

## **GENERAL TERMS AND CONDITIONS OF "PROCREDIT BANK (BULGARIA)" EAD FOR ISSUANCE AND SERVICE OF VISA CLASSIC CREDIT CARDS**

### **I. SCOPE**

1. The present Terms and Conditions govern the rights and obligations of ProCredit Bank (Bulgaria) EAD, hereinafter referred to as the BANK or the ISSUER in its capacity of ISSUER of Visa Classic bank cards and the CLIENT hereinafter referred to as CARDHOLDER regarding the issuance and service of international Visa Classic credit cards and processing of payments and other transactions made with the cards and accordingly reflect the disposition for records in the current account servicing the card. General Terms and Conditions form an integral part of the Contract for issuing and servicing international Visa Classic credit cards, hereinafter referred to as the Contract or Credit Agreement.

2. The international Visa Classic credit card is a technical means allowing the CARDHOLDER remote electronic access to certain credit limits set by the BANK and is designed to identify the CARDHOLDER when making cashless payments for the purchase of goods and payment of services, withdrawing cash and carrying out other operations that are not related to payment. The CARDHOLDER shall be obliged to open a current account and register for the internet banking service "ProBanking" and maintain said account until all obligations under the credit agreement have been repaid.

3. The following operations can be performed in the country with the international Visa Classic credit card:

3.1. Cash withdrawal through ATM/POS

3.2. Depositing cash at ATMs of the BANK

3.3. Payment of goods and services via POS terminals

3.4. Utility payments through ATMs

3.5. Payment of goods and services via the Internet

3.6. Receiving information about the availability of funds on account and transactions made through ATMs

3.7. Change of PIN (personal identification number) via ATM

3.8. Others

4. Operations under item 3 may be made from all ATMs in the country displaying the Visa logo. Outside the country, operations under items 3.1; 3.3; 3.5 and 3.6 can be performed with the international credit card.

5. The bank card issued remains the property of the BANK.

6. Operations with the international credit card may be made only by the CARDHOLDER within the limits agreed between the parties.

7. For opening and maintaining the current account, for receiving, supporting and performing operations with the card, the CARDHOLDER shall pay fees and commissions under the current tariff of "ProCredit Bank (Bulgaria)" EAD. Changes in the Tariff relating to fees payable for the provision of payment services by the BANK under the Payment Services and Payment Systems, in force for the CARDHOLDER 2 (two) months after the date of their being publicly displayed on the premises of the BANK, to which CLIENTS have access to, or publication thereof on the official website of the BANK. If the CARDHOLDER does not agree with the new charges, they are entitled to inform the BANK that they do not agree with the changes prior to their entry into force, to terminate the use of the card and return the card to the BANK, together with all the consequences from this. Charges and commissions related to the credit, can be changed by the BANK unilaterally with a change in the Tariff for Individuals of ProCredit Bank (Bulgaria) EAD upon the occurrence of prerequisites for changing the total cost of the credit specified in the contract and section 12 of the General Terms and Conditions for lending to individuals.

8. Operations with international credit cards are made in the currency of the country where the card was used.

## **II. ISSUANCE OF BANK CARDS VISA CLASSIC**

9. Based on the contract with the CARDHOLDER, the BANK issues a personal international Visa Classic credit card in BGN or EUR.

10. The validity of the issued international credit card is forty-eight months and expires on the last day of the forty-eighth month printed on the card.

11. The BANK shall issue the international Visa Classic credit card and hand it to the CLIENT personally along with an envelope containing the personal identification number (PIN) of the card.

12. Upon request by the CLIENT, the BANK shall issue the card within a period of up to three (3) working days, not counting the date of application, for which the CLIENT shall pay a fee for express card issuance pursuant to the Tariff of the BANK.

13. In the event that the CARDHOLDER does not declare in writing at least one month before the date of expiry of the validity of the card the desire that the contract be suspended and given that the monitoring performed by the BANK to confirm the stable financial condition of the CLIENT has been completed, the BANK has the right to extend the contract for a further forty-eight months without the parties being required to sign an annex. The BANK shall reissue the international credit card and provides the CLIENT with a new PIN. Upon receipt of the new card and PIN, the CARDHOLDER is to return the old card to the BANK and a bank employee shall destroy it in their presence.

