

**GENERAL TERMS AND CONDITIONS
OF MUNICIPAL BANK AD FOR PAYMENT ACCOUNTS AND PAYMENT
SERVICES FOR INDIVIDUALS**

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I. I. GENERAL PROVISIONS

Information about Municipal Bank AD

1. Municipal Bank AD (hereinafter referred to as "the Bank") is a commercial entity registered in the Commercial Register and the Non-Profit Legal Entities Register with the Registry Agency, bearing the Unified Identification Code (UIC) 121086224. The seat and registered address of the bank is 6 Vrabcha Street, Sofia, Bulgaria, email address: municipalbank.bg.

2. Municipal Bank AD is a licensed credit institution, conducting banking activities within and outside Bulgaria, authorised under licence number B16, issued by the Bulgarian National Bank (BNB).

3. The Municipal Bank AD is also a provider of payment services as defined under the Payment Services and Payment Systems Act (PSPSA), conducting its operations in accordance with the prevailing regulatory framework of the Republic of Bulgaria and under the supervision of the BNB.

Subject and Scope of these General Terms and Conditions (GTCs)

4. These General Terms of Municipal Bank AD for payment accounts and payment services for individual clients (GTCs) regulate the relations between the Bank and the users of payment services (the Client) concerning the opening, maintenance, transfer, and closing of payment bank accounts, the transactions conducted through them, and the rights and obligations of the parties in the provision of payment services and ensuring remote access to the payment accounts.

5. The payment services provided by the Bank include:

5.1. Services related to depositing cash into a payment account and the associated account servicing operations;

5.2. Services related to withdrawing cash from a payment account and the associated account servicing operations;

5.3. Execution of payment transactions, including when the funds are part of a granted loan:

a) Execution of direct debits, including one-time direct debits;

b) Execution of credit transfers, including orders for periodic transfers and batch payment orders;

c) Execution of cash-based money transfers;

5.4. Issuing of payment instruments and execution of payment transactions via payment cards or similar tools;

5.5. Payment initiation services;

5.6. Account information services;

5.7. Other services that the Bank may develop for use by the Client.

6. The General Terms and Conditions include preliminary information under Article 60 and Article 118 of the PSPSA and are an integral part of the framework agreements concluded between the Bank and the Client for a payment account, a savings account, a contract for the issuance and servicing of a debit payment card, and a contract for online/mobile banking, collectively referred to briefly as the Agreement.

7. In the event of a conflict between the Agreement and the General Terms and Conditions, the provisions contained in the Agreement shall prevail.

8. In the relationship between the Client and the Bank in connection with the use of payment services, including payment instruments, the specific Agreement for the product or service, these General Terms and Conditions, the Tariff of Municipal Bank AD for

interest, fees, and commissions for individuals (the Tariff), and the Bulletin of interest charged by Municipal Bank AD on transactions with individuals (the Bulletin) apply.

Amendments to the General Terms and Conditions

9. The Bank has the right to unilaterally amend the General Terms and Conditions. Changes take effect on the date specified therein, but not earlier than two months after notifying the Client of all upcoming changes, via notices in the Bank's branches or on the website www.municipalbank.bg.

10. When changes expand the scope of services offered, they are more favourable to the Client, and if they are related to changes in the regulatory framework, the period for their entry into force may be shorter.

11. The Client can obtain information about the new conditions on paper at any branch of the Bank.

12. The Client has the right to reject the proposed changes in the General Terms and Conditions and to terminate the Agreement without stating a reason thereof and without incurring penalties within the period before the changes take effect. Termination of the Agreement takes effect from the day of receipt of the statement regarding disagreement with the amended conditions. If the Client does not declare in writing that they do not accept these changes, they are considered to be effective for them.

SECTION II. IDENTIFICATION OF CLIENTS, THEIR LEGAL REPRESENTATIVES, AND PROXIES

General Provisions

13. The conclusion, execution, and termination of an agreement for a payment account and remote access instruments (such as a payment debit card and/or online/mobile banking) shall be carried out personally by the Client, their legal

representatives, or authorised persons after presenting the necessary documents in accordance with the applicable legislation.

14. Pursuant to the General Terms and Conditions, a Client may be any of the following:

14.1. Domestic or foreign individuals (adults, minors, juveniles);

14.2. Unincorporated associations of individuals not registered in the BULSTAT register – including the General Assembly of Owners under the Condominium Management Act, hospital boards, mutual aid funds, and others;

14.3. Self-employed individuals registered in the BULSTAT register with the Registry Agency and engaged in a freelance profession, craft, or agricultural activity.

Identification Requirements and Due Diligence of Clients/Client Representatives/Proxies

15.1. The Bank identifies and verifies clients, their legal representatives, or proxies in accordance with the applicable legislation by requiring the relevant documents that serve to prove their identity.

15.2. The Client, their legal representative, or proxy is identified by presenting an official identity document, which must be valid and include a photograph of the Client. The Bank retains a copy of each identity document and collects the data contained therein.

15.3. If the Client holds citizenship in more than one country, they must present identity documents issued by each of the countries of citizenship.

16.1. If the Client is a minor (under 14 years of age), the identification requires the presentation of the original birth certificate. For juveniles (aged 14 to 18 years), both the original birth certificate and a valid official identity document are required.

16.2. The status of legal representatives is confirmed by presenting the original birth certificate of the minor/ juvenile.

16.3. The Bank retains a copy of the birth certificate of the minor/ juvenile with whom it intends to establish a client relationship, as well as a copy of the valid official identity document of the minor.

17.1. If the Client is under judicial disability, identification requires the presentation of a valid official identity document and, if necessary, a birth certificate.

17.2. The legal representative of a person under judicial disability is identified by presenting an identity document and a document proving their rights, such as an official document from a competent court placing the person under guardianship, and a valid document from a guardianship and trusteeship authority of the local administration appointing the guardian, trustee, or deputy trustee.

18.1. For foreigners with a residence permit in the country, the original of the residence permit/certificate issued by the Ministry of Interior authorities must also be presented. A copy of the permit/certificate certified by the Client or their representative is retained by the Bank.

18.2. For subsequent services, the Client is identified with the document used for initial identification or a reissued document of the same type, and where applicable, also provides a valid residence permit for the country.

19. When opening an account for unincorporated associations of individuals not registered in the BULSTAT register, the Bank requires a notarised copy of the Report(s) from a general meeting/members of the board related to the decision to open an account and the selection of authorised persons with disposal powers.

20. When opening Special Current Accounts for individuals entitled to exercise a particular profession or activity and for whom the law provides specific requirements (such as private enforcement agents, notaries, lawyers, insurance agents), the Bank requires the relevant document proving the status of the individuals.

21.1. The Bank verifies the data and documents provided for the identification and due diligence of the Client, their legal representative, or attorney in accordance with the

Measures Against Money Laundering Act (MAMLA) or its Implementing regulation (RIMAMLA) and in accordance with the Bank's internal regulations.

21.2. In fulfilling its obligations under the Measures against Terrorist Financing Act (MATFA), MAMLA, their implementing acts, and relevant international acts, the Bank has the right to request additional information and/or documents from the Client, their legal representative, or proxy within one week from the date of the request. This may include other official documents or documents from a reliable or independent source, as well as the completion of questionnaires and declarations under MAMLA, RIMAMLA, and MATFA, to meet the due diligence requirements under Article 10, paragraphs 1 – 4 of MAMLA and to gather information regarding the purpose and nature of the business relationship, the transactions conducted, and the source of funds in the cases provided by law.

21.3. If the Bank cannot meet the due diligence requirements under Article 10, paragraphs 1 – 4 of MAMLA, it shall refuse to establish a business relationship, including account opening. If a relationship has already been established, the Bank shall terminate it and unilaterally close the Client's account without notice, effective from the day after the Client has been notified thereof.

22. The Client is obliged to inform the Bank of any changes to facts and circumstances occurring after the initial registration in the main banking system and provide the relevant documents.

Requirements for the Acceptance and Execution of Actions with Powers of Attorney

23. A proxy may perform actions and operations after presenting the original power of attorney to the Bank, which must be notarised and conform to the Bank's template or requirements.

23.1. If the power of attorney is intended solely for actions before the Bank, the original document remains with the Bank.

23.2. A power of attorney notarised abroad must be legalised or bear an apostille and must include a notarised translation into Bulgarian before being presented to the Bank.

24. The Bank reserves the right to decide whether to accept a certain power of attorney after conducting any necessary authenticity checks at its discretion.

25. The Bank permits actions based on the submitted power of attorney only if the rights of the proxy to perform such actions are clearly, unambiguously, and specifically outlined in the power of attorney. If the power of attorney includes complex scenarios, monetary limits, or other specific restrictions or requirements of the Client, the Bank may refuse any service.

26. A power of attorney may be revoked by the Client in person at any branch of the Bank through an explicit written statement.

27. The Client is obligated to inform the Bank in writing of any revocation of a power of attorney immediately after the revocation is made.

28. The appearance of a new proxy at the Bank does not terminate the powers of previous proxies.

29. The Bank is not liable for any funds paid out or other operations or actions carried out on behalf of the Client based on a power of attorney if it has not been informed of the revocation or if it was informed after the actions/operations were performed.

Settlement of Relationships with Heirs of a Deceased Client Concerning Accounts

30. The Bank provides information about payment accounts opened with it by a deceased account holder only to their heirs, upon presentation of the original death certificate and an heir certificate. For heirs under a will, information is provided after the will is announced in the manner prescribed by law and upon presentation of a copy of the will. The funds in the account(s) remain in the name of the deceased Client until they are fully withdrawn.

31.1. The Bank disburses funds from the deceased Client's accounts to heirs by law after verifying their identity and the presentation of the documents described in the previous point, as well as a certificate from the municipality proving payment of inheritance tax in accordance with the Local Taxes and Fees Act (this certificate is not required from the surviving spouse and direct heirs without limitations). The Bank may request additional documents to establish the property relations of the heirs in accordance with the applicable legal regime as of the date of the Client's death.

31.2. The balance in the payment account of a deceased Client is paid out in the presence of all their heirs at any branch of the Bank. The amount may also be paid to a person authorised by all the heirs with a power of attorney that has been notarised.

32. In the event of a dispute among heirs, documented evidence that the dispute has been referred to the court must be provided, and no amounts will be paid from the deceased Client's accounts until a final court decision is presented to the Bank.

33. Any other matters related to the disposition of accounts of a deceased Client shall be regulated by the General Terms and Conditions, Tariff, Bank Bulletin, and the applicable Bulgarian legislation. The Bank is not liable if it has paid amounts in good faith to a person authorised to receive funds from the accounts of a deceased Client due to the absence of properly presented documentation.

III. OPENING, MANAGEMENT, AND CLOSURE OF PAYMENT ACCOUNTS

Conclusion of an Agreement

34. The Bank enters into an agreement for a payment account personally with the individual who will be the account holder, their legal representative, or proxy.

35. The Bank does not enter into agreements for opening a payment account on behalf of a third party, except when opening a child savings account. In such cases, the Agreement and these General Terms and Conditions are signed by the person opening the

account (the depositor). The acceptance of the Agreement and General Terms and Conditions is confirmed by the signature of the legal representatives or personally by the third party (the account holder) upon reaching adulthood.

36. The conclusion of an agreement and account opening for minors are performed by their legal representatives (parents or guardians), and for juveniles, it is performed by them in the presence and with the consent of their legal representatives (parents or guardians).

37. The disposition of funds in an account where the account holder is a minor or a juvenile requires permission from the district court at the child's current address, from the legal representative in the case of minors, or with the consent of the legal representative in the case of juveniles.

38. Juveniles aged between 14 and 18 years who receive employment income, a pension, a scholarship, family benefits under the Family Benefits for Children Act, or have entered into marriage may independently open a payment account and dispose of the funds in it without court permission.

39.1. The Client may open a payment account at the Bank under the type and with interest and other conditions specified in the Bulletin.

39.2. Payment accounts maintained by the Bank are used for executing payment operations and keeping money.

40. The Bank may refuse to enter into an agreement for a payment account without providing reasons for the refusal, except in cases where it refuses to enter into an agreement for a payment account for basic operations (PABO).

41.1. The Bank may refuse to open a PABO if the Client:

a) Already has a PABO opened with the Bank or another bank. The absence/presence of a PABO at another bank is declared by the Client before the account is opened.

b) Has more than one payment account through which they can use all the payment services, according to these General Terms and Conditions, maintained by the same or another bank within the country, unless they have been notified that their account will be closed. The absence/presence of a closure notice is declared by the Client before the account is opened.

41.2. In the event of a refusal to open a PABO, the Bank notifies the Client in writing of the specific grounds for the refusal immediately after the decision is made, unless disclosing this information would conflict with the purposes of national security, public order, or legislation regarding the prevention of the use of the financial system for money laundering and terrorist financing.

42. An agreement to which these General Terms and Conditions apply is concluded upon its signing by the Client and the Bank. The agreement remains in effect until its termination.

