

GENERAL TERMS AND CONDITIONS FOR THE SERVICING OF PAYMENTS WITH LOCAL AND INTERNATIONAL CARDS AT POS TERMINALS

These General Terms and Conditions for the servicing of payments with local and international cards at real and virtual POS terminals, hereinafter referred to as General Terms and Conditions or "GTC", govern the relations between UniCredit Bulbank AD, entered in the Commercial Register with the Registry Agency under UIC 831919536, with registered seat and management address: city of Sofia, Vazrazhdane District, 7 Sveta Nedelya Sq., website: www.unicreditbulbank.bg, performing banking activities under the supervision of the Bulgarian National Bank on the basis of license PД22-2249/16.11.2009 (hereinafter referred to as "the BANK"), and customers – legal entities, sole traders or registered freelancers (hereinafter referred to also as "MERCHANTS"), arising with the acceptance, processing and servicing, on an account of the MERCHANT with the BANK, of non-cash payments for goods and/or services offered by the MERCHANT with local and international cards at an electronic (real and/or virtual) POS terminal.

The General Terms and Conditions are binding on the MERCHANTS and constitute an integral part of the AGREEMENT for servicing of payments with local and international cards at a real POS as well as the AGREEMENT for servicing of payments with local and international cards via Internet (Virtual POS) (also referred to as the "POS AGREEMENT") and govern the payment relations, rights and obligations of the BANK and the MERCHANTS.

The BANK reserves the right to change these General Terms and Conditions in case of amendments to the local legislation, the rules of the International Card Organizations, hereinafter referred to as "ICO", or any other regulatory provisions and it shall notify the MERCHANTS within at least 1 (one) month before the date of entry into force of such amendments by means of communications at the branches of the BANK as well as by posting them on the website of the BANK - www.unicreditbulbank.bg. The MERCHANTS may receive these General Terms and Conditions upon request on paper at a branch of the BANK.

These General Terms and Conditions have been adopted by the Management Board of the BANK with a decision as per Minutes No. 30 dated 26.06.2013, last updated with a decision of the Management Board as per Minutes No. 5 dated 27.01.2016, and take effect from 01.02.2016. The GTC are an inherent and integral part of each agreement concluded by the BANK and referring to these GTC, and they shall be considered in their integrity as one integrated document and shall be applied unless otherwise agreed in the individual agreement.

Section I. GENERAL TERMS AND CONDITIONS FOR REAL AND/OR VIRTUAL POS TERMINALS

1. Definitions – pursuant to these General Terms and Conditions, the words and abbreviations listed below shall have the following meanings:

1.1. Real POS - a fixed or mobile electronic physical device installed in a merchant outlet in the territory of the Republic of Bulgaria for acceptance of payments with bank cards in the presence of the cardholder and the card. For a merchant outlet in the Republic of Bulgaria without a fixed location, the BANK provides a mobile POS to a MERCHANT with a seat and tax registration in the territory of the Republic of Bulgaria. As an exception, a real POS can be installed in the premises of diplomatic, consular or military representations of the Republic of Bulgaria abroad.

1.2. Virtual POS - a logical device, defined in the card system of the BANK, for remote acceptance of electronic payments with bank cards via the website of the MERCHANT with a seat and tax registration in the territory of the Republic of Bulgaria.

1.3. Blocking an amount on a card (function Authorization at a real POS) – an additional functionality of a real POS terminal for manual input of card data using the keyboard of the terminal and keeping (blocking) an amount on a card for a 30-day period, without effecting a financial transaction.

1.4. Key Entry - an additional functionality of a real POS terminal for manual input of card data and initiation of a card payment using the keyboard of the terminal and effecting a financial transaction.

1.5. CashBack - an option for the cardholder to receive cash when making a transaction at a real POS terminal.

1.6. Contactless payment – making a contactless payment at a real POS terminal. The payment is made by waving a bank card, having a specific distinctive symbol, in front of the POS device or the contactless reader connected to it, without having to insert or slide the card through the reader.

1.7. MERCHANT - a customer of the BANK which carries out commercial activities as a legal entity, a sole traders or a registered freelancer;

1.8. Brands of local and international cards acceptable as a payment instrument for non-cash payments at a POS terminal:

- Maestro, issued by Bulgarian banks and banks abroad;
- Borica and other local cards;
- Visa, Visa Electron, V PAY, issued by Bulgarian banks and banks abroad;
- Maestro, issued by Bulgarian banks and banks abroad;

1.9. Types of payment cards according to their functionality and the person to whom they are issued and which are acceptable at a POS terminal:

- Debit cards for individuals with immediate debit;
- Credit cards and cards with deferred debit for individuals;
- Business cards - debit and credit cards for legal persons.

1.10. 3D Secure - a system for identification of cardholders in real time upon payment at a virtual POS, using a secret password and ensuring maximum security levels for card payments with online MERCHANT via one of the following schemes:

- Verified by Visa (VbV) - for cards with the logo of Visa, Visa Electron, VPAY;
- MasterCard Secure Code – for cards with the logo of MasterCard and Maestro;
- Secure code of BORICA-BANKSERVICE AD - for cards with the trade sign of BORICA.

1.11. ICO – International Card Organizations: VISA and MasterCard.

1.12. Instructions for the acceptance of payments with bank cards - an integral part of these General Terms and Conditions for servicing of payments with local and international cards at a POS terminal:

- Instructions for the acceptance of payments with bank cards at a real POS terminal;
- Instructions for the acceptance of payments with bank cards via the Internet.
- Appendices to the Instructions for the acceptance of payments with bank cards at a real POS terminal concerning the servicing of card-not-present payments.

1.13. BORICA-BANKSERVICE AD (BOBS) – a joint-stock company owned by the Bulgarian National Bank and the commercial banks in the country, which ensures non-stop work of an Authorization Centre – 24 hours, 7 days a week.

1.14. Disputed payment - a procedure for refund, in full or in part, of a certain amount paid by a card transaction. Such refund is made by the card issuing BANK in case of violations occurring upon acceptance of the payment or in case a transaction is performed under fraudulent conditions, or at the initiative of the cardholder. The BANK which has processed the MERCHANT's payment shall have the possibility to present it again for payment by the cardholder only if it is proven that there are no omissions in the process of accepting the payment, governed by the present General Terms and Conditions and the Instructions on the acceptance of payments with bank cards.

1.15. An irregular transaction or a transaction made under "fraudulent" conditions is a transaction intentionally (deliberately) made with a card or card details obtained illegally (a lost, stolen card or a card obtained on the basis of false documents, etc.) as well as with a falsified or counterfeited card or with stolen card details. Such a transaction is made without the knowledge and consent of the authentic cardholder and without his/her permission, and the latter refuses to accept the costs related thereto.

1.16. Account - a current account in Bulgarian leva or in Euro, maintained by the BANK in the name of the MERCHANT and specified in the POS Agreement for the purpose of booking of accepted payments with bank cards at real and virtual POS. The currency of the account can be also US dollars only with regard to the booking of payments with bank cards at a virtual POS. The rights and obligations of the parties in relation to the opening and servicing of the Account are arranged in the General Terms and Conditions of the BANK for opening and maintaining of bank accounts and for providing of payment services. The maintenance of the Account by the MERCHANT is a mandatory requirement for fulfillment of the obligations of the BANK under the Agreement and the present General Terms and Conditions. The MERCHANT is obligated to pay to the BANK all fees, commissions and other charges related to the opening and maintenance of the Account, as well as those occurring in relation to the POS terminal provided by the BANK, pursuant to the Agreement, the present General Terms and Conditions and the Tariff for the Fees and Commissions of UniCredit Bulbank AD applicable to legal entities and sole traders. The MERCHANT gives to the BANK the right to automatically collect through direct debiting its receivables from the Account, and in case the funds on it are not sufficient – from other accounts held by the MERCHANT. In case the account is in a

currency different from the currency of the MERCHANT's liability to the BANK, the latter shall collect its receivable from that account based on the official exchange rate of the BANK on the date of the transaction.

2. General provisions

2.1. The BANK is not be a party to the legal relations between the MERCHANT and its customers related to the latter's activity of offering goods and/or services, their quality and/or quantity, terms of delivery/ performance, etc.

2.2. The BANK acts as a payment intermediary in the execution of the non-cash card payment at a POS terminal /real or virtual/.