14. Upon receipt of the card and the envelope containing the personal identification number, the CLIENT checks the integrity of the envelope and the consistency with the number at the face printed side of the card and that card number in the provided envelope.

15. the CLIENT confirms the accuracy of the information by affixing their signature to the reverse side of the card in the box for the authorized signature. Signing takes place in the presence of an officer of the BANK. The CLIENT acknowledges receipt of the card and the envelope with the PIN code by signing in the appropriate place in the protocol for obtaining a credit card, thereby endorsing and accepting the terms of use of the card for another 48- month period.

16. In case of a discrepancy between the numbers printed on the front of the card and the one referred to in the envelope, the CLIENT should refuse to accept the card. The BANK shall then undertake to issue a new card at its own expense within seven working days and provide a new PIN to the CLIENT.

17. The BANK activates the card on the day on which it hands it to the CLIENT. The CLIENT can perform card transactions as early as the next business day.

18. The Personal Identification Number (PIN) is handed to the CLIENT in a way in which it is kept secret from both BANK employees and third parties. The CARDHOLDER must keep their PIN separate from the provided card. The CARDHOLDER must keep their PIN secret and take all necessary measures to prevent its disclosure to third parties. After of the BANK hands the envelope with the PIN code to the CARDHOLDER, the responsibility for its non-disclosure to third parties rests solely with the CARDHOLDER. The CARDHOLDER should memorize their PIN and then destroy the document in which it is printed.

19. The Personal Identification Number (PIN) is used to identify the CARDHOLDER. If the CARDHOLDER forgets their PIN, they may submit a request to the office of the BANK to reissue the card and/or generate a new PIN. If the card is re-issued, the CARDHOLDER pays a fee according to the Tariff of the BANK.

20. The operator servicing the BANK allows each CARDHOLDER to change their PIN to a new one of their choice at ATMs in the country.

21. If the CARDHOLDER has entered the PIN incorrectly three consecutive times, the card is blocked and its subsequent use is automatically rejected. If the PIN has been entered incorrectly three times at an ATM abroad, the card is retained by the ATM. To reactivate the card, the CARDHOLDER must submit a request to the offices of the BANK.

22. Against payment of a fee according to the Tariff of the BANK, the CARDHOLDER may request the BANK to issue a new international Visa Classic credit card in the following cases:

22.1. If the card is destroyed or damaged

22.2. If the card is lost, stolen or otherwise unlawfully taken

22.3. If the CARDHOLDER has forgotten the PIN

22.4. Others

23. In a case under item 22, the BANK shall issue a new card after a monitoring and analysing the use of the old card and credit limit. The BANK may refuse to re-issue the card or may offer the CARDHOLDER different conditions. The reissued card is valid as referred to in these Terms and Conditions and as printed on the card. If possible, the CARDHOLDER must return the old card to the BANK, where it will be then destroyed in their presence.

24. An international Visa Classic credit card which has issued at the request of the CARDHOLDER, along with the PIN, is stored for three months in the BANK office to which the request was submitted and where the contract was concluded. If not collected by the CARDHOLDER within this period, the card shall be destroyed and the contract considered to be terminated.

### III. USE OF VISA CLASSIC BANK CARDS

25. The CARDHOLDER shall use the international credit card issued only personally, shall keep their PIN secret and take all necessary measures to prevent its disclosure to third parties. The CARDHOLDER shall take all reasonable steps to keep secure the personalized security features of the bank card, including not recording any information about the features on the card and not storing such information together with the payment instrument and observe all safety measures described in the General Terms and Conditions for Payment Services of ProCredit Bank (Bulgaria) EAD.

When utilising the international credit card, the CARDHOLDER shall be obliged to use the funds in accordance with the legislation in force, as stipulated in the contract under which the card is issued, these General Terms and Conditions, the General Terms and Conditions for Lending to Private Individuals and the General Terms and Conditions for Payment Services of ProCredit Bank (Bulgaria) EAD insofar as they contain provisions relevant to the specific payment service or credit relationship.