Term of the Agreement

43. The agreement is concluded for an indefinite term, except in the following cases:

a) An agreement for a Special Current Account for charitable purposes, where the term expires according to the initially defined period or upon achieving the fundraising goal.

b) An agreement for a conditional payment account, where the term expires upon the fulfilment of the specified condition and the presentation of the corresponding certifying documents.

Opening and Servicing of an Account

44. An account with the Bank is opened by concluding an agreement for the respective type of account and after depositing or transferring the minimum required balance for the respective account type, if required, according to the Bulletin.

45. When entering into a framework agreement and opening a payment account, the Bank assigns it a unique identifier by generating an International Bank Account Number (IBAN).

46. An account may not have more than one account holder.

47.1. The Bank has the right to collect due amounts from the minimum required balance of the payment account. If the balance is exceeded as a result of executing payment operations through remote access instruments or collecting due fees and commissions, the excess is treated as an unauthorised overdraft and is subject to interest according to the Bulletin in effect at the time the interest is charged.

47.2. When the balance in the account is insufficient to cover the Bank's claims, the Bank has the right to collect its claims from all accounts of the Client opened with the Bank.

Disposition of Funds from Accounts

48. The disposition of funds from accounts can be carried out at any branch of the Bank, with the exception of Special Current Accounts referred to in sections 50.5 and 50.6, which can only be managed at the branch where they were opened, unless otherwise agreed.

Types of Payment Accounts

49. The Bank opens payment accounts for executing payment operations in the currencies specified in the Bulletin and in the types outlined in these General Terms and Conditions.

50. Payment Accounts:

50.1. Standard Payment Account

The standard payment account is a payment account for the indefinite storage of money in the name of the Client, payable on demand without prior notice from the Client to the Bank. All payment operations specified in the General Terms and Conditions are executed

from and to this payment account, against a fee, up to the amount of available funds. The Client may use an overdraft on the account up to a pre-agreed limit based on a separate agreement with the Bank. The account can be opened for local or foreign individuals (adults and minors), unincorporated associations of individuals not registered in the BULSTAT register, and self-employed individuals. A Client with a payment account can access it remotely through online and/or mobile banking systems with either active or passive access. The Bank issues debit cards with national and international access for a standard payment account in BGN, and credit cards only for accounts in BGN and EUR.

50.2. Payment Account for Basic Operations (PABO) in BGN

The account can be opened by local or foreign individuals. The right to open and use a basic operations payment account is available to persons lawfully residing in the European Union, including those without a permanent address, persons seeking international protection, as well as persons who have not been granted residence permits but cannot be expelled for legal or factual reasons. All payment services in BGN within the country, as described in these General Terms and Conditions, are provided with this account. The right to open and use a basic operations payment account is available to Clients who cumulatively meet the following conditions:

1. Lawfully reside in the European Union (as defined by the Payment Services and Payment Systems Act).
2. Do not have another PABO in the Bank or other banks within the country (such fact must be declared by the Client before opening the account). Only one basic debit card "Bcard" may be issued for the PABO, without the right to issue additional cards. The PABO cannot be opened for unincorporated associations not registered in the BULSTAT register, nor for self-employed individuals registered in the BULSTAT register, where the account is opened for the purposes of their freelance profession or activity. A Client with an open basic operations payment account can have remote access through online and/or mobile banking systems with active or passive access.

50.3. Special Current Accounts, opened for special purposes or for specific categories of individuals. These accounts are opened for adults who are entitled to practice a particular profession or activity and for whom the law prescribes specific requirements. These accounts provide the option to use all or certain one-time payment services included in these General Terms and Conditions, as well as remote access to the account through online and/or mobile banking systems. No payment cards are issued for special current accounts, and overdraft credit cannot be used.

The Bank verifies the qualifications of individuals opening special current accounts by checking relevant public registers and may require additional documents if necessary to confirm whether the individual is a private bailiff, notary, lawyer, or insurance agent. The basis for opening special current accounts, the purposes for which they are opened, and their specific conditions are based on the law and are outlined in the agreement for the respective type of special current account. The Bank offers the following types of special current accounts for individuals practicing freelance professions:

50.3.1. Special Current Account for a Private Bailiff

The account holder is a person registered as a private bailiff with the Chamber of Private Bailiffs of the Republic of Bulgaria. The account is specifically intended for receiving funds obtained from the liquidation of the assets of debtors in enforcement cases initiated by the respective private bailiff, without the right to store personal funds of the bailiff. Online and/or mobile banking with active or passive access can be used for this account.

50.3.2. Special Current Account for Interest of a Private Bailiff

This account receives only the interest accrued by the Bank on the funds available in the special account described in section 50.3.1 above. Online and/or mobile banking with active or passive access can be used for this account.

50.3.3. Special Current Account of a Notary

The account holder is a person registered as a notary with the Notary Chamber of the Republic of Bulgaria. The account is specifically intended for storing funds received from the notary's clients for transactions that establish, transfer, amend, or terminate real rights on real estate. Online and/or mobile banking with active or passive access can be used for this account.

50.3.4. Special Current Account of a Lawyer

The account holder is a person registered as a lawyer with the relevant bar association. The account is specifically intended for receiving funds to pay expenses, state fees, and taxes for the lawyer's clients, to pay fees to persons other than the lawyer, and to pay amounts for transactions, services, and other actions performed on behalf of and for the account of the client(s). Online and/or mobile banking with active or passive access can be used for this account.

50.3.5. Special Current Account of an Insurance Agent

The account holder is a natural person registered as an insurance agent in the register under Article 30, paragraph 1, item 12 of the Financial Supervision Commission Act, who performs insurance brokerage on behalf and at the expense of the insurer in return for remuneration. Online and/or mobile banking with active or passive access can be used for this account.

50.4. Third Age Current Account in BGN

The account is opened only for adults receiving a pension for length of service and age, disability pension, or inheritance pension, according to a pension decision not limited by a term. The account provides the possibility of using all payment services included in these General Terms and Conditions under preferential conditions, including interest rates, monthly service fees, and others. The Bank issues debit payment cards with national and international access, provides overdraft credit, and allows the use of remote access to the account through the online and/or mobile banking system with active or passive access.

50.5. Special Charitable Current Account

The account is opened for minors, juveniles, and adults to raise funds for a specific purpose, such as medical treatment, education, or others. The disposition of funds in the account is carried out solely for the specified purpose under the conditions outlined in the account agreement. The Bank applies more favorable conditions regarding fees for executing payment operations on a charitable current account compared to those on a standard payment account. No overdraft credit is provided for the account, no bank payment cards are issued, and online and/or mobile banking with passive access can be used.

50.6. Other Payment Accounts (Escrow Accounts) with a specific disposition regime and purpose or other specifically regulated conditions based on an agreement between the Bank and the Client, regulating the disposition actions and the scope of the services offered, such as:

Current accounts with a special purpose in property sale transactions (kept in the name of the seller or buyer).

The account has the following special purpose: payment of the purchase price of real estate after the fulfilment of conditions expressly stated in the agreement. No payment cards are issued for the account, and online and/or mobile banking with passive access can be used.

51. Savings Accounts:

51.1. Standard Savings Account

A standard savings account can be opened for local or foreign individuals, unincorporated associations of individuals not registered under BULSTAT, and self-employed individuals. The purpose of the savings account is the indefinite storage of funds and the execution of all payment operations specified in these General Terms and Conditions. The standard savings account has functionalities identical to those of a standard current account, but due to its purpose of storing funds, more favorable interest conditions apply.

A payment card is not issued for a savings account, and the Client cannot use an overdraft on the account. The Client can access their savings account remotely through the online and/or mobile banking system with active or passive access. The funds in a savings account can be used as collateral for an overdraft loan.

51.2. Child Savings Account

The Bank opens child savings accounts for minors and juveniles. The account is intended for the storage of funds, and payment operations covered by these General Terms and Conditions are permissible. The contract for a savings account for a minor is signed by their legal representative (parent/guardian). A contract for a savings account for a juvenile is signed by the juvenile and their legal representative (parent/guardian). If the savings account is opened in favor of a child by a person who is not a legal representative (e.g., grandparent), the account contract is signed by that person (the depositor). In this case, the account is accepted by the account holder through the signing of the contract by the legal representative of the minor, or by the juvenile and their legal representative, or by the account holder upon reaching adulthood.

The child savings account earns interest at the rate applicable to this type of account, as specified in the Bulletin, and from the date of the Client's coming of age, it accrues interest at the rate applicable to a standard savings account. The Client can access their savings account remotely through the online and/or mobile banking systems with passive access.

Amendment and/or Termination of the Contract. Closing a Payment Account

52. Contracts may be terminated on the grounds and within the timeframes specified in these General Terms and Conditions, as well as under conditions specific to the respective product type or according to other statutory or contractually established grounds specified in the concluded contract.

53. A contract to which these General Terms and Conditions apply may be terminated unilaterally by either party without notice in case of breach of the contract and the General Terms and Conditions by the other party.

53.1. The Bank may unilaterally close a payment account that is under garnishment if the account has maintained a daily zero balance for three consecutive months.

54. A framework contract for a current account, to which a debit and/or credit card(s) has/have been issued, is terminated and the account is closed after all card contracts have been terminated. A contract for the issuance and use of a debit card is terminated after seven days' notice, and a contract for the issuance and use of a credit card is terminated after thirty days' notice.

55. The Client has the right, provided they have no outstanding obligations to the Bank, to terminate the Framework Contract for a current account/Contract for a special current account/Contract for a savings account:

a) Unilaterally without notice by submitting a Request to close the account (submitted personally by the Client, an authorized person, their legal representative, or by the person who opened the account in their favor, if the account holder has not approved the opening of the account in their name). The contract is terminated, and the account is closed on the day the Request is submitted or on another date specified in the request, taking into account the timeframes in clause 54—when a debit or credit card(s) has/have been issued for the account.

b) Unilaterally without notice, if they disagree with a change to the General Terms and Conditions and notify the Bank before the change takes effect that they wish to terminate the contract on this basis. The contract is terminated, and the account is closed on the day the notification is received.

56. The Bank has the right to terminate the Framework Contract for a current account/Contract for a special current account/Contract for a savings account:

- a) Unilaterally, without notice, if it determines that the payment accounts and payment services provided are being used improperly, contrary to the agreed conditions, or for illegal purposes, as well as upon finding that the Client has provided false information to the Bank in any of the contractual relationships between the parties.

- b) With two months' notice from the Bank, sent to the Client at their last provided address, which may be an email address as well. The Bank is not required to provide a reason for terminating the contract.

- c) Unilaterally, without notice or additional notification to the Client, if the Client has not maintained the required minimum balance for the respective account type or has maintained a daily zero balance in the account for three consecutive months.

- d) Unilaterally, without notice, effective the day after the Client is notified if the Bank cannot meet the due diligence requirements under Article 10, paragraphs 1–4 of MAMLA.

- e) Unilaterally, without notice, effective the day after the Client is notified if the Bank determines that the Client/their proxy or a person associated with operations on the account is included in national or international lists of persons subject to sanctions/prohibitions/restrictions.

- f) Unilaterally, without notice, effective the day after the Client is notified, if there is evidence that the Client is involved in activities related to terrorism or terrorist financing.

- g) Unilaterally, without notice, if the Client/their proxy or a person associated with operations on the account is under a regime of sanctions/prohibitions/restrictions imposed by a national or international act pursuant to an officially adopted procedure and rules, or if the operations/transactions conducted by the Client/their proxy or a person associated with operations on the account are under a regime of sanctions/prohibitions/restrictions imposed by a national or international act pursuant to an officially adopted procedure and rules.

57. A Framework Contract for a Basic Operations Payment Account is terminated, and the account is closed:

57.1. Unilaterally by the Client without notice, by submitting a Request to close the account (submitted personally or by an authorized person, or by their legal representative).

57.2. Unilaterally and without notice by the Bank in the following cases:

- a) The Client intentionally used the payment account for illegal purposes;
- b) The Client provided false information to open a basic operations payment account, where providing accurate information would have led to the refusal to open it.

57.3. With two months' notice from the Bank if one of the following conditions applies:

- a) No payment operation has been carried out on the payment account for more than 24 (twenty-four) consecutive months;
- b) The Client no longer legally resides in the European Union;
- c) The Client subsequently opened another basic operations payment account with a bank;
- d) The Client violates the terms of the framework contract.

57.3.1. In its notice, the Bank informs the Client in writing of the reasons and grounds for termination unless disclosing such information would conflict with national security or public order, as well as of the procedure for filing a complaint against the termination and the option to contact the Bulgarian National Bank (BNB) and the Conciliation Commission for Payment Disputes, providing contact details for these authorities.

58.1. Accounts can be closed at any branch of the Bank, except for special current accounts under clauses 50.5 and 50.6, which can only be closed at the branch where they were opened.

58.2. Notifications from the Bank to the Client in the cases under clauses 56 and 57 are carried out pursuant to the "Communication between the Parties" section of these General Terms and Conditions.

58.3. Upon closing a payment account, the Bank returns the remaining funds on the account to the Client. If the account is in a foreign currency, an amount smaller than the smallest denomination in the respective currency is paid in its BGN equivalent at the Bank's "buy" rate at the time of processing the transaction.