2.3 Both parties are obliged to cooperate with each other in performing all activities related to the payments made with Visa, MasterCard, Maestro and BOBS cards within the scope of the present AGREEMENT, where:

2.3.1. The BANK is obliged in accordance with the regulations to book on the account of the MERCHANT all payments ordered in favour of the MERCHANT for goods or services with Visa, MasterCard, Maestro, BORICA, etc. cards, which payments are made in accordance with the Instructions for the acceptance of payments with bank cards, constituting an integral part of these General Terms and Conditions;

2.3.2. By crediting the MERCHANT's account with each payment ordered by using a bank card, the obligation of the BANK, subject of this AGREEMENT, shall lapse.

2.4. The MERCHANT is obliged to offer to its customers payments with Visa, MasterCard, Maestro, BORICA cards, etc., in accordance with the requirements for processing of payments specified in the Instructions for the acceptance of payments with bank cards, constituting an integral part of these General Terms and Conditions.

2.5. The MERCHANT is obliged to accept lawfully made payments with all bank cards having the brand Visa, MasterCard, Maestro, BORICA, etc.

2.6. The pricing terms offered by the BANK shall be made known by individual brands of payment cards in accordance with item 1.8 and shall apply to all types of cards specified in item 1.9.

3. Disputed payments

3.1. In case the BANK has any doubts, in case of receipt of information from ICO or from the authorities of the Ministry of Interior or from other banks of payments made with stolen, false or irregular bank cards or such made without the knowledge and/or consent of the authorized cardholder, the BANK shall have the right to visit the MERCHANT without a prior notice and to conduct an onsite investigation and the MERCHANT shall be obliged to cooperate and to provide the information requested by the BANK concerning the disputed payments.

3.2. In case of a subsequent claim against a payment with a bank card, resulting from non-compliance with the Instructions for working with cards or non-compliance with the provisions of the Obligations of the MERCHANT, the latter shall be liable with its property up to the amount of the claimed amounts immediately due to the BANK as of the date of receipt of the claim.

3.3. In the process of establishing the validity of the grounds for the received claim the BANK shall follow the Operational rules of the ICO, the effective legislation of the Republic of Bulgaria and the information received from the competent state and international institutions, as well as by the international card organizations etc.

3.4. Until the validity of the grounds for the claim and/or the doubts as to the illegal use of bank cards is/are established, the BANK shall have the right to block automatically the account of the MERCHANT to the full amount of the disputed payments.

3.5. In case the MERCHANT is unable upon the receipt of a claim to present documents evidencing the validity of the grounds for the performed transaction, the involvement of the cardholder and his/her consent to the terms of the payment, the MERCHANT shall authorize the BANK to refund the relevant amount on the card with which the transaction was performed.

3.6. In case of a justified claim pursuant to item 3.3 or in case the MERCHANT fails to fulfill its obligations under these General Terms and Conditions and the applicable Instructions for the acceptance of payments with bank cards, the BANK shall debit automatically the blocked account with the amount of the justified claim with respect to which the MERCHANT authorizes the BANK by virtue of these General Terms and Conditions.

3.7. The BANK shall have no responsibility for claims related to the terms of delivery and the quality of the goods and services provided by the MERCHANT in accordance with the responsibilities of the parties set out in the MERCHANT's General Terms and Conditions for working with customers; as well as in the cases in which the transaction is illegal, void or non-valid for any reason whatsoever or the MERCHANT has been credited or has attempted to be credited in relation to a non-existing purchase,

has behaved dishonestly or has tried to behave dishonestly with the BANK irrespective of the manner. In such cases the risk and the responsibility shall lie directly and personally with the MERCHANT.

4. Rights of the BANK

4.1. The BANK shall have the right to conduct periodic inspections of the MERCHANT at the business address/seat, as well as to check the MERCHANT's website.

4.2. The BANK shall have the right to set unilaterally additional requirements or restrictions as regards the acceptance of card payments by the MERCHANT.

4.3. In case the BANK has any doubts and/or in case of receipt of information from ICO, from the authorities of the Ministry of Interior, from the State Agency for National Security, from other competent state and/or international institutions and/or from other banks, concerning payments with stolen, false or irregular bank cards, the BANK shall have the right to block the amounts of the performed transactions, to make an unexpected inspection of the MERCHANT without prior notice and to conduct an onsite investigation as well as to block automatically the account to the full amount of these payments. The MERCHANT is obliged to cooperate and to submit any information requested by the BANK.

4.4. The BANK shall not be liable for any losses of the MERCHANT caused by payments ordered at its merchant outlets/website, which are made in violation of or non-compliance with the requirements of the Instructions for the acceptance of payments with bank cards, which form an integral part of these General Terms and Conditions.

4.5. The BANK shall have the right to extend the period, indicated in the Agreement, for crediting the MERCHANT's account if an investigation has been initiated because of doubts about payments ordered with false, non-valid and/or irregular bank cards or made without the knowledge and/or consent of the authorized cardholder until the establishing of the lawfulness of the ordered payment, but no later than 15 (fifteen) working days from the date on which the BANK has received the information for the initiation of investigation. With respect to this extension of the period for crediting, the BANK shall be obliged to inform the MERCHANT within three days from the date of initiation of the investigation, without owing to it any interests for delay and/or any other form of indemnity regardless of the outcome of the investigation.

4.6. The BANK shall have the right to refuse to book an ordered payment under item 4.4 on the MERCHANT's account in case of receipt of a confirmation pursuant to the rules of the International Card Organizations Visa and MasterCard or from the card issuing BANK that this is an illegal payment order made with a false, non-valid and/or irregular bank card or such made without the knowledge and/or consent of the authorized cardholder, as well as in case of non-compliance with any of the provisions in these General Terms and Conditions or the Instructions for the acceptance of payments with bank cards on the part of the MERCHANT. The BANK shall have no liability resulting from operations with a non-valid, false or irregular card as well as operations made without the knowledge and/or the consent of the authorized cardholder. The BANK shall be obliged to inform the MERCHANT of any ordered illegal payment within the meaning of this paragraph, which shall not be booked on its account and of the reasons for this within five days of taking the decision.

4.7. If the BANK establishes that the payment ordered with the MERCHANT, by which its account has been credited, is made with a false, non-valid and/or irregular bank card, or in case the card is presented for payment by a person other than the original cardholder and not authorized by the latter, the MERCHANT by virtue of these General Terms and Conditions shall give to the BANK the explicit right to debit its account through direct debit by reversal of the wrong credit and booking it on the account of the affected party. The risk of payments with false, non-valid and/or irregular bank cards, as well as in the cases of payments with cards ordered by a person unauthorized by the original cardholder, shall be entirely for the account the MERCHANT.

4.8. The MERCHANT provides its explicit and unconditional consent that the BANK may use any information in electronic, paper or other form received from the ICO, the competent state or international institutions, BOBS, law enforcement and judiciary bodies in relation to the payments with bank cards through its POS terminals as a valid and binding material evidencing the established violations, as grounds for requesting information or for the recovery of damages suffered by the BANK in relation to the implementation of the these General Terms and Conditions.

4.9. In case of reports of bad commercial practices on the part of the MERCHANT, the BANK shall have the right to block automatically on the account of the MERCHANT the amount of the payments accepted with bank cards through the terminal of the MERCHANT for the last 120 days in order to ensure funds for satisfying financial claims of the cardholders who have suffered damages as a result of such practices.

4.10. The MERCHANT shall be fully liable with its property and shall immediately refund to the BANK, upon first request and with no right to dispute, all damages suffered by the BANK to the amount of the

sanctions imposed on the BANK by the competent state and international institutions and/or the International Card Organizations in relation to and/or in the event of the MERCHANT's non-compliance with the provisions of the AGREEMENT, these General Terms and Conditions, including the Instructions for the acceptance of payments with bank cards and the rules and standards of ICO contained therein, and shall also reimburse to the BANK the full amount of the costs incurred by the BANK for performing a mandatory audit by external institutions in relation to the MERCHANT's violations which are subject to sanctions.

4.11. The BANK shall have the right to collect automatically from the MERCHANT's account by direct debit all of the BANK's expenses and costs for damages arising directly or indirectly from non-compliance with the AGREEMENT and non-compliance with these General Terms and Conditions and the Instructions for the acceptance of payments with bank cards on the part of the MERCHANT.

5. Rights of the MERCHANT

5.1. The MERCHANT has the right to refuse to accept a card payment in case of:

- 1) a non-valid bank card;
- 2) Impossibility to receive a confirmation for the execution of the transaction;
- 3) Doubts as to the lawfulness of the transaction;
- 4) Suspicion of a false or counterfeited bank card - some of the mandatory security elements on the card are missing - regarding payments at a real POS terminal;
- 5) Unsuccessful identification (authentication) of the cardholder for payments at a virtual POS terminal;
- 6) Impossible authentication of the cardholder for payments at a virtual POS terminal;
- 7) A discrepancy between the signature on the bank card and the signature on the transaction document or the identity document regarding payments at a real POS terminal (if the receipt printed by the terminal has a field for cardholder's signature);
- 8) Refusal by the cardholder to present a document confirming his/her identity in the cases under item 7 above or when it is established that a non-authorized person uses the bank card;
- 9) By order of the BANK.

