

**Dear Customers,**

We hereby inform you that as of **23.06.2020** the following changes to the General Terms and Conditions of UniCredit Bulbank AD for bank cards of Individuals and for providing payment services through the use of bank cards as electronic payment instruments will take effect:

**1. Strong customer authentication of the authorized user of the card for online payments with the use of a dynamic password:**

**Section I. DEFINITIONS**

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**Dynamic password for online payment** – it provides for strong customer authentication of the authorized user of the card for online payment, according to Commission Delegated Regulation (EU) 2018/389 of 27 November 2017 supplementing Directive (EU) 2015/2366 of the European Parliament and of the Council with regard to regulatory technical standards for strong customer authentication and common and secure open standards of communication. It represents a series of symbols, which is used for authentication of the authorized user of the card and for confirmation of an online payment on the website of a merchant participating in the programmes Visa Secure and Mastercard Identity Check. The dynamic password is a one-time password, which is non-reproducible and valid for the concrete transaction with a particular merchant. The dynamic password is provided and accessed through the services for online banking of the Bank, Bulbank Online and Bulbank Mobile, and is used personally by the authorized user of the card. The dynamic password contains information for the transaction requesting confirmation (receiver and amount).

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**Section VI. ADDITIONAL SERVICES RELATED TO PAYMENT TRANSACTIONS WITH BANK CARDS ISSUED BY THE BANK**

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4. Rules for use of the service "Secure Online Payments"

4.1. The bank cards issued by UniCredit Bulbank AD can be included in the programmes for identification of an authorized user, Visa Secure and Mastercard Identity Check, through the receipt of a dynamic password for online payment.

4.2. The requirements for use of the service "Secure Online Payments" and for inclusion of an authorized user of a card in the above specified programmes are the following:

4.2.1. The card should be active;

4.2.2. The authorized user should use a service of UniCredit Bulbank AD for online banking, according to its terms and conditions, through which service he/she should receive a dynamic password for each payment with a merchant included in the programmes Visa Secure and Mastercard Identity Check. In case of no online transactional activity for six months, the card automatically will be removed from the above specified programmes, but it can be included again by the authorized user through the service of UniCredit Bulbank for online banking.

4.3. The authorized user shall undertake to:

4.3.1. immediately notify the Bank in case of actual or suspected compromising of his/her card details and/or the dynamic password for online payment;

4.3.2. immediately notify the Bank in the event of received requests for card details and dynamic password for online payment, received from any sources, through any methods of communication and on any occasion, different from payment on a merchant's website, included in the programmes Visa Secure and Mastercard Identity Check.

4.4. The Bank shall not be held liable for any direct or indirect losses suffered by the authorized user, non-executed transactions, losses, loss of data, etc., arising from the use of the Secure Online Payments service.

4.5. The Bank and the authorized user shall agree that for the purposes of execution of online card-not-present payment transactions, the confirmation with a dynamic password for online payment, received through the online banking service of the Bank, represents an actual expression of will by the authorized user for confirmation and

consent with the execution of the relevant payment transaction. When ordering a payment transaction, the consent of the authorized user shall refer to the particular amount and its receiver.

## 2. Repayment on a daily basis of credit card debts:

### Section V. RIGHTS AND OBLIGATIONS OF THE PARTIES

#### 1.2. The authorized user shall be entitled to:

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1.2.7. The authorized user of a credit card shall be entitled to repay fully or partially his/her debts also outside the period of customer payments, through payment on the card account associated with the credit card...through depositing funds on the card account, the authorized user shall be entitled to repay his/her debts partially or fully, regardless of the period in which the debt has occurred, according to the priority of the repayments indicated in the credit card agreement.

## 3. Extension of the period for debt acceleration on a credit card:

### Section V. RIGHTS AND OBLIGATIONS OF THE PARTIES

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#### 2. Rights and obligations of the Bank

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#### 2.2The Bank shall be entitled to:

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2.2.5. In case the authorized user has a debt which is 90 days past due and regardless of the invitations by employees of the Bank, the authorized user has not provided funds for covering the amounts due, on the 91st day since the default has arisen, all debts of the authorized user for utilized amounts shall become immediately due and payable ahead of schedule, and the Bank shall be entitled to collect them from the accounts of the authorized user with it as per the procedure under Section V, item 2.2.1, and the card shall be closed.

## 4. Regulating the right of the Bank to reverse a refund transaction in case of a duplicate refund of an amount in the event of disputed payments:

### Section V. RIGHTS AND OBLIGATIONS OF THE PARTIES

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#### 2. Rights and obligations of the Bank

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#### 2.2The Bank shall be entitled to:

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2.2.3. In case an amount of a disputed payment is refunded on the account associated with the card, both by UniCredit Bulbank AD and by the accepting bank/the merchant, the Bank shall reverse the initial refund transaction, including in the cases where the funds available on the account associated with the card are not sufficient and the excess amount shall be considered unauthorized overdraft/exceeded credit limit used by the authorized user, which shall be immediately due and payable and shall be collected through direct debit and/or automatic collection, in accordance with the requirements and the provisions

of the Law on Payment Services and Payment Systems and Ordinance No.3 of 18.04.2018 of the Bulgarian National Bank on the terms and procedure for opening payment accounts, execution of payment transactions and use of payment instruments.

## **5. Suspending the issue of new credit cards and the increase of a credit limit on existing credit cards in US dollars (USD):**

### **Section IV. ISSUING AND USE OF A BANK CARD**

#### **1. Bank card issuing and renewal.**

1.1. ...The credit limit used through a credit card shall only be provided in BGN or EUR.

By giving this notice, the Bank fulfills its obligation as a payment services provider pursuant to Art. 62 under the Law on Payment Services and Payment Systems to communicate by a two-month notice to its customers any upcoming changes to the terms and conditions under the framework agreement.

By this notice, the Bank notifies the users of payment services and considers they have accepted the changes to the framework agreement, unless they notify the Bank of their refusal to accept the changes before the effective date of the changes. In case a user of payment services does not accept the changes, he/she shall be entitled to terminate the framework agreement and its related agreements at any time prior to the proposed effective date of the changes, without being liable for any charges or indemnities.