58.4. In the case of unilateral account closure by the Bank, if funds remain on the account, the Bank deducts any due fees and commissions from the available balance and closes the account ex officio. If there are funds on the account at the time of closure, they are retained by the Bank until collected by the Client, and no interest is accrued on these funds.

58.5. Account closure is automatic upon the submission of a request for account transfer. The Bank offers the Client the possibility of transferring an account as the transferring or receiving payment service provider. Information about the service is available at the Bank's branches and on the website www.municipalbank.bg.

58.6. A Framework Contract for a payment account cannot be terminated if the account is agreed to be used for drawing/repaying a loan provided by the Bank or serves as collateral for an outstanding loan obligation.

IV. REMOTE ACCESS PAYMENT INSTRUMENTS

General Provisions

59. Remote access payment instruments for an open payment account at the Bank are means that allow the use of payment services provided by the Bank without the physical presence of the Client at a Bank branch.

60. The Bank offers payment debit cards, online and/or mobile banking as remote access instruments based on contracts concluded with the Client, to which these General Terms and Conditions apply.

61. The Bank provides the payment instrument for which a contract has been signed and delivers it to the Client together with the corresponding personalized security features, ensuring that these remain confidential from its employees and third parties.

62. The contract for a payment instrument can be concluded by the Client's proxy, provided that the power of attorney grants explicit powers for the specified action and complies with the provisions of these General Terms and Conditions.

63. The Bank requires the Client to use personalized security measures when verifying the Client's identity and the authenticity of the ordered payment operations.

64. The Client is obliged to use the instruments for remote access to the account and the corresponding means for their use personally, not to provide them to third parties, and to store them securely and safely, protecting them from loss, theft, tampering, unauthorized access, or any other improper use, in accordance with the conditions stipulated in the contracts, the General Terms and Conditions, and all applicable guides, instructions, and legal requirements.

65. The Client is required to take necessary precautions to protect their remote access devices and applications (mobile phone, tablet, software token (mobile application MySeal/MB-mobile), SIM card, computer, laptop, bank payment card, etc.), safeguarding them from loss, theft, tampering, unauthorized access, destruction, damage, or other similar actions.

66. The Client must keep their personal identifiers (username and password) and codes (PIN, CVC, and personal code for confirming "3D Secure Payments" and others) confidential, not sharing, recording, or storing them together with other remote access instruments or personalized security means.

67. The Bank is not responsible for unauthorized operations, and clients bear the full losses associated with all unauthorized payment operations resulting from the use of a lost, stolen, or unlawfully appropriated payment instrument, regardless of the amount thereof.

68. The Client is obliged to notify the Bank immediately to block access when the payment instrument and/or its associated personalized security means cannot be used due to any of the circumstances mentioned in the previous point. The Client bears all losses resulting from the above circumstances if they fail to notify the Bank orally or in writing after becoming aware of the issue, following the procedure outlined in these General Terms and Conditions (section "Communication between the Parties").

69. The Bank blocks remote access instruments and prevents their use immediately upon receiving notification from the Client. The Bank unblocks access to payment instruments upon receiving a request from the Client.

70. The Bank is not responsible for any adverse consequences resulting from third parties becoming aware of the Client's personalized security means that occurred before receiving the notification. The Bank is not responsible if, before being notified by the Client, it has in good faith executed and posted ordered payment operations using remote access instruments to the Client's account.

71. If there is suspicion of unauthorized use of personalized security means, the Bank has the right to block the Client's remote access and require additional confirmation of the ordered operation, including visiting a Bank branch.

72. The Bank has the right to block the Client's personalized security means if there is suspicion or confirmation that data from them has been criminally copied, used for unauthorized operations, or suspicion of unauthorized use of the card or for security reasons, in case of use or suspicion of use of the card for fraudulent purposes, as well as violations of applicable regulations and contractual obligations to the Bank. The Bank unblocks access to payment instruments once the reasons for blocking have been resolved and the necessary information for each specific case has been gathered.

73. The Bank is not responsible if, as a result of a false notification made by the Client according to the established procedure, it has taken the required protective measures, leading to the refusal to authorize operations with the debit card or the execution of payment orders through online/mobile banking.

DEBIT PAYMENT CARDS

Issuance, Validity Period, and Reissuance of Cards

74. Debit cards are a payment instrument for repeated, remote access to funds in a payment account opened in BGN at the Bank. The Bank issues the following types of debit cards: a contactless debit card with national access "Bcard" and a contactless debit card with international access "Mastercard".

75. Debit cards are issued based on a contract between the Bank and the Client. The Bank reserves the right to refuse to enter into a contract for the issuance and servicing of a debit card and is not obliged to provide reasons for its refusal to the Client.

76. The Bank issues a debit card to the Client within 10 (ten) calendar days from the signing of a contract with them.

77. For the same current account opened in BGN in the name of the Client, one primary and up to 10 (ten) additional debit cards with national or international access may be issued. Only one primary debit card of a certain card product can be issued in the Client's name.

78. A debit and a credit card cannot be issued simultaneously for the same current account of an individual client.

79.1. A debit card under these General Terms and Conditions is issued to an adult competent individual—a Bulgarian or foreign citizen. Cards for minors can be issued for

a current account opened under clause 38 and as an additional cardholder under clause 118 of these General Terms and Conditions.

79.2. A debit card is issued with a validity period indicated on the front of the card in the month/year format and expires on the last day of the specified month.

80.1. The renewal of a debit card for a new term is carried out at the Bank's initiative no later than the month in which its validity expires, provided that:

a) By the 1st day of the month in which the card's validity expires, the Client has not submitted a written request to decline the renewal of the debit card;

b) In the last three months before the month in which the validity expires and until the renewal date, the balance in the payment account to which the card is issued is greater than 10 (ten) BGN.

80.2. The card is renewed by reissuing it along with a corresponding new PIN.

81.1. A newly issued, renewed, or reissued debit card can be provided to an authorized person with explicit rights to receive the card and its PIN code.

81.2. A reissued debit card is received after returning the old one.

82. The Bank retains an uncollected debit card and PIN envelope for 90 (ninety) calendar days from the date of signing the contract or from the first day of the month following the card's renewal for a new term. If the Client does not collect their renewed card within the 90-day period, they owe a fee according to the Tariff. The Bank destroys the card and its PIN code and is entitled to collect the fee from the current account to which the card was issued, as well as from any other accounts of the Client opened with the Bank, for which the Client consents by accepting these General Terms and Conditions.

83. The card is the property of the Bank, and upon termination of the contract or upon its expiration, the Client is obliged to return it to the Bank. If the Client does not return the

debit card, they are liable for all operations conducted with it after the date set for its return, as well as for all obligations arising from such operations.

84.1. The Client may request the issuance of a new card within the validity period of the old one in case of loss, theft, destruction, or damage to the card, or suspicion of unauthorized use of the card, or in the presence of unauthorized payment operations. The Bank issues a new card with a new PIN within 10 days of receiving the request for a new card.

84.2. If the PIN for an active debit card is forgotten, the Bank issues a new PIN within 10 days of receiving the request.

84.3. In the event of three incorrect PIN entries, the payment card is blocked. If the Client has not forgotten their PIN, they can submit a written request to unblock the card while retaining the same PIN.

85. The Bank automatically activates the card after delivering it to the Client. The Bank has the right to block a debit card and prevent its use without undue delay immediately after receiving notification from the Client of theft, forgery, loss, or other improper use of the card.

86. A debit card blocked under clause 85 can be unblocked by the Bank after receiving a written request submitted personally by the Client at a branch.

87. The Bank provides the possibility of 24/7 notification for card blocking, according to the established procedure in these General Terms and Conditions (section "Communication between the Parties"). Upon the Client's request, within 18 (eighteen) months from the date of the notification, the Bank provides the corresponding evidence that such a notification was made.

Operations and Limits

88. The Bank issues debit cards with pre-determined standard limits for payment operations, as specified in the Tariff. The Bank has the right to unilaterally change the

withdrawal/payment limits via ATM and POS, complying with the requirements of the applicable regulations.

89. The Client has the right to set individual limits for the use of debit cards. Individual limits cannot exceed the maximum limits for debit card operations set by the Bank.

90. The Client is obliged to make payments with the cards within the established limits or up to the available balance in the current account (reduced by the minimum required balance according to the Tariff).

91. The following payment operations can be performed with a debit card in the country:

- a) Cash withdrawals via ATM and POS terminal at a cashier's desk;
- b) Payment for goods and services via a stationary or virtual POS terminal at a merchant;
- c) Contactless payments with a Bcard national debit card or Mastercard international debit card via a POS terminal;
- d) Payment of utility services and recurring obligations via ATM terminals;
- e) PIN change via ATM terminals;
- f) Inquiry and other payment and non-payment operations via ATM, mobile applications, and other devices approved by the national card operator.

92. The operations and services mentioned in the previous point can be performed at all terminal devices supporting the specific functionality and marked with the logo of the national card operator BORICA and the international card organization Mastercard.

93. The Client can register their debit card for additional services offered by the Bank/different system operators with which the Bank has signed an agreement for:

- a) Making payments via the internet to merchants registered in the system of the respective Operator;

- b) Making payments via ATM terminals or mobile phones, including via SMS messages, for services to merchants registered in the system of the respective Operator;
- c) Receiving SMS notifications for the balance of the current account and payments;
- d) Using the "mobb" service after confirming the operator's general terms and conditions for using the service at www.mobb.bg.

94. Outside the territory of the Republic of Bulgaria, the Client can perform the following operations with a debit card with international access:

- a) Cash withdrawals from ATM and POS terminal devices marked with the logo of "Maestro" and/or "Mastercard";
- b) Payment for goods and services via stationary or virtual POS devices at a merchant, marked with the logo of the respective card organization "Maestro" and/or "Mastercard";
- c) Contactless payments via a POS terminal with a Mastercard contactless debit card.

95. When performing operations via a POS terminal device, the Client is obliged to present an identity document if requested and to sign the POS slip printed by the terminal.

Use of Debit Cards

96. The debit card is to be used only personally by the Client (Cardholder) and in accordance with the conditions for its issuance and use.

97. The Client is obligated to manage the funds in the current account and use the cards (primary and additional) issued by the Bank in a manner and under the conditions determined by the Contract, these General Terms and Conditions, and the applicable legislation in the country where the payment operation is carried out.

98. The Client must not use the debit card for payments related to goods and services prohibited by a legal regulation issued by a competent authority in the country of use.

99. The Client can perform card operations in online and offline mode.

100. Online operations are carried out after verifying the Client's identity and within the available balance and the limits set on the card. The balance in the account is determined by the Client's own funds and, if applicable, the unused portion of an overdraft, provided a contract is in place.

101. During offline operations, the Client's identity, available balance, and card limits cannot be verified. In case of insufficient funds on the account, the Bank processes offline transactions made with contactless Bcard or Mastercard debit cards as unauthorized overdrafts, which are immediately due along with accrued interest.

102. The Bank notifies the Client (by phone and/or notification letter) when the available balance drops below the minimum required amount or an unauthorized overdraft is generated due to accrued fees, commissions, exchange rate differences, and other payments related to the use of the card. If the Client does not settle the debt within 30 days of the notification, the Bank may deactivate all debit cards issued for the account and initiate forced collection of the due amounts in the manner determined by law.

103. In the event of amounts recovered by the Bank for disputed transactions, which are later found to have been made fraudulently or with gross negligence, the Bank has the right to unilaterally recover the amounts from all of the Client's accounts, to which the Client consents by signing these General Terms and Conditions.

Secure Internet Payments

104. The Bank registers the debit cards it issues for the "3D Secure Payments" service as an electronic method for protecting and controlling internet payments with merchants that support the Mastercard Secure Code (Secure Payments). The method includes using a dynamic code and a static password—secret passwords for identifying the Client and confirming payments made by them. The service requires the use of a specific mobile phone number.

105. The Bank provides the Client with a one-time static password, which is used only to log into the web application of the "3D Secure Payments" service and must be changed. The Client receives the dynamic secret code via SMS on their mobile phone each time a payment is made to a merchant supporting the 3D Secure protocol.

106. The service is activated only after the Cardholder registers a permanent static password on the web address of the "3D Secure Payments" application.

107. If the Client wishes to provide a different mobile phone number to receive the dynamic secret code, they must personally visit a Bank branch and submit the appropriate request.

108. The Bank has the right to temporarily restrict the card's access for making internet payments until it is registered for the "3D Secure Payments" service if the Client has not provided the Bank with a mobile phone number.

109.1. When making internet payments, entering the correct dynamic secret 3D code and static password has the same effect as entering a PIN, and the Client has all the obligations to protect them as they do for the PIN under these General Terms and Conditions.

109.2. If the dynamic secret 3D code and/or static password are entered incorrectly three times, the use of the service is blocked, and the Client must visit a Bank branch to submit a request to unblock the card and regain access to the service.

110. Each card operation for cash-free payment confirmed by a static password and dynamic secret 3D code is considered to have been made with the Client's knowledge, participation, and/or consent. The Bank assumes that the card operation was initiated by the Client, even if a person other than the Client performs an online payment using the static password and the dynamic 3D code sent to the mobile phone number provided by the Client.