5.2. The MERCHANT has the right to receive information concerning the booked and executed card payments on its accounts, as well as information for all payments made at its merchant outlets/websites for previous periods.

5.3. The MERCHANT has the right to request renegotiation of the terms and conditions under the AGREEMENT.

5.4. The MERCHANT has the right to prepare the design of the visual message that the cardholder sees after receiving authorization, respectively after rejection of the transaction, when making a card payment at a virtual POS.

5.5. The MERCHANT has the right to make an automatic verification of the status of a transaction at a virtual POS terminal via the interface on the website of the MERCHANT for access to the Acquiring and Payment Server of BOBS or by additional manual verification of the transaction via ETLOG (a web-based application for remote access to the BOBS system).

Section II. SPECIAL TERMS AND CONDITIONS FOR A REAL POS TERMINAL

1. Obligations of the BANK

1.1. In order for the MERCHANT to perform its activity properly, the BANK provides to the MERCHANT one or several POS terminals for acceptance of payments with bank cards. The devices are property of the BANK and are provided for use to the MERCHANT against payment for the duration of the AGREEMENT with a handover certificate.

1.2. The BANK provides to the MERCHANT and the latter accepts by signing the AGREEMENT:

- 1) Instructions for the acceptance of payments with bank cards at a real POS terminal and the appendices thereto depending on the subject of activity and the functionalities of the terminal;
- 2) Distinctive features and advertising materials clearly indicating that the merchant outlet accepts payments with bank cards with the brands Visa, MasterCard, Maestro, BORICA, etc.

1.3. The BANK is obliged to install at its own expense in the outlet of the MERCHANT POS terminal/s as well as to train the MERCHANT's employees designated to work with the terminal/s.

1.4. The BANK is obliged to install the terminal/s of the MERCHANT in its merchant outlet/s within the following deadlines:

- 1) No later than the 5th working day as of the day of signing the AGREEMENT by both parties for the territory of Sofia city;
- 2) No later than the 8th working day as of the day of signing the AGREEMENT by both parties for all other cities, towns and settlements on the territory of the Republic of Bulgaria.

1.5. The BANK provides GPRS-cards (for transfer of data) to the MERCHANT if the latter does not provide its own GPRS.

1.6. The BANK undertakes to organize the service maintenance of the terminal device.

1.7. The BANK is obliged to transfer onto an account of the MERCHANT the amounts of the payments made with bank cards pursuant to the terms and conditions and procedure stipulated in the AGREEMENT, these General Terms and Conditions and the Instructions for the acceptance of payments with bank cards at a real POS terminals.

1.8. The BANK is obliged to submit to the MERCHANT, at the request of the latter, information on the payments accepted in its outlets for previous periods.

1.9. The BANK is obliged to update in a timely manner the Instructions for the acceptance of payments with bank cards at a real POS in accordance with the changes to the rules and technology for servicing on the part of Visa and MasterCard as well as in case of legislative changes on the territory of the country concerning the subject matter of the AGREEMENT and these General Terms and Conditions, to notify the MERCHANT of this in writing, and as of the date of such notification, indicated in the register of outgoing communications of the BANK, the relevant changes/supplements to the Instructions become effective for the MERCHANT.

1.10. The BANK is obliged to ensure that its Authorization Center works 24 hours, 7 days a week.

1.11. The BANK is obliged to inform the MERCHANT:

- 1) of the receipt of each disputed payment, the reasons for the dispute, as well as of the developments in relation to this case;
- 2) of each transaction at its outlets which is declared abusive by the card issuing BANK;
- 3) of each report of violations in the processing of transactions with bank cards.

1.12. The Bank is obliged to perform in a timely and correct manner its obligations as specified in the AGREEMENT and these General Terms and Conditions.

2. Obligations of the MERCHANT

2.1. The MERCHANT is obliged not to request and/or use the bank cards for purposes other than those specified in the AGREEMENT and these General Terms and Conditions.

2.2. The MERCHANT is obliged to inform the BANK of the need for instructions to be given to new employees as well as to cooperate with the BANK for the organization of periodical trainings of the employees at the merchant outlet.

2.3. The MERCHANT is be obliged to provide the Instructions for the acceptance of transactions with bank cards to the staff at the merchant outlet servicing the POS terminal in order for that staff to get acquainted with them; 2.3. The responsibility for any errors occurring in the acceptance of payments with bank cards as a result of negligence or carelessness of the persons authorized by the MERCHANT within the meaning of item 2.2 to work with the terminal device or in the acceptance of payments with bank cards by staff members who have not been trained by the BANK within the meaning of item 2.2 shall be borne by the MERCHANT.

2.4. The MERCHANT is obliged to indicate at its outlets, in an unequivocal manner, the types of bank cards with which payments can be made.

2.5. The MERCHANT is obliged to submit to the BANK the receipts from the POS terminals or other documents evidencing payments made with Visa and MasterCard and other cards, at the request of the BANK and within the period indicated by it in relation to the receipt of disputed payments and/or in case of doubts about payments made with stolen, false or irregular bank cards or such made without the knowledge and/or consent of the actual cardholder.

2.6. The MERCHANT is obliged to refund on the card the amounts paid by the cardholder if the ordered goods and/or services have not been provided or if the provided goods/services are of bad quality or are in contradiction to the General Terms and Conditions for the purchase.

2.7. The MERCHANT is obliged to refund amounts, partially or in full, to customers in the event of previous purchases of goods/services which the customers have paid with cards, only by means of a credit transaction on the same cards with which the goods/services were initially paid.

2.8. The MERCHANT is obliged to accept payments with bank cards at the moment when the card and its authorized holder are physically present. When a card is presented by its authorized holder, the MERCHANT is obliged:

- 1) To verify the card's validity in compliance with the Instructions, constituting an integral part of these General Terms and Conditions;
- 2) To make sure that the card is presented by the authorized holder in person, for which purpose the MERCHANT may request from the holder to present and ID document;
- 3) To receive an authorization in real time by the card issuing BANK for each transaction and not to divide the transaction amount in order to perform the transaction without authorization;

- 4) Not to divide the amount of one purchase into portions in order to avoid restrictions imposed by the BANK or the card issuing BANK;
- 5) Not to impose requirements on the authorized cardholder concerning the minimum amount for the purchase of goods or services or any other similar requirements as a condition for payment with a bank card, which are not provided for in the AGREEMENT or these General Terms and Conditions;
- 6) Not to repay old liabilities of the cardholder by payments with a bank card but only current goods and services payments existing as at the time of the transaction;
- 7) When processing the bank card with the terminal device, to comply strictly with the order of operations as described in the Instructions;
- 8) To accept to make the maximum efforts personally and/or through its staff in order to withhold cards used unlawfully as well as to take the necessary measures in this regard in accordance with the Instructions, constituting an integral part of these General Terms and Conditions.

2.9. The MERCHANT is obliged not to disclose to third parties the names and card numbers of the holders of an electronic payment instrument which came to its knowledge in relation to the implementation of the Agreement and these General Terms and Conditions.

2.10. The MERCHANT is obliged not to change the data on the receipts/forms of processed payments with bank cards after the holder of the bank card has received his/her copy of the receipt/the form.

2.11. The MERCHANT is obliged to duly notify the BANK no later than 30 days before the coming into force:

- 1) of any changes made by the MERCHANT which involve entering of data in the Commercial Register;
- 2) of any changes in the subject of activity of the merchant outlet and the manner in which the commercial activity is conducted;
- 3) of any changes of the location of the merchant outlet.

2.12. The MERCHANT is obliged not to accept payments with bank cards in favour of other merchants.

2.13. The MERCHANT is obliged not to execute payments at its own outlets with cards issued in the MERCHANT's name.

2.14. The MERCHANT may not accept payments with bank cards for goods and/or services other than those defined as per the subject matter of the AGREEMENT.

2.15. The MERCHANT is obliged to accept payments with bank cards under the same terms and conditions as those applied to cash payments or in another manner or with other cards the payments with which is not within the subject matter of the Agreement, including not to charge additional fees and commissions to the prices of the goods at the time of the purchase because of the selected payment method – by card.

