theft or other embezzlement, forgery or other unauthorized use of the card – the Cardholder shall send a notification by phone or fax, followed by a written request submitted in person to the Bank, which serves as a confirmation to block the card;
- distraint imposed on the CA – the Bank can block the cards issued to this account;
- the card is retained by an ATM;
- an order from the Cardholder/Holder by submitting a telephone message, followed by a written request submitted in person at the Bank – a confirmation to block the card;
- at the CA Holder's request – for all/some of the cards serviced by the account if a written request for that has been submitted or a request has been submitted via Cibank Online;
- incorrect use of the card – three unsuccessful attempts to enter the PIN or a card forgotten in the ATM, etc.;
- violation of these General Terms and Conditions by the Cardholder/ Holder;
- suspicions concerning the card security;
- suspicions of unauthorized use of the card;
- fraudulent use of the card;
- a considerably increased risk for the Holder/Cardholder to not be able to pay his/her liabilities – for cards with a credit limit/overdraft.

86. The Bank shall inform the Holder/Cardholder of blocking the card and the reasons which require it unless the provision of such information is prohibited in view of security or due to regulatory requirements which do not permit providing such information to the Cardholder.

87. In order to block the card effectively for offline transactions, it is necessary to include it in international electronic stop lists. This is implemented through MasterCard Inc. or Visa Europe within 10 /ten/ working days after a written request has been received from the Holder for including it the international stop list, for which the Holder shall pay fees in accordance with the Tariff.

88. The card shall remain blocked until its validity expires unless the reasons for blocking are no longer valid.

89. The CA Holder shall pay a fee for card blocking in accordance with the Tariff.

90. **Unblocking** of the payment card – permission to perform operations with the card after the reason for blocking it is no longer valid.

91. The Bank shall unblock the card within 4 /four/ working days after the CA Holder has submitted a written Request for unblocking in one of the offices of CIBANK or by submitting a request via Cibank Online. Unblocking (normalization) of the card via Cibank Online can be done only for a card which has been blocked by a client via Cibank Online. Cards which have been blocked in other ways can be unblocked (normalized) only via a written Request submitted by the Holder of the Current Account at a branch of the Bank.

92. The CA Holder shall pay a fee for every card unblocking in accordance with the Tariff.

93. **Deactivation** of the payment card is a definitive ban on operations with the card. Reasons for deactivation:

- expiry of the card validity;
- termination of the Contract for issuance and servicing of the card;
- loss, theft, physical damage or destruction of the card, followed by a written request deposited with the Bank;
- at the Bank's discretion.

## VIII. LIABILITY

94. The Holder shall be liable for all obligations resulting from card use. The Bank is not obliged to check for the lawfulness of the transactions unless the law provides otherwise. In case of failure to perform his/her obligations to the Bank with regard to card use, the Holder shall not make any claims based on his/her relations with third parties.

95. The Holder/Cardholder gives his/her consent that the Bank will consider authorized by the Holder/Cardholder each contactless payment performed offline and will execute it by debiting the card account for the amount of the payment.

96. If the card has been used without authorization by a person other than the Cardholder and this illegal use has not been caused by his/her action or inaction, the responsibility for the damage shall be borne in compliance with the applicable legislation.

97. The Holder/Cardholder is not entitled to demand from the Bank to refund the amounts of card transactions disputed by the former if he/she has not fulfilled his/her obligations or if the payment has occurred as a result of the Cardholder's willful misconduct or gross negligence.

98. The Bank shall not be liable for its refusal to approve card payments if the notification of destruction, loss, theft, forgery or any other unauthorized use of the card is untrue.

99. The Bank shall not be liable when the card operation is denied due to insufficient available balance in the Cardholder's card.

100. The Bank shall not be liable in case of groundless refusal by third parties to accept payments with the card or if the payment initiated cannot be performed with the card for technical, communication or other reasons beyond the Bank's control.

101. The Bank shall not be liable for pending authorizations by a merchant that accepts payments with bank cards, which are initiated and approved by the Cardholder and reserved for future payments.