111. In cases where the recipient of funds from payment operations made with payment cards initiated by or through the recipient is not registered for the Mastercard Secure Code (Secure Payments) program for an additional level of security, the in-depth verification

of the Client's identity is performed by the respective merchant as the recipient of the funds, not by the Bank—the issuer of the payment instrument. The Bank is not responsible for unauthorized operations with a payment card made by or through the recipient of the funds when the Client has consented to it without applying the Bank's procedures for in-depth Client identification.

Additional Cards

112. The issuance of additional debit cards is regulated by a separate contract between the Client (account holder), the Additional Cardholder, and the Bank, with access rights and limits determined by the Client.

113. All payment operations and additional services performed with debit cards (primary and additional), as well as all fees and commissions for operations with the primary and/or additional card, are at the expense of the Client—the account holder.

114. The Client can block an additional debit card without the consent or knowledge of the Additional Cardholder.

115. The additional debit card is automatically deactivated upon termination of the contract for the issuance and use of additional contactless debit cards.

116. The termination of the Contract for the primary bank card does not automatically terminate the contracts for additional debit cards. The holders of additional debit cards issued to the account can continue using their cards under the contracts based on which they were issued.

117. The Bank issues only one additional debit card to an Additional Cardholder designated by the Client.

118. An additional debit card may be issued to a minor who is a first-degree descendant of the Client, with the relationship proven by a birth certificate. The additional card and PIN envelope for the minor are received by the Client.

119. The additional card and PIN envelope may be received by the primary or Additional Cardholder, as decided by the Client, provided the Additional Cardholder is an adult.

120. The Additional Cardholder can use the entire available balance on the account.

121.1. The Additional Cardholder has the following rights:

- a) To block the card in case of loss or theft, including temporarily, without the obligation to specify a reason thereof;
- b) To request the reissuance of the card in case of a forgotten PIN, loss, theft, or destruction;
- c) To receive the card and PIN envelope after presenting an identity document (if an adult);
- d) To register a 3D password for internet payments.

121.2. The Additional Cardholder has the following obligations:

- a) To use the card in compliance with the requirements of the General Terms and Conditions and not to use the card for payments related to goods and services prohibited by a legal regulation issued by a competent authority in the country of use;
- b) To use the card personally and not to provide it to third parties;
- c) To store the card securely and safely, protecting it from loss, theft, tampering, unauthorized access, or any other improper use;
- d) To keep the card's personal characteristics (card number and expiration date) and personalized security means (PIN code, CVC code, and personal code for confirming "3D Secure Payments" and others) confidential, not sharing, recording, or storing them with the card.

Termination of a Debit Card Agreement

122.1. The agreement for issuing and servicing a debit card may be terminated in the following cases:

- a) At the Client's request, with seven (7) days' written notice submitted at a Bank branch;
- b) Upon the expiration of the card's validity, if the Client has not collected the renewed debit card within the timeframe specified in item 82;
- c) Upon the closure of the current account to which the card is linked, in cases where the Bank unilaterally closes the account;
- d) Upon the deactivation of the debit card, in cases outlined in these General Terms and Conditions.

122.2. The agreement for issuing and servicing a debit card is automatically renewed for a new period when the debit card is reissued after its validity period expires. The agreement term is also extended when the card is reissued within its validity period.

123.1. Upon termination of the debit card agreement, the Client must settle all obligations to the Bank related to the agreement, including any outstanding fees, commissions, and amounts associated with the servicing and use of the payment instrument.

123.2. Terminating the debit card agreement does not terminate the framework agreement for the current account linked to the card.

ONLINE BANKING

General Provisions

124. The "Online Banking" service provides Clients with remote access to the Bank's products and services via an Online Banking System accessible through a personal computer or laptop. Clients can access the service at www.municipalbank.bg, 24 hours a

day, every day, except during necessary technological procedures that may temporarily interrupt service.

125. To use the service, the Client must provide the Bank with an up-to-date mobile phone number and email address, have a smartphone with the MySeal mobile application installed, and meet the minimum hardware and software requirements specified by the Bank in the Online Banking System User Guide, which is available on the official website of Municipal Bank AD.

Services Available through the Online Banking System

126. The Online Banking System allows the Client (the account holder) to access the following services:

126.1. Information Services including access to:

- a) Account information, including various reports and statements for payment accounts;
- b) Information regarding loans serviced by the Client;
- c) Information about credit and debit cards issued to the Client, including credit card statements;
- d) Currency exchange rates;
- e) Other reference information (Tariffs, etc.).

126.2. Payment Services:

- a) Initiate credit transfers in BGN and foreign currencies, including payments to the budget;
- b) Initiate direct debit orders in BGN;
- c) Conduct cash-free currency purchase/sale transactions at rates announced by the Bank;

d) Initiate group payments.

126.3. Additional Services:

a) Submit cash withdrawal requests from an account or a "Cash Order" for withdrawal;

b) Send and receive files to/from the Bank (loan drawdown requests, information, data, and documents, including completing a questionnaire in cases required by MAMLA, if necessary);

c) Submit requests for the issuance of bank payment cards;

d) Confirm declared data under Article 142 of the TSSIPC;

e) Send/receive messages to/from the Bank;

f) Change their username and password.

127. The Online banking services can be used, at the Client's discretion, in one of the following modes:

127.1. "Online Passive Banking": For performing reference operations and security-related operations, including checking account balances and transactions; accessing information on credit deals; changing the username and password for System access; sending/receiving text messages to/from the Bank.

127.2. "Online Active Banking": for performing all the services included in online passive banking, as well as additional payment and non-payment operations, such as initiating credit transfers in national or foreign currency, direct debit orders, currency exchange transactions, cash withdrawal requests, cash orders for withdrawal, group payments, and sending/receiving files to/from the Bank.

128.1. The Bank reserves the right to expand or restrict the services provided through the Online Banking System, based on changes in applicable legislation, market conditions, security considerations, or improved system functionality.

128.2. If the changes involve restricting services, the Bank will notify the Client within the timeframe set for changes to these General Terms and Conditions.

128.3. When the Bank expands the services available through the System, it is considered that the Client has consented to the expansion, and the notification period for changes to these General Terms and Conditions does not apply.

Registration Requirements

129.1. The "Online Banking" service can be requested by the Client at any Bank branch by completing a Request for registration/change/termination of registration for online banking (registration/change request) using the Bank's template.

129.2. The registration/change request must be submitted in person by the Client, an authorised representative, or a legal representative, and for "Unincorporated entities without registration in the BULSTAT register," by their representatives, following a mandatory decision of the competent body authorising the use of the "Online Banking" service with the corresponding rights. The Bank may request additional documents and information before entering into a contract.

129.3. The Bank independently assesses and decides on applications for using the "Online Banking" service, and in case of refusal, the Bank is not obliged to provide reasons for its decision.

130. The service is available to adult individuals who are legally capable and to local entities that are "Unincorporated entities without registration in the BULSTAT register." The service in the form of "Online Passive Banking" can also be used by minors who have an account opened in their name for receiving income.

131. The "Online Banking" service can be used by Clients who have at least one account opened with the Bank for which the Bank has granted the right to use the additional online banking service and who have met the requirements outlined in item 125.

132.1. The Client has the right to authorise others to manage funds in the account and access several or all services provided through the Online Banking System. Granting authority to an authorised person requires a specific power of attorney from the account holder, notarised to confirm the grantor's signature, giving the authorised person the right to manage one or all of the account holder's accounts. Specific access rights to the services provided through the Online Banking System and corresponding limits are set through a registration/change request.

132.2. The Bank reserves the right to refuse a power of attorney that contains inaccurate, unclear, or inconsistent data with other documents presented.

133. Each person designated and authorised by the Client to access the Online Banking System is registered as a separate user. The Client (account holder) may set and change the maximum amounts (limits) for each user (authorised person), up to which payments can be made in the system from the relevant account, as well as determine the rights to sign documents (by one or jointly by two users). The limits for a user for a specific account may be daily, weekly, or for individual payment services (documents).

134. Any changes (adding/removing accounts, changing rights, changing mobile phone numbers for authorisation, etc.) in the Online Banking System are implemented after submitting a registration/change request with the necessary changes, signed by the Client. Once the registration/change request is completed, user registration and service changes are carried out on the same working day the request is submitted.

Identification in the Online Banking System

135. When logging into the Online Banking System, the user is identified with a username, password, and a unique one-time dynamic password (OTP code) generated via the MySeal mobile application.

136. The Bank generates the user's username and password. The system-generated password for initial registration in the Online Banking System is sent via SMS to the mobile phone number provided for user authentication. The System automatically requires the user to change this password.

137. For the execution of any Payment Services, their cancellation, and the execution of Additional Services listed under item 126.3, letters "a" - "d", the input of a one-time dynamic password (OTP code) generated via the MySeal mobile application is required.

138. Signing the Client's statements to the Bank when performing operations and actions in the Online Banking System using the identification and signing methods specified in items 135 and 137 is equivalent to and has the effect of an electronic signature under the Law on Electronic Documents and Electronic Certification Services. Under Article 13, paragraph 4 of that law, the Client and the Bank agree to consider this signature as handwritten in their relations.

139. The Bank reserves the right to modify the type of personalised characteristics and their combinations, as well as the technical procedure for providing and using the "Online Banking" service, in response to innovations in the system, legal changes, or security considerations. The Bank will notify the Client of any such changes through a message in the Online Banking System, the email provided by the Client, or via the official website of Municipal Bank AD.

140. The Bank is not liable if the user is unable to access the MySeal mobile application to generate an OTP code due to technical reasons beyond the Bank's control.

Execution of Orders through the System

141. Transfers through the "Online Banking" service are carried out in accordance with the requirements described in the "Payment Terms" section of these General Terms and Conditions, as well as:

141.1. Transfers between local and foreign persons and cross-border transfers are carried out in compliance with the requirements of the Foreign Exchange Act and its implementing regulations. If additional documents are required by the applicable law (a document substantiating the transfer, etc.), they must be submitted through the file transfer functionality immediately after issuing the transfer order, but no later than the deadlines specified in items 170-173, in the "Payment Terms" section.

141.2. The Bank may request the submission of documents in electronic or paper form in accordance with the requirements of the applicable law.

142. Payment orders received outside the Bank's business hours with clients are considered received on the next business day and are processed during the Bank's business hours, in accordance with the deadlines specified in these General Terms and Conditions for the acceptance and processing of BGN and foreign currency transfers.

143. Payment documents with a specified future value date for execution are processed on the specified date or the next business day if the specified date is a non-working day. Processing occurs automatically at the beginning of the accounting day, provided there are sufficient funds in the account by the end of the previous day.

144. The Client may issue orders for credit transfers that are executed when sufficient funds are provided in the account within a specified period set by the Client. In this case, the payment orders are considered received on the business day when sufficient funds are available in the account and are executed during the Bank's business hours in accordance with the deadlines specified in these General Terms and Conditions for accepting and processing BGN and foreign currency transfers.

145. Orders for payment transactions requiring currency exchange are accepted by the Bank only when a corresponding exchange rate announced by the Bank is available and during business hours.

146. The Bank allows the negotiation of preferential exchange rates for transactions through the Online Banking System only during the Bank's announced business hours.

Blocking Client Access to the Online Banking System

147. The Client may submit a request to block access to the "Online Banking" service by submitting a written request at a Bank branch.

148. The Bank reserves the right to impose restrictions on the use of the Online Banking System, including blocking access and/or introducing additional requirements

for performing operations, as required by the applicable law and/or these General Terms and Conditions, to maintain the necessary security of the information system and/or when implementing technical improvements to the product.

149. The Client's access to the Online Banking System is automatically blocked if three (3) consecutive incorrect password or OTP code attempts are made. If access is blocked, the Client must visit a Bank branch to submit the appropriate request to unblock and/or reissue a password for access.

150. The Bank reserves the right to block access to the Online Banking System on its initiative for objective reasons related to the security of the Client's personalised security features or the System, including in cases of suspected fraud or unauthorised/illegal use by unauthorised persons.

151. If the Bank blocks access on its initiative, it must inform the Client via the telephone or email provided by the Client of the reasons thereof, except where providing such information is prohibited for security reasons.

MOBILE BANKING

General Provisions

151a.1. The "Mobile Banking" service provides Clients with remote access to the Bank's products and services via a specialised mobile application named "MB-mobile" for iOS, Android, and HarmonyOS operating systems (phone, tablet, etc.). Clients can use the service after downloading the application from the App Store, Google Play, or AppGallery, 24 hours a day, every day, except during necessary technological procedures that may temporarily interrupt service.

151a.2. To use the service, the Client must provide the Bank with an up-to-date mobile phone number, an email address, and a mobile device that meets the minimum hardware

and software requirements specified by the Bank in the Mobile Banking System User Guide, available on the official website of Municipal Bank AD.

151a.3. The "Mobile Banking" service can be used separately and independently from the "Online Banking" service. The Client can choose to use either or both services.