2.16. The Merchant shall retain the bank card, in a non-forceful manner, in case of:

- 1) a non-valid bank card;
- 2) receipt of notification of a lost or stolen bank card;
- 3) A discrepancy between the signature on the bank card and the signature on the receipt printed by the POS terminal, if it has a cardholder signature field;
- 4) use of the bank card by unauthorized person;
- 5) in case of receipt of an order by the issuer to retain the respective bank card;
- 6) by order of the BANK.

2.17. The MERCHANT is obliged to cooperate for the installation of the POS terminal and not to change its location without the knowledge and the consent of the BANK.

2.18. The MERCHANT is obliged to comply with the technical requirements for the operation of the electronic terminal and to inform the BANK immediately of any technical malfunctions.

2.19. The MERCHANT is obliged to maintain the POS terminal with due care and after the expiry of the Agreement to give it back to the BANK in good condition, as is the normal depreciation for the period of use.

2.20. All costs for repair of the POS terminal incurred as a result of incorrect operation or negligent maintenance or in case of its theft shall be borne by the MERCHANT. The amount of damages is determined by the BANK according to the value of the equipment registered as tangible assets of the BANK, taking into account the depreciation rate for the period of operation.

2.21. The communication costs related to the operation of the POS terminal shall be borne by the MERCHANT.

2.22. The MERCHANT is obliged to provide on its own and in a timely manner the consumables and conditions necessary for the normal uninterrupted functioning of the POS terminal devices.

2.23. Upon request of the BANK, the MERCHANT is obliged to submit any information directly or indirectly related to processed payments with bank cards.

2.24. In case of failure to comply with any of the above mentioned terms and conditions concerning the obligations of the MERCHANT, the risk and the responsibility for incorrect bank operations remains for the account of the MERCHANT and the BANK is released from the obligation to credit the MERCHANT's account with the unduly performed operation as regards an amount payable to the MERCHANT.

2.25. The MERCHANT is obliged to keep the receipts of the accepted payments made with Visa, MasterCard and BORICA/Maestro, etc. cards for a period of 13 (thirteen) months as of the date of the payment.

Section III. SPECIAL TERMS AND CONDITIONS FOR THE ACCEPTANCE OF CARD-NOT-PRESENT PAYMENTS AT A REAL POS TERMINAL (MAIL ORDER)

1. General provisions

1.1. This section governs the relations between the BANK and the MERCHANT arising from the acceptance of card-not-present payments at a real POS terminal, which are possible through the KEY ENTRY functionality of the real POS.

1.2. The MERCHANT may be provided by the BANK with the opportunity to make payments in its own favour through entry of card data from the keyboard of the POS terminal (KEY ENTRY functionality), which data have been provided to the MERCHANT by the authentic cardholders and for which it has received the written consent of the cardholders in connection with exactly identified sale and purchase of goods/services or payments of penalties, or additional expenses related to such purchases and sales.

1.3. The MERCHANT confirms to the BANK that it is aware of and accepts unconditionally to observe the rules and standards of the international card organizations concerning card-not-present payments with Visa and MasterCard bank cards, which are reflected in these General Terms and Conditions and the Instructions, and declares that it will not make any card payments that are harmful to the trademark and the reputation of Visa and MasterCard, and accepts full responsibility for that.

1.4. The MERCHANT unconditionally and irrevocably takes for its own account all risks related to the acceptance of card-not-present payments, as well as any losses related to them, including those imposed on the BANK as a result of the acceptance of such payments with the MERCHANT, which include also, but are not limited to, sanctions by the international card organizations and other competent institutions.

1.5. The BANK is not a party to the legal relations between the MERCHANT and its customers concerning the MERCHANT's activities for sale of goods and services, their quality and/or delivered quantity, the terms for delivery/completion, the conditions for the recovery of amounts to customers, guarantee terms, conditions for payment of indemnities and additions to the initially agreed and paid price, etc.

2. Rights and obligations of the BANK

2.1. The BANK approves the MERCHANT for the service and is obliged to activate the KEY ENTRY functionality of a real POS terminal.

2.2. The BANK is obligated to provide to the MERCHANT, so that the latter may become familiar with and observe, the applicable Instructions for acceptance of card-not-present payments, which is a Supplement to the Instructions for the acceptance of payments with bank cards at real POS terminal, an integral part of the General Terms and Conditions.

2.3. The BANK has the right to block on the MERCHANT's account the amounts of performed card-not-present payments, duly booked on that account, if the BANK receives claims from the issuing banks of the cards with which such payments have been performed, according to which claims those payments were groundless or not due and payable, fully or partially, pursuant to the terms and conditions of the purchase/sale or the provision of the service by the MERCHANT to its customer, or the MERCHANT's customer has not given his/her consent for these to be paid with his/her card.

2.4. The BANK has the right to block on the MERCHANT's account the amounts of claims received from the card issuing banks concerning refunds which have not been received by the cardholders, fully or partially, in connection with previous card payments at the MERCHANT outlet, due and payable in accordance with the what has been agreed between the MERCHANT and the buyer or in accordance with a commitment undertaken by the MERCHANT.

2.5. The BANK has the right to keep the amounts mentioned in the previous items 2.3 and 2.4, blocked on the account of the MERCHANT, until settlement of the claims, however not longer than 24 months from the receipt of the claims in the BANK.

2.6. The BANK has the right to block, temporarily (until clarification of the circumstances) or definitively and finally, the acceptance of card-not-present payments at the real POS terminal provided to the MERCHANT by notifying the latter in writing of its decision, of the period of such blocking and of the reasons resulting in such measure, in the following cases:

- A) In case of signals for executed unauthorized payments, the validity and the authenticity of which are provided for in these General Terms and Conditions;
- B) In case of an on-going internal bank investigation concerning the lawfulness of an accepted payment;
- C) In case of received claims showing faults in the observance of the terms and conditions of the sale/purchase or the provision of the service, etc. agreed with the buyers;
- D) In case of received claims showing unjustified execution of the payment without the customer having been informed and without his/her prior written consent about the withholding of any penalties, additional charges, etc. from his/her card;
- E) In case of received claims showing the MERCHANT's failure to fulfill commitments for timely reimbursement of amounts regarding previous card payments;
- F) In case of any doubts or received signals for illegal use and/or providing to third parties, other than the BANK, of any card information which has been received in such kind of payment, as well as of any personal details of the customers, which are protected by the Personal Data Protection Act;
- G) In each case of non-compliance with the requirements of the AGREEMENT, the Annex and these General Terms and Conditions and the Instructions thereto;
- H) In case of receiving a signal from the ICO that the levels of frauds or disputed payments at the outlets of the MERCHANT, as reported by the card issuing banks, are above the standard proportions determined by the card organizations considering the turnover and number of transactions of that MERCHANT;

2.7. The BANK is obliged to duly inform the MERCHANT of any actions undertaken against the latter as per the preceding items 2.3, 2.4, 2.5 and 2.6, as well as of the settlement of any claims for release of blocked amounts or for withholding of the same from the MERCHANT's account, as well as of the release of the KEY ENTRY functionality or its permanent blocking.

3. Rights and obligations of the MERCHANT

3.1. The MERCHANT has the right to make in its own favour card-not-present payments only if it has the preliminary, explicit and unconditional consent of the authorized cardholder with the General Terms and Conditions applicable to the goods and/or services provided by the MERCHANT.

3.2. The MERCHANT exercises its right under item 3.1. exclusively at its own risk and responsibility, taking for its account all losses related to the card-not-present payments performed in its favour, including those imposed on the BANK as a result of the acceptance of such payments, including, among others, sanctions from the international card organizations and other competent institutions.

3.3. The MERCHANT is obliged to prepare its own template for execution of card-not-present payments, which shall be applicable for the particular goods/services that are to be paid in this manner. The template is to be sent to the cardholder by mail/fax/e-mail in order for him/her to fill in all mandatory fields and sign it.

3.4. The template for execution of card-not-present payments must contain mandatory information adjusted for the specific subject of activity of the MERCHANT, the offered goods/services, the organizational specifics of the activity of the MERCHANT and its customer policy, and must be in compliance with the requirements for execution of such kind of payments, as shown in the Appendices to the Instructions for the acceptance of payments with bank cards which have been provided to it by the BANK.

3.5. Before initiating a transaction for receiving of any card-not-present payment, the MERCHANT is obliged to obtain the template signed by the cardholder with all requisites duly filled in in it. The lack of such template duly completed by the cardholder or the lack of the cardholder's signature on it renders each debiting of a card with such transactions illegal and is totally at the risk and responsibility of the MERCHANT.

3.6. The MERCHANT is obliged to observe strictly the requirements for the sale/service envisaged in the applicable Appendices to the Instruction for Acceptance of Bank Card Payments related to the particular type of activity of the MERCHANT – sale of goods/services through a written order; reservations for hotel services guaranteed with cards; hotel reservations with advance payment; reservations for car rental guaranteed with cards.

