

Paynetics General Terms and Conditions

Latest update: Aug 18, 2025

IMPORTANT: PLEASE READ CAREFULLY THE FOLLOWING TERMS AND CONDITIONS. YOU ACKNOWLEDGE THAT YOU UNDERSTAND AND AGREE TO ALL OF THESE TERMS IF YOU HAVE CREATED OR USED A Paynetics ACCOUNT OR HAVE TICKED THE ACKNOWLEDGEMENT BOX AS PART OF THE ONLINE REGISTRATION FORM WITH RESPECT TO THE USE OF Paynetics SERVICES.

GENERAL TERMS AND CONDITIONS FOR PAYNETICS BUSINESS ACCOUNTS AND PAYNETICS BUSINESS DEBIT CARDS

I. GENERAL PROVISIONS

- 1.1. These General Terms and Conditions (the “General Terms and Conditions”) shall govern the relationship between Paynetics AD and a local or foreign legal entity (the “Customer” or “Account Holder”) and the Individuals designated by the Customer and referred to as the Cardholders with regard to the setting up and maintaining of a Paynetics Account and issuance and use of Paynetics Business Debit Card/cards.
- 1.2. These General Terms and Conditions constitute the framework agreement for the setting up and maintaining of a Paynetics Account and issuance of Paynetics Business Debit Card/ cards and their use by business customers of Paynetics AD signed between Paynetics and the Customer (the “Agreement”).
- 1.3. Providing the General Terms and Conditions shall not create an obligation for Paynetics AD to enter into an agreement. Paynetics AD may refuse to enter into an agreement with a particular party without stating any reason.
- 1.4. The Customer, acting through their legal representative or authorised person, confirms and accepts this Agreement by ticking the “I agree” box when executing the agreement procedure described on <https://paynetics.online/>. Ticking the “I agree” box during the agreement procedure shall have the meaning of an electronic signature as provided in the Law on the Electronic Document and Electronic Trust Services, and by accepting the General Terms and Conditions, the Customer agrees that the legal force of the said electronic

signature placed by their representative/authorised person shall be equivalent to the handwritten signature.

1.5. The Agreement shall be considered to be effective as from the moment when the Customer accepts these General Terms and Conditions and the Customer has been approved by Paynetics as a client.

II. DEFINITIONS

Herein:

“General Terms and Conditions” shall mean this document together with:

a) Tariff of Paynetics AD,

b) Annex 1 „Paynetics Account use”,

c) Annex 2 „Paynetics Business Debit Card use”,

d) Privacy Policy and any other appendix explicitly specified herein, incorporated in the General Terms and Conditions by reference and accessible on <https://paynetics.online/>.

“Tariff” shall mean the tariff adopted by Paynetics for the fees collected by Paynetics when setting up and maintaining a Paynetics Account, executing payment transactions and issuing and servicing the Paynetics Business Debit Card. The Tariff may define minimal balance and transaction limits for Paynetics Account and Card operations. The Tariff will be presented to you along with these General Terms and Conditions upon your successful registration in the Platform, provision of the necessary documents and information and your identity verification as described herein below.

“Paynetics”, “we”, “us”, “our” shall mean Paynetics AD, seat and registered address: Ground Floor, 76A James Bouchier, Lozenets District, Sofia Municipality, Sofia, entered in the Commercial Register kept by the Registry Agency under UIC: 131574695. Paynetics AD is an electronic money company holding a license for operating as an electronic money company issued by the Board of Directors of the

Bulgarian National Bank by Decision 44 of 11 April 2016, and is entered in the register kept by the

Bulgarian National Bank, which is accessible on

<http://www.bnb.bg/RegistersAndServices/RSPublicRegisters/index.htm> The Bulgarian National Bank supervises the activities of Paynetics AD.

“Paynetics Account” or **“Account”** shall mean: a payment account for business customers in EUR, GBP or BGN with a dedicated IBAN, or in GBP with unique account number and sort code, maintained by Paynetics in the name of the Customer. The payment account shall be

used for execution of credit transfers in EUR, GBP or BGN from such account. Customers are informed of their dedicated IBANs, or unique account number and sort code, as applicable, and have received instructions of how to make inbound transfers to loading their accounts, as well as outbound transfers through the Platform.

“Paynetics Business Debit Card” or “Card” shall mean a Debit Card for business customers of Paynetics AD: a type of payment instrument which is repeatedly used for identification of the Cardholder and for remote access to the Customer’s Paynetics Account. The card has the MasterCard or VISA logo (when available), it is linked to the Paynetics Account of the Customer and using it, under these General Terms and Conditions, a payment order is submitted. The Card may be physical or virtual. In the case of virtual Cards, the latter may have a pre-set maximum spending limit, as provided for in Annex 2 to these General Terms and Conditions.

“MasterCard” shall mean MasterCard International Incorporated or its successors.

“VISA” shall mean Visa Europe Limited or its successors.

“Card Organisation” shall mean MasterCard International (‘MasterCard’), VISA Europe (‘VISA’) or any other association or organisation maintaining a card payment system applicable under these General Terms and Conditions, including any affiliate, subsidiary, or successor company of any of them, of which Paynetics is a member and is entitled to issue cards and accept payments, including using Cards accepted by such Card Organisation.

“PIN” shall mean a personal identification number: a four-digit combination issued to a Cardholder for each Card. PIN is a strictly personalised code for access to funds available on the Card, which is entered using the ATM or POS terminal keyboard. Entering a PIN from the ATM or POS keyboard serves to prove the identity of the Cardholder.

“CVC2” shall mean a three-digit code or password for Secure Internet Payments issued for each Card. CVC2 is a strictly personalised code for access to funds available on the Card, which is entered using a virtual POS terminal. Each CVC2 entry using a virtual POS terminal serves to prove the identity of the Cardholder.

“Blocking the Card” shall mean a temporary discontinuation of the Card service by Paynetics or by the Customer resulting in an objective impossibility to use the Card. Paynetics shall keep a record of blocked cards.

“Deactivating the Card” shall mean the final discontinuation of the Card service by Paynetics or by the Customer.

“Automated Teller Machine (ATM)” shall mean a device allowing cash withdrawal, payment of services, transfer of funds between payment accounts, receipt of statements and execution of other payment and non-payment transactions.

“POS (Point of Sale, Point of Service) Terminal” shall mean a device where the Card is used to pay for the purchase of goods or services, or to receive cash.

“Virtual POS Terminal” shall mean a logically defined POS terminal device by which transfers to payment accounts, payment of goods and services, reference and other payment and non-payment transactions are implemented via the Internet, ATMs or digital phones by using a payment or prepaid card online.