## IX. TERMINATION

102. The contractual relations for the issuance and servicing of the Card shall be considered terminated in the following cases:

- upon expiry of the card validity, when there is not an option for automatic re-issuance and no request is submitted for the issuance of a new card;
- with the termination of the Framework Contract;
- unilaterally by the Holder/Cardholder by submitting a request for closing of the card with one-month contract termination notice, starting from the date of its submission to the Bank;
- unilaterally by the Bank – if the Cardholder does not appear at one of the Bank's offices to receive a new Card within 3 /three/ months after the validity of the old card has expired, or upon violation of the contract or these General Terms and Conditions by the Holder/Cardholder.

- if the Holder/Cardholder dies or is placed under judicial disability;
- In other cases envisaged by the law or the internal regulations of the Bank.

13.04.2016 for new customers, and for existing customers the amendment in Art.18 comes into effect as of 13.06.2016;

**103.** Operations with the funds in the CA are allowed under the conditions specified in **item 44**.

**104.** If, when a request is submitted for closing the card by the Holder/Cardholder, there is an ongoing procedure under **item 62**, the contractual relations shall be terminated after the procedure is completed.

**105.** In case of the Holder/Cardholder's death, the heirs shall return the card and shall be able to operate with the CA funds after presenting an inheritance certificate and a certificate proving that they have paid inheritance tax or that such tax is not due.

## **X. SETTLEMENT OF DISPUTES**

**106.** If such legal interest exists, the Holder of the CA is entitled to deposit a request with the Bank for the resolution of a dispute related to operations with the CA and use of the card, apart from the cases of disputing a transaction before MasterCard Inc. or Visa Europe.

**107.** The request shall contain the full name of the Holder, an address for correspondence, telephone, a claim to the Bank, an account of the circumstances on which the request is based, a description of the documents if any are enclosed, and the signature of the Holder/Cardholder.

**108.** The Bank shall notify in writing the Holder/Cardholder of its decision on every filed complaint within 7 /seven/ days of its submission at an office of the Bank in a manner agreed between the parties upon the filing of the request.

**109.** If the Bank does not take a decision within the specified period or if the decision does not satisfy the Cardholder, the dispute may be referred to the Conciliation Commission on Payment Disputes with the Consumer Protection Commission.

**110.** For the examination of a dispute-related request submitted to the Bank, the Cardholder shall pay a fee in accordance with the Tariff, and cover the expenses for inquiries on and checks of other banks - issuers of electronic payment instruments and participants in the card payments.

## **XI. ADDITIONAL PROVISIONS**

**111.** The Bank is entitled to make amendments unilaterally to these General Terms and Conditions as well as the Tariff and its appendices, of which it shall inform the Customer on the website of CIBANK [www.cibank.bg](http://www.cibank.bg) and/or by displaying the information in a prominent place in its offices at least two months before the amendments come into effect.

**112.** With regard to any issues not settled by these General Terms and Conditions, the relevant Bulgarian legislation and the rules of MasterCard Inc. and Visa Europe shall apply.

*These General Terms and Conditions were adopted by the Management Board (MB) of CIBANK with Minutes No. 44 of 12.11.2009, amended by the Management Board of CIBANK with Minutes No. 24 of 23.06.2011, in effect as of 01.07.2011, and for existing customers – in effect as of 01.10.2011; the amendment of Art. 99 is with immediate effect; amended by the MB of CIBANK with Minutes No. 9 of 02.03.2012, in effect as of 12.03.2012 for new customers, and for existing customers - in effect as of 12.05.2012; amended by the MB of CIBANK with Minutes No. 1/06.01.2014, in effect as of 13.01.2014.; amended by the Management Board with Minutes No 13 of 24.03.2014, in effect as of 01.04.2014., and for existing customers the amendment to Art. 100 - in effect as of 01.06.2014; amended by the MB of CIBANK with Minutes No. 40/23.09.2014, in effect as of 01.10.2014; amended by the MB of CIBANK with Minutes No.3/26.01.2015, in effect as of 30.01.2015; amended by the MB of CIBANK with Minutes No.18/18.05.2015, in effect as of 20.05.2015. Amended with a decision of the Management Board, Minutes №11/14.03.2016, to come into force as of 01.04.2016. Amended by the MB of CIBANK with Minutes No.15/11.04.2016, in effect as of*