

**GENERAL TERMS AND CONDITIONS  
FOR THE OPENING, KEEPING AND CLOSING OF PAYMENT ACCOUNTS AND THE  
PROVISION OF PAYMENT SERVICES BY TRANSACT EUROPE EAD**

**I. GENERAL PROVISIONS**

- 1.1.** The following **Transact Europe EAD** General Terms and Conditions for the Provision of Payment Services, hereinafter referred to as the “General Terms and Conditions”, shall regulate the conditions and the procedure under which Transact Europe EAD, UIC 121554961, with its registered office located in the city of Sofia, P.O. Box 1000, 19 Karnigradska Street, operating as an electronic money company with license issued by BNB Management Board Resolution № 73 dd. 21.07.2011 and registered as Personal Data Controller, e-mail: [office@transact.eu](mailto:office@transact.eu), web page: [www.transact.eu](http://www.transact.eu), shall provide payment services within the meaning of the Payment Services and Payment Systems Act (PSPA); shall process separate or series of payment transactions; and shall regulate the relationships emerging between the payment services users-legal entities (hereinafter referred to as the “Customers”) and Transact Europe EAD (hereinafter referred to as “Transact Europe EAD” or the “Company”) with regards to the payment services provided.
- 1.2.** The General Terms and Conditions shall constitute an integral part of the Frame Agreement for the provision of payment services by Transact Europe EAD and of any concluded by the Company contract making reference to the present General Terms and Conditions. Where the clauses of a specific payment account contract differ from these General Terms and Conditions, the provisions of the said contract shall apply.
- 1.3.** The payment services which Transact Europe is allowed to provide include the following:
- Performance of payment operations, including the transfer of funds to user’s payment account opened with the payment services provider or with another payment services provider;
  - Performance of direct debits, including single direct debits;
  - Processing of payment transactions through payment cards or other similar instruments;
  - Performance of credit remittances, including orders for periodic transfers;
  - Issuance of payment instruments and/or acceptance of payments made with payment instruments;
  - Performance of payment operations where payer’s consent for the processing of the payment operation has been granted through a telecommunication, digital or informational device, and the said payment has been channeled to the operator of a telecommunication or informational system or network, the latter acting only as an intermediary between the user of payment services and the supplier of goods or services.
- 1.4.** Payment account is an account kept in the name/names of one or more users of payment services, used for the storage of funds or the processing of payment transactions.

- 1.5. The opening of a payment account shall be done following the conclusion of a frame contract for the provision of payment services, signed by Transact Europe EAD and the payment services user, and it shall be in compliance with the requirements of BNB Ordinance № 3 regulating the procedure for the performance of payment operations and the use of payment instruments; the Payment Services and Payment Systems Act and its regulations; the present General Terms and Conditions; and the Frame Agreement for the provision of payment services.
- 1.6. Prior to the signing of the payment services contract, Transact Europe EAD shall supply the payment services user with preliminary information, as per the Payment Services and Payment Systems Act, which shall be in the form of General Terms and Conditions and/or draft of the frame contract.

## **II. OPENING OF LEGAL ENTITIES' PAYMENT ACCOUNTS**

- 2.1. A payment account shall be opened by the customer through his/her legitimate representatives or through the persons duly authorized by them, following the submission of the following documents:
  - i. An Account Opening Form including specimen of the representatives' signatures and relevant declarations issued as per the requirements of the Law on the Measures Against Money Laundering and the Personal Data Protection Act. The signature specimen of the person/persons who will be operating with the account/accounts shall be executed in the presence of a Transact Europe EAD official or an employee of an associated enterprise within the group or a shareholders' representative, or before a notary or an official from the Bulgarian Embassy or Consular Office in a foreign country.;
  - ii. Document/documents certifying the company's registration and the good standing of the circumstances entered for the customer, issued by a competent authority under the national legislation or by a registered agent, with the said document/documents evidencing the following details:
    - customer's commercial name;
    - company's legal and organizational format; In the case of a newly incorporated legal entity and where the legislation of the country in which it has been registered does not provide for the issuance of a relevant certificate or other official documents, the entity will have to produce its documents of incorporation. Certificate of Good Standing and other official documents need to be issued not later than 6 months prior to their submission. The documents shall be presented as originals or notary certified copies;
    - company's registered office, management and correspondence address, and principal place of business;
    - company's individual identification number;
    - the person or persons with representative powers and the company's equity owner – management and representative bodies; collective management bodies' type and composition.

In the cases under Art. 23, para. 6 of the Law on the Commercial Register and the Register of Non Profit Legal Entities, and in the presence of an official public commercial or company register in a Member State where the legal person is registered, the identification of legal persons shall be

carried out by downloading information by the commercial register or in the relevant public register on the records of the legal entity and documentation of the identification actions taken.

