

TERMS AND CONDITIONS OF CIBANK FOR GRANTING CONSUMER LOANS TO INDIVIDUALS

GENERAL PROVISIONS

1. These Terms and Conditions define the procedure under which CIBANK JSC (the Bank) provides consumer loans to individuals (Borrowers).

PURPOSE OF FINANCING/COLLATERAL

2. The consumer loans are intended for: financing the purchase of goods and services, medical treatment, purchase of real estate and movable property, recreation, travel, education, pursuit of professional qualifications, loan refinancing, covering current needs, purchase and installation of energy saving technologies for the purposes of improving household energy efficiency, etc. For consumer loans ABOVE BGN 10,000, the Borrower shall be required to declare the purposes of the financing. For loans below that amount, the declaration of purpose shall depend on the discretion of the Bank regarding the specific credit product.

3. Depending on the type of collateral, the Bank provides the following consumer loans (credit products) to individuals:

3.1. Consumer loan secured by a pledge on future receivables or a guarantor (individual):

- Consumer loan under the *Advance*, *Partners*, or *Premium* credit programs, intended for funding current expenses and/or refinancing loans granted to the Borrower by CIBANK and/or other banks;
- Consumer loan under the CI Professional program for financing current needs and/or refinancing loans granted to the Borrower by CIBANK and/or other banks; Third Age Consumer Loan - for individuals in retirement for financing current needs and/or refinancing credit obligations of the Borrower to CIBANK and/or other banks;

3.2. Consumer loan, secured by a pledge on a financial asset (deposit) of the Borrower or a third party (individual,) for funding current needs and/or refinancing loans granted to the Borrower by other banks.

For all types of loans, the Bank requires, as an additional collateral, a pledge on cash receivables on the existing accounts of the Borrower at CIBANK and accounts which will be opened at the Bank.

REQUIREMENTS FOR THE BORROWER

4. The Borrower shall meet the following conditions:

- To be a legally capable adult with permanent residence in Bulgaria;
- The Borrower has a current account at the Bank;
- The Borrower does not have outstanding state and/or municipal debts;
- If the Borrower has loans granted by CIBANK and/or other banks, they must fall into the category of "regular exposures" on the date of submitting the loan application;

5. If the consumer loans are secured by a pledge on future receivables or a guarantee issued by an individual, the Bank shall require the Borrower to have a fixed monthly (social security) income at an amount acceptable to the Bank and originating from:

- a labor/civil servant contract/appointment order/management and control contract with an employment history of at least 6 (six) months at the Borrower's place of work as to the date of the loan application.

The Borrower is not on a trial period or in a period of termination of his/her labor/civil servant contract, is not on a temporary or seasonal job placement and has received regularly his/her labor/civil service remuneration;

the Borrower is a freelancer in Bulgaria, who had carried out freelance activities for minimum one year before submitting the loan application, and he/she must not have interruption of his/her activities registered in the previous six months preceding the loan application;

pension.

PROVIDING PRE-CONTRACTUAL INFORMATION

6. Before the client is bound by a proposal or conclusion of a consumer loan contract, the Bank shall provide him/her with free pre-contractual information according to his/her preferences and on the basis of the conditions offered by the Bank under the respective credit products.

AMOUNT, TERM AND CURRENCY OF THE LOAN

7. The amount, repayment period and loan currency shall be determined depending on the type of loan product, the Borrower's creditworthiness, the type and sufficiency of collateral offered and they shall be specified in the loan contract.

ANNUAL PERCENTAGE OF COSTS

8. The Annual Percentage Rate (APR) of consumer loans shall be calculated using a formula specified in the Law on Consumer Loan which reflects the total expenses on the loan for the Borrower - current or future (interest, fees, commissions, insurances, etc.). The APR shall be determined according to the specific loan amount and term.

DISBURSEMENT OF THE LOAN

9. The loan shall be disbursed as a lump sum, after the envisaged collateral has been established and the respective fees and commissions under the loan contract have been paid.

INTEREST, FEES AND COMMISSIONS

10. Consumer loans shall bear interest at fixed or floating annual interest rates, as specified in the relevant Loan Contract signed between the Bank and the Borrower.

11. The floating interest rate shall be the sum of the variable reference interest rate (RIR) of CIBANK for loans in national/foreign currency for the relevant period and an agreed margin.

12. The RIR of CIBANK is determined in accordance with a methodology approved by the Bank for calculation of the reference interest rate of CIBANK JSC (Methodology). The existing RIR can be changed twice a year if the values of the market indexes and indicators on which the RIR has been based and which are indicated in the methodology, have changed as to 30 June and 31 December and this change in the values leads to a difference of 0.5% in absolute value between the existing and the new RIR.

13. The Bank shall inform the Borrower about the new RIR before the change comes into effect and the first interest installment with the new RIR shall be payable on the relevant date for interest payment in the month which follows the month in which the new RIR enters into force. If the Borrower does not accept the change, he/she has the right to notify the Bank in writing about that and terminate the contract, while repaying early the entire outstanding amount of the debt.