26. The CARDHOLDER must immediately notify the ISSUER of any changes in the details contained in the personal information originally declared in the Request to issue the card.

27. On the 26th day of each month the BANK shall send a Statement to the CARDHOLDER in the order specified in the Request. The Statement contains information about the operations performed and recorded in the card account for the period from the 26th day of the preceding month to the 25th day of the current month. The statement contains information about: the utilized amount; accrued interest; the minimum instalment; outstanding charges for card transactions; repayment deadline.

27.1. By the fifth day of the following month the CARDHOLDER is obliged to repay the utilized amount either in full or at least 5% (five percent) of the amount utilized (minimum instalment), together with accrued contractual interest and fees due for the operations performed with the card, as well as the monthly service fee. If the CARDHOLDER deposits the entire amount due on or before the 5th day of the following month, the BANK will not accrue the contractual interest. If the CLIENT does not repay the entire amount due for the accounting period but pays at least the minimum repayment amount, then, in accordance with the Interest Rate Bulletin of the BANK, interest shall be accrued on the difference between the amount owed and the amount paid. If the minimum instalment is calculated as less than BGN 10 (ten), the CARDHOLDER must pay a

minimum amount of BGN 10 (ten). In the event that the CLIENT does not pay the minimum required amount within the specified period, the BANK shall block the card and, in addition to the contract interest, charge unauthorized overdraft penalty interest on the disbursed and outstanding amount of 10% (in words: ten percent) per annum. Penalty interest is charged on the entire utilized part of the limit from the 26th day of the preceding month until the repayment of the entire amount owed or until the deposit of the minimum due payment as detailed in the last statement.

27.2. The BANK has the right to unilaterally change the agreed interest under the conditions and prerequisites for changing the total cost of the credit, according to the Terms and Conditions for Lending to Private Individuals of ProCredit Bank (Bulgaria) EAD without requiring the parties to sign an additional annex.

27.3. The CARDHOLDER expressly permits the BANK to collect the minimum payment due on their credit card from any other account of the CARDHOLDER at the BANK if they do not repay their obligation by the fifth of the month.

27.4. If the CARDHOLDER deposits the entire amount due or the minimum repayment amount, together with accrued interest, the card shall be reactivated and the usage rights within the permitted limit shall be restored.

27.5. The CARDHOLDER shall maintain their SMS notification service active for the entire duration of the contract. Each month, before the final repayment date, the BANK shall notify the CARDHOLDER of the total amount due, the minimum amount due and the repayment term by SMS message to the mobile phone specified by the CARDHOLDER in the Request, by signing the request and the contract the CLIENT declares their agreement to this.

27.6. The BANK notifies the CARDHOLDER about each transaction performed with the card by SMS message to the mobile phone specified by the CARDHOLDER in the Request, by signing the request and the contract the CLIENT declares their agreement to this.

28. By signing the contract for the issuance and maintenance of a Visa Classic credit card, the CARDHOLDER agrees that the BANK is entitled to unilaterally change the maximum fixed daily/weekly limits on using the card. The BANK shall publicly display the changed limits in bank offices and on its website two (2) months before their entry into force. If the CARDHOLDER does not agree with the new limits, they shall notify the BANK of this before the changes come into force, terminate the contract, return the card to the BANK and accept all the consequences resulting therefrom. If the BANK decides to increase the limits, the change can take effect immediately after its publication on the website of the BANK.

29. In carrying out payment for goods or services received the CARDHOLDER is obliged to check the document provided by the merchant and sign it. The signature on the document must correspond to the signature affixed to the reverse side of the bank card. Signatures on documents provided by the merchant demonstrate the agreement of the CARDHOLDER with the payment amount and forms an instruction to the BANK to debit the current account connected with the card with the payment amount and credit the merchant receiving the payment. The merchant may ask the CARDHOLDER to provide proof of identity. When performing certain payment transactions for goods and services, the CARDHOLDER's signature may be replaced by entering the PIN associated with the card.