Services Available through the Mobile Banking System

151b. The Mobile Banking System allows the Client (the account holder) to access the following services:

151b.1. Information Services including access to:

- a) Account balances and transaction statements;
- b) Currency exchange rates;
- c) Other reference information (Tariffs, etc.);
- d) Notifications from the Bank, including information on received transfers.

151b.2. Payment Services:

- a) Initiate credit transfers in BGN and foreign currencies up to the BGN equivalent of 30,000 BGN at the exchange rate announced by the Bank;
- b) Conduct cash-free currency purchase/sale transactions at rates announced by the Bank.

151b.3. Additional Services:

- a) Change the access password;
- b) Update personal information;
- c) Modify notification settings, language preferences, and more.

151c. The Mobile Banking services can be used, at the Client's discretion, in one of the following modes:

a) "Mobile Passive Banking": For performing reference operations and security-related operations, including checking account balances and transactions; changing the password for access to the System, changing the mobile device, updating personal information, and modifying settings for receiving messages from the Bank.

b) "Mobile Active Banking": For performing all the services included in "Mobile Passive Banking," as well as additional payment and non-payment operations, such as initiating credit transfers in national or foreign currency up to the BGN equivalent of 30,000 BGN (except for transfers that require additional documentation under the applicable regulatory requirements) and currency exchange orders.

151d.1. The Bank reserves the right to expand or restrict the services provided through the Mobile Banking System based on changes in the applicable legislation, market conditions, security considerations, or improved system functionality.

151d.2. If the changes involve restricting services, the Bank will notify the Client within the timeframe set for changes to these General Terms and Conditions.

151d.3. When the Bank expands the services available through the System, it is considered that the Client has consented to the expansion. In such cases, the notification period for changes to these General Terms and Conditions does not apply. When expanding the scope of services, the Bank will publish a notice on its official website specifying the new service available through the Mobile Banking System and the date it will become available.

Registration Requirements

151e.1. The "Mobile Banking" service can be requested by the Client at any Bank branch by completing a Request for registration/change/termination of registration for mobile banking (registration/change request) using the Bank's template.

151e.2. The registration/change request must be submitted in person by the Client, an authorised representative, or a legal representative, and for "Unincorporated entities without registration in the BULSTAT register," by their representatives following a mandatory decision of the competent body authorising the use of the "Mobile Banking" service with the corresponding rights. The Bank may request additional documents and information before entering into a contract.

151e.3. The Bank independently assesses and decides on applications for using the "Mobile Banking" service, and in case of refusal, the Bank is not obliged to provide reasons for its decision.

151f. The service is available to adult individuals who are legally capable and to local entities that are "Unincorporated entities without registration in the BULSTAT register." The "Mobile Passive Banking" service can also be used by minors who have an account opened in their name for receiving income.

151g. The "Mobile Banking" service can be used by Clients who have at least one account opened with the Bank, where the terms of use allow for the mobile banking service, and who have met the requirements outlined in item 151a.

151h.1. The Client has the right to authorise others to manage funds on the account and access several or all services provided through the Mobile Banking System. Granting authority to an authorised person requires a specific power of attorney from the account holder, notarised to confirm the grantor's signature, giving the authorised person the right to manage one or all of the account holder's accounts. Specific access rights to the services provided through the Mobile Banking System and corresponding limits are set through a registration/change request.

151h.2. The Bank reserves the right to refuse a power of attorney that contains inaccurate, unclear, or inconsistent data with other documents presented.

151i. Each person designated and authorised by the Client to access the Mobile Banking System is registered as a separate user. The Client (account holder) may set and change

the maximum amounts (limits) for each user (authorised person), up to which payments can be made in the system from the relevant account, as well as determine the rights to sign documents (by one or jointly by two users). The limits for a user for a specific account may be daily, weekly, or for individual payment services (documents).

151j. Any changes (adding/removing accounts, changing rights, changing mobile phone numbers, etc.) in the Mobile Banking System are implemented after submitting a registration/change request with the necessary changes, signed by the Client. Once the registration/change request is completed, user registration and service changes are carried out on the same business day the request is submitted.

Identification in the Mobile Banking System

151k. For initial registration, the Bank generates the user's username and password and sends them via two separate messages to the user's email address. After initial registration in the System, the user is required to change the password at a system level. To activate the application on the corresponding device, the Bank sends a six-digit activation code via SMS to the registered mobile phone number.

151l. After activating the application, the user creates a PIN code and selects an identification method—either by PIN code or biometric feature (fingerprint or facial recognition). For subsequent logins, the user identifies themselves using the PIN code or biometric feature they set up. The Mobile Banking System receives confirmation from the corresponding mobile device application of successful/unsuccessful fingerprint or facial recognition.

151m. For executing any Payment Services or their cancellation, the user must enter the PIN code or successfully complete fingerprint/facial recognition, depending on the identification method chosen by the user.

151n. Signing the Client's statements to the Bank when performing operations and actions in the Mobile Banking System using the identification and signing methods specified in items 151l and 151m is equivalent to and has the effect of an electronic

signature under the Law on Electronic Documents and Electronic Certification Services. Under Article 13, paragraph 4 of that law, the Client and the Bank agree to consider this signature as handwritten in their relations.

151o. The Bank reserves the right to modify the type of personalised characteristics and their combinations, as well as the technical procedure for providing and using the "Mobile Banking" service, in response to innovations in the system, legal changes, or security considerations. The Bank will notify the Client of any such changes through a message in the Mobile Banking System, the email provided by the Client, or via the official website of Municipal Bank AD.

Execution of Orders through the System

151p. Transfers through the "Mobile Banking" service are carried out in accordance with the requirements described in the "Online Banking" section, items 142-146, under the "Payment Terms" section of these General Terms and Conditions, as well as:

141.1. Transfers between local and foreign entities and cross-border transfers are carried out in compliance with the requirements of the Foreign Exchange Act and its implementing regulations. If additional documents are required under the applicable law (a document substantiating the transfer, etc.), the transfer cannot be initiated through the Mobile Banking System.

Cases of Blocking Client Access to the Mobile Banking System

151q. The Client may submit a request to block access to the "Mobile Banking" service by submitting a written request at a Bank branch.

151r. The Bank reserves the right to impose restrictions on the use of the Mobile Banking System, including blocking access and/or introducing additional requirements for performing operations, as required by the applicable law and/or these General Terms and Conditions, to maintain the necessary security of the information system and/or when implementing technical improvements to the product.

151s. The Client's access to the Mobile Banking System is automatically blocked if five (5) consecutive incorrect password entries during initial registration or PIN code attempts during subsequent logins are made. If access is blocked, the Client must visit a Bank branch to submit a request to unblock and/or reissue a password for access.

151t. The Bank reserves the right to block access to the Mobile Banking System on its initiative for objective reasons related to the security of the Client's personalised security features or the System, including in cases of suspected fraud or unauthorised/illegal use by unauthorised persons.

151u. If the Bank blocks access on its initiative, it must inform the Client via the telephone or email provided by the Client, except where providing such information is prohibited for security reasons.

Client Obligations when Using the "Online Banking" and "Mobile Banking" Services (collectively referred to as "the service" in the following items 152-157)

152. When using the service, the Client is obliged to:

- a) Personally use all personalised security features, including the mobile device designated for the OTP code, and ensure their safekeeping with due care;
- b) Keep all personalised security features confidential, taking all necessary measures to prevent their disclosure and use by others;
- c) Immediately notify the Bank of the loss, theft, misappropriation, or unauthorised use of any of the Client's personalised security features, in order to block access to the "Online Banking" or "Mobile Banking" System ("the System"). Notification must be made by submitting a request for blocking at the branch where the online and mobile banking agreement was signed, as well as by phone at the branch's phone number;
- d) Upon receiving personalised security features for System access, take all reasonable steps to protect them, including not recording any information about them and not storing them in a manner that allows their disclosure to others;

- e) Periodically change the password for System access;
- f) Use the System at least once every two (2) months and check the information regarding the account's transactions.

Bank's Obligations

153. When offering the service, the Bank is obliged to:

- a) Promptly block the Client's access to the System upon receiving notification of the loss, theft, misappropriation, or unauthorised use of any of the Client's personalised security features;
- b) Retain information that allows the tracking of transactions made through electronic statements for five (5) years back;
- c) Provide, upon the Client's request, within 18 (eighteen) months from the date of notification of the loss, theft, misappropriation, or unauthorised use of any of the Client's personalised security features, the relevant evidence that such notification was made.

Client's Responsibility

154. The Client is responsible for:

- a) All actions performed in their name after gaining access to the System based on positive electronic identification;
- b) Bearing all losses resulting from unauthorised payment transactions if caused by fraud, failure to comply with these General Terms and Conditions, intentional misconduct, or gross negligence. The parties agree that the Client has acted with gross negligence when: storing the username and password together, allowing third-party access to their mobile device, or disclosing and allowing the use of their identification details for System access by a third party, including a relative or family member.

Bank's Responsibility

155. The Bank is not responsible for:

- a) Losses resulting from unauthorised payment transactions made with the personalised security features for System access if, before receiving notification of their loss, theft, or illegal acquisition, the Bank has executed the transaction in good faith;
- b) Any damages resulting from blocking the Client's access due to a false notification of loss, theft, destruction, etc., of the personalised security features for System access, made in accordance with the established procedure, to protect the Client's interests;
- c) Unreceived notifications by the Client if the Client has not provided up-to-date information or has failed to inform the Bank of any changes;
- d) Any consequences arising from the incorrect or non-compliant use of the service by the Client in violation of these General Terms and Conditions.

156. The Bank bears all losses related to unauthorised payment transactions with the personalised security features for System access that occur due to the Bank's failure to promptly block the Client's access to the System after receiving notification of the loss, theft, destruction, etc., of the personalised security features for System access.

Suspension of Access to the System and Termination of the Agreement

157.1. If the Client wishes to stop using the service, they must visit a Bank branch and complete and submit the appropriate request to cancel the service.

157.2. The Bank reserves the right to terminate the Online/Mobile Banking Agreement with two months' notice, without the need to specify the reasons for doing so.

V. TERMS AND CONDITIONS FOR MAKING PAYMENTS

158. The Bank executes payment transactions upon the Client's order or with the Client's prior consent, based on payment documents provided on the Bank's template and

containing all mandatory legal details. The payment documents must be personally signed by the Client on paper in the presence of a Bank employee or electronically via a remote access payment instrument—using online/mobile banking or bank payment cards, with the use of personalised security features.

159. The Bank executes payments based on the Client's instructions, up to the available balance on the account or within the agreed overdraft limit. For remote access payment instrument transactions, payments are subject to the applicable limits, if any.

160. The Bank executes payment orders from the Client's payment account under the conditions set by the Client and in chronological order of receipt. Partial payments for individual payment orders are not permitted, except in cases of enforcement under legally established procedures, official collection of claims, and official correction of inaccurately executed transactions.

161. Instructions to access funds in a payment account are considered authorised from the moment the Client submits a signed payment order (when making a credit transfer or cash transactions) or written consent (when performing a direct debit). Instructions or consent for a payment transaction with a payment card are given through personalised security features and the Client's identification (CVC code, cardholder name, expiry date, etc.).

Authorisation of Payment Transactions with a Debit Card

162. The Client authorises payment transactions with a debit card by entering their personalised characteristics. Payment transactions with the card are permitted and considered authorised and irrevocable after the Client provides consent and is identified.

163. Personalised characteristics for client identification at ATMs and POS terminals during cash withdrawals and payments for goods and services are carried out by reading the data from the card's chip and confirming the transaction by entering the correct PIN.

164. For transactions involving payment for goods and services at merchants' POS terminals configured to accept contactless payments, the card's chip data is read without

PIN confirmation when the payment amount does not exceed 100.00 BGN. For payments above this amount, and as a security measure, every sixth contactless payment regardless of its amount requires PIN confirmation.

165. When paying for goods and services at merchants without the physical presence of the card, via the internet, the card number, expiry date, and the three-digit CVC code printed on the back of the card must be entered. For merchants supporting the 3D Secure protocol, a static password and dynamic 3D secure code are also required.

166. Except for offline transactions with contactless debit cards, payments made with cards are authorised (approved) by the national card operator and the Bank at the time of receipt of the relevant electronic transaction request of the Client.

167. Online transactions with debit cards can be carried out within the available balance on the current account at the time of the payment transaction.

168. The available balance is formed by the funds on the account and any overdraft provided by the Bank, reduced by the minimum required amount in the account. The available balance may also be reduced by the amount of other blocks placed by the Bank, as provided for in the card's usage terms or by legal regulations.

Timeframes for Executing Payment Transactions and Value Dates

169. The Bank accepts payment transactions initiated by the Client, either one-off or recurring, with a current execution date, an agreed future date, or a condition set by the Client.

170. The Bank executes payment transactions (credit transfer and/or direct debit) in BGN, initiated with a current execution date (value date), if the payment documents are received by the Bank by 14:30 on a business day for transfers through BISERA and by 15:00 for transfers through RINGS. The beneficiary's account is credited as follows:

- a) Through BISERA—on the same business day;
- b) Through RINGS—within one hour after receiving the order.

171. Payment documents received after the times specified in the previous point, but no later than the end of the Bank's client service hours, are registered and accounted for in the Bank's accounting system on the day they are received and executed with the value date of the following business day.

