

# 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 or a Framework Contract for the provision of payment services on a payment account with basic features for 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**'), have the effect of a Contract between the parties, 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) have the effect of a Contract for issuance of a bank payment card and including a written consent to these General Terms and Conditions;

- A payment account with basic features opened in the Holder's name in the national currency (BGN), or a current account in the national currency (BGN), euro (EUR) or US dollars (USD);

- Signing of a Framework Contract;

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** – not be issued after 15.06.2017

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) have the effect of a Contract for issuance of a bank payment card and 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 under item 7.1 when a request has been submitted via CIBANK ONLINE

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.

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 Inc. 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 and Debit MasterCard PayPass, 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 **mobb** 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.

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 Debit MasterCard.
- 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.

### III. OPENING AND USING A CURRENT ACCOUNT

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

**38.** 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.

**39.** 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.

**40.** 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.

**41.** 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/.

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

**43.** The current account can be closed in case of contract termination, but not earlier than 30 (thirty) days 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

**44.** The Bank issues additional cards at the request of the Holder of the current account or the payment account with basic features 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 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.

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

**46.** 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.

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

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

**48.** 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.

**49.** 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.

**50.** 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.

**51.** 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.

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

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

**54.** 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.

**55.** 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.

**56.** The Cardholder can notify the Bank of the circumstances specified in the preceding article at the following tel.number **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 **02/92 15 151**, and is valid only if the Cardholder provides the number of the card and his/her personal ID number.

**57.** The notification under the preceding article shall be made by phone, or in writing at the offices of the Bank. In case of 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.

**58.** 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.

**59.** 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.

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

61. 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.

62. 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 60** shall be examined in accordance with the procedure and time limits determined by the international card organizations MasterCard Inc. and VisaInc.

63. 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.

64. 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 63** 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.

65. 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.

66. 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.

67. 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 54**, except when the Cardholder has committed fraud.

68. 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.

69. 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.

70. 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.

71. 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 OBLICATIONS OF THE BANK

72. 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.

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

74. 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.

75. 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.

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

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

78. 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.

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

80. 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**.

81. 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 55 and 56** to inform the system operator BORICA-BANKSERVICE AD of the refusal of card payments.

82. 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

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

84. **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.

**85.** 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.

**86.** 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 Inc. 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.

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

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

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

**90.** 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.

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

**92. 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 agreement between the parties ;
- 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

**93.** 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.

**94.** 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.

**95.** 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.

**96.** 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.

**97.** 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.

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

**99.** 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.

**100.** 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

**101.** 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 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.

**102.** Operations with the funds in the CA are allowed under the conditions specified in **item 43**.

**103.** If, when a request is submitted for closing the card by the Holder/Cardholder, there is an ongoing procedure under **item 61**, the contractual relations shall be terminated after the procedure is completed.

**104.** 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. SECURE INTERNET PAYMENTS

**105. Verified by Visa (VbV) and MasterCard SecureCode** – the trademark of the programs of the international card organizations Visa International and MasterCard Worldwide, using 3D Secure protocol for identifying an authorized user of a payment tool, i.e. a bank card when performing transactions on Internet merchants participating in the programs.

**106. 3-D secure code** is the cardholder's personal secret code connected with a particular card which is used to confirm his/her identity when making payments via the Internet to merchants participating in the programs Verified by Visa and MasterCard SecureCode, in order to enhance the payment's security.

**107. One-time password** is a 6-digit dynamic 3D secret code, received through a free-of-charge text message on the mobile phone of the Holder and/or Cardholder during the online purchase, valid exclusively and only for the particular payment. The text message is generated automatically by the system at the time of confirmation of the final payment by the Cardholder upon making an online transaction via virtual POS terminals.

**108.** CIBANK JSC (the Bank) ensures free-of-charge obligatory Verified by Visa and MasterCard SecureCode identification of cardholders upon making online transactions through the Secure Internet Payments service, in case the trader who is being paid also participates in the Program.

**109.** When making transactions without the physical presence of the card, the Cardholder undertakes to use the service "Secure Internet Payments" by introducing the Dynamic 3-D Secure code (one-time password) for payments to all merchants which support a 3D Secure protocol, for Debit MasterCard PayPass, MasterCard Standard, MasterCard Gold, Visa Electron и Visa Classic.

**110.** Entered dynamic 3-D secret code (on-time password) has the force of a PIN entered

**111.** Any cashless payment transaction confirmed through a dynamic 3D secret code (one-time password) shall be considered performed with the knowledge, participation and/or consent of the Holder and/or the Cardholder or shall be considered a consequence of his/her gross negligence with respect to the confidentiality of the secret password.

**112.** The registration of newly-issued bank payment cards for the Secure Internet Payments service is done automatically by the Bank and the service becomes available within 4 hours after the card has been submitted for activation. As of June 1, 2017, bank payment cards issued prior to the mentioned date are also registered automatically and free of charge for the Secure Internet Payments service through identification of the Cardholder by entering the dynamic 3D secret code (one-time password) received on the mobile phone of the Holder/Cardholder through an SMS message.