30. The CARDHOLDER must keep for reference the receipts from transactions made with the card. In case of any suspected inconsistencies with transactions, the CLIENT shall immediately notify the BANK in writing.

31. The BANK shall inform its service provider of the amount of coverage and limits on the current account connected with the card. The service provider authorizes (approves) operations (online transactions) only if they are within the specified coverage and limits. Off-line transactions can be carried out with the Visa Classic card without being authorized by the service provider.



32. Operations carried out by the CARDHOLDER are authorized (approved) or denied by the BANK's service provider via its authorization system at the time of execution. As of the time of authorization, the transaction amount is blocked on the card until it is debited to the appropriate account and can remain blocked for up to 30 days.

33. Bank debits the CARDHOLDER's account with the amount of payments, withdrawals, interest payable, fees, commissions, and other bank fees related to the use of the card at the expense of the account balance and, in case insufficient funds are available – at the expense of an unauthorized overdraft on the account.

34. When a payment using the Visa Classic credit card is performed abroad, the conversion from the currency in which the payment is performed to the currency of the card account is calculated using the BANK's selling exchange rate at the time and date the transaction is debited.

35. The BANK has the right to block the use of the card for objective reasons relating to: the security of the card and data in case of suspected unauthorized or fraudulent use of the card. The BANK undertakes to inform the CARDHOLDER immediately if the card is blocked and give the reasons which prompted the block, if possible before the block is executed, unless giving such information is not permitted for security reasons or legislation. After the reasons for blocking cease to exist, the BANK shall reactivate the card. The BANK may decide to reissue the card at its own discretion, such card reissue is at the expense of the CARDHOLDER after payment of the fees prescribed in the BANK's Tariff.

#### **IV. CARD RETAINED BY ATM, LOSS, DESTRUCTION AND DAMAGE OF BANK CARDS**

36. The CARDHOLDER is obliged to keep the international Visa Classic credit card safe and to take all necessary measures to prevent loss, destruction, or damage to it, in accordance with the General Terms and Conditions for Payment Services of ProCredit Bank (Bulgaria) EAD.

37. If the international Visa Classic credit card is retained by an ATM, the CARDHOLDER must immediately notify the BANK, either by phone on 0700 170 70, at an office of the BANK or via a service provider of the BANK (BORICA). The BANK shall return the card to the CARDHOLDER as soon as technically feasible.

38. In the case of destruction, loss, theft, forgery, or use of the card in any illegal way, the CARDHOLDER shall immediately notify the BANK by phone on 0700 170 70 (available 24/7) or the BANK's service provider. Notification may also be made in writing at an office of the BANK within the working hours. When notification is made by telephone, it must be confirmed in writing within 2 (two) working days.

39. Immediately after receiving the notification as per the preceding paragraph, the BANK shall notify its service provider and immediately block the card as soon as is technically possible, but not later than two hours after notification.

40. The BANK shall not be liable if the notice of loss, theft, or any other illegal use of the card is falsely submitted by a third party and the BANK has taken the necessary measures to block the card. The BANK shall not be liable for damages, losses, or lost profits that may arise from this.

41. The BANK shall not be liable for damage resulting from the unlawful use of the card in cases where it has fulfilled operations in good faith prior to receiving notification of destruction, loss, theft, forgery, or other incorrect usage of the card.

42. The BANK shall be responsible for damages caused by the use of the card if such occurs after receipt of notification from the CARDHOLDER of loss, theft, or forgery of the card, except in cases of intent or gross negligence of the CARDHOLDER.

#### **V. COLLATERAL**

43. The CARDHOLDER shall provide agreed collateral before obtaining the card, the cost of establishing and cancellation of collateral is at the CARDHOLDER's expense.