- iii. Duplicates of permits and licenses for the performance of company's activity, provided the activity is subject to authorization or licensing;
  - iv. Copy of customer's current Statutes/Memorandum of Association/Articles of Association;
  - v. Copies of the identity documents of the persons who will be operating with the funds in the payment account;
  - vi. Customer's legitimate representatives – the legal entity, the proxies and other individuals, subject to identification in respect to the recognition of a client who is a corporate person, shall be identified by the submission of the following documents:
    - official identity document;
    - full name;
    - date and place of birth;
    - official personal identification number or another unique element allowing for the establishment of the identity contained in the official document, featuring customer's photograph, and whose validity period has not yet expired;
    - citizenship;
    - address (in the event of the address not being stated in the identity document, a paid utilities bill or a bank statement with the person's address shall be required);
  - vii. Notary certified Power of Attorney, if any, by which the person/persons who will be managing and representing the customer authorize another person or persons to operate with the funds available in the payment account in the name and on behalf of the customer;
  - viii. When concluding framework contract for the provision of remote payment services and drawing up a power of attorney, where a payment account is available only for initiating electronic payment transactions at a distance, a qualified electronic signature may be used in accordance with the requirements of the Electronic Document and Electronic Certification Services Act and Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and certification services for electronic transactions in the internal market and to repeal Directive 1999/93 /EU, which may not require specimen of the signature of the account holder.
- 2.2.** In any case, Transact Europe EAD shall, at its own discretion, be entitled to ask for other documents, legalizations, certifications or translations related to the opening, disposition and closing of the account.
- 2.3.** All documents drafted in language other than English must be submitted translated either in Bulgarian or English.

- 2.4. The documents referred to in item 2.1.ii, which have been issued by a public authority or certified by a qualified foreign Notary, shall be apostilled if they have been issued or certified: on the territory of a country that is party to the Convention for the Abolishment of the Requirement for the Legalization of Foreign Public Documents (as published in State Gazette № 45/2001); or in accordance with an effective legal aid agreement concluded between the Republic of Bulgaria and the state where the said documents had been issued/certified, or if these documents have been certified in observance of the Regulations on Legalization, Certification and Translation of Documents and Other Papers, provided their issuance/certification had taken place on the territory of a country that is not a party to the Convention for the Abolishment of the Requirement for the Legalization of Foreign Public Documents or a country with which Bulgaria has signed a legal aid agreement.
- 2.5. Based on the information collected from the client and other sources, Transact Europe EAD shall take a decision on the Account Opening Application, and should it refuse to conclude a frame contract for the provision of payment services, Transact Europe EAD shall not be obliged to justify its rejection.
- 2.6. Transact Europe EAD shall not open any anonymous accounts or accounts in fictitious name.
- 2.7. No account shall be opened if the data collected is insufficient for the identification and verification of the company and the persons in control of it.
- 2.8. The customer may use the services of Transact Europe EAD only after being identified, respectively – after the identification of the persons authorized by him/her, and following the signing of a frame contract for the provision of payment services.
- 2.9. Every client shall be informed that after the conclusion of a frame contract for the provision of payment services, he/she shall be obliged to update the submitted identification documents in the event of them being changed.
- 2.10. An unique identifier (IBAN) shall be assigned by Transact Europe EAD to each account opened by it. In cooperation with partner banks, Transact Europe EAD shall provide the opportunity for a payment account opened with it to have an additional unique identifier with an IBAN generated by a partner bank. The IBAN cannot be used for the performance of payment transactions other than transfers to a payment account opened at Transact Europe EAD. For the replenishment of the payment account opened at Transact Europe EAD, the payer may indicate in the payment order the IBAN in addition to the unique identifier of the account at Transact Europe EAD.

### **III. PAYMENT INSTRUMENTS. ONLINE PAYMENT SYSTEM**

- 3.1. Every customer may remotely dispose of his/her accounts by employing the following remote access payment instruments: online payment system, provided the customer has submitted a written Application for the provision of remote payment service as per Transact Europe EAD specimen; prepaid card issued upon the completion of an Application as per specimen, in which he/she shall supply to Transact Europe EAD the data required for the issuance of the card. Transact Europe EAD shall issue the payment instrument and deliver it to the customer along with the respective protective means (PIN code, certificate, password, etc.), and shall ensure its compliance with the regulatory requirements and the provisions of its internal rules and procedures for keeping the instrument secret from its employees and third parties.