**113.** For the purpose of correct performance of the service, the Holder is obliged to provide the Bank with an up-to-date mobile number of a cardholder serviced by a telecommunication company on the territory of the Republic of Bulgaria. The Bank is not liable in case incorrect/inaccurate data are submitted or in case the Holder/Cardholder refuses to provide the requested information.

**114.** In case of change of the mobile number of the cardholder, the Holder is obliged to immediately visit the Bank and provide information about the change in writing.

**115.** The 3D secret code (one-time password) entered during an online payment is one-off and valid only for the particular transaction, corresponding to the respective 4-digit purchase number, displayed both on the user screen and in the text message containing the dynamic 3D secret code (one-time password).

**116.** If the Cardholder forgets the secret password he/she has to submit an application form for unblocking of the Dynamic 3-D Secure code (one-time password) for the service "Secure Internet Payments". Then the Bank shall restore the normal usage of the service against charging a fee, which should be paid in accordance with the Bank's tariff in force at that time.

**117.** The Cardholder undertakes to use and keep his/her dynamic 3-D Secure code (one-time password) with due diligence by taking all necessary measures to avoid that other people know, see and use it. The dynamic 3-D Secure code (one-time password) must be known and used only by the Cardholder.

**118.** The dynamic 3D secret code (one-time password) is a personal identification feature of a payment instrument, and the Holder/Cardholder has all obligations to protect it which also apply as regards the PIN under these Terms and Conditions.

**119.** The Cardholder undertakes not to disclose information about his/her Dynamic 3-D Secure code (one-time password) no matter who requests information and how, except for the cases in which payments are made on websites of merchants supporting 3-D secure protocol, known under the brand "Verified by Visa" or "MasterCard Secure Code".

**120.** The Holder is obliged to inform the Bank immediately in case of disclosure or a doubt for disclosure of Cardholder Dynamic 3-D Secret code (one-time password) by asking for card to be blocked in line with the procedure, described in the General Terms and Conditions for issuing and servicing bank cards of CIBANK JSC.

**121.** The Cardholder is obliged to inform the Bank immediately if he/she is asked about the his/her Dynamic 3-D Secure code (one-time password) by all kinds of sources, through any communication channel and on any occasion, different from payment via the Internet to online merchants

**122.** If a dispute arises regarding the specific conditions of purchase of goods and or services, the delivery periods, prices, warranty conditions, insurances etc., the Cardholder must contact the merchant directly in order to settle the dispute.

**123.** If it is impossible to settle the disputes under the above item and if the Holder has to submit a written claim at the Bank about the payment with complete information and documents about the order, the merchant's terms and conditions effective at the time of the order, the full correspondence with the online merchant in connection with the order and the subsequent attempts to settle the dispute between them. The Holder is obliged to present the documents attached to the written claim, translated into Bulgarian and/or English.

**124.** The Bank shall not be liable for possible losses of the Holder caused by misuse of the card by other persons who have learned his/her Dynamic 3-D Secure code (one-time password) and have used it for online transactions with merchants, if the Bank has duly executed and booked the operations ordered with the card and the Dynamic 3-D Secure code (one-time password) before being informed by the Holder. The damages from such transactions shall be covered by the Holder.

**125.** The Bank has the right to refuse to process under item 61 a claim related to payment, if such a claim is not prepared properly together with the necessary documents or if it is submitted after the relevant deadline.

**126.** The Bank is not a party in the purchase deals of the Cardholder and shall not be liable in any disputes about the terms and conditions of the purchase, delivery, quality and quantity, price, warranty terms and conditions, etc

**127.** The Bank shall not be liable for direct and indirect losses of the Cardholder, unsuccessfully performed transactions, lost benefits, lost data etc., resulting from the usage of the service "Secure Internet Payments".

## XI. SETTLEMENT OF DISPUTES

**128.** 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 Inc.

**129.** 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.

**130.** The Bank shall notify in writing the Holder/Cardholder of its decision on every filed complaint within 14 / fourteen/ days of its submission at an office of the Bank in a manner agreed between the parties upon the filing of the request.

**131.** 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.

**132.** 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.

## XII. ADDITIONAL PROVISIONS

**133.** 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.

**134.** 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 Inc. 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 13.04.2016 for new customers, and for existing customers the amendment in Art.18 comes into effect as of 13.06.2016; Amended by the MB of CIBANK with Minutes No.39/19.09.2016, Amended by the MB of CIBANK with Minutes No.2/09.01.2017, in effect as of 16.01.2017, Amended by the MB of CIBANK with Minutes No.10/06.03.2017, in effect as of 01.6.2017, Amended by the MB of CIBANK with Minutes No.23/05.06.2017, in effect as of 15.06.2017.*