## **VI. TERMINATION**

44. Either party may terminate the contract by notifying the other party. If on the initiative of the CARDHOLDER, it is assumed that the same wishes to exercise the right to early repayment of the outstanding credit, which effectively terminates the contract for the issuance and service of the international Visa Classic credit card as of the time of notifying the BANK. Upon submission of the notification, the CARDHOLDER is obliged to pay all disbursements and obligations on card transactions, fees and interest, in accordance with the Tariff of the BANK as well as all other incurred but unaccounted transactions, if any. The latter is a necessary condition for terminating the contract.

45. When submitting a notice of termination of the contract and upon payment of the amounts under item 44, the CARDHOLDER hands over the card and it is destroyed by the BANK in the presence of the CARDHOLDER.

46. The BANK may terminate the contract and block the card without notice if the CARDHOLDER does not fulfil all obligations, for example:

46.1. does not appear at the BANK to obtain the card within three months of its issuance

46.2. does not provide adequate coverage in the current account

46.3. does not observe the limits for operation of the card

46.4. allows the use of the card and PIN by third parties

46.5. does not repay their obligations on time and as required

46.6. violates other obligations under the contract and these Terms and Conditions

After receiving such notice, the CARDHOLDER is no longer entitled to use the card and is obliged to cover all obligations arising from the use of credit card and return it within two months. The CARDHOLDER shall remain liable to the BANK for all amounts relating to the credit card after the two-month period and is obliged to repay them.

47. If after performing monitoring the BANK refuses to reissue the card in accordance with item 23 of these General Terms and Conditions, the card shall be blocked and the CARDHOLDER obliged to repay their obligations under the conditions of item 44 above.

48. The contract shall be terminated, subject to the conditions for termination of the legal relationship between the BANK and the CARDHOLDER, upon the occurrence of any of the grounds for termination within the terms of this Agreement, the General Terms and Conditions for Payment Services and the General Terms and Conditions for Lending to Private Individuals of ProCredit Bank (Bulgaria) EAD.

## **VII. CONTEST OF PAYMENTS (CLAIMS)**

49. The CARDHOLDER may contest in writing to the BANK any unauthorized or incorrectly executed transactions, fees, and commissions reflected in the statement for the period immediately after its receipt, but no later than three working days. Operations that are not contested in this period shall be considered approved by the CLIENT. If the BANK has been notified in time and if the error is proven, the BANK shall correct the statement item.

50. In cases where transactions contested by the CARDHOLDER are unresolved, the claim can only be taken further by the submission of an appeal to the competent authorities (Police/Prosecutor), whereby the CARDHOLDER notifies them of the unlawful use of his bank card and providing the BANK with a copy of the appeal with its reference number. If the CLIENT has not filed an appeal with the police/prosecutor's office before submission of the claim form to the BANK, they are obliged to provide a copy of such a complaint and the appropriate reference number within three working days.

51. The BANK undertakes to help resolve cases of disputed operations in accordance with the order and deadlines established under the country's banking practices and the rules of the Visa Europe international card organization. The results of the inspection are notified by the BANK to the CLIENT.

52. In case of reasonable claim, the corresponding amount shall be refunded to the account of the CARDHOLDER. If the appeal proves unfounded, the CARDHOLDER shall pay a fee in accordance with the BANK's Tariff.

53. The BANK is not a party to the relationship between the CARDHOLDER and third parties when making payments by Visa Classic credit card and is not responsible for the quality of merchandise and/or services, nor for any disputes arising between the merchant and the CARDHOLDER on such occasions.

54. The CARDHOLDER has the right to file objections to the use of the Visa Classic international credit card. The BANK is obliged to investigate and to notify the CARDHOLDER in writing of its decision within 7 days of receipt of the objection. If the BANK does not act within the prescribed period, and if the decision does not satisfy the CARDHOLDER, the dispute may be referred to the Conciliation Commission for payment disputes.

55. Unauthorized or incorrectly executed payment credit card transactions and the obligations and responsibilities of the parties are governed by the rules of the General Terms and Conditions for Payment Services of ProCredit Bank (Bulgaria) EAD.

56. In the event of disputed payments, arbitration procedures can be conducted.

56.1. At the request of the CARDHOLDER, the BANK shall initiate arbitration proceedings with Visa/MasterCard to resolve charge-backs, all fees and expenses being at the expense of the CARDHOLDER.