- 3.2.** The online payment service of Transact Europe EAD shall provide the customer with technical opportunity to receive information about his/her payment accounts' status and the operations made under the said accounts. It shall also enable the customer to electronically order payment transactions and free messages. Transact Europe EAD shall retain the right to modify the service's technical procedures in the case of any innovations, statutory changes, or for security reasons.
- 3.3.** The customers of Transact Europe EAD may use the 24/7 online payment system available at [www.eTransact.eu](http://www.eTransact.eu), and the payment orders shall be executed within Transact Europe EAD office hours as per the deadlines for remittances' acceptance and processing referred to in item 4.12 hereunder.
- 3.4.** The services of the online payment system may be used only on the basis of customer's personal request. Authorization for operating with the accounts through the online payment system shall be done by a notary certified Power of Attorney. Transact Europe EAD shall be entitled to refuse to accept a Power of Attorney that contains clauses which are inaccurate, unclear or inconsistent with the data presented in other documents.
- 3.5.** Transact Europe EAD shall generate a user number and a password, and, if requested to do so, it shall provide the account holder or the person Notary authorized by him/her with a digital access certificate (token).
- 3.6.** The signing of customer's notices sent to Transact Europe EAD based on digital certificate (token) or received confirmation code, sent by Transact Europe EAD as an SMS, shall have the effect of an electronic signature within the meaning of the Electronic Document and Electronic Signature Act. The introduction of a user name and a password through the channel of Transact Europe EAD online payment system, without employing a digital certificate, shall have the effect of a valid confirmation code agreed between the issuer and the authorized holder.
- 3.7.** Depending on the customer's choice, the services of the online payment system can be provided in one of the following forms:

  - i. Online Active Access – The following types of payment and non-payment operations shall be carried out through the system: ordering of internal transfers within Transact Europe EAD system; ordering of remittances; creating and sending templates with beneficiaries' data and ready samples; ordering foreign currency exchange; returns and free text messages;
  - ii. Online Passive Access – The following types of reference operations and operations related to the security of services may be carried out through the system: checking of account's balance and transactions; changing the password needed to access the system; creation of new payment orders, specimens, returns and free text messages;
- 3.8.** Transact Europe EAD shall retain the right to add new services and change the aforementioned ones by giving notice to the customers through the respective channels and by publishing the relevant information of its web page. Depending on acting legislation requirements, Transact Europe EAD may demand that documents be submitted either electronically or as hard copies.
- 3.9.** For the online payment service of Transact Europe EAD to be activated, the customer will have to sign an Application for the use of online payment services, in which he/she will indicate the numbers

of the accounts for which he/she would like to receive information or under which he/she will perform payment transactions through the channels of the online payment system. Any change in the online payment system shall be implemented following the submission of a customer signed Request for data change containing the required modifications.

- 3.10.** Within the online payment system the user shall store the user name, password and digital certificate in a safe place protected against theft or damage, and he/she shall take all necessary measures to keep them in secret so as to prevent unauthorized persons' access to the online payment system.
- 3.11.** The user shall make sure the payment orders are introduced and carried out only by authorized persons.
- 3.12.** The electronic data sent by the user shall always be considered as a valid statement made by the user, and the risk of this data not being sent by the user or not corresponding to his/her true will or not being complete and/or true shall be borne by the user, with Transact Europe EAD not being liable for any damages or lost profits.
- 3.13.** Transact Europe EAD shall not be responsible for damages and forgone profits resulting from or related to inaccuracies or errors in the transmission of information, technical defects, line breaks, postal or private radio station interference, and technical problems, unless these damages have been inflicted as a result of Company's gross negligence.
- 3.14.** Transfers through the channels of the online payment system shall be made in observance of the following conditions:
  - a) remittances between domestic and foreign entities, as well as cross-border transfers, shall be performed in compliance with the provisions of the Foreign Currency Act and its regulations. Where the applicable legislation requires further documents (a document justifying the processing of a transfer; a financial loan declaration; etc.), these shall be filed through the online payment system of Transact Europe EAD or shall be sent by e-mail or fax till 15:30 hours of the current day;
- 3.15.** Payment documents specifying a future value date for the performance of a remittance shall be automatically processed only once at the beginning of the date indicated in the said payment document, as long as at the end of the day prior to the value date there are enough funds in the account.
- 3.16.** An order shall be deemed valid if accompanied by the whole set of documents, if required, and where under the respective account there are sufficient funds to cover the execution of the transfer and the withholding of relevant fees and commissions as per Transact Europe EAD Tariff. Should the customer fail to undertake necessary actions within the order's validity period – 7 days (or another period of validity to be specified by the customer) – the payment shall be *ex officio* cancelled by the system. Every day the online payment system shall attempt to send the remittance within the set deadline, but should it fail to do so, the order shall automatically expire.
- 3.17.** The online payment system shall automatically return any order featuring incorrect particulars, as well as any order that exceeds the limit of the respective person who has signed it. Transfer orders

exceeding the balance of the relevant payment accounts shall be forwarded to the accounting system and shall be processed upon the depositing of the required amount of money.