14. The accrual of due interest shall begin on the date of the first disbursement of loan amounts. For the purposes of interest accrual, the year is deemed to consist of 365 days.

15. The Borrower shall pay with own funds the fees and commissions specified in the loan contract, if any, within the specified time limits or they shall be deducted by the Bank at the expense of the amount granted under the loan.

16. The Bank shall charge the following fees and commissions on the granted consumer loans:

16.1. One-off review fee payable upon submission of an application for obtaining a consumer loan;

16.2. A fee for renegotiation of price parameters under the contract, payable upon signing an annex;

16.3. Fee for renegotiating other terms and conditions under the contract, beyond those regarding pricing, due upon signing the Annex. The type and amount of fees and commissions applicable for the respective loan product shall be listed in its product card and in the respective Loan Contract signed between the Bank and the Borrower.

16.4. Fees and commissions for the payment account servicing the loan, including on bank transactions carried out through it, as well as on the bank card used (if any), in the amounts specified in the Bank's Tariff. The fees and the commissions mentioned in the Tariff can be changed with a decision of the BANK's Management Board in compliance with the requirements of the Law on Payment Services and Payment Systems. Changes in the Tariff shall be made public at the BANK's offices/branches and website.

16.5. The Borrower shall pay all fees and other expenses related to the establishment, changes, and deletion of loan collateral. For the Third Age Loan and Consumer Loan for the purpose of buying a property, the borrower shall sign a contract for a Group Life Insurance for the term of the loan. The expenses for signing the insurance contract shall be paid by the borrower, they are decided by the Insurer and amended if there is a change to the insurance premium set by the Insurer.

LOAN REPAYMENT

17. A loan repaid in equal monthly annuity installments (including principal and interest) shall be repaid on the dates and at the installment amounts specified in the repayment schedule. The schedule is an integral part of the loan contract and shall be updated automatically by the Bank upon any change in the RIR, in which case the Bank shall prepare automatically a new repayment schedule for the outstanding debt, agreed with the revised rate of interest while keeping the term of the contract, without having to sign an annex to the loan contract.

18.If the parties have agreed on a grace period for repayment of principal or the principal on the loan is paid off as a lump sum upon the expiry of the loan contract during the grace period, respectively, within the period of use of the principal, interest shall be charged on the principal disbursed and paid monthly on the 20th (twentieth) day as from the date of loan disbursement.

19.The Borrower may at any time repay fully or partially his/her debt under the consumer loan contract prior to the agreed maturity date. The Bank shall allow early repayment provided the Borrower has submitted a written request and provided the amount for early repayment into the account servicing the loan.

20. The Borrower shall not owe any fee for early repayment of the loan.

RIGHT TO WITHDRAWAL FROM THE CONTRACT

21.The Borrower may, without owing any compensation or penalty and without giving any reason, to withdraw from the signed consumer loan contract within a 14 (fourteen)-day period as from the date on which the contract was signed. In order to exercise his/her right to withdrawal, the Borrower shall:

- Send a written notice to the Bank about the client's willingness to do so before the expiration of the specified period. The notice shall include the Borrower's full name, Personal No. and telephone number and it shall be deposited at the Bank's office/branch where the contract was signed or it shall be sent by registered mail or a letter with return receipt to the address of the Bank's office/branch where the contract was signed;
- Repay to the Bank the loan principal, together with the interest accrued on a daily basis from the date of first disbursement of the loan funds to the date of returning the principal without undue delay, but in any event not later than 30 /thirty/ calendar days from sending the notice to the Bank;
- The withdrawal made by the Borrower shall enter into force and the loan contract shall be terminated only if the specified conditions and deadlines have been met. Otherwise, the contract shall not be deemed terminated.

22. In the event of withdrawal on the part of the Borrower from the loan contract, the Bank shall not have to return the fees and commissions collected until that moment.

ADDITIONAL PROVISIONS

23.In case of any differences between the provisions of these Terms and Conditions and the consumer loan contract and/or contract/s for establishment of a pledge on collateral, the provisions of the respective contract shall apply.

24.In case of any differences between the provisions of these Terms and Conditions and the mandatory legal framework, the provisions of the existing Law on Consumer Loan shall apply.

25.The Bank reserves its right to update these Terms and Conditions, and in case of amendments hereto, the Bank shall promptly notify its clients of the changes and the most recent update by displaying such information in the Bank's offices/branches and via its e-channels.

These Terms and Conditions have been adopted on the grounds of Art. 59 of the Law on Credit Institutions with a decision of the Management Board of CIBANK under Minutes No 29/07.07.2014 and they are applicable to loans offered as of 14.07.2014. Amended Minutes No 41/29.09.2014, effective as of 10.10.2014