3.7. The MERCHANT has the right to collect penalties for violation of the terms and conditions of the reservation by the customer or additional expenses/adjustments in connection with hotel accommodation or car rental, only if the customers have agreed in advance in writing that they owe

these amounts and only from the cards whose numbers they have provided for settlement of such liabilities. This right of the MERCHANT is valid only in case of offering of hotel and car rental services.

3.8. The MERCHANT has the right to collect additional expenses/adjustment amounts from the cards of its customers within a period not longer than 90 days from the date of payment of the hotel / car rental service.

3.9. The MERCHANT has the right to collect additional expenses / adjustment amounts from the cards of its customers only for the following cases:

- Hotel accommodation expenses;
- Expenses for food and drinks;
- Taxes;
- Fuel for the rented vehicle;
- Insurances;
- Damages on the rented car;
- Fines / official statements for improper parking and violations of road traffic rules;

3.10. Obligations of the MERCHANT in connection with the deduction of additional amounts (**Delayed or Amended charges**) in a card-not-present environment after the customer has checked out of the place of accommodation/has returned the rented vehicle:

3.10.1. Hotels:

3.10.1.1. The MERCHANT is obliged to inform the cardholder upon his/her registration to use the hotel services that all expenses related to his/her stay that were not invoiced and paid upon check-out from the hotel will be subsequently deducted from his/her card.

3.10.1.2. The MERCHANT is obliged to obtain the written consent of the cardholder for deduction of additional amounts before performing payment of such amounts in its own favour through a card-not-present transaction.

3.10.1.3. The MERCHANT is obliged to issue and send an invoice to the cardholder for the additional expenses/adjustment amounts charged and deducted from his/her card, along with a copy of the POS receipt for the transaction.

3.10.1.4. The MERCHANT bears the full responsibility for transactions disputed by the cardholders in relation to the deduction of additional expenses/adjustment amounts from their cards.

3.10.2. Rent-a-car companies:

3.10.2.1. The MERCHANT is obliged to include the clauses for deduction of additional expenses/adjustment amounts in its car rental contracts.

3.10.2.2. The MERCHANT is obliged to obtain the written consent of the cardholder for deduction of the expenses under item 3.9 through the signature of the cardholder on the car rental contract and on each of its pages where the deduction of additional expenses/adjustment amounts is concerned/mentioned;

3.10.2.3. The MERCHANT is obliged to obtain the written consent of the cardholder for the deduction of additional expenses/adjustment amounts through the signature of the latter on the document prepared upon the returning of the vehicle to the company after use of the car rental services. In this case the signature of the cardholder must be put near the description of the due additional amounts which will be deducted from his/her card in the future.

3.10.2.4. The MERCHANT is obliged to have, prior to the deduction of the additional expenses/adjustment amounts, the following documents related to them:

3.10.2.4.1. Expenses related to imposed fines/official statements for improper parking or other violations of the rules for road traffic - a ticket/an official statement issued by an authorized state body;

3.10.2.4.2. Expenses related to detected damages on the hired vehicle:

- A valid document certifying the damage and proving the customer's responsibility for the damage – in accordance with the legislation effective in Bulgaria;
- Assessment of the damage by a licensed appraiser;
- Insurance policy describing the responsibility for damages and the insurance coverage for such cases.

3.10.2.5. The MERCHANT is obliged to inform the cardholder in writing, with the latter's acknowledgment of receipt of the notification, about the forthcoming deduction of additional expenses/adjustment amounts within 10 days from the date of returning of the vehicle, in accordance with the duly prepared documents upon the returning of the car. The notification must contain at least the following requisites:

- Description of the damage;
- Assessment of the damage;
- The currency in which the additional costs related to the damage will be deducted from the card.

3.10.2.6. The MERCHANT is obliged not to make the payment of the additional expenses from the card of the customer for 20 days after the date of receipt of the notification under item 3.10.2.5., as indicated in the document acknowledging its receipt.

3.10.2.7. The MERCHANT undertakes to put all effort to solve the disputes with cardholders with regard to the additional expenses/adjustment amounts in an out-of-bank manner.

3.10.2.8. The MERCHANT bears the full responsibility for transactions disputed by cardholders in connection with the deduction from their cards of additional expenses/adjustment amounts related to covering of damages.

Section IV. SPECIAL TERMS AND CONDITIONS FOR THE CASHBACK SERVICE AT A REAL POS TERMINAL

1. Rights and obligations of the BANK

1.1. The BANK is obliged to provide to the MERCHANT the opportunity to offer to its customers the Cashback service through the POS terminal/s installed in its merchant outlets, for which purpose it shall install at its own expense an additional application on the respective POS terminal/s, which renders the provision of the service technically feasible.

1.2. The BANK shall not deduct a fee on the cash paid to the authorized holder by the MERCHANT as part of the cashback service.

1.3. The BANK shall provide to the MERCHANT, and the MERCHANT hereby accepts, distinctive signs showing clearly that the merchant outlet offers the Cashback service.

1.4. Before executing the MERCHANT's order for reimbursement of an amount to a card in connection with item 2.8. below, the BANK is obliged to check whether a claim for the same payment has already been received from the card issuing BANK and satisfied through a bank transfer.

2. Rights and obligations of the MERCHANT

2.1. The MERCHANT is obliged to provide to the authorized holders of cards bearing the logo of Visa (Visa, Visa Electron, V PAY) and Maestro cards, issued by banks with registered seats within the territory of Bulgaria, the option to purchase goods/services with cashback at the POS terminals installed in its merchant outlets. The cashback amount cannot exceed BGN 50 (fifty leva) per transaction.

2.2. The amount of each cashback transaction is the sum total of the amount of the goods/services purchased at the outlet of the MERCHANT and the amount of the cash paid by the MERCHANT to the authorized cardholder at the time of the sale. The amounts concerning the two parts of the transaction are shown on separate lines on the receipt printed by the POS terminal. The authorized holder enters only once the PIN code in case of cards with a chip or signs the POS receipt in case of a payment with a card without a chip, with which he/she gives his/her absolute and irrevocable order for simultaneous payment for the goods/services and for receiving the cash amount at the cash desk at the MERCHANT outlet.

2.3. The MERCHANT shall not be allowed to deny the cashback service, regardless of the amount of the goods/services paid with the card of the authorized holder.

2.4. In case of reimbursement of amounts to customers with regard to previous payments with their cards under the conditions of the Cashback service, the MERCHANT has the right to reimburse through the POS terminal only the entire amount of the payment, including the amount of the purchased goods/services and the paid cash (CASHBACK), only through a credit operation on the same cards with which the goods/services were paid initially.

2.5. The MERCHANT has the right to reimburse, using the POS terminal, the amounts of previous card payments to customers under the conditions of the Cashback service only in the following cases:

- Executed cashback card payment, which was performed successfully but for technical reasons the MERCHANT did not know that and the goods were paid by the customer in another way (cash, with another card, etc.);
- Executed cashback card payment, which was performed successfully but for technical reasons the MERCHANT did not know that and the goods were not received or paid by the customer in any other way;
- The MERCHANT has established that a particular payment was made twice with the same card of the customer for one cashback service.

2.6. The MERCHANT shall have the right to reimburse the amounts under the conditions of par. 2.5 hereinabove, only in the presence of the cardholder and of the card in the merchant outlet.

2.7. In the case of a satisfied customer claim received by the MERCHANT in the outlets where it performs its business and concerning the quality and/or the quantity of the delivered goods paid under the conditions of the Cashback service, which requires reimbursement of that part of the payment

which corresponds to the cost of these goods, the MERCHANT is obliged to submit to the BANK a written request for refund of the amount as per template pursuant to item 1.5 of the Instructions for the acceptance of payments with bank cards at a real POS terminal, which are an integral part of the present General Terms and Conditions, submitting the order form together with the documents for the satisfied claim.

2.8. The MERCHANT explicitly represents and warrants to the BANK that it is aware of and accepts unconditionally the applicable rules and standards of the international card organizations for the Cashback service reflected in these General Terms and Conditions.

Section V. SPECIAL TERMS AND CONDITIONS FOR THE CONTACTLESS PAYMENTS SERVICE AT REAL POS TERMINALS

1. Rights and obligations of the BANK

1.1. The BANK shall provide to the MERCHANT the possibility to offer to its customers the contactless payments service through installation of a contactless POS terminal(s) and/or a contactless reader/PIN pad device(s) in its merchant outlets, and for this purpose will install, for its own account, the relevant contactless POS terminal(s) and/or contactless reader/PIN pad device(s). The technical aspects of the service are dealt with by the BANK after the approval of the MERCHANT for the service.