- 3.18.** Transact Europe EAD shall not be held accountable for delaying a payment order due to errors contained in it or in the cases described in Art. 3, item 16 hereinabove, nor shall it be responsible for any damages or lost profits that have emerged as a result of the said delay or non-processing of payment orders.
- 3.19.** After the performance of a transaction, the customer shall receive relevant information through the respective channels of the online payment system, and he/she shall have the duty to make himself/herself familiar with this information.
- 3.20.** The online payment system shall be automatically accessed following the performance of three consecutive entries of incorrect password / system's identification access code.
- 3.21.** By filing an application, either as a hard copy or by electronic means, the user shall be entitled to request, at any time and without stating a specific reason, the blocking of the right to access the online payment system.
- 3.22.** In the event of the passwords being disclosed or where the user has become suspicious of the said passwords having become known to an unauthorized person, he/she shall immediately ask Transact Europe EAD to block the access to the online payment system.
- 3.23.** Should Transact Europe EAD become suspicious of the following infringements, it could at any time restrict or suspend customer's access to the electronic banking system, if he/she is:
  - involved in rogue and/or deceptive, aggressive and unfair trade practices, illegal actions and results;
  - engaged in money laundering;
  - financing terrorism;
  - carrying out fraudulent activities, abuses Transact Europe EAD trust, and/or endangers the Company's reputation.
- 3.24.** The user may terminate his/her use of the online payment system by sending a paper or an electronic request for the cancellation of his/her access.

#### **IV. KEEPING OF PAYMENT ACCOUNTS. PROCESSING OF PAYMENT ORDERS**

- 4.1.** Transact Europe EAD shall carry out the payments in observance of the Payment Services and Payment Systems Act, the Foreign Currency Act, the Law on the Measures Against Money Laundering and its Implementation Rules, BNB Ordinance № 3 regulating the procedure for the performance of payment operations and the use of payment instruments, BNB and Ministry of Finances Ordinance № 28 on the information and documents provided to the payment services provided upon the performance of cross-border transfers and payments to a third party, and in compliance with the other applicable legal provisions.



- 4.2.** Transact Europe EAD shall accept in the accounts of its customers the following remittances:
- SEPA and internal transfers made between Transact Europe EAD customers shall be accepted by the IBANs generated by Transact Europe EAD;
  - SWIFT and TARGET2 transfers shall be accepted through partner banks in which Transact Europe EAD has opened security accounts in respective currencies, as per Art. 23, paras 1 and 2 of the Payment Services and Payment Systems Act, and the unique identifier issued by Transact Europe EAD (IBAN) and/or the recipient's name shall be indicated in the reasons for the payment order.
- 4.3.** In the case of incoming transfers with missing information about the payer, or where this information is incomplete and inconsistent with the requirements of European Parliament and Council Regulation № 2015/847 on payer's data included in money transfers, Transact Europe EAD shall have the right, but not the duty, to ask the payer's bank to provide further information, or shall return the transfer to the said bank without notifying the recipient.
- 4.4.** If the details specified under an incoming transfer (IBAN, recipient's full name) are incorrect, the transfer may be delayed or rejected.
- 4.5.** When indicating his/her payment details, a customer who is a payment recipient shall demand the ordering party to properly designate its IBAN in the payment order, for the customer shall be informed that in the event of a wrong IBAN, Transact Europe EAD shall not be held liable for the non-processing or inaccurate execution of a payment transaction with IBAN that has been incorrectly inserted by the ordering party. Where a payment order has been carried out in accordance with the IBAN stated in it, the order shall be considered as accurately processed with regard to the recipient named by this IBAN.
- 4.6.** Transact Europe EAD shall not be in control of the subject and/or the legitimacy of the transaction serving as grounds for the performance of the payment operation, unless the duty of such a control being exercised derives from a contract or a law.
- 4.7.** The customer shall be fully responsible for the truthfulness and correctness of the data provided for the respective payment.
- 4.8.** Settlement under payment accounts may only be carried out by the order or with the prior consent of the holder, to the amount and under the conditions set by the account holder, except for the case of enforcement as provided for by the law.
- 4.9.** Transact Europe EAD shall process only authorized payment transactions containing all the necessary particulars as required by BNB Ordinance № 3 regulating the procedure for the performance of payment operations and the use of payment instruments. The payment orders shall include also additional details as required by the provisions of other legislative acts. The payment transaction shall be deemed authorized if ordered and consented to by the payer. Consent shall also be granted through the use of a specific payment instrument.
- 4.10.** Partial transfers under individual payment orders shall not be allowed.