172. When payment documents for foreign currency are received by the Bank by 15:00 and no execution date is specified, the Bank executes the transfer orders (in foreign currency) based on the Client's preference, the type of currency, and the applicable payment system as follows:

- a) In euro within the European Economic Area—on the next business day. The Bank may execute express transfers on the same business day (with the current value date);
- b) Other currency transfers—within two business days.

173. Payment documents received after 15:00 but no later than the end of the Bank's client service hours are considered received on the following business day.

174. If it is not possible to execute an order within the specified timeframes, the Bank will promptly notify the Client following the procedure set out in these General Terms and Conditions and in the manner chosen by the Client, as specified in the Agreement.

175. Unless otherwise agreed, payment transactions between the Bank's clients' accounts are executed on the same business day the payment documents are received by the Bank, provided the payer's account has sufficient funds, including for the applicable fees and commissions, according to the Tariff.

176. When cash is deposited by the Client in the currency of the account, the Bank credits the account immediately—no later than the next business day after the funds are received.

177. For payment transactions initiated in favour of the Client, the account is credited with the value date of the funds received in the Bank's account.

178. Payment transactions with an execution date different from the date the payment documents are submitted are executed on the specified execution date, with the Client's account debited with the transfer amount and the applicable transfer fees collected at the same time.

179. The Bank accepts credit transfer orders with an execution date not more than five (5) business days after the date the payment document is submitted.

180. If an execution date is specified in a direct debit order, the Bank accepts the direct debit order when the payer submits it at least two (2) business days before the execution date. The Bank ensures the beneficiary's account is credited on the execution date for intrabank direct debits and no later than the next business day following the execution date for interbank direct debits.

181. For corrective (adjustment) transactions, the value date for debiting/crediting the account is the date of the incorrectly executed transaction.

182.1. The Bank is not responsible for non-compliance with the deadlines and value dates specified in these General Terms and Conditions in the following cases:

- a) If such delays occur due to a technical problem in the payment system through which the relevant payment transactions are executed;
- b) Due to a mismatch between the Bank's business days and the business days of the payment system or correspondent bank, or the recipient's bank;
- c) When the correspondent bank or the recipient's bank requests additional documents or data or refuses to execute the transfer/credit the recipient's account due to their applicable policies.

182.2. In the cases described in item 182.1, letter "c," the Bank is not obliged to refund the client for any fees and commissions paid for the transfer, and may also charge additional fees if the transaction incurs additional costs for the Bank.

Periodic Transfers

183.1. The Bank offers its Clients the option to use a periodic transfer service in Bulgarian Lev (BGN). Through this service, the Bank agrees to carry out multiple credit transfers at regular intervals, either with a fixed number of days or months, on a predetermined date (day of the month), as instructed by the Client. The purpose of these transfers is to move funds to a recipient's account. Periodic transfers can be either intra-bank or inter-bank.

183.2. Periodic transfers can be executed from a standard current account, PABO, or standard savings account.

184.1. A Client may arrange for periodic transfers of a specified (fixed) amount, up to the minimum required balance or above a certain remaining balance on the account (including the agreed overdraft limit), with the option to set a minimum amount for the payment operation.

184.2. The Bank will only execute periodic transfers if the necessary funds—full payment amounts and applicable fees/commissions as per the Tariff—are provided by the Client in the account. Partial payments for individual payment orders are not permitted.

184.3. If a periodic transfer is not executed on the predetermined date due to insufficient funds on the account, the transfer will not be carried out, regardless of whether the account receives funds after the execution date but before the next periodic transfer. The Bank will notify the Client in a manner specified in the relevant account agreement.

185. A Client can arrange for periodic transfers at regular intervals: either with a fixed number of days, where the transfer date is the last day of the period, or with a fixed number of months on a predetermined date, where the transfer date is a specific day of the month set by the Client, for transfers to be made every few months (e.g., every month, every two months, quarterly, etc.).

186. If a month does not have the specified transfer date, the periodic transfer will be executed on the last day of that month. If the scheduled transfer date falls on a non-business day, the payment will be processed on the next working day for the Bank.

187. The Bank processes registration, changes, or cancellations of a periodic transfer upon the Client's instruction, based on a completed and signed "Periodic Transfer Order" (Order) submitted by the Client at a Bank branch. Each periodic transfer is registered separately in the main banking system.

188. For each option—registration, modification, or withdrawal of a periodic transfer—the client must submit a separate Order indicating their choice. Each Order carries a submission date and a unique registration number, under which the client, in their capacity as payer, affixes their signature.

189. The client may amend the terms of a periodic transfer by submitting an Order with the amended details, marked "modification," no later than 3 (three) business days before the date of the next scheduled periodic transfer. Should there be a change in previously ordered terms and parameters of a periodic transfer, a modification of the registration is carried out in the main banking system.

190. The client may opt out of a periodic transfer by withdrawing the initially submitted Order. In this case, the client must fill out and submit, at a bank branch, an Order with the most recently submitted details, marked "withdrawal," no later than 3 (three) business days before the date of the next scheduled periodic transfer.

191. The execution of periodic transfers is discontinued as follows:

- a) after the date of the last transfer, as specified in an Order;
- b) upon client request, under the conditions of paragraph 190—within a deadline of 3 (three) business days from the date of withdrawal of the submitted Order;
- c) upon the bank's request—with a two-month notice given to the client on paper or another durable medium, with the bank not required to justify such request;
- d) upon termination of the framework agreement for the relevant account and closing of the account from which the periodic transfers are made.

Electronic payment of utility bills

192. The bank provides clients the option to pay utility bills (electricity, heating, telephone, etc.) electronically using funds from an account with an issued payment card. Payments for utility bills initiated by the service provider are made based on a request submitted by the client and an additional agreement with the bank, which stipulates the conditions and order of payment for electronic utility bills, including the applicable fees for this service.

Group (mass) payments

192a.1. The bank offers the client a service for making group (mass) payments in BGN. These payments may be intra-bank or inter-bank and are executed from payment accounts held at the bank.

192a.2. Group payments may be ordered at a bank branch or through the Online Banking System in cases where the client utilises the "Online Banking" service with active access.

192a.3. The bank executes group payments as per the client's order and according to a file prepared by the client in a format containing data as required by the guidelines of Municipal Bank AD for compiling input files for group (mass) payments. The guidelines are accessible in the Online Banking System and are provided to the client on paper upon request.

192a.4. When group payments are ordered at a bank branch, the verification of the Order signed by the client and the technical medium on which the file is stored, prepared according to the aforementioned guidelines, is carried out in accordance with the Procedure for ordering group (mass) payments by an individual at a branch. The procedure is provided to the client on paper upon request.

192a.5. For each group payment made, the client pays a fee for each individual payment included in the group, according to the Tariff.

192a.6. The bank only executes group payments if the client has ensured sufficient funds on the account from which the payments are ordered, above the minimum required balance for the account, to cover each individual payment and the fees due to the bank.

Right to refuse the execution of payment operations

193. The bank has the right to refuse payment documents submitted for execution of a payment operation if they are not completed and presented by the client, their legal representative, or an authorised person.

194. The bank may refuse to execute a payment operation in the following cases:

194.1. The bank finds that the payment documents accepted for processing the operation do not contain the required details or do not meet the other requirements specified in these General Terms and Conditions;

194.2. In cases of insufficient funds provided by the client for the execution of the respective operation on the date of receipt of the documents or within 5 (five) business days from another specified date (if such is indicated in the transfer order);

194.3. The amount of the credit transfer order exceeds the overdraft limit agreed with the client;

194.4. If the client does not present the required documents in accordance with clause 21.2 of the General Terms and Conditions within the specified timeframe, and the requirements of MAMLA for a due diligence, which the bank must perform on the client (including, but not limited to, identification of the client, the origin of the funds used in the operation, etc.), cannot be met;

194.5. When individuals, legal entities, institutions/organizations, or countries involved in the operation are subject to national or international sanctions/bans/limitations;

194.6. In other cases specified in regulatory acts.

195. If a payment order is not executed due to a lack of funds on the client's account or if the amount of the credit transfer order exceeds the agreed overdraft, the bank notifies the client within the timeframes agreed for the execution of the payment order, or enters the documents in the accounting system on the day when funds become available on the account.

196. The bank has the right to send a refusal of payment to the beneficiary's bank if the client does not provide the necessary balance on the account on the date of receipt of the debit request or within 5 (five) business days from the date of execution.

197. The client cannot cancel a payment order after it has been received by the bank.

198. The client cannot cancel a payment order for a payment operation initiated by or through the recipient (direct debit and operation with a payment card) after the payment order has been submitted or consent for execution of the operation has been given.

199. The client—the payer of an operation by direct debit—may cancel the order no later than the end of the business day preceding the day on which the account is to be debited.

200. In the cases mentioned in paragraphs 198 and 199, if the recipient's account is still not credited, a transfer order may be cancelled only with the consent of the bank and the recipient.

201. The client may withdraw an order or a provided consent for the execution of a payment operation before the payment operation becomes irrevocable—before the payment order is received by the bank of the payer or before the payer has given their consent for the execution of the payment operation in favour of the recipient (when the payment operation is carried out at the initiative of or through the recipient).

202. The fee collected by the bank for the cancelled operation is not refunded.

203. When a payment order is scheduled to be executed on a specific day or the day following the expiry of a specified period, or on the day the client provides the necessary

funds for its execution, the client may cancel the payment order no later than the end of the business day preceding the agreed day for debiting the account.

204. In the case of direct debit, the client may cancel the payment order no later than the end of the business day preceding the agreed day for debiting the account.

205. The bank accepts requests for cancellation of a payment order only in written form. The client owes a fee to the bank for the cancellation.

206. The bank has no right to refuse the execution of a payment operation if, prior to its execution, the client has ordered it or given consent for its execution, except under the conditions of paragraphs 207 and 210.

207. The bank may refuse to execute a payment operation ordered by the client if there is a regulatory restriction according to the applicable legislation and these General Terms and Conditions, and in cases of suspected unauthorised use of personalised security features, for which the client gives their explicit consent by signing these General Terms and Conditions. This provision does not apply in cases of operations carried out using debit cards.

208. If the bank refuses to execute the payment operation, it notifies the client, stating the reasons for such refusal and the procedure for correcting factual errors, if any, except where there is a prohibition on providing such information under law or an act of the European Union. The notification is provided to the client in a timely manner within the agreed timeframes for executing the payment operation and in a manner determined by the client in the relevant contract. The client owes a fee/commission to the bank according to the current Tariff for receiving the notification by post, unless otherwise agreed.

209.1. The bank has the right to immediately block a payment account for disposal operations—ordering and receiving payments—when the client, their proxy, or a person associated with operations on the account is subject to national or international sanctions/bans/limitations, and in cases where the bank is unable to meet the due diligence requirements under Article 10, clauses 1 – 4 of MAMLA.

209.2. The bank has the right to block and/or return funds unduly received in the client's account during unauthorised or executed payment operations as a result of unlawful actions, for which the payer's bank/correspondent bank has notified the bank and/or requested the recovery of the funds, to which the client agrees by signing these General Terms and Conditions.

210. The bank does not accept orders for carrying out payment operations if, upon request, the client refuses to provide an identity document for identification and verification of their signature.

VI. COMMUNICATION BETWEEN THE PARTIES

Provision and exchange of information

211. All legally significant statements by the parties are made in writing, including on the electronic addresses of the parties indicated in the registration. The parties may also exchange statements through the Online Banking System, if the client has entered into a contract to use the service.

212. The bank makes available to the client up-to-date and complete information about its products and services and their conditions, the method for determining interest rates, the size of fees and commissions, exchange rates, as well as the content of the current applicable General Terms and Conditions, Tariff, and Bulletin at the bank's branches, on its website www.municipalbank.bg.

213. The client has the right at any time during the term of the Agreement to request and receive the current General Terms and Conditions, Tariff, and Bulletin, and to download them from the bank's website as current at the date of their provision.

214. The client is obliged to monitor and be informed about the content of the current and applicable General Terms and Conditions, Tariff, and Bulletin, as well as about all changes to them, and cannot plead ignorance of the conditions listed by the bank at any

given moment, which bind and engage them from the date of their announcement by the bank.

215. In the event of changes in the initial data provided by the client when entering into the Agreement for a specific product/service, they are obliged to inform the bank in writing within 7 (seven) days of the change and to provide the relevant proof/documents for it, if such have been issued. All notifications and other messages sent to the last known correspondence address, mobile phone number, or electronic address registered with the bank are considered received by the client.

216. The client is obliged to inform the bank within 7 (seven) days of any change in their mobile phone number or a switch to another mobile operator, including when retaining the existing number.

217. The bank is not liable in case the client has not provided an up-to-date mobile phone number for receiving SMS notifications, receiving a "3D secret code" and OTP code, or has not informed the bank of a change in the provided number, which has led to the impossibility of the client being notified of actions taken by the bank for the administrative blocking of the card or identification of the client.