1.2. The BANK shall provide to the MERCHANT a sticker with distinctive signs, showing clearly that at the merchant outlet of the MERCHANT the contactless payments service is available.

1.3. The BANK shall provide to the MERCHANT, so that the latter may become familiar with and observe, the applicable Instructions for the acceptance of payments with bank cards at real POS terminals, an integral part of the General Terms and Conditions.

2. Rights and obligations of the MERCHANT

2.1. The MERCHANT is obliged to provide to the authorized holders of cards with the logos of payWave (Visa, Visa Electron, V PAY) and PayPass (MasterCard, Maestro) the possibility to purchase goods/services in a contactless manner at the contactless POS terminal/s and/or contactless readers/PIN pad device(s) installed in its merchant outlets. The authorized holder will not enter a PIN code in order to use the contactless payments service up to the limit set for the country by the International Card Organizations and the BANK.

2.2. The MERCHANT is obliged to place the distinctive signs of the contactless payments service, provided to it by the BANK, in the outlet(s) where it carries out its activity.

2.3. The MERCHANT explicitly represents and warrants to the BANK that it is aware of and accepts unconditionally the applicable rules and standards of the international card organizations for the contactless payments service which are reflected in these General Terms and Conditions.

2.4. The MERCHANT is obliged to become familiar with and to observe the Instructions for the acceptance of payments with bank cards at a real POS terminal.

Section VI. SPECIAL TERMS AND CONDITIONS FOR A REAL POS TERMINAL

1. Obligations of the BANK

1.1. In view of the normal performance of the MERCHANT's business, the BANK shall provide to the MERCHANT the possibility to accept payments with VISA, MasterCard, Maestro bank cards and with cards bearing the logo of BORICA at a virtual POS terminal without the physical presence of the card and the possibility for inclusion in the authentication schemes Verified by Visa, MasterCard SecureCode and secure code of BORICA upon payments via the Internet.

1.2. The BANK, in its capacity as a full member of the ICO Visa and MasterCard provides to the MERCHANT the right to use the commercial signs of the ICO.

1.3. The BANK is be obliged to transfer to the account of the MERCHANT the amounts for the payments made with bank cards pursuant to the terms and conditions and procedure stipulated in the AGREEMENT, these General Terms and Conditions and the Instructions for the acceptance of payments with bank cards via the Internet.

1.4. The BANK is obliged to submit to the MERCHANT, upon request by the latter, information on the accepted payments in its websites for previous periods.

1.5. The BANK is obliged to provide to the MERCHANT technical documentation of BOBS with regard to development of a module for payments with bank cards made via the Internet in the authentication scheme of ICO - Verified by Visa, MasterCard SecureCode and BORICA secure code, designed to enable protected communication with the acquiring and payment server of BORICA, within 3 working days after the signing of the AGREEMENT.

1.6. The BANK shall provide to the MERCHANT Instructions for the acceptance of payments with cards via the Internet, containing the applicable rules and standards of ICO, which constitute an integral part of the present General Terms and Conditions.

1.7. The BANK is obliged to promptly update the Instructions for acceptance of payments with bank cards via the Internet in accordance with the changes in the rules, requirements and technology for servicing on the part of Visa, MasterCard and BOBS, as well as in the case of legislative or regulatory changes on the territory of the country and/or the European Union concerning the subject matter of this agreement and to notify the MERCHANT about it in writing, and from the date of the notification, as indicated in the outgoing notifications log of the BANK, the respective amendments/supplements to the Instructions shall take effect with regard to the latter, shall be binding for it without the right to objections and shall be subject to immediate implementation.

1.8. The BANK is obliged to promptly inform the MERCHANT in the event of change by the International Card Organizations or in case of legislative, or respectively regulatory changes imposing changes in the technical, security and other requirements, which entail changes in the information published on the MERCHANT's website. The BANK shall inform the MERCHANT in writing for the occurred changes within a period of 30 (thirty) days prior to their taking effect.

1.9. The BANK is obliged to inform the MERCHANT:

- 1) For each received contested payment, accepted under the procedure defined in the Agreement and the present General Terms and Conditions, the reasons for contesting, as well as the subsequent development of the case;
- 2) For each transaction in any of its outlets which is processed in the manner defined in the Agreement and these General Terms and Conditions and which is declared by the BANK issuing the bank card with which the transaction was performed to be a case of misuse;
- 3) In all cases of signals for violations during the processing of transactions with bank cards following the procedure defined in the Agreement, the present General Terms and Conditions and the Instructions for acceptance of payments with bank cards via the Internet, which constitute an integral part of the present General Terms and Conditions;
- 4) For all received signals for violations in the processing of transactions pursuant to the provisions of the AGREEMENT, the present General Terms and Conditions and the Instructions through the virtual terminal of the MERCHANT from competent state and/or international institutions and/or the International Card Organizations.

1.10. The BANK is obliged to perform in a timely and correct manner its obligations as specified in the present agreement.

2. Obligations of the MERCHANT

2.1. The MERCHANT is obliged to provide reliable controls for acceptance of payments through its virtual terminal on the Internet so as not to allow transactions that do not meet the purposes of the Agreement and these General Terms and Conditions, of such that are beyond the scope of its field of application and/or such that are derogatory to the prestige and reputation of the BANK, Visa, MasterCard and BORICA-BANKSERVICE AD.

2.2. The MERCHANT is obliged to offer to its customers an option for payment with bank cards Visa, MasterCard, Maestro and with cards with the logo of BORICA by putting on a visible place on its website the trade signs of Visa, MasterCard and BORICA in strict compliance with the applicable rules and standards of ICO.

2.3. The MERCHANT is obliged not to request and/or use numbers and other data of the bank cards for purposes other than those specified in the AGREEMENT and the present General Terms and Conditions.

2.4. The MERCHANT is obliged:

- 1) To use the signs Verified by Visa, MasterCard SecureCode and BORICA secure code only provided that the MERCHANT's website, used for electronic commerce, is included in the 3-D Secure scheme and meets the specific predefined technical and security requirements which the BANK provides to the MERCHANT and which constitute an integral part of this agreement.
- 2) Not to use the commercial signs of Visa, MasterCard and BORICA in a way that may be associated with a guarantee for the quality/quantity of the offered goods and services.
- 3) Not to use the commercial signs of Visa, MasterCard and BORICA in its electronic or other forms, or advertising materials.

2.5. The MERCHANT is obliged not to store or distribute the numbers of bank cards and CVV2/CVC2 information, of which it has become aware as a result of the performed activity subject of the AGREEMENT. In case of any suspicions or proven doubts for unauthorized access to information stored by the MERCHANT for numbers of cards and/or other card information, the latter is obliged to inform the BANK immediately thereof.

2.6. The MERCHANT is obliged to make the necessary adjustments in the software of its website for performing payments initiated by bank cards through the Internet in the authentication scheme of ICO Verified by Visa, MasterCard SecureCode and BORICA secure code so as to enable secure communication with the acquiring and payment server of BORICA-BANKSERVICE.

2.7. The MERCHANT is obliged to complete the technical development specified in the preceding item 2.6 within 6 (six) months as of the sending of the technical documentation of BORICA-BANKSERVICE by the BANK to the MERCHANT and to inform the BANK that it is ready to perform test transactions for commissioning of the virtual POS for real card payments.

2.8. All expenses for making the necessary adjustments in the software of the MERCHANT's website for the making of payments with bank cards through the Internet in the authentication scheme Verified by Visa, MasterCard SecureCode and BORICA secure code so as to enable secure communication with the acquiring and payment server of BORICA-BANKSERVICE shall be borne entirely by the MERCHANT.

2.9. The MERCHANT is obliged to keep at a safe place, which excludes any possibility for unauthorized access, the private keys and certificates signed by BORICA-BANKSERVICE, as well as the certificate of BORICA-BANKSERVICE. In case of any suspicions or confirmed doubts about unauthorized access to the above information, the MERCHANT is obliged, immediately after becoming aware of the incident, to inform the BANK and BORICA-BANKSERVICE.

2.10. At the request of the BANK the MERCHANT is obliged to provide any information directly or indirectly related to processed bank card payments via its virtual terminal.

2.11. The MERCHANT is obliged to indicate unambiguously on its website what kind of bank cards are accepted for payments, as well as the security level of the accepted payments initiated by bank cards.