- 4.11.** Payment orders shall be processed in the chronological order of their entry into the system of Transact Europe EAD.
- 4.12.** Depending on the instructions submitted by the payer, the remittances made to recipients' accounts opened in other banks or with other payment services providers shall be divided into the following types:
- Express remittances with same day value date. These transfers shall be accepted for execution till 12:00 o'clock Bulgarian time. All transfers ordered after this hour shall be processed with a next day value date;
  - Remittances with tom value date. These transfers shall be accepted for execution till 16:00 hours Bulgarian time. All transfers ordered after this hour shall be processed with a two working days value date;
  - Remittances with a 2 working days value date - spot value date. These transfers shall be accepted for execution till 16:00 hours Bulgarian time. All transfers ordered after this hour shall be processed with a three working days value date.
- 4.13.** Internal transfers made within the Transact Europe EAD system shall be processed with value date – the date on which they have been uploaded into the accounting system.
- 4.14.** The value date of a remittance shall be defined as the date on which Transact Europe EAD has credited the account of recipient's bank. Transact Europe EAD shall not be held liable for those cases in which the recipient's bank would credit the account of the recipient on a later date or with a value date other than the value date of the transfer.
- 4.15.** All transfers that have been ordered shall meet the statutory requirements. Transact Europe EAD shall have the right to refuse the processing of a payment if the ordering customer has not completed all mandatory data or has failed to provide all necessary documents for the respective transaction or should the customer be short on sufficient funds in the payment account or in the case of restrictions being imposed as per the applicable legislation. Unless the applicable regulations prohibit the provision of such information, Transact Europe EAD shall communicate to the customer the reasons for its rejection to execute the payment.
- 4.16.** In accordance with the requirements of Ordinance № 3 regulating the procedure for the performance of payment operations and the use of payment instruments, Transact Europe EAD shall retain the right to collect ex-officio the funds payable for the opening, servicing, keeping and closing of a payment account; the processing of transactions under the said account with funds from another customer account; and shall also debit the payment accounts of the customer with the amount of any additional costs charged to the partner banks.
- 4.17.** Transact Europe EAD shall provide its clients with online statements sent through the electronic banking system which can be accessed by any customer.

- 4.18. Transact Europe EAD shall issue certificates, payment references and letters confirming balances and transfers, which shall be charged as per the Transact Europe EAD Tariff and the frame contract concluded with the account holder.
- 4.19. If requested by a customer, Transact Europe EAD may notify its clients on the performed transactions - either by SMS or e-mail

## **V. IRREVOCABILITY OF THE PAYMENT ORDER**

- 5.1. The customer may not cancel the payment order after it has been received by Transact Europe EAD, respectively – after he/she has consented to the processing of the payment order at the initiative of or through the recipient.
- 5.2. A payment order that has been accepted by Transact Europe EAD may be revoked by the customer in the following cases:
  - a) By the payer, till latest the end of the working day preceding the agreed day of execution, in the event of a credit remittance for a certain day or following the expiry of a particular deadline or on the day on which the customer-payer has submitted to Transact Europe EAD the documents needed for the processing of the payment order.
- 5.3. After the expiry of the periods stated in item 5.2 hereinabove, but before the crediting of recipient's account, the payment order may only be canceled provided the customer and Transact Europe EAD have consented to that, and in the case of a direct debit, recipient's consent shall be sought.
- 5.4. The customer may revoke the performance of the payment order by giving an electronic notice to Transact Europe EAD before the start of the processing.
- 5.5. Upon the cancelation of a payment order, the customer shall owe an annulment fee as per the Tariff.

## **VI. FEES, COMMISSIONS AND INTEREST**

- 6.1. Transact Europe EAD shall not charge and pay interest on the funds deposited into the accounts.
- 6.2. Unless agreed otherwise, the customer shall owe fees and commissions, charged as per the applicable Fees and Commissions Tariff of Transact Europe EAD, for the opening and servicing of accounts, the performance of payment transactions under the accounts, and the provision of services and account statements.
- 6.3. Prior to the crediting of an account, Transact Europe EAD shall have the right to withhold any fees payable by the customer for the provision of payment services.
- 6.4. By the signing of a frame contract for the provision of payment services, the holder shall explicitly consent for Transact Europe EAD to collect from his/her account, including in the event of it being blocked as per the present General Terms and Conditions, any amounts payable by the holder to

Transact Europe EAD, including fees and commissions due under the frame contract for the provision of payment services. If the account's balance is not enough, Transact Europe EAD shall be entitled to collect the amounts due from other payment accounts of the holder, and shall inform the holder about the grounds, the size and the value date of the amount collected.