“Prohibited Transaction” shall mean any of the following types of transactions or activities as listed below or as may be subsequently made available on the Website from time to time:

- a) Any sales of ‘pyramid’ type, Ponzi schemes or similar marketing or matrix programs or other schemes for ‘quick enrichment’ or high-yield investment programs;
- b) Sale, supply or purchase of illegal items or items promoting or facilitating illegal activities;
- c) Sale, supply or purchase of counterfeit products or products infringing intellectual property rights;
- d) Products or services for the processing or aggregation of payments by third parties;
- e) Money laundering;
- f) Terrorism financing or propaganda;
- g) Pornography, escort services and selling and/ or advertising sexual services;
- h) Using the Card or Account in a manner and/or for purposes violating the applicable law and/or regulations of the Card Organisation or SEPA.

“Website” shall mean <https://paynetics.online/>.

“Credit transfer” shall mean a national or cross-border payment service for crediting a payee’s payment account with a payment transaction or a series of payment transactions from a payer’s payment account by the payment service provider which holds the payer’s payment account, based on an instruction given by the payer.

“Unique identifier” shall mean a combination of letters, numbers or symbols specified to the payment service user by the payment service provider and to be provided by the payment service user to identify unambiguously another payment service user and/or the payment account of that other payment service user for a payment transaction.

“Payment order” shall mean any instruction by a Payer to Paynetics requesting the execution of a payment transaction.

“Business day” shall mean a day on which Paynetics or the payment service provider of the payee involved in the execution of a payment transaction is open for business as required for the execution of a payment transaction.

“Working time” shall mean the interval of time during the business day after which every payment order shall be accepted as received on the following business day.

“Account statement” shall mean a document on electronic medium issued by Paynetics to the Account Holder. The Account statement displays all payment transactions executed from/to the Account during a specified period and also states the initial and final balance on the Account for the specified period.

“Payer” shall mean the holder of an Account who orders a payment order from that Account.

“Payee” shall mean a natural or legal person who is the intended final recipient of funds which have been the subject of a payment transaction.

“Platform” or **“Paynetics Platform”** means a cloud-hosted, web-based or for mobile device front-end software for digital payments, whether accessed via the Internet, mobile device or other electronic devices and shall include any error corrections, patches, fixes, updates, upgrades, new releases or new versions subsequently received (if any), which is provided by Paynetics and through which Paynetics` payment services are accessible. Platform shall include the web-based version and the mobile application of the software and where in these Terms and Conditions a reference to Platform is made, it shall be considered to include both versions of the Platform – the web-based one and the mobile application. The two versions of the Platform are one and the same software with different interfaces – for web-based and for mobile use. The web-based version is accessible at <https://paynetics.online/> (**“Website”**). The mobile app version can be downloaded from the relevant mobile app stores (**“Mobile App”**).

“Reference exchange rate” shall mean the exchange rate which is used as the basis to calculate any currency exchange, including buy and/or sell of foreign currency from/to Paynetics’s account, and which is made available at the internet website of Paynetics.

“Value date” shall mean the date on which the payment service provider is obliged to debit or credit the payment account.

“SEPA” means Single Euro Payments Area scheme, which allows sending and receiving payments in EUR between participating payment service providers.

“Faster Payments” means Faster Payments Service scheme in the UK, which allows sending and receiving payments in GBP between participating payment service providers.

“SMS” shall mean the system that enables mobile phone users to send and receive text messages via mobile phones.

“LMAML” shall mean the Law on the Measures Against Money Laundering.

III. OPENING OF PAYNETICS ACCOUNTS

3.1. Paynetics shall enter into agreements with and shall open and administer Paynetics Accounts in BGN, GBP and/or EUR to legal entities involved in business operations on a legal basis.

3.2. Paynetics shall open a Paynetics Account following the submission through the Website of the following documents and information about the Account Holder:

- a) Official identification document and proof of address of the persons representing the company or of the person/persons authorized to dispose with the balances on the Account on the Account Holder’s behalf;
- b) Power of attorney, if applicable, by which the person (persons) who manage and represent the Account Holder, authorize another person/persons to dispose with the balances on the Account on the Account Holder’s behalf. The power of attorney shall contain an explicit text authorising the individual(s) to dispose of the funds in the Account in the name and for the account of the Account Holder. The signature of the authorizer/authorizers shall be notarially attested (notarially

- attested power of attorney);
- c) Constituent act/company contract/by-laws of the Account Holder, by which the management bodies and their authorities for disposal of its property are determined;
 - d) The act by which the persons who have the right to dispose with the balances on the Account are authorized, if the company is not subject to registration in a public register; when a copy of the act is enclosed it shall be attested by the signatures of the persons who represent the Account Holder;
 - e) A document certifying the commercial registration of the Account Holder:
 - persons registered in the COMMERCIAL REGISTER AND REGISTER OF NON-PROFIT LEGAL ENTITIES (CRRNPLe) shall present a Unified Identification Code (UIC);
 - persons who are not subject to registration in the CRRNPLe shall present a court decision for registration, a certified copy of the constituting act, and official certificate for the current status with which the persons who manage and represent the Account Holder may be identified together with their personal data as per their identity document, a code in the BULSTAT register;
 - f) Official identification document and proof of address for the beneficial owners-individuals according to the Law on the Measures against Money Laundering;
 - g) If the Account Holder's activity related to the performed deals and transactions is subject to license, permission or registry under an order established by a law, a copy of the relevant license, permission or registration certificate shall be submitted;
 - h) A non-resident entity with registration and seat outside Bulgaria shall submit documents and information, analogous to these for resident persons, taking into account the requirements of the local and foreign legislation applicable in each case. Persons who are subject to registration in the commercial or business register of EU Member State as well as Iceland, Lichtenstein and Norway shall present a company registration number.

3.3. The Account Holder should ensure that the documents presented to Paynetics are true and certify the current status of the legal entity.

3.4. Paynetics is entitled, where necessary depending on the applicable statutory or regulatory requirements, or at its own discretion to change the number and type of documents regarding the Account Holder and the actual owners of an Account Holder – legal entity, request other documents, including to request provision of new documents.

3.5. The Account Holder shall be obliged to inform Paynetics in writing and in a timely manner of any changes in the initially declared circumstances.

3.6. Amendments to the submitted data and documents shall have effect in relation to Paynetics only from the moment when the latter has been notified of them in writing by an authorised individual. The Account Holder, respectively its legal representative or attorney, shall be obliged to inform immediately Paynetics in writing if circumstances occur, which are material for its identification as an Account Holder / attorney for the administering of the Account.

3.7. All powers of attorney submitted by the Account Holder in connection with the

disposal of funds in the Account shall be deemed valid even after changes in the representatives of the legal entity, entered in the corresponding public register, until they are expressly revoked by the Account Holder in accordance with the procedure specified in Clause 3.6 of this Section.

3.8. Paynetics shall not be liable for damages suffered and profit lost as a result of payments, executed prior to the moment of written notification by the Account Holder or an individual authorised to represent the Account Holder of changes occurred or circumstances under Clause 3.5, 3.6. and/or 3.7 of this Section, as well as in the cases where Paynetics has acted on the instructions of an individual, who has established his/her identity for the purpose with regularly drawn up by an external party false documents (with false content and/or not authentic).