2.12. The MERCHANT is obliged to provide to its customers via its website access to the following information:

- 1) Company/MERCHANT accepting payments with bank cards through the website;
- 2) BULSTAT/UIC and/or VAT registration of the person under item 1, if such is available;
- 3) License, registration regime, membership in an organization if the MERCHANT's business activity is subject to licensing and/or registration regime;
- 4) Trade name under which the MERCHANT operates, if different from its company;
- 5) Seat and commercial registration address of the MERCHANT, as well as permanent physical address of the MERCHANT, if different from its commercial registration address;
- 6) Valid contact information for communication with the cardholder with regard to customer inquiries – telephone number, e-mail etc.

2.13. The MERCHANT is obliged to provide on its website in a clear and accessible manner for its customers its policy on confidentiality and protection of personal data and trade secrecy with regard to information of which it has become aware as a result of performance of transactions via its virtual terminal, as well as to receive the explicit consent of the cardholders if it intends to provide such information to third parties and/or to use their personal data for other purposes – marketing research, etc.

2.14. The MERCHANT is directly responsible for all payments accepted on its website and performed with non-valid, lost or stolen cards and other card information and/or presented by persons that are not the actual cardholders or are not authorized by the actual cardholders to perform the respective payment. Such payments shall be considered to have been performed entirely for the account, risk and responsibility of the MERCHANT. The MERCHANT shall ensure that the BANK will not be involved in its relations with the actual cardholders, incl. in any disputes in relation to and/or on occasion of transactions unauthorized by them, and in the case of claims and disputes unsettled by the MERCHANT in due time, the MERCHANT shall indemnify the BANK fully for all expenses incurred by the latter in respect of the settlement of claims or disputes raised by the actual cardholders against the BANK.

2.15. The MERCHANT is obliged to store the information about the order made by the cardholder according to the Instructions for acceptance of payments with bank cards through the Internet for at least 13 (thirteen) months as of the date of performance of the transaction.

2.16. The MERCHANT is obliged to indicate clearly and unambiguously the type, the main characteristics and the unit price of the goods and/or services offered by it through electronic commerce, the payments for which are allowed as per the subject of the AGREEMENT and it is obliged to inform the cardholders in advance if those prices include any taxes, fees, postal and transport charges for delivery and other expenses, which form the end price of the order.

2.17. The MERCHANT is obliged to publish on its website comprehensive General Terms and Conditions of dealing with and servicing customers, which are in accordance with the Instructions for acceptance of payments with bank cards through the Internet, which clearly and unambiguously set out its policy for cancellation of an order made by a cardholder for services/goods, the responsibilities

of the parties in case of non-compliance with the terms and conditions for payment of the order, as well as the amount of the penalty charges due by the parties if they fail to fulfill their obligations and the order of collection of such penalty charges.

2.18. The MERCHANT is obliged to receive in an explicit and unconditional manner the consent of the cardholder that the latter is acquainted with and accepts the MERCHANT's General Terms and Conditions of dealing with and servicing customers and payment for the order (for instance, by means of a button or a website link for confirming agreement) prior to and as a prerequisite for acceptance for processing of the cardholder's payment for the order.

2.19. The MERCHANT may not accept payments with bank cards for goods and/or services other than those defined as per the subject matter of the AGREEMENT.

2.20. The MERCHANT does not have the right to offer and provide goods or services that are prohibited by the law and/or the ICO rules, including such whose production and/or distribution threatens or damages the personality, the rights of the citizens, the property, the constitutionally established legal order in the Republic of Bulgaria or other rights and interests protected by the law. The MERCHANT is obliged in carrying out its business activity not to allow the offering and/or providing, directly or indirectly via its virtual terminal and/or website, of the following goods and services, which are derogatory to the reputation of the BANK and the trademarks Visa and MasterCard.

- 1) Child pornography;
- 2) Depiction of crude violence and perversion;
- 3) Goods and services in violation of copyright, counterfeit goods and imitations of famous trademarks;
- 4) Trade in medicines with prescription;
- 5) Activities which are subject to licensing or registration before receiving the relevant licences/registrations from the relevant state bodies, the international card organizations or other competent institutions.
- 6) Additionally determined by the BANK.

2.21. The MERCHANT is obliged in carrying out its business activities of offering and sale of goods/services via its virtual terminal not to allow any fictitious purchases, money laundering and terrorism financing, fraud or attempted fraud against the BANK in any way whatsoever. In the above listed cases the risk and the responsibility shall be borne directly, personally and to the full amount by the MERCHANT.

2.22. The MERCHANT is obliged to refund on the card the amounts paid by the cardholder if the ordered goods and/or services have not been provided or if the provided goods/services are of bad quality or are in contradiction to the General Terms and Conditions for the purchase.

2.23. The MERCHANT is obliged to refund, partially or fully, amounts to cardholder/s paid in relation to and/or on occasion of previous purchase/s of goods/services offered by the MERCHANT, for which the cardholder/s paid with card/s, as well as when such refunding of amounts is provided for in the General Terms and Conditions of the MERCHANT published on its website, and such refunding shall be made only with a credit operation on the same card/s with which originally the goods/services were paid for. For that purpose the MERCHANT shall send a structured message to the BANK in accordance with the Instructions for Acceptance of Payments with Bank Cards through the Internet and submit to the BANK a written request for refunding as per a template.

2.24. The MERCHANT is obliged not to set any requirements to the cardholder regarding a minimum amount for purchase of goods or services, or other, as a condition for payment with a bank card, which have not been set out in the AGREEMENT and these General Terms and Conditions.

2.25. The MERCHANT is obliged not to settle any previous debts of the cardholder through payments with a bank card, but only such that are due for goods and services present at the time of the transaction.

2.26. The MERCHANT is obliged to inform the BANK not later than 30 (thirty) days before the effective date of:

- 1) Any change related to its registration in the Commercial Register, such as – change of the name of its legal entity, the seat, the address of registration, the amount and the structure of its capital etc.;
- 2) Change in the registered subject of activity of the MERCHANT, the manner of carrying out its business activity, as well as in case of change or adding new products to the product range and expanding the scope of the goods/services offered by the MERCHANT on its website, outside the scope of the Agreement;
- 3) Change in the electronic address of its website – website name and/or IP address.

2.27. The MERCHANT is obliged not to accept payments with bank cards in favour of other companies/merchants via its virtual terminal and/or website.

2.28. The MERCHANT is obliged not to perform payments via its website with bank cards issued to its name.

2.29. The MERCHANT is obliged not to charge any additional fees and commissions to the prices of the goods at the time of purchase because of the way of payment.

2.30. In case the MERCHANT fails to fulfill any of its obligations cited above, the risk and responsibility for any inaccurate and/or unlawful bank operations shall remain entirely for the account of the MERCHANT, whereas the BANK shall be released from its obligation to credit the MERCHANT's account with the unduly performed operation regarding an amount non-payable in favour of the MERCHANT.

2.31. The MERCHANT is obliged to comply with the rules of the international card organizations Visa and MasterCard, BOBS, etc.

Section VII. SPECIAL TERMS AND CONDITIONS FOR PARTICIPATION IN THE "PLUS" PROGRAMME OF UniCredit Bulbank AD FOR MERCHANTS ACCEPTING PAYMENTS AT A REAL POS TERMINAL

PLUS Programme of UniCredit Bulbank AD, hereinafter referred to as "the Programme", is a programme for mutual partnership between the BANK and the MERCHANTS, aimed at increasing the turnover of the MERCHANTS and simultaneously promoting the activity of the BANK. Participants in the Programme are MERCHANTS with which the BANK has concluded Partnership Agreement under predefined terms and conditions, as well as holders of an active debit, credit, main or additional bank card issued by UniCredit Bulbank AD to individuals (hereinafter referred to as "cardholders").