- 6.5. When processing payment operations with funds under the accounts, in which foreign currency needs to be exchanged, Transact Europe EAD shall use the applicable exchange rate announced in the online payment system or the exchange rate agreed with the customer. Transact Europe EAD shall have the right to change at any time the applicable exchange rate without giving an advance notice.
- 6.6. Transact Europe EAD Tariff for the provision of payment services shall constitute an integral part of the present General Terms and Conditions and the frame contract. By signing the frame contract, the holder irrevocably and unconditionally declares being familiar with the General Terms and Conditions and further agrees that they, along with all their amendments and supplements, shall be applied to the relationship between him/her and Transact Europe EAD with regard to the keeping of the respective payment account.
- 6.7. Transact Europe EAD shall have the right to unilaterally modify the Tariff. All the changes shall be binding on the customers as of the date on which they shall come into effect, which Transact Europe EAD shall communicate to the customers through the online payment system at <http://www.etransact.com>.
- 6.8. Upon the termination of the frame contract, the holder shall pay Transact Europe EAD all due fees. Maintenance fee shall be due on a monthly basis and shall be collected at the beginning of the month it refers to. Upon the closing of the account, the maintenance fee shall not be deemed as paid in advance and shall not be subject to reimbursement.

## **VII. AMENDMENT AND TERMINATION OF THE FRAME AGREEMENT. CLOSING OF PAYMENT ACCOUNTS**

- 7.1. Based on any changes being made in the effective legislation, as well as for security and other reasons, Transact Europe EAD may expand or restrict the scope of the services provided, including electronic services, and shall be entitled to change the conditions, the way the electronic services are accessed and transactions are processed.
  - i. At least 2 months prior to the date on which the relevant change shall become effective, Transact Europe EAD shall notify the customers by publishing the said change on its Internet page ([www.transact.eu](http://www.transact.eu)). Transact Europe EAD shall not be held liable for any damages or lost profits resulting from the limiting of services' scope.
  - ii. A two-month notice shall not be required, and changes shall be implemented without advance notice in the following cases:
    - Where the scope of the services offered is being expanded;
    - Where changes are prompted by statutory established circumstances.
- 7.2. If the customer is unwilling to accept the planned changes, he/she shall be entitled to terminate the frame contract before the said changes have come into force.

- 7.3.** A payment account shall be closed upon the termination of the frame contract pursuant to which it was opened and:
- i. At customer's order upon the submission of an Account Closing Application signed by the holder or a person dully authorized by him/her.
  - ii. At the request of Transact Europe EAD upon the emergence of conditions agreed in advance between Transact Europe EAD and the customer;
  - iii. Upon legal entity's termination of activity;
  - iv. Following the expiry of the term for which the account was opened;
  - v. If zero balances have been maintained on the account for a period of 90 calendar days, accordingly – on accounts with no proceeds needed to cover the expenses payable to Transact Europe EAD as per the Tariff in the course of 90 days;
  - vi. By the sending of a two-month advance notice from Transact Europe EAD to the customer;
  - vii. shall be unilaterally and immediately closed by Transact Europe EAD, without an advance notice, should the holder fail to perform on his/her duties under the respective payment account contract and/or if he fails to comply with the present General Terms and Conditions, including, but not limited to: in the event of him/her refusing or failing to submit within the prescribed deadline any documents or information requested by the Company under the contract or in observance of these General Terms and Conditions.
  - viii. at the discretion of Transact Europe EAD upon the emergence of circumstances unforeseen by it.
- 7.4.** Where a customer-legal entity has ceased its activity or has been transformed, the assets in its accounts shall be paid to its legitimate successors upon the presentation of documents which shall identify and legitimize them. Transact Europe EAD shall not be held responsible for properly processed payments until the receipt of a notice confirmed by the legally required documents and certificates evidencing customer's cessation of activity or transformation.
- 7.5.** The customer shall owe commissions and fees for the payment services provided until the closing of the payment account, and the paid fees and commissions shall not be refundable.

## **VIII. PREVENTION AND CONTROL**

- 8.1.** Transact Europe EAD shall not open and keep payment accounts, accordingly – it shall not accept any payments and shall not process transactions that have been ordered to and from payment accounts designated for the raising of sums under unsolicited commercial messages and offers, addressed to unspecified number of persons, whose terms and conditions do not allow for the filing of a consideration and/or are based on gambling principles, and/or are aimed at employing unfair and/or deceptive, aggressive, unfair trade practices and illegal actions and results, and/or are considered money laundering, and/or financing of terrorism, and/or are fraudulent and abuse Transact Europe EAD confidence, and/or endanger Transact Europe EAD reputation or its payment system.