3.9. Paynetics is entitled not to execute a transaction involving the funds available in the Account where, based on data in the CRRNPLE or another public register, reasonable doubt arises regarding the representative powers of the individual at the time of the instructions.

3.10. Paynetics shall assess and decide on the request for opening of an Account. Paynetics shall not be obliged to give reasons for its refusal to open an account.

3.11. The obligations of the Parties with regard to the Account shall occur following the submission of the documents, as required in the preceding items and the opening of an account.

3.12. At the time of opening a Paynetics Account, Paynetics shall identify it by a Unique identifier, generated simultaneously with the opening of a Paynetics Account. Paynetics shall be responsible for the correct generation of the Unique identifier and shall provide it in writing.

3.13. Paynetics shall process the personal data of the Account Holder, respectively the individuals representing it, in compliance with the Law on Personal Data Protection and other applicable legislation in this respect, and in the event of preventing, investigating and detecting fraud related to payment services the processing can be done without the consent of the Account Holder or any individual to whom the data relate. Paynetics shall have the right to process and/or disclose to certain individuals and institutions personal data of the Account Holder, respectively the individuals representing it, without requesting its consent in all legally established cases where it is required to process and/or disclose personal data for statistical purposes or other statutory purposes.

3.14. Paynetics may disclose information and data, constituting a secret protected by the law in the meaning of the Bulgarian legislation in force, only to institutions, bodies and persons authorised by law and only in cases expressly stipulated by law and/or another statutory instrument, and in compliance with all statutory terms, conditions and procedure for this.

3.15. Paynetics is an entity obliged to implement the measures and comply with the obligations, regulated in the special legislation against money laundering and fight against terrorism. The Account Holder shall be obliged to submit all required documents regarding its own identification, legal activity, financial condition and origin of funds, as well as the identification of its actual owners, representatives and individuals empowered to dispose of the funds available in accounts.

IV. CARD ISSUANCE

4.1. **Paynetics Business Debit Card** shall be issued to the Paynetics Account of the Customer under a request of the Customer ("Request of the Customer") that specifies:

- a) the type and number of the Cards to be issued,
- b) in case of requested virtual Cards, the applicable spending limit, if any, as provided for in Annex 2 to these General Terms and Conditions, where the option to set a spending limit is made available to the Customer, and
- c) the Cardholders who will be issued Cards.

Requests of the Customer are submitted through the Platform and are subject to the review and approval of Paynetics, for which purpose Paynetics may request the provision of additional documents and information by the Customer.

4.2. The Card may be issued to the Customer or to an individual who represents the Customer or is its signatory, or an employee of the Customer who is expressly listed in the Request of the Customer and approved by Paynetics ("**Cardholder**"). The Customer shall ensure the Cardholders' compliance with the Agreement.

4.3. The Customer is fully liable for all transactions initiated by the Cardholders.

4.4. The Cardholders may use the Card only personally and may not provide it for use to anyone else. If a Cardholder provides access and/or opportunity to use the Card to a third party, the Customer shall be fully liable for all transactions initiated by such third parties.

4.5. Paynetics shall issue the Card within 10 working days from the date of receipt of the Request of the Customer and, if the Card is not virtual, shall deliver it to the Cardholder. The Card may be delivered by a courier service. Paynetics cannot be held liable for any delays in the delivery of the physical card due to third parties' actions or omissions to act such as couriers, card bureaus, etc., nor in cases where physical card has been lost or stolen while in delivery.

4.6. The Card, if not virtual, shall only be personally delivered to the Cardholder. Upon receipt of the Card, the Cardholder shall be required to produce their identity card for identification purposes. The Cardholder shall be required to put their signature on the signature spot on the reverse side of the Card immediately after receiving it.

4.7. Paynetics shall provide the Cardholder with a PIN generated via the Platform. The Cardholder may change their PIN via ATM (for physical Cards). The Cardholder should always keep their PIN, should not record it anywhere or use it if someone else can see the PIN. For security purposes it is recommended the Cardholder to change their PIN. If the Cardholder suspects that someone else knows the user identifiers, passwords, or PIN, they should immediately inform Paynetics and change them immediately.

4.8. The Customer may request Paynetics to issue a new card in the following cases:

- a) In case of destruction or damage to the Card;

- b) In case of loss, theft or other deprivation of the Card;
- c) In case of a forgotten PIN;
- d) Upon expiration of the validity period.

4.9. In the cases under Clause 4.8 a), c) and d) above, the Customer shall be required to return the old card which shall be destroyed in the presence of an employee of the Customer. In case of failure to return the Card, the Customer shall pay a fee according to the Tariff. The Customer shall not pay a fee for failure to return the card if, in accordance with these General Terms and Conditions, they have requested blocking of the Card due to loss/theft.

4.10. When the Cardholder receives their Card, it shall be inactive. The Cardholder should activate the Card prior to using it. Otherwise, any transactions attempted by the Cardholder shall be rejected. The Card shall be activated online by following the instructions for activation provided to the Customer.

4.11. Following Card activation, the Card can be used for transactions with the cash available in the Customer`s Paynetics Account and subject to limits set by Paynetics.

V. ACCOUNT AND CARD USE

5.1. The features and use of the **Paynetics Account** are described in detail in Annex 1 „**Paynetics Account** use” to these General Terms and Conditions.

5.2. The features and use of the **Paynetics Business Debit Card** are described in detail in Annex 2 „**Paynetics Business Debit Card** use” to these General Terms and Conditions.

5.3. By accepting these General Terms and Conditions, the Customer agrees:

- a) That Paynetics is not a bank and that the Paynetics Account is not a bank account;
- b) That no interest shall be accrued on the Paynetics Account balance;
- c) That the funds available in the Paynetics Account are not a deposit and the Customer may not claim any interest;
- d) That Paynetics shall deduct the value of all transactions performed with the Card/Cards, including all applicable fees, from the Paynetics Account balance;
- e) With the authentication methods used to verify the identity of the Customer and Cardholders;
- f) With the scope of services provided by Paynetics at any time, and the possibility to exclude their use in case of newly introduced technical characteristics of the services, regulatory changes or for safety reasons, or for other reasons. Paynetics shall promptly notify the Customer in writing or by email about any such changes;
- g) That the Customer shall be fully responsible for all goods or services purchased with the Card. Any dispute with a merchant about a product or service purchased with the Card shall be considered a dispute between the Customer and the merchant. Paynetics shall assume no responsibility and shall not provide any warranties regarding such goods or services purchased with the Card, and shall not be responsible for their quantity or quality. All such disputes should be addressed

directly to the Merchant providing the respective goods or services;

- h) That Paynetics reserves the right to refuse to authorise a payment transaction if it does not meet the requirements of these General Terms and Conditions or violates the provisions of a regulatory act or the regulations of a Card Organisation. In such case, Paynetics shall promptly inform the Customer about the reasons for that refusal, unless this is prohibited by a regulatory act;
- i) That Paynetics shall not be liable if a merchant refuses to accept a Card or if Paynetics has not authorised a certain payment transaction in compliance with these General Terms and Conditions;
- j) That the Card is property of Paynetics as a card issuer and cannot be transferred and/or made available to any person other than the Cardholder.