218. The bank is obliged to notify the client of the blocking/unblocking of access to payment instruments on the mobile phone number and/or email address specified by them, before the blocking/unblocking or immediately afterwards and for the reasons necessitating the blocking, unless providing such information is not allowed due to security considerations or compliance with regulatory requirements preventing informing client.

219. The bank is not responsible for the receipt by the client of messages sent.

220. The client is obliged to immediately notify the bank in writing in case of loss, destruction, or theft of a document certifying the existence of an open payment account and/or instrument for remote access to an account at the bank. The notification is made personally by the client or by an authorised person with a request in free text.

221.1. Notification to the bank by the client of the inability to use a payment instrument (debit card) and/or its associated personalised security features can be made in the following ways:

- a) at any time of day or night on the phone number +359 0700 15 885;
- b) in person or in writing at the address of the bank, including by post, with the notification considered to have been made upon its receipt.
- c) Notification of the blocking of a debit card can be submitted by calling 02/9300181 at any time of the day or night or on the telephone numbers announced on the website of the company BORICA (www.borica.bg), available 24/7. The notification to BORICA AD is considered valid only if the client provides the data required by the national card operator.

221.2 In the cases mentioned in clause 221.1, the client is informed and gives their explicit consent for the phone conversation and the data from it to be recorded, including with audio recording, and stored for a period of 18 (eighteen) months.

222. The bank may provide the client with data regarding the execution of orders for money transfers within the following timeframes:

- a) for executed and received transfers in BGN within one business day - after 12:00 on the next business day;
- b) for executed transfers in a foreign currency – up to 3 (three) business days from the date of submission of the transfer order, and for received transfers in a foreign currency - up to 1 (one) business day after verifying the client's account.

223. The client may request from the bank a check regarding the status of the payment process concerning a transfer executed on their order or expected on their account, for which they shall pay a fee according to the Tariff.

224. The client may request to receive information from the bank/payment service provider via text messages, specifying a mobile phone number for receiving them. The

text messages may concern the balance on the account, card operations (withdrawals), etc.

225. Current information about the account (balance and transactions) may also be provided to the client through a receipt from an ATM terminal.

226. The bank provides the client with information about the balances and transactions on payment accounts in the form of a monthly statement, available upon request at any branch of the bank or in another manner agreed between the parties in the contract.

227. The client has the right to receive monthly information about each change in the balance of a payment account, as well as about each money transfer executed for their expense or in their favour in a manner agreed with them.

228. The client is obliged to receive a monthly account statement from the bank and to provide full cooperation to the bank in cases of disputing payments with debit cards, including by providing information about their registrations of mobile devices for virtual space access.

229. The client has the right to receive free annual information - a report on the fees, regarding all fees/commissions charged for services used during the corresponding period and, where applicable, information on the interest rates for overdraft on a payment account, the interest rate on a payment account, and the total amount of accrued interest for the period for services related to the payment account.

VII. Interest Rates, Fees, Commissions, and Exchange Rates

Interest Rates

230. The Bank applies interest rates to payment accounts based on their type and currency, in accordance with the current interest rate conditions at the time of calculation.

The applicable interest rates are indicated in the Bulletin as an annual interest rate for the relevant account type and currency.

231. Interest is expressed as a percentage representing the cost of 100 currency units of capital used for 12 months (annual interest rate).

232. The Bank calculates interest on current accounts and other on-demand deposits (without a fixed term) on a 360/360-day basis. The interest for the days during which the funds remained in the Bank is calculated daily, with each month considered as 30 days and the year as 360 days. For months with 31 days, the 30th day is non-interest-bearing. For February, depending on whether it is a leap year, the balance from the last day is interest-bearing for an additional 1 or 2 days.

233. Interest is paid at the end of the year, upon account termination, or when other circumstances arise related to changes in product servicing, unless otherwise specified in the contract for the relevant account type.

234. The Bank calculates and withholds tax on interest income on the Client's accounts in accordance with the tax legislation of the Republic of Bulgaria.

Fees and Commissions

235. The Client owes fees and commissions for products and services used in accordance with the applicable Tariff at the time they are collected or at the date of the service for which they are due.

236. Fees and commissions under the Tariff are due in the currency of the transaction, while those for opening, maintaining, closing, and cash operations on an account are due in the national currency. If the transactions or accounts are in a currency other than the euro or lev, fees and commissions are converted to the corresponding currency at the official exchange rate of the Bulgarian National Bank (BNB) at the time of accounting for the transaction unless otherwise agreed.

237. Fees/commissions are deposited in cash by the Client or are automatically deducted by the Bank from the balance on the account. The Client is obliged to ensure sufficient funds in their accounts to cover the due fees and commissions.

238. The Bank collects the due fees and commissions from the Client in a currency based on the consent provided by the Client when signing these General Terms and agreements (for accounts, cards, online/mobile banking, etc.). The due amounts are deducted from the balance of the account involved in the payment operation (online/mobile banking), and in the event of insufficient funds on the account, from any payment account of the Client in the Bank in BGN or a foreign currency.

239. The Bank notifies the Client regarding the basis, date, and amount of the deducted fees and commissions in the provided account statement.

Exchange Operations

240. When executing payment operations in a currency different from that in which the Client's account is held (at a bank branch or through remote access tools), the Bank debits or credits the Client's account by automatically converting the amount of the operation at the applicable exchange rates for the respective currency, as announced in the Bank's Exchange Rate Bulletin at the time of accounting for the transaction. The amount is converted as follows:

a) when the account is in BGN and the transaction amount is in a foreign currency or vice versa – at the announced "cash-free rates" or "cash rates," "buy" or "sell";

b) when the account is in one foreign currency, and the transaction amount is in another foreign currency – at the announced "cross rates," "buy" or "sell."

241. Information on the exchange rates applied by the Bank is available at the Bank's branches, on the Bank's website, and in the relevant electronic channel (online/mobile

banking) through which services for payment operations in a currency different from the account currency are offered.

242. The Bank offers the possibility to enter into foreign exchange deals at a preferential exchange rate when the amount is greater than 10,000 (ten thousand) BGN or their equivalent in the respective currency, calculated at the exchange rate announced by the BNB.

243. To carry out currency conversion as described, the Client provides their consent by signing the relevant framework contract and these General Terms and Conditions.

244. Payments with debit cards are made in the currency of the country where the payment operation is carried out. The amount of a card transaction in a foreign currency is accounted for in euro in the Bank's account, applying the exchange rate of the International Card Organisation Mastercard, valid on the day of payment. The Bank debits the Client's account with the payment amount (in euro), and the conversion to the account currency (BGN) is carried out at the fixed BNB exchange rate for the EUR against the BGN. Information on exchange rates for card transactions is published on the Bank's website www.municipalbank.bg.

245. The Bank does not perform currency conversion for transactions (with bank payment cards) when the transaction currency matches the Client's account currency.

VIII. Responsibilities of the Parties

Responsibilities of the Bank

246. The Bank is not responsible for any consequences arising from:

a) false, forged, or erroneous payment documents presented to it, if they had the minimum required content externally and there was no suspicion that they were composed by the persons indicated in the documents;

b) incorrect and/or incompetent use of remote access payment instruments by the Client.

247. The Bank does not monitor the legality or control the subject of the transaction that led to the payment, unless provided for by a regulatory act or agreed in a separate contract between the Bank and the Client.

248. The bank is not responsible for any failures or inaccuracies in executing payment operations requested by the Client if:

a) any delays or actions taken by the Bank are intended to comply with, or avoid breaches of, regulatory requirements designed to prevent money laundering and the financing of terrorism, or

b) the failure or inaccuracy is due to an error on the part of the payer or the recipient, such as incorrect details provided for the IBAN, payment account number, or PIN/PNF/UIC/BULSTAT (in the execution of cash money transfers), or is caused by another participant in the national payment system, or is due to force majeure.

249. If a payment instruction fails due to invalid IBAN, payment account number, or PIN/PNF/UIC/ BULSTAT numbers provided, the Bank will endeavour, within its means, to retrieve the transaction funds, charging a fee as outlined in the Tariff. Should retrieval be impossible, at the written request of the payer, the Bank will provide all available information necessary to attempt recovery through general procedures.

250. Should a cash transfer not proceed due to the payer providing an incorrect unique identifier for the recipient, the Bank will promptly notify the Client of the issue and their right to reclaim the transferred funds.

251. When the Bank cannot perform a payment operation as per the Client's instruction, due to a discrepancy in the account identifier, the amount involved, or if it has charged a different amount than specified, or due to a duplicate transaction being authorised, it will rectify the mistake with an administrative correction transfer.

252. Beyond the circumstances mentioned, if payment operations are not performed or are performed inaccurately according to the Client's instructions, the Bank is liable as specified in Chapter Five, Section V of the Payment Services and Payment Systems Act.

253. The Bank may initiate a correcting transfer regardless of any legal restrictions or the terms of the framework agreement, particularly if the funds were credited to the Client's account by mistake. The Bank will not charge fees or commissions to the Client for this administrative correction transfer.

254. The Bank bears no responsibility when, due to the Client failing to fulfil their obligations under the contract and the general terms and conditions, the payment account or provided payment services and/or remote access payment instruments are used by third parties.

255.1. The Bank accepts and executes account garnishments in accordance with the laws of the Republic of Bulgaria. The Bank is not obligated to inform the Client about any garnishment notices received.

255.2. When an account is blocked by order of a competent authority, which restricts free disposal of the funds or requires a transfer of a specified amount, the Bank will carry out all prescribed actions within the specified timeframe.

255.3. Upon receiving garnishment notices for securing measures, the terms of the account remain unchanged. The account holder may dispose of the funds exceeding the secured amount.

256. The Bank is not liable to the Client for any consequences arising from imposed restrictions or actions taken according to previous points. The Bank does not assess the circumstances related to the imposed restriction, its legality, or justification. Challenging the actions of the authority that imposed the restriction and any other legal procedures aimed at reversing it must be undertaken by the Client through the appropriate legal channels.

257. The Bank reserves the right to block the use of the account by the Client at any time, including all or part of the funds available in the account, as well as the payment instruments used for account access, should there be indications that the funds have been obtained through fraud. By agreeing to these General Conditions and signing the Account Contract, the Client gives their unconditional and irrevocable consent to this.

258. The Bank is not responsible for damages from unauthorized or inaccurately executed payment operations if it has acted in good faith following an instruction to carry out the operation, including those received electronically, before being notified by the Client within the timeframes and procedures set out in these General Terms and Conditions.

259. The Bank is not liable if, as a result of a false notification made in the established order regarding the loss, theft, damage, destruction, forgery, or other unauthorized use of personalized security measures and access to online/mobile banking, it has taken necessary measures to block access in order to protect the interests of the Client, leading to the inability to send an electronic statement to the Bank.

260. The Bank bears no responsibility if the Client has not provided up-to-date information for receiving notifications from the Bank, which has resulted in the inability to be informed about the actions taken by the Bank to block access to online/mobile banking.

261. The Bank is not responsible if a transaction via a remote access payment instrument is refused due to a lack of available funds in the Client's account or an insufficient available credit limit.

262. The Bank is not a party to the relationships between the Client, merchants, or third parties in the execution of payment operations via remote access instruments (debit cards and online/mobile banking) and is not responsible for the quality of the goods and services provided or for any disputes that arise in this regard.

263. The Bank bears all losses related to unauthorized payment operations with personalized security means for accessing online/mobile banking that occur after it has received notification (verbally or in writing) of the loss, theft, or illegal appropriation of these security means.

264. The Bank is responsible for non-execution of its obligations even if the operation is carried out through a terminal or another device not under its direct or exclusive control, unless the operation is carried out through a terminal or device not complying with the requirements of International Card Organizations.

265. The Bank also bears responsibility for errors or improper management of the Client's account, with liability extending to the amount of the unexecuted or incorrectly executed card transaction, plus interest.

266. The Bank is accountable for the non-execution of transactions with debit cards if the failure is due to a fault in the card, terminal, or another device, unless the operation is conducted through a terminal or device not authorised by International Card Organizations, and the failure is due to intentional or gross negligence by the authorised holder or violation of card operation requirements by the Client.

267. When a Client claims that a payment operation with a payment card was not authorised or was incorrectly executed, the Bank bears the burden of proof in establishing the authenticity of the payment operation, its accurate recording, accounting, and that the operation was not affected by a technical fault or other service deficiency. The Bank provides information on card operations conducted through a settlement account as arranged in the framework agreement. This information is retained for a period of 5 (five) years.

268. The Bank is not liable if a payment operation is refused due to technical or communication issues in the systems of other operators, banks, or entities involved in the payment process, including refusal by the counterpart to accept the payment due to circumstances beyond the Bank's control.

269. The Bank bears no responsibility for losses or missed benefits resulting from the limitation of the scope of services it provides, changes in price, order, and conditions of accepting and executing client instructions, based on changes in applicable law, market conditions, security considerations, or improvements in the relevant service.

270. The Bank is not responsible for identifying the person who ordered and carried out payments with a debit card through any of the systems offering additional services, nor does it accept complaints about inaccurately provided services or payments made by a System Operator. The Bank is not a party in the relationships between the Client and Operators of systems offering additional services and bears no responsibility in settling disputes between them.