- 8.2.** Transact Europe EAD shall not execute customer transactions that have been ordered in favor of persons subjected to settlement sanctions imposed under the respective official procedure, accordingly – when domestic or international sanctions/bans are imposed on certain payments, which if processed would lead to violation of the accepted restrictions. The full consequences, provided for under the restrictive regulation, of the implementation of such operations shall be at the risk, the responsibility and the expense of the customer-payer.
- 8.3.** Should it be established that a customer has breached the bans referred to in items 9.1 and 9.2 hereinabove, imposed on the performance of operations, Transact Europe EAD shall immediately block customer's accounts in terms of payment transactions' disposal (receipt and/or ordering). Incoming remittances shall be returned to the payer through his/her bank. Payment orders shall not be accepted for processing. Transact Europe EAD shall have the right to *ex officio* collect from the balances of the blocked accounts all the relevant fees and commissions until the customer-payer orders the closure of his/her accounts at Transact Europe EAD. The said order shall specify an account opened in another bank where the remaining balance should be transferred.
- 8.4.** In a statement on the blocked payment accounts, sent to the customer through the informational channels selected by him/her, Transact Europe EAD shall inform the customer-account holder about the established infringement on the bans to operate with his/her payment accounts, as provided for by these General Terms and Conditions, and the blocking of the said account in accordance with item 8.3.
- 8.5.** Within three days as of the date of the notice referred to in item 13.4, the customer shall be obliged to order the closure of his/her payment accounts at Transact Europe EAD, and, provided Transact Europe EAD has deducted all the receivables from this particular customer, he/she shall indicate where the account balances should be transferred. In the case of a distraint imposed on the payment account, its closing shall be done after the end of the enforcement/interlocutory proceedings and the duly lifting of the distraint by the authority that has imposed it. Where there is any balance left in the account following the execution of the distraint, it shall be remitted to the account specified by the customer.

## **IX. METHODS FOR THE PROVISION OF INFORMATION AND CORRESPONDENCE**

- 9.1.** Transact Europe EAD shall grant its customers online access to statements of their accounts, as well as to data on all the payment transactions processed and the available balance. The customer shall be obliged, by visiting the Company's web page, to stay regularly informed about Transact Europe EAD current conditions applicable to the payment services.
- 9.2.** The postal and electronic addresses indicated by the customer upon the opening of the account shall be deemed as the addresses to which Transact Europe EAD shall be sending all the notices, messages and other documents, as provided for by the respective contract and the present General Terms and Conditions. Where the customer has changed the said addresses without promptly notifying Transact Europe EAD about his/her new postal or electronic addresses, all notices and messages sent to the old address shall be considered validly received.
- 9.3.** Customers shall be obliged to keep track of and obtain data from Transact Europe EAD electronic channels or its Internet site wherein the Company shall fulfil its duty of providing the information required by law and shall keep updated, complete and detailed information about the contents of the

existing and applicable Tariff, exchange rates, these General Terms and Conditions, and the products offered by Transact Europe EAD for the respective payment accounts.

- 9.4.** Customers shall be obliged to check Transact Europe EAD web page and electronic channels so as to stay informed about all the amendments made to the present General Terms and Conditions, the Tariff and the exchange rates, and they shall not be allowed to justify themselves on the grounds of not being familiar with Transact Europe EAD conditions effective at any given time and listed in detail herein above, which conditions shall be binding on the customers and shall commit them as of the date on which the said conditions have become public through the electronic channels, except for the changes applicable to customers following the expiry of two months from the date of their announcement.
- 9.5.** The customer shall contact Transact Europe EAD in the following manner:
- i. In writing or by visiting Transact Europe EAD central office located in the city of Sofia, P.O. Box 1000, 19 Karnigradska Street;
  - ii. By using the telephone numbers and/or the e-mail addresses displayed on Transact Europe EAD web site - [www.transact.eu](http://www.transact.eu)
- 9.6.** Transact Europe EAD shall contact the customers at the addresses, e-mails and telephone numbers indicated by them.
- 9.7.** In all written statements and agreements, as well as in the acceptance, interpretation and implementation of the present General Terms and Conditions and the frame contract, the applicable language between the parties shall be Bulgarian.

## **X. OBJECTIONS. RESOLVING DISPUTES**

- 10.1.** In the event of a non-performance or improper processing of a payment transaction authorized by the customer, the latter shall be entitled to file an objection before Transact Europe EAD.
- 10.2.** Customer's objection shall be submitted in writing, and it shall be accompanied by all the documents that are needed to clarify the subject of the dispute.
- 10.3.** The day on which Transact Europe EAD shall obtain all the documents justifying the objection shall be considered as the date of receipt.
- 10.4.** Not later than 15 (fifteen) days following the receipt of the objection, Transact Europe EAD shall inform the customer in writing about its standpoint. By exception, where Transact Europe EAD is unable to come up with a decision within the aforementioned deadline due to reasons beyond its control, it shall send to the customer a reply in which Transact Europe EAD shall clearly state the reasons for its delay, as well as the period in which the customer shall obtain a ruling on his/her complaint. In any case, the timeframe for the obtaining of a ruling shall not exceed 35 office days as of the date of objection's receipt.
- 10.5.** Where the customer has disagreed with the standpoint of Transact Europe EAD, he/she could refer the review of the dispute to the Payment Disputes Reconciliation Committee with the Consumers Protection Commission or to the competent Bulgarian court.