VI. REFUSAL TO EXECUTE PAYMENT TRANSACTIONS

6.1. Paynetics will refuse to execute the payment order/payment transaction if it does not meet the requirements of these General Terms and Conditions, including, but not limited to any of the following circumstances:

- a) If there are no sufficient funds in the Paynetics Account, including if the remaining balance on the Paynetics Account after the payment transaction will not be enough to cover the minimum Account balance as set forth in clause 7.5, or if the transaction violates the set limits, including maximum spending limits, as provided for in Annex 2 to these General Terms and Conditions. No partial transfers shall be allowed;
- b) Due to restrictions on the use of the Card, which may be applicable, such as use at certain merchants only and/or for certain types of transactions only (such as online payments), as provided for in Annex 2 to these General Terms and Conditions;
- c) By law or by order of a regulatory body in accordance with a statutory instrument and/or these General Terms and Conditions;
- d) Due to the performance of Paynetics' obligations under the applicable anti-money laundering laws, including if Paynetics suspects that the transaction is involved in fraud, illegal or unacceptable activities, constitutes an unauthorised transaction or a violation of these General Terms and Conditions;
- e) The Cardholder/Account Holder has not given an exact order to implement the transaction or has given an incomplete order;
- f) For a reason related to compliance with rules and regulations of MasterCard® or Visa;
- g) Due to a technical impossibility to carry out the transaction;
- h) Paynetics has a good reason to suspect that the transaction is unauthorized or involved in fraud or illegal activity or related to a Prohibited Transaction;

- i) Paynetics has a good reason to believe that there has been a violation of these General Terms and Conditions.

6.2. Where Paynetics refuses to execute a payment transaction, it shall inform the Account Holder or place at its disposal in electronic form a notification of the refusal and, where possible, the reasons for it and the procedure for correcting the factual errors that have resulted in the refusal and any prohibitions for providing such information in accordance with another law or instrument of the European Community shall be complied with. Paynetics may charge a fee for sending such notice, provided that the refusal for execution of the payment order is caused by the Account Holder.

6.3. A payment order, the execution of which has been refused, shall be considered not received.

6.4. Merchants may not authorize a payment unless they have obtained permission from Paynetics.

VII. FEES AND EXCHANGE RATES

7.1. The Customer shall be charged for the maintenance of the Paynetics Account and for the payment services under these General Terms and Conditions, by applying the Tariff effective on the date of collecting the fee or the date of effecting the transaction, respectively. The fees due by the Customer shall be collected ex officio from the Paynetics account. The Tariff is an integral part of these General Terms and Conditions.

7.2. By accepting these General Terms and Conditions, the Customer enables Paynetics to debit the Paynetics Account for all applicable fees in relation to the payment services hereunder. Paynetics is entitled to debit officially the Paynetics Account to pay additional costs of the foreign banks that have occurred in connection with the execution of the instructions of the Account Holder, respectively its attorney. All fees shall be determined in the currency of the Paynetics Account.

7.3. Paynetics reserves the right to change the fees due on a current basis in accordance with these General Terms and Conditions, and based on such changes, the procedure for changing the General Terms and Conditions mentioned herein shall be applied. Changes in the reference exchange rate shall apply immediately without prior notice.

7.4. If the ordered payment transaction is in a currency other than the currency denominated for the Paynetics Account, then the amount deducted from the balance shall be the amount of the transaction converted into the currency denominated for the Paynetics Account, using the exchange rates applied by MasterCard® or Visa for cards and exchange rates applied by the respective Paynetics` banking provider; these exchange rates shall have the meaning of a reference exchange rate in compliance with the Law on Payment Services and Payment Systems (LPSPS), and the changes shall be applied immediately to the relations under the Agreement. The exchange rate shall be determined on the date of the final settlement of the transaction. A fee for foreign currency transactions as described in the Tariff shall also be applied.

7.5. By accepting these General Terms and Conditions the Customer agrees to maintain

minimum balance on its Paynetics Account in the amount of EUR 1,000/ GBP 1,000 / BGN 2,000, depending on the currency in which the Paynetics Account is denominated.

7.6. Provided that for a period of 6 (six) months (i) there were no incoming Credit Transfers to the Paynetics Account of the Customer and (ii) the Customer did not instruct any outgoing Credit Transfers from its Paynetics Account, the Customer will be charged an inactivity fee. Paynetics will notify the Customer through the Platform at least one month prior to the effective collection of the inactivity fee starts. The inactivity fee will be collected from the balance of Customer`s Paynetics Account and will be in the amount of 5% of the balance on the Paynetics Account but not less than EUR 100.

VIII. COMMUNICATION PROCEDURE

8.1. The Agreement shall be executed in English and the communication between the parties thereto shall also be carried out in English, unless otherwise provided therein.

8.2. Representatives of the Customer or persons authorised by them may receive information about the payment transactions, including these made with the Card, electronically. For payment orders, notifications, data and information concerning execution of payment operations the following means of communications shall be used: via the Platform, or by email.

8.3. If any changes are made to the initial contact details provided by the Customer upon signing the Agreement, the Customer should inform Paynetics about it in writing within 7 days. Otherwise, all notifications, invitations or other notices sent to the last Customer's electronic address known to Paynetics shall be deemed to have been delivered.

8.4. The Customer Relations Centre shall be open from 9 a.m. to 6 p.m., EET, from Monday to Friday. The contact details can be found on the Website. The contact details in case of lost or stolen or nonfunctioning Cards shall be available on the Website. For monitoring purposes, we may record any conversation with the Customer Relations Centre.

8.5. Paynetics shall provide access to the required information about the Paynetics Account and Card transactions by means of electronic statements about payment transactions and history of transactions via the Platform. Statements shall not be provided on paper. Information about the Paynetics Account and the Card shall be updated, if there was any activity with the Account/Card, including information on all collected fees. From the moment of receiving the statement from the Platform the Customer shall be considered to be informed about the relevant transaction, whether they have actually downloaded the said statement or not. The Customer shall be charged for obtaining additional information or for obtaining it in a manner different from the manner described herein.

IX. PROTECTIVE MEASURES

9.1. The Customer shall use the Paynetics Account and Card in accordance with these General Terms and Conditions. The Customer, Cardholder, respectively attorney, shall have important obligations to do everything it reasonably can to keep the Paynetics Account and Card safe and to notify Paynetics of any loss, theft, misappropriation or unauthorised use of the Card or Account immediately after becoming aware of it as further described below.

9.2. The Cardholder must keep the Card with diligence by taking all necessary measures against its loss, destruction, damage, or disclosing data recorded on the Card or its personalised security features by third parties.