Client's Responsibility

271. The Client is responsible for all actions and obligations arising from the use of a payment instrument or payment account, including after the termination of the relevant Contract.

272. The Client is responsible for all actions taken on their behalf after gaining access to the online/mobile banking system based on positive electronic identification.

273. The Client is obliged to use the opened payment account, provided payment services, and/or remote access payment instruments in accordance with applicable legislation, these General Terms and Conditions, and any special conditions applicable to the specific bank product/service/instrument.

274. The Client must exercise due care, not using the payment account, payment service, or instrument, and not allowing them to be used by third parties to carry out actions or achieve goals that are prohibited by law or may damage the good reputation of the Bank.

275. The Client bears all losses resulting from the use of lost, stolen, or illegally appropriated personalised security measures if the Bank was not notified immediately upon learning of this situation, as specified in these General Terms and Conditions.

Recognition of such knowledge is deemed the day the Client receives an SMS notification or access to their account information through the Bank's electronic channel for online/mobile banking, with an account statement provided electronically or in paper format at a bank branch.

276. The Client bears all losses resulting from unauthorised payment operations if caused by fraud, failure to fulfil one or more obligations under these General Terms and Conditions, intentionally or due to gross negligence. Examples of gross negligence include, but are not limited to:

- a.) storing the payment card together with the PIN/other similar code and/or a document containing information about the personalised security measures of the card, including in the memory of a mobile phone;
- b.) disclosing or allowing another person to know the PIN, personal code for conducting "3D Secure payments", OTP code, or similar code to a third party, including a relative or family member;
- c.) providing the card for use by a third party or agreeing or allowing the card to be used by a third party;
- d.) sending an email containing data about the issued debit card and personalised security measures;
- e.) failing to provide the Bank with an up-to-date mobile phone number for registering the card for the "3D Secure payments" service;
- f.) providing a mobile device, on which the MySeal mobile application is installed and on which a personal code for conducting "3D Secure payments", OTP code, or similar code is received, to a third party;
- g.) and disclosing and providing for use the identification data for access to the online/mobile banking system to a third party, including a relative or family member.

277. The Client has the right to dispute conducted payment operations and levied fees and commissions as reflected in the account information provided by the Bank, by submitting their written objections to the Bank within fourteen days from the date the information was available for use by the Client. If the reflected data are not disputed within this period, they are considered approved by the Client.

278. The Client has the right to dispute unauthorised or incorrectly executed payment operations by submitting written objections to the Bank within 14 (fourteen days) from the date the account information from the Bank about the executed payment operations was available for use by the Client, but no later than 13 (thirteen) months from the date the account was debited with the amount of the disputed operation. If the reflected data are not disputed within this period, they are considered approved by the Client.

279. The Client agrees that the Bank will consider any contactless payment up to 100.00 (one hundred) leva made with a contactless debit card, Bcard or MasterCard, as authorised by them and will execute it, charging the transaction amount to the Client's settlement account.

280. The Client agrees that from the moment they issue an order for the execution of a payment operation with a debit card, the Bank will consider it received from them and irrevocable.

281. The Client may bear losses related to all unauthorised payment operations resulting from the use of a lost, stolen, or illegally appropriated payment instrument, but not more than 100.00 (one hundred) leva, if :

a.) the loss, theft, or illegal appropriation of the payment instrument could not have been identified by the Client before the payment, unless the Client acted with the intention of fraud, or

b.) if the damage was caused by an action or inaction of a Bank employee or a subcontractor authorised by the Bank.

282. The Client bears all losses related to unauthorised payment operations when caused by fraud or the non-fulfilment of one or more of their obligations under these General Terms and Conditions, either intentionally or due to gross negligence. In these cases, the Client bears the damages regardless of their amount.

283. The liability specified in this section does not apply in cases of extraordinary and unforeseen circumstances beyond the control of any of the contracting parties, the consequences of which would have occurred despite efforts to prevent them, as well as in cases where the Bank has acted in compliance with a regulatory obligation according to Bulgarian legislation and the legislation of the European Union.

IX. LEGAL PROTECTION

Personal Data and Banking Secrecy

284. The Bank safeguards and does not disclose to third parties any information and data about the Client, which has been entrusted to it or become known to it in connection with the execution of the contract between the Bank and the Client, subject to these General Terms and Conditions. Disclosure of information constituting banking secrecy is only made to individuals and in a manner prescribed by applicable legislation.

285. The balances and transactions on accounts are considered banking secrets. Information about them is provided to the Client and persons authorized by them through a notarially certified power of attorney. Third parties may receive information about the balances and transactions in accounts in accordance with the provisions of applicable legislation.

286. Information about an account may also be provided to payment service providers selected by the Client if the account is accessible via one of the Bank's electronic channels and the Client has consented to this in the prescribed manner.

287. The Bank is entitled to provide BORICA AD and international card organizations with personal data and information about the balances and limits on a Client's payment account with an issued debit card.

288. Information about the accounts serviced by the Bank and the balances of a deceased Client is given to the heirs upon presentation of a copy-extract from the death certificate, a certificate of inheritance, or a will.

289. As a data controller, the Bank collects and processes the Client's personal data only to the extent strictly necessary and proportional to the purposes of the processing, having provided the necessary measures for their protection in accordance with national and European legal provisions.

290. In view of offering personalized products and services and maintaining appropriate communication with current and prospective clients, the Bank requires them to provide personal data and consent for its processing.

291. By accepting these General Terms and Conditions, the Client confirms that they are informed and understand that the personal data they have provided will be processed by the Bank in accordance with the Privacy and Personal Data Protection Policy, available at the Bank's branches and published on its website at www.municipalbank.bg.

Guarantee of Deposits

292. The Client's payment accounts in BGN and foreign currency are guaranteed by the Bank Deposit Guarantee Fund under the conditions and in accordance with the Bank Deposit Guarantee Law.

293. The Fund guarantees the full payment of the amounts in the accounts of one person in a single bank, regardless of the number and balances of these accounts, up to a total of 196,000 BGN.

294. A guarantee of up to 250,000 BGN for a period of three months from the moment the amount is credited to the Client's account or from the moment the Client gains the right to dispose of the amount is provided in the following cases:

- a) Transactions involving residential real estate;
- b) Amounts paid in connection with the conclusion or termination of marriage, termination of employment or official relationship, disability, or death;
- c) Insurance or assurance payments or compensation for damages from crimes or reversed convictions.

295. Bank accounts/assets under item 294 do not participate in calculating the total amount of the Bank's obligation to a Client under item 293 within the period specified in item 294.

296. No guarantee is provided for funds in accounts arising from or related to transactions and actions representing money laundering within the meaning of Art. 2 of the Measures Against Money Laundering Act or financing of terrorism, established by a final court sentence.

297. Deposits (accounts) whose holder has not been identified according to Chapter Two, Section V of the Measures Against Money Laundering Act as of the date of issuing a decree under Art. 20, para. 1 of the Bank Deposit Guarantee Law are not paid out.

298. Amounts in accounts that have had no depositor-initiated transactions in the last 24 (twenty-four) months prior to the date of issuing a decree under Art. 20, para. 1 of the Bank Deposit Guarantee Law and whose balance in each of them is less than 20 BGN are not paid out.

299. The Bank Deposit Guarantee Fund ensures that the Bank's clients have access to the sums due under the guaranteed deposits no later than seven (7) business days from the date of issuance of a decree under Art. 20, para. 1 of the Bank Deposit Guarantee Law.

In certain cases specified in the Bank Deposit Guarantee Law, the period for payment of the sums may be extended.

Dispute Resolution

300. Every Client has the right to file complaints in connection with the provision of payment services by the Bank. Complaints must be submitted in writing using a form provided by the Bank at any branch or to the email address contacts@municipalbank.bg. Complaints are registered in the Bank's registry. The complaint should be accompanied by all data and documents substantiating its validity. During the review of the complaint, the Bank may request additional data and documents to objectively resolve the dispute and correct any errors.

301. The Client has the right to dispute unauthorized or incorrectly executed payment operations by the Bank, including those conducted with personalized security measures through the Online/Mobile Banking System, by submitting written objections to the Bank within fourteen (14) days from the date the information on the conducted payment operations, provided by the Bank under these General Terms and Conditions, was available for their use, but no later than thirteen (13) months from the date of the disputed payment operation. If the reflected data are not disputed within this period, they are deemed approved by the Client.

302. A Client has the right to request the Bank to refund the full amount of an already executed and authorized payment operation when it was ordered by or through the recipient and the following two conditions are cumulatively met: at the time of granting permission for the execution of the payment operation, its exact value was not specified, and the value of the payment operation exceeds the payer's expected value considering his expenses for similar operations and other case-specific circumstances. The request for refund must be made by the Client to the Bank within 56 (fifty-six) days from the date the account was charged, along with evidence of the specific conditions. The Bank is obliged within 10 (ten) business days from receiving the request to refund the full amount of the payment operation to the Client or to refuse the refund, stating the reason for the refusal and the authorities before which the payer may object to the refusal.

303. A Client does not have the right to a refund from the Bank of the amount under item 302 when they have given their consent for the execution of the payment operation directly to the Bank and if the Bank or the recipient of the amount by the payment operation has provided the Client, by a method agreed with them, information about the upcoming payment operation at least 28 (twenty-eight) days before the date of its execution.

304. Complaints submitted later than 13 (thirteen) months from the date the Client's account was charged with the value of the transactions being disputed, as well as contactless payments with Bcard or MasterCard that were not confirmed with a PIN code, are not considered.

305. The Bank is obliged to pronounce and notify the Client in writing of its decision on each received complaint in written form on paper or another durable medium, within 15 (fifteen) business days from its receipt at the Bank. The mentioned period may be extended to 35 (thirty-five) business days from the receipt of the complaint when, due to reasons beyond the Bank's control, it is unable to make a decision, for which it must timely notify the Client, informing them of the reasons for the delay and the period in which they will receive the decision on their complaint.

306. The Bank is committed to assisting in resolving cases of disputed operations by the Client according to established banking practice in the country and the rules of the International Card Organization.

307. When submitting a complaint related to disputed card operations, the Client certifies to the Bank that the debit card with which unauthorized operations were performed is in their possession. 308. The Bank has the right to require the Client to provide documents issued by competent authorities in the investigation and resolution of cases related to disputed payments made with a debit card. At its discretion, the Bank may notify competent authorities in cases where it has been informed by the Client of a stolen or otherwise unlawfully used card.

309. If the Bank considers the complaint to be justified, it restores the amounts of the disputed operations to the Client's account, along with any retained fees.

310. If the Bank does not pronounce within the time limits specified in the previous item, or if its decision does not satisfy the Client, the dispute may be referred for review by the Conciliation Commission for Payment Disputes at the Consumer Protection Commission. Information about the acceptance and handling of client complaints can be found on the Bank's website in the "Feedback" section at <https://www.municipalbank.bg>.

311. Additional information about the Conciliation Commission for Payment Disputes and the conditions for its notification can be obtained at: Sofia 1000, 1 Vrabcha St., floors 3, 4, and 5, phone 02 9330 577, or on the website www.kzp.bg; email: adr.payment@kzp.bg.

Applicable Law

312. The applicable legal regulations of the current Bulgarian legislation will apply to any issues not settled in the Contract and these General Terms and Conditions.

313. All disputes arising between the parties in connection with the performance or interpretation of the Contract and these General Terms and Conditions are resolved by mutual consent of the parties, and if such consent is not achieved, each party may refer the dispute for resolution before the competent Bulgarian court.

314. If any provision of these General Terms and Conditions becomes invalid, this will not affect the applicability of the remaining provisions.

FINAL PROVISIONS

§ 1. These General Terms and Conditions, preliminary information, and the framework agreement may be provided to the Client in Bulgarian and English. In case of discrepancies, the Bulgarian version prevails.

§ 2. These General Terms and Conditions are provided to the Client sufficiently in advance before the signing of the relevant Contract, by placing them in premises accessible to clients, or on the website of Municipal Bank AD at www.municipalbank.bg.

§ 3. The provisions of the applicable Bulgarian legislation apply to these General Terms and Conditions and the related framework agreements, and disputes are resolved by the competent Bulgarian court.

§ 4. From the effective date of these General Terms and Conditions, the following are repealed:

1. General Terms and Conditions of Municipal Bank AD for the framework agreement for a current account of individuals;
2. General Terms and Conditions of Municipal Bank AD for the contract for the issuance and use of a debit payment card;
3. General Terms and Conditions of Municipal Bank AD for the framework agreement for internet banking for individuals.

§ 5. These General Terms and Conditions were adopted by the Management Board of Municipal Bank AD with Minutes No. 19 of 22.03.2022 and enter into force on 01.01.2023; am. and supp. by the MB on 23.05.2023, effective from 10.08.2023; am. and supp. by MB on 26.09.2023, effective from 01.10.2023; am. and supp. by MB on 18.06.2024, effective from 24.06.2024.

For the Client: I declare that I have received these General Terms and Conditions, agree with them, and accept them.

.....
..... (names as per identity document, signature, date)

For Municipal Bank AD:

.....
..... (names as per identity document, position, signature,
date)