1. Definitions

- 1.1. Partner Network – a group of MERCHANTS participating in the Programme and having concluded a Partnership Agreement with the BANK.
- 1.2. Main Campaign – a campaign not limited in time, which is valid for all MERCHANTS from the Partner Network, with minimum parameters predefined by the BANK, pursuant to the terms and conditions of the Programme and the Partnership Agreement. It is valid for all merchant outlets of the MERCHANT in which a real POS terminal of the BANK has been installed;
- 1.3. Additional Campaign – parameters supplementing those of the main campaign and formulated by the BANK and chosen by the MERCHANT by the latter's signing of a Request for Additional Campaign, as per template of the BANK. The Additional Campaign may be with or without a fixed term;
- 1.4. Cardholder points – points provided to the cardholder upon purchase with a bank card at a real POS in the Partner Network and financed by a MERCHANT participating in the Programme: a fixed amount, a percent from the price of the purchase. The points have a strictly defined purpose, limited use and a measurable BGN equivalent, in a ratio of BGN 0.01 = 1 point.
- 1.5. Utilization of points by the cardholder – an overall purchase made by the cardholder at a real POS terminal in the Partner Network by using the Cardholder Points available on his or her customer number in the Points Storage Fund. The cardholder will have the right to use the Cardholder Points, available on his or her customer number in the Points Storage Fund, in the Partner Network not later than the last day of the fifth year following the calendar year in which they have been provided by a MERCHANT from the Partner Network.
- 1.6. Points Storage Fund – a fund administrated by the BANK and formed by the rights for participation in the Programme of existing holders of active bank cards issued by UniCredit Bulbank AD to individuals. The fund includes the points of the cardholders participating in the Programme which have not expired, as per item 1.5 above. The points in the storage fund will be booked individually by cardholder customer number.
- 1.7. Programme Prize Pool – a pool administrated by the BANK and formed by the rights for participation in the Programme of current and former holders of bank cards issued by UniCredit Bulbank AD to individuals. The pool includes:
 - cardholders' expired points, pursuant to item 1.5 above;
 - the points of private individuals who used to be holders of bank cards issued by UniCredit Bulbank AD but are no longer customers of the BANK;
 - the points of cardholders who have withdrawn from participation in the Programme; and
 - points of deceased cardholders.

There will be no individual reporting of the points in the Prize Pool. In the first quarter of each calendar year, the points accumulated in this pool will be distributed on a lottery basis among the holders of bank cards issued by UniCredit Bulbank AD to individuals, participating in the Programme, and the first lottery will take place in the first quarter of 2018.

2. Terms and conditions for participation in the Programme

- 2.1. A Partnership Agreement concluded between the BANK and a MERCHANT;
- 2.2. Active Main Campaign;
- 2.3. The account servicing the real POS can be only in BGN;
- 2.4. The points provided to a cardholder may be used for purchase of goods and services only at a real POS terminal in the merchant outlets from the Partner Network;
- 2.5. The points provided to a cardholder may not be returned to the MERCHANT, except in the case of a canceled payment;
- 2.6. To practically enable a MERCHANT to participate in the Programme, the BANK shall ensure an active application, servicing the Programme, for the POS terminals in the MERCHANT's outlets and also a relevant training for the staff of the MERCHANT;
- 2.7. Change of the parameters of the Main Campaign of a MERCHANT can be done with the signing of an annex to the Partnership Agreement between the BANK and the MERCHANT;
- 2.8. The inclusion in an Additional Campaign, the change or termination of the same shall be done within three working days as from the submitting of a Request for Additional Campaign, as per template of the BANK, signed by a MERCHANT;
- 2.9. Every MERCHANT may terminate its participation in an Additional Campaign without a fixed term within three working days after it has submitted to the BANK a Request for Additional Campaign, as per template of the BANK, signed by the MERCHANT;
- 2.10. The Partnership Agreement may be terminated under the provisions of the Partnership Agreement and the effective Bulgarian legislation;
- 2.11. Upon termination of the Programme, the parties shall settle their relations by signing an annex to the Partnership Agreement.

3. Technical support and maintenance of the Programme on the part of the BANK

- 3.1. The BANK provides the administrative support of the PLUS Programme. Any MERCHANT approved by the BANK may participate in the Programme. The rights of the BANK related to the technical support and maintenance of the Programme are non-transferable.
- 3.2. Every MERCHANT participating in the Programme provides, in the form of points, to the holders of cards issued by UniCredit Bulbank AD to individuals the fixed amount, percent of the price of the purchase made at a real POS terminal, as agreed with the BANK;
- 3.3. Every cardholder who has made a purchase with his or her debit or credit card through a transaction at a real POS terminal at the outlet of a MERCHANT from the Partner Network receives Cardholder Points which are registered on the cardholder's customer number in the Points Storage Funds;
- 3.4. When making a purchase at a real POS terminal at the outlet of a MERCHANT from the Partner Network, every cardholder may, upon request, to utilize the points available on his/her customer number;
- 3.5. The cardholder has the right to use in the Partner Network the points available on his/her customer number not later than the last day of the fifth calendar year, as from the year in which they were provided by the MERCHANT;
- 3.6. The cardholder loses his/her rights on those of the points accumulated on his/her customer number that are not used during the period under item 3.5;
- 3.7. The Cardholder Points not used during the term under item 3.5 shall be transferred to the Prize Pool of the Programme.

4. Reporting

- 4.1. The BANK provides to the MERCHANT a statement of the movements on the account concerning the Cardholder Points provided by the MERCHANT and utilized at an outlet of the MERCHANT, pursuant to the provisions and procedure stipulated in the General Terms and Conditions of the BANK for opening and maintaining of bank accounts and for providing of payment services;
- 4.2. If the MERCHANT uses the service Bulbank Online, it may receive statements in a form determined by the BANK.

5. Disputed payments

- 5.1. When, under any circumstances, there arises a reasonable doubt that a payment was made in favour of the MERCHANT by a person who is not an authorized holder of the card or that the payment was made with a forged card or in another unlawful manner, which results in a right for the respective cardholder to claim refund of the unjustly paid amount, the BANK has the right to

block the Account of the MERCHANT up to the amount of the made payment and the BGN equivalent of the points given for the respective payment, for a period of up to 120 (one hundred and twenty) days. If until expiry of the mentioned period the payment is not disputed by the authorized cardholder, the BANK shall release the blocked amount;

- 5.2. In case an authorized cardholder disputes a card payment made at his/her expense and in favour of the MERCHANT through the Issuing BANK, pointing as grounds the fact that the payment was not made by him/her, was made with a forged card, the good was not received or the service was not provided or other circumstances giving right to the cardholder to claim refund of the unfoundedly paid amount (chargeback), the BANK, if it finds the claim reasonable, shall reverse the amount of the disputed payment and the BGN equivalence of the points, in accordance with the terms and conditions of the campaign that is active as at the time of the chargeback, calculated for the respective payment, from the Account of the MERCHANT.

6. Advertising and advertising materials

- 6.1. The BANK provides to the MERCHANT advertising materials for participation in the Programme. All advertising materials provided by the BANK shall be used or spread by the MERCHANT solely in the way indicated by the BANK, and the MERCHANT undertakes to not in any way spread or provide for spreading to third parties the received advertising materials, either against payment or against receipt of another direct benefit for itself or for third parties;
- 6.2. The content, type and nature of the advertising materials shall be determined by the BANK, according to its internal policy for protection of the trademark and the corporate design of the company;
- 6.3. The MERCHANT cannot use in its activity comparative advertisements which juxtapose the Programme of the BANK with similar programmes of other banks or merchants. The BANK controls and explicitly determines the way of use of the trademark and/or the trade name of the Programme and the MERCHANT is obliged to request a written permission for each case of use of these;
- 6.4. Upon termination of the partnership agreement, the MERCHANT shall be obliged to remove all distinctive signs and advertising materials for participation in the Programme provided to it by the BANK;
- 6.5. The BANK creates, maintains and updates periodically the information about the Programme on the website of the BANK and/or in the mobile application PLUS, and/or in any means for information and advertising of the Bank. Every MERCHANT included in the Programme shall be given the opportunity, under terms and conditions and in a form determined by the BANK, to provide for publication its own logo, website, addresses of merchant outlets and contacts. The BANK examines and shapes, in line with its internal policies, the information provided by the MERCHANT under the preceding sentence and has the right to change or refuse to publish on its website and/or in the mobile application PLUS and/or in any other means of information and advertising any inappropriate information that may lead to reputation risk for the BANK.

7. Programme Lottery

Every year in the form of a Lottery the BANK will redistribute the points accumulated in the Programme Prize Pool. The Lottery will take place in the presence of a notary. The Lottery will be open to all Cardholders of active bank cards issued by the BANK to private individuals. The first Lottery will take place in the first quarter of 2018 under such terms and conditions as specified additionally on the BANK's website – www.unicreditbulbank.bg, where the cardholders will be informed in due time of the first and the following Lotteries.

8. Termination of the Programme

The termination of the Programme shall be announced on the BANK's website – www.unicreditbulbank.bg, with a one-month prior notice, and there shall be a twelve-month period in which the cardholders shall have the right to use the points available on their customer number in the Partner Network of the Programme. In the twelve-month period, the MERCHANTS shall not provide Cardholder Points. After the expiry of the twelve-month period, the points which have not been used and are available in the Points Storage Fund shall be cashed to the cardholders in their BGN equivalent of BGN 0.01 = 1 point, and for the available points in the Prize Pool there shall be a lottery among the cardholders of bank cards issued by the BANK to private individuals.