9.3. Without prejudice to Clause 9.1 and Clause 9.2 above, in order to ensure the safety of the Account and the Card, the Customer/Cardholder must provide at least the following:

- a) Not to disclose to and/or allow any third party to use in any manner whatsoever the user identifiers, passwords or PINs of the Account and the Card;
- b) To ensure the safety of their personal devices (mobile phones, computers, tablets) and to protect their personal devices from unauthorised access;
- c) To regularly change their passwords to access the Paynetics Account and the Card;
- d) To use up-to-date virus, malware, and spyware software and a firewall to reduce the risk of security breaches.

9.4. Pursuant to Article 75 of the LPSPS, the Customer and the Cardholder shall have the following obligations:

- a) To use the Account and the Card in accordance with the terms and conditions for their issuance and use;
- b) To notify Paynetics of any loss, theft, misappropriation or unauthorised use of the Account or/and the Card immediately after becoming aware thereof;
- c) Upon opening of the Account, respectively upon receipt of the Card, to make all reasonable efforts to preserve its personalised security features, including not to record any information about those security features on the Card and not to keep such information together with the Card.

9.5. If the Card has been held by an ATM, the Cardholder must immediately notify Paynetics. If Paynetics is not able to give back the Card to its Cardholder, Paynetics shall issue a new Card to the same Account.

9.6. In the event of loss, misappropriation, destruction, damage, counterfeit or other unauthorised use of the Account or/and the Card, the Customer/Cardholder must immediately notify Paynetics by providing their personal details or the Account/Card number, if possible. Notification can be made via the Customer Relations Centre or by sending a message on the Platform via the contact form. Paynetics shall make all reasonable efforts to stop using the Account/Card by blocking the Account/Card transactions after receiving a notification by the Customer/Cardholder. The Customer/Cardholder can also block (temporarily or permanently)

the Card through the Platform if the Card is lost, stolen, damaged, or if they suspect any unauthorised use of the Card.

9.7. Paynetics may, at any time at its sole discretion, block or deactivate the Account or/and the Card for reasons related to the following:

- a) In the cases under Clause 9.6 of this Article;
- b) If there are reasons to doubt the security of the Account or/and the Card;
- c) If Paynetics becomes aware or suspects that the Account or/and the Card or/and security details are being used in an unauthorised, unlawful or deceptive manner;
- d) For reasons related to the law enforcement of any applicable jurisdiction or the instructions provided by a Card Organisation;
- e) If the Agreement is terminated;
- f) At the request of the Customer: the request can be sent in writing to the following address: 76A James Boucher Blvd., Ground Floor, 1407 Sofia;
- g) If Paynetics discovers or suspects non-compliance with these General Terms and Conditions, including but not limited to if Paynetics discovers or reasonably suspects that the Account or/and the Card are being used for Prohibited Transaction(s);
- h) In case of placing a lien or a distraint, imposed by a competent authority on the Customer's Paynetics Account;
- i) In the event of established or possible abuse and/or access to the Account or/and the Card or/and security details by an unauthorised third party – on the order of a competent government authority or at Paynetics' discretion.

9.8. In the cases under Clause 9.7. of this Article, if possible, before blocking/deactivation or immediately afterwards at the latest, Paynetics shall notify the Customer about the blocking/deactivation of the Account/Card and the reasons for it, unless providing such information is forbidden for security reasons or to comply with regulatory requirements preventing such reasons from being disclosed to the Customer.

9.9. The Account/Card shall be unblocked as soon as possible after the reasons for blocking cease to exist upon a decision of Paynetics. If the Account/Card has been blocked due to Customer's/Cardholder's fault, the Customer shall pay a fee in accordance with the Tariff.

9.10. When the Account/Card has been blocked following an official order by a competent authority, by virtue of which the free disposal and use of the funds in the Account/Card of the Customer is restricted or an immediate transfer of a specified amount, defined in the order, is required, Paynetics will perform all ordered actions within the specified deadline and will not be liable to the Customer for the consequences of the restriction imposed or the transfer executed.

X. LIABILITY

10.1. In the event that the Customer claims that it has not authorised the execution of a payment transaction or that a payment transaction has been executed incorrectly, the

Customer shall be required to notify Paynetics in writing of any unauthorised or improperly executed transaction with the Account or/and the Card without undue delay after becoming aware of the unauthorised or improperly executed transaction but no later than 20 business days from the date of debiting the Customer's Paynetics Account. Where the moment of becoming aware of the unauthorised or incorrectly executed transaction cannot be established it shall be assumed that the Customer has become aware of it at the latest at the time of receiving the information specified in Section 8 of these General Terms and Conditions. The Customer may not submit objections after the expiry of 20 business days of the date when the Customer's Paynetics Account was debited. Paynetics shall not be held liable for any unauthorised or improperly executed payment transactions under this Article 10.1., where Paynetics has not received a notice within two months from the date when Customer's Paynetics Account was debited.

10.2. Upon receipt of notification under Clause 10.1 hereof, Paynetics shall verify the authenticity of the payment transaction, its proper registration and reporting, and whether the transaction has been affected by a technical malfunction or other defect. Since the Customer is not a consumer, the Customer agrees that Articles 78 and 80 of the Law on Payment Services and Payment Systems shall not apply to their relations with Paynetics under the Agreement. In the event that Paynetics establishes an unauthorised transaction and where there are no reasonable grounds for suspecting that the Customer/Cardholder acted fraudulently, Paynetics shall refund to the Customer the value of the unauthorised transaction within the statutory timelines. If necessary, Paynetics shall restore the Customer's Paynetics Account to the status it would be if the unauthorised transaction was not effected.

10.3. The provision of Clause 10.2 hereof, third sentence, shall not apply and the Customer shall bear all losses, irrespective of their amount, relating to any unauthorised transactions performed up to the time of receipt of the notification under Clause 10.1 above from Paynetics.

10.4. The provision of Clause 10.2 hereof, third sentence, shall not apply and the Customer shall bear all losses, irrespective of their amount, relating to unauthorised transactions if the Customer/Cardholder has caused them by fraud or failure to perform one or more of the obligations under these General Terms and Conditions.

10.5. Paynetics shall be held liable for any non-executed or improperly executed transaction unless it proves that the payment service provider of the recipient has failed to receive the amount of the transaction within the deadline. In such cases, Paynetics shall promptly reimburse the amount of the transaction and, if applicable, shall restore the account to the status in which it would have been before the transaction was effected. Upon Customer's request, Paynetics shall take due steps to track the transaction and inform the Customer about the outcome. A fee according to the Tariff may be due for Paynetics' investigation and communication with the payment service provider of the recipient.

10.6. The Customer shall pay a fee in accordance with the Tariff in the cases where it appears that their notification under Clause 10.1 hereof is unjustified.