56.2. The BANK informs the CARDHOLDER about all actions taken that could lead to an obligation to pay additional fees and expenses by the CARDHOLDER.

#### **VIII. RESPONSIBILITIES**

57. The BANK is not responsible for the unjustified refusal of others to accept payments by a credit card issued by the BANK or if a payment initiated by the CARDHOLDER cannot be made with the card due to technical, communication, or other reasons beyond the control of the BANK.

58. The CARDHOLDER shall bear the losses relating to any unauthorized payment transactions resulting from the use of lost, stolen, or misappropriated payment instrument when the CARDHOLDER has failed to keep the personalized security features secure, up to a maximum of BGN 300.

59. The CARDHOLDER shall bear all the losses relating to any unauthorized payment transactions if they were incurred through fraud or breach of one or more of their obligations, whether intentionally or through gross negligence.

#### **IX. INSURANCE**

60. Upon signing the contract for the issuance and service of international Visa Classic credit card, in addition to the card, the CARDHOLDER is provided with free medical travel insurance, which is activated upon payment of certain services listed in the insurance policy and have effect outside the country.

61. The insurance policies specify the risks and the amounts/limits covered. The CARDHOLDER receives information about 24-hour emergency telephone numbers which they can call for assistance. The insurance policy becomes effective when performing certain card transactions, for example: purchasing a plane ticket; hotel reservation; renting a car.

62. When an incident occurs which is covered by the insurance policy, the CARDHOLDER must immediately notify the insurer via the phone number indicated.

63. The insurance policy is valid for 365 days and is renewed annually until the expiry of the card. When renewing the card, the insurance policy is automatically renewed.

64. In the event of an incident covered by the insurance policy, the CARDHOLDER gives consent for the BANK to provide the insurer with information confirming that the CARDHOLDER has used the card to purchase a travel package or to make a payment to another service related to travel outside Bulgaria.

#### **X. PROVISION OF INFORMATION TO THIRD PARTIES**

65. The CARDHOLDER is informed that the BANK, upon request by Visa Europe, Visa Inc. or Fraud Monitoring Agencies, is obliged to provide certain information about the CARDHOLDER, including their personal data, outside the European Union and the European Economic Community.

66. The CARDHOLDER shall be deemed notified that upon receipt of a request for information from the Ministry of Interior, investigation bodies, etc., as well as shareholders and lenders of ProCredit Bank (Bulgaria) EAD, the BANK is required to provide them with requested information and documents as this does not constitute a breach of the terms of the obligation of non-disclosure.

67. The BANK will send notices, invitations, and letters to the CARDHOLDER and will provide them with an account statement regarding the use of its payment services under the rules of the General Terms and Conditions for Payment Services of ProCredit Bank (Bulgaria) EAD in relation to the credit contract under the General Terms and Conditions for Lending to Private Individuals in ProCredit Bank (Bulgaria) EAD.

#### **XI. OTHER TERMS**

68. For all issues not settled in these General Terms, the General Terms and Conditions for Lending to Private Individuals and the Terms and Conditions for Payment Services of ProCredit Bank (Bulgaria) EAD as well as the provisions of the legislation in Bulgaria shall apply.

69. The BANK reserves the right to unilaterally change these Terms and Conditions; depending on what service the relevant change concerns, the rules of the Payment Services and Payment Systems Act or the Consumer Credit Act will apply, as will the procedures of the BANK in this connection as listed in item 68 of the General Terms and Conditions.

70. In case of discrepancy of a provision in these Terms and Conditions with the provisions of current legislation, the statutory provision will take precedence.

This latest revision of the text of these Terms and Conditions for issuing and servicing of "Visa Classic" credit cards has been approved by the Board of ProCredit Bank (Bulgaria) EAD under Protocol No. 625 of 20 June 2016 and has been in force since 04 July 2016.

ProCredit Bank (Bulgaria) EAD reserves the right to modify and supplement these Terms and Conditions at any time.