**10.6.** While fulfilling its duties under the present General Terms and Conditions, Transact Europe EAD shall not be held responsible in the cases of extraordinary and unforeseen circumstance which are beyond the control of Transact Europe EAD, with the consequences of these circumstances being unavoidable despite the efforts made to prevent them, nor shall Transact Europe EAD be held responsible if it has acted in compliance with a regulatory imposed requirement.

## **XI. PERSONAL DATA PROTECTION**

**11.1.** Transact Europe EAD shall process personal data in compliance with European Parliament and Council Regulation 2016/679 dated 27.04.2016 (General Data Protection Regulation). Detailed information on the purposes and legal basis for the processing of personal data; categories of personal data recipients; the period for which personal data will be stored; the rights of the data subjects in relation to the processing of their personal data by the Company, as well as information on the way in which these rights may be exercised; contact details of the Data Protection Officer, and any other information which the General Data Protection Regulation requires to be made available to the entities can be found in the Personal Data Notification Notice uploaded on the Company's website ([www.transact.eu](http://www.transact.eu)). In the prevention or investigation of a fraud related to payment services, the processing may take place without the consent of the person to whom the data relate.

## **XII. ADDITIONAL PROVISIONS**

**12.1.** All the issues that are not regulated by the present General Terms and Conditions shall be governed by the Frame Agreement for the provision of payment services and the provisions of the Payment Services and Payment Systems Act, Ordinance № 3 regulating the procedure for the performance of payment operations and the use of payment instruments, and other statutory acts of the Bulgarian legislation.

**12.2.** These General Terms and Conditions were adopted by the Board of Directors of Transact Europe EAD by a decision under Protocol dated and effective as of 27.10.2017 and were amended by a decision of the Board of Directors of the Company under Protocol dated and effective as of 02.11.2018.

## **XIII. DEFINITIONS**

**13.1.** Within the meaning of the present General Terms and Conditions, the term:

- i. **“Value Date”** shall be defined as the date on which a payment services provider (Transact Europe EAD, a bank, etc.) has credited or debited a payment account;
- ii. **“Execution date”** shall be defined as the date on which the conditions for the performance of a payment transaction have been met;
- iii. **“Customer”** shall be defined as the user of the payment services provided by Transact Europe EAD;
- iv. **“Payment account”** shall be defined as an account kept in the name of a payment services user, which shall be used for the processing of payment operations;



- v. **“Payer”** or **“Ordering party”** shall be defined as the account holder who orders a payment order to be executed, and where there is no account – this shall be the person submitting the payment order;
- vi. **“Payment instrument”** shall be defined as personal device/-s/ and/or a set of procedures negotiated between the user and the payment services provider /Transact Europe EAD/, which shall be employed by the user with the purpose of filing a payment order;
- vii. **“Payment order”** shall be defined as any payer’s or recipient’s instruction issued to Transact Europe EAD, by which the processing of a payment transaction is being ordered;
- viii. **“Recipient”** shall be defined as the individual or the legal entity that has been established as the intended recipient of the funds subject to a payment operation;
- ix. **“User of payment services”** or **“User”** shall be defined as an individual or a legal entity that uses, in its capacity as payer or recipient, or both, a payment service offered by Transact Europe EAD.
- x. **“Working day”** shall be defined as each day on which Transact Europe EAD conducts activity needed for the processing of payment transactions. Saturdays and Sundays, when they have not been declared working days, as well as the official holidays in the Republic of Bulgaria, shall be considered non-working days;
- xi. **“Office hours”** shall be defined as the period of time within the working day after which every payment order submitted by the customer shall be deemed to have been received on the next working day;
- xii. **“Tariff”** shall be defined as the Fees and Commissions Tariff of Transact Europe EAD;
- xiii. **“Holder”** shall be defined as the person in whose name an account has been opened, and who has the right to dispose of the cash funds in the account in his/her capacity as user;
- xiv. **“Unique identifier”** shall be defined as a combination of letters, digits and symbols communicated by the payment services provider to the user, which identifies uniquely the user and/or his/her payment account;
- xv. **“Force majeure”** shall be defined as an unforeseeable or unavoidable incidental event occurring after the conclusion of the contract, including but not limited to: natural disaster, flood, fire, civil unrest, war, military conflict, telecommunication failure (including any damage in the delivery of Internet services), epidemic, plague, terrorism, or any chemical or biological contamination.