10.7. Paynetics shall not be held liable to the Customer for damages and losses arising from:

- a) Any transaction for which the Customer/Cardholder has failed to use the Account

- and/or the Card in accordance with these General Terms and Conditions;
- b) Any transaction performed in accordance with the information which the Customer/Cardholder has provided to Paynetics where it is established that the information provided is incorrect or inaccurate;
 - c) Any unusual or unforeseeable circumstance beyond the control of Paynetics;
 - d) Refusal of a merchant to accept a Card or payment;
 - e) Interrupting or hampering the Customer's business;
 - f) Paynetics' actions undertaken for compliance with the applicable legal or regulatory requirements or guidelines provided by the Card Organisation;
 - g) Loss of Customer's revenue, goodwill, lost benefits or expected savings;
 - h) losses resulting from breakdown/lack of access to IT systems used by the Customer/Cardholder or damage to data stored in such systems; as well as for any losses resulting from breakdown/lack of access to IT systems or damage to data in such systems caused by events outside of Paynetics's control;
 - i) Any loss or damage which is not a direct result nor a direct consequence of a breach of the General Terms and Conditions by Paynetics;
 - j) For any loss or damage caused by a virus, Denial of Service attack dissemination or other technologically harmful material that may infect a computer or other device or equipment, software programs, data or other proprietary material in connection to the Account, the Card and the Agreement.

10.8. Paynetics shall not be held liable in case of unjustified refusal of third parties to accept transactions with the Paynetics Card or, if the payment initiated by the Cardholder cannot be made with the Card due to technical, communication or other reasons beyond the control of Paynetics.

10.9. Paynetics shall not be a party to the relationship between the Customer and merchants, including utility providers, when performing transactions with the Card and shall not be held liable for the quality of goods and/or services provided by the merchant or for possible disputes arising between the merchant and the Customer for this reason.

10.10. Paynetics shall not be held liable if a notification of destruction, loss, theft, forgery or other misappropriation of a Card made by the Cardholder is untrue and Paynetics has taken the necessary steps to protect the Customer by refusing to approve transactions with such Card.

10.11. The Customer shall be responsible for all obligations arising out of the Account and/or the Card use and shall be liable to Paynetics for all damages caused by the Account/Card improper and/or noncompliant use under these General Terms and Conditions.

10.12. In the event of non-performance of the Customer's obligations to Paynetics in connection with the Account and/or the Card use, the Customer may not make objections based on its relations with third parties and/or Cardholders.

10.13. Paynetics shall not control the object and the conformity with the law of the transactions made by the Account Holder or Cardholder, except when otherwise envisaged by legislative act. Paynetics shall not bear responsibility for common bank intermediation in the Customer/Cardholder's transactions made in contradiction with legislative acts.

XI. MODIFICATIONS TO THE GENERAL TERMS AND CONDITIONS

11.1. Paynetics shall notify the Customers about any modifications to the Agreement, including the General Terms and Conditions and the Tariff, and the date on which such modifications shall take effect, by means of notices posted on the Platform. Modifications to exchange rates shall have an immediate effect where are the result of a modification to the reference rate of the MasterCard or Visa exchange rates for the respective period.

11.2. If the Customer does not approve of the modifications to the documents under Clause 11.1 hereof, the Customer may terminate the Agreement. Paynetics shall assume that the Customer has approved the modifications to the documents under Clause 11.1 hereof if the Customer has not informed Paynetics before the date on which such modifications shall take effect that the Customer does not approve these modifications. If the Customer reject modifications, Paynetics may terminate the agreement with 7 days written notice.

11.3. Paynetics shall not notify the Customer about any modifications associated to extending the scope of the provided services, modifications that are more favourable to the Customer, or reproductive modifications in the regulatory acts.

XII. TERM OF THE AGREEMENT. TERMINATION.

12.1. The Agreement shall be deemed to have been made and shall become effective the moment it is signed by the Customer (in the manner described herein above) and approved by Paynetics. The Agreement shall be valid until the same is terminated in any of the ways provided in these General Terms and Conditions.

12.2. The Agreement shall be terminated by the Customer:

- a) Upon the circumstances provided for in clause 11.2 above;
- b) With one-month written notice for termination of the Agreement;

12.3. In case of a Payment account attached by a competent authority – termination shall be allowed after the distraint is lifted.

12.4. Paynetics has the right to terminate the Agreement:

- a) In the cases under Clause 11.2 if the Customer has rejected the modifications;
- b) With one-month written notice for termination of the Agreement at Paynetics discretion and without having to state a reason;
- c) With a notice having immediate effect addressed to the Customer:

- in case of breach of the provisions of these General Terms and Conditions by the Customer or a Cardholder; or
- Paynetics reasonably believes that your Account, Card or any of its services is being used for any fraudulent or illegal purposes or in an unauthorised manner or for Prohibited Transactions; or
- in case the following conditions are simultaneously available: for more than 6 /six/ consecutive months the Customer has not made a single payment transaction with the Account/Card and has not paid the monthly maintenance fees and has not had any available balance on his/her account. This rule also applies in case the Account is under distraint; or
- Paynetics reasonably believes that continuing to permit use of your Account or Card may cause Paynetics to breach any applicable law or regulation, code or other duty applicable to it or expose Paynetics to any adverse action, censure, fine or penalty from any regulatory authority, law enforcement or other governmental agency or Card Organisation; or
- in case Paynetics is not in a position to provide the payment services hereunder due to reasons beyond its control, e.g., termination of a third-party processor's activity related to the issuance and servicing of the Cards;
- if this is a requirement imposed to Paynetics by a regulatory authority or a Card Organisation, or it is required in order to comply with regulations or prohibitions on money laundering or terrorist financing;

d) In other cases provided by law or in the Agreement.

12.5. Upon the termination of the Agreement:

- a) All Paynetics receivables under the Agreement, if any, shall become payable. The Customer shall be responsible for all transactions performed prior to termination of the Agreement, their resulting liabilities and any other obligations relating to the use and servicing of the Account and the Card(s) prior to such termination. The Customer shall pay Paynetics all fees payable in accordance with the Tariff. The Account Holder shall pay the fees for payment services, charged periodically under the Agreement, proportionally to the expired period of validity of the Agreement. If such fees have been paid in advance, they shall be recovered proportionally to the time of termination, and
- b) Paynetics shall close the Account as well as shall suspend all payment services and instruments provided via the Account. If there are available funds when closing the Account, they shall be kept by Paynetics until they have been received by the Customer and Paynetics shall accrue no interest on them, and
- c) The Customer's right to use the Card (s) shall be terminated and the Cards shall be deactivated. The Customer shall be required to return the cards issued under the Agreement, and
- d) The Customer shall submit an Application for Reimbursement and shall indicate a bank account number of the Customer to which the unused funds shall be reimbursed. Paynetics shall reimburse the unused funds to the Customer no later than 30 days after receiving the Application of Reimbursement of the Agreement or

after a dispute resolution has been released by the Card Network or Regulator. Paynetics reserves the right to ask for additional documentation before reimbursement is carried out.

XIII. LEGAL PROTECTION PROCEDURE

13.1. Paynetics shall review any objections submitted or disputes raised by the Customer or its signatory in connection with the payment services provided and shall notify the Customer of its decision within fifteen business days from their submission.

13.2. If Paynetics fails to announce its decision within the time limit referred to in Clause 13.1. above or the decision is not to the Customer's satisfaction, the Customer may refer the dispute to the Bulgarian Conciliation Committee for Payment Disputes with the Commission for Consumer Protection.

13.3. In case of a disputed payment operation on the part of the Customer, the latter shall bear the burden of proof that either its execution has not been authorized by it and/or that the operation has been imprecisely executed by Paynetics. Paynetics and the Customer shall agree that in the cases when Paynetics has registered utilization of a payment instrument through its personalized security features, those shall be considered sufficient evidence that the payment operation is authentic and has been authorized by the Customer, unless proven to the contrary by the latter.

13.4. These General Terms and Conditions shall be governed by the relevant Bulgarian laws. Any disputes related to their interpretation or implementation shall be finally settled by the competent Bulgarian court.

XIV. MISCELLANEOUS

14.1. The General Terms and Conditions have been executed based on and in compliance with the LPSPS, the regulatory acts issued in terms of its implementation and other relevant regulatory acts.

14.2. Pursuant to Article 46, Paragraph 5 of the LPSPS, the Parties agree that Article 63 Paragraph 2 and Article 62, Paragraph 1 shall not apply to their relations and all modifications to the Agreement and the General Terms and Conditions and the Tariff shall be made as provided in Clausess 11.1., 11.2. and 11.3. hereof.

14.3. Pursuant to Article 67, Para. 4 of the LPSPS, as the Customer is not a consumer, the Parties agree that Art.47-66, Art. 68, Para. 1, Art.70, Para. 4 and 5, Art. 78, Art. 80, Art. 82, Para 2 and 3, Art.85, Art.91, Art.92 and Art.93, Para. 1 and Art. 94 of the LPSPS shall not apply in their relationships. The parties also agree on a time period other than that laid down in Art. 77, para 1 – namely 20 business days as pointed in Clause 10.1. hereinabove.

14.4. Personal data shall be processed in compliance with the European Union Law, the Law

on Personal Data Protection and the international treaties to which the Republic of Bulgaria is a party. In order to meet its statutory obligations, Paynetics shall apply Customer due diligence procedures, and in addition shall provide information to the National Revenue Agency and other competent government authorities.

14.5. Paynetics may transfer its rights and obligations under the General Terms and Conditions to another company or individual at any time. The Customer shall be entitled to transfer its rights and obligations under the Agreement and the General Terms and Conditions to another individual or company only after obtaining written consent from Paynetics.

14.6. If a court or competent authority establishes that a certain provision in the General Terms and Conditions (or any part of any provision) is invalid, illegal or unenforceable, such provision (or part of it) shall be deemed to be non-existent to the extent necessary, but the validity and applicability of all other provisions of the General Terms and Conditions shall not be affected.

14.7. An integral part of these General Terms and Conditions are:

- a) **Tariff** of Paynetics AD (the “Tariff”),
- b) Annex 1 „**Paynetics Account use**”
- c) Annex 2 „**Paynetics Business Debit Card use**”

d) Privacy Policy and

- e) Any other appendix explicitly specified herein, incorporated in the General Terms and Conditions by reference and accessible on <https://paynetics.online/>.

Annex 1 „Paynetics Account use”

to the

GENERAL TERMS AND CONDITIONS FOR PAYNETICS BUSINESS ACCOUNTS AND PAYNETICS BUSINESS DEBIT CARDS

1. Description of the Paynetics Account /The Account

1.1. **The Paynetics Account** is a payment account in EUR, GBP or BGN with a dedicated IBAN, maintained by Paynetics in the name of the Customer or a payment account in GBP with unique account number and sort code.

1.2. **The Paynetics Account** may be used for:

- inbound SEPA transfers in EUR, BISERA transfers in BGN, or Faster payments transfers in GBP;

- outbound SEPA transfers in EUR, BISERA transfers in BGN, or Faster payments transfers in GBP; - P2P transactions;
- provision of a unique identifier of each payment order, provision of the estimated time and fees in connection to a concrete payment order, provision of monthly information for balance and payment transactions.

- 1.3. You may instruct outgoing Credit Transfers only in the currency in which your Account is denominated.
- 1.4. In the event of change in the Unique identifier of the Account, made by Paynetics, the latter shall inform in writing the Customer of the new Unique identifier.
- 1.5. Upon request by the Customer Paynetics shall provide to it the Unique identifier of the Account.
- 1.6. The Unique identifier of the Account shall be stated in the account information for a specified period, provided to the Customer by Paynetics.

2. Use of the Paynetics Account /The Account

2.1. Account funds shall be disposed of through payment documents, containing all required by the legislation in force essential requisites, as well as regulated remote methods for effecting transactions, while observing the characteristics of the Account, the legal requirements and the General Terms and Conditions.

2.2. Save for operations at ATM, services related to the depositing of cash into a Paynetics Account and services related to the withdrawal of cash from a Paynetics Account are not allowed.

2.3. The Customer can execute transactions involving the amounts available in the Account through payment documents in a form and containing details in accordance with the legislation in force and the internal rules and instructions of Paynetics.

2.4. Paynetics is entitled to set limits on the transactions executed using a certain Paynetics Account.

2.5. Payments from the Paynetics Account can be executed only on the instructions or with the prior consent of the Customer up to the amount of the minimum required balance in the Paynetics Account under the General Terms and Conditions, except for the cases of enforcement in accordance with the statutory procedures.

2.6. The Customer gives consent through its legal representatives upon presentation of an identity document or through an attorney, authorised with an express power of attorney, upon presentation of an identity document and an original notarised power of attorney or power of attorney signed with qualified electronic signature in accordance with the requirements of the Electronic Document and Electronic Certification Services Act and Regulation (EU) No 910/2014 .

2.7. Each payment order and consent shall be obtained by Paynetics in an electronic form by electronic means using electronic channels: via the Platform.

2.8. A payment transaction is authorised if the payer has ordered or given its consent for the execution. Where no consent has been given, the payment transaction is not authorised.

2.9. The Customer's consent shall be given prior to the execution of the payment transaction, where the order has been submitted to Paynetics.

2.10. An order for payment transaction is subject to execution where:

- a) it has been received by Paynetics and has been filled in using a standard form of Paynetics;
- b) it is accompanied by all data and documents, required in accordance with the legislation in force, the internal rules of Paynetics and/or the General Terms and Conditions;
- c) it has been signed by the authorised individuals in accordance with the rights of disposal of the Account, whose signature(s) is (are) identical with the specimen signature submitted to Paynetics, with a qualified electronic signature or an advanced electronic signature;
- d) the fees and commissions payable to Paynetics for the execution of the payment transaction have been provided.

2.11. When executing payment orders, Paynetics shall implement the requirements of the Law on Payment Services and Payment Systems (LPSPS) and Ordinance No. 3 of the BNB.

2.12. In the event that the funds available in the Account as at the date of execution of the payment order are insufficient, Paynetics shall refuse the execution of the payment order.

2.13. A payment order for execution of a payment transaction may not be revoked / withdrawn if any of the following circumstances has occurred:

- a) Paynetics has received it and its processing is not completed;
- b) the payment order has been executed and a message has been transmitted to the corresponding payment service provider;
- c) the Account of the payee has been credited;

2.14. In the event of payment on a specified date, where it has been agreed between the Customer (payer) and Paynetics that the submitted payment order shall be executed on an agreed day – on a specified day or on the day when the Customer provides Paynetics with the funds required for the execution of the order, the Customer can revoke the payment order by the end of the business day, preceding the agreed day for payment at the latest. The agreed day, and if it falls on a day, which is not a business day for Paynetics – the next business day, shall be considered as the time of receiving the payment order.

2.15. Paynetics shall have the right to charge a fee for revocation of the payment order, an investigation charge for payment investigation and a confirmation charge for a payment status with the payment services provider of the payee.

2.16. When the consent for execution of a series of payment transactions is revoked, all future payment transactions shall be considered unauthorised.

2.17. The Customer shall be responsible to provide a correct and accurate order for

execution of a payment transaction. The Customer shall specify fully and accurately the Unique identifier in each payment order submitted to Paynetics.

2.18. If the instructions provided by the Customer are incorrect, inaccurate or incomplete, Paynetics shall not be liable for errors or inaccuracies in the transaction. If a payment transaction is carried out in accordance with the instructions provided by the Customer, it shall be deemed to be accurately implemented.

2.19. Paynetics shall execute the order according to the Unique identifier specified in the order. Paynetics shall not be liable for damages suffered by the Customer or third parties in the event of discrepancies between the specified Unique identifier and account holder. Paynetics shall not be liable for the non-execution or incorrect execution of a payment transaction if the Unique identifier specified by the Customer is incorrect.

2.20. Paynetics shall not be liable for unauthorised or incorrectly executed payment transactions in the event of extraordinary or unforeseen circumstances outside its control, the consequences of which would inevitably occur regardless of the efforts made for their preventing, as well as in the cases where Paynetics has acted in compliance with a statutory obligation established in the community law or the Bulgarian legislation in force and/or in the cases where the Customer has acted fraudulently and/or in breach of the General Terms and Conditions.

2.21. Paynetics shall fulfil payment transactions in accordance with the legislative requirements and international standards in the field of measures against money laundering and terrorism financing and for that purpose after receipt of the payment order Paynetics shall have the right to perform the respective check-ups, to require additional documents and/or information or to stop (to refuse) the execution of payment orders with the doubt that the same don't fulfil the requirements or the transfers are ordered from or in favour of persons who or which activities are under control of sanctions/restrictions for payments from the respective payment system and/or payment service provider/s, or when additional check-ups for establishment of facts and circumstances related with their execution are needed. In that cases the terms under Section 3 "Execution time and value dates" shall be prolonged for the period of the check-up, the submission of the additional required documents or information.

2.22. Payment order whose execution is being refused, shall be considered not received. The consequences from the non-execution or delayed execution shall remain at the expense, risk and responsibility of the Customer.

2.23. When transmitting a message for executing a payment order, Paynetics shall enter all data from the payment order and shall be liable for each discrepancy between the message and the order.

2.24. Payment orders in BGN, initiated by the Customer through electronic channels, shall be executed by Paynetics by transmitting immediately a message to the corresponding payment services provider within the deadlines, stipulated in Section 3 "Execution time and value dates", and after having performed an automatic and other check of the completeness of the entered data.

2.25. Payment orders in EUR for countries in the European Community and third countries,

initiated by the Customer, shall be executed by Paynetics by transmitting a message to the corresponding payment services provider within the deadlines, stipulated in in Section 3 “Execution time and value dates”, and after having performed a check of the completeness of the entered data, the documents serving as grounds for the transaction (where such documents are required in accordance with Ordinance No. 28 of the BNB), and the completed and signed declarations under the PSPS Act and under Ordinance No. 28 of the BNB for transfers of amounts exceeding BGN 30,000 | EUR 15,338.76. All declarations must be signed with an advanced electronic signature, issued by Paynetics, or qualified electronic signature of the Customer. Where such declarations are not signed by the Customer with an electronic signature, the order for the transfer shall be executed after the Customer submits the signed declarations, accompanied by the documents required for the execution, in a hard copy. The documents required in accordance with Ordinance No. 28 and serving as grounds for executing the transfer shall be submitted to Paynetics in a hard copy or sent by e-mail, signed with a qualified electronic signature.

2.26. Payment orders shall be executed in the chronological order of their receipt by Paynetics.

2.27. Information on Payment Transactions for the Account Holder. After the Account of the payer is credited / debited with the amount of an individual payment transaction, Paynetics shall provide to the Customer electronically or on another durable medium the following information:

- a) Registration number of the payment transaction and, where necessary, information regarding the payee/payer, as well as all other information accompanying the payment transaction;
- b) The value of the payment transaction in the currency, in which the Paynetics Account of the Customer has been debited/credited, or in the currency specified in the payment order;
- c) The exchange rate used by Paynetics with regard to the payment transaction and the value of the payment transaction following the currency exchange;
- d) Information about the amount of all fees payable by the Customer in connection with the payment transaction, presented by types and values;
- e) The value date of crediting/debiting the Paynetics Account.

2.28. Reporting information in relation to the Paynetics Account in connection with executed payment transactions, as well as all other notifications from Paynetics to the Customer can be provided in the following manners:

- a) via electronic mail;
- b) via the Platform.

3. Execution time and value dates

3.1. The time of receipt of the payment order shall be the time when the payment order has

been submitted to Paynetics directly by the payer.

3.2. Payment orders received after the deadlines specified in this Section shall be considered received on the next business day.

3.3. Where the time of receipt of a payment order falls on a day, which is not a business day for Paynetics the order shall be considered received on the first next business day.

3.4. Where the Customer and Paynetics have agreed that a payment order shall be executed on a specified day or on the day following the expiry of a specified time-period, or on the day when the Customer provides Paynetics with the funds required for the execution of the order, the agreed day, and if it falls on a day, which is not a business day for Paynetics – the next business day, shall be considered as the time of receiving the payment order.

3.5. Paynetics informs via Platform the Customer and Cardholder(s) of the business hours during which payment orders are executed on the same business day.

3.6. Orders submitted to Paynetics after the deadlines specified in the item above shall be processed and executed with a value date for the ordering Customer on the next business day.

3.7. Internal transfers (P2P transfers): The value date of crediting the Paynetics Account of the payee is the same business day if the payment orders have been deposited through electronic channels before 5 pm CET and the order will be executed with a value date on the same business day. Transfers ordered after this time shall be executed with a value date on the next business day.

3.8. For external transfers ordered in BGN, GBP and EUR - if the payment orders have been deposited through electronic channels before 3 pm CET - Paynetics shall credit the payment account with the payment service provider of the payee with the amount of the payment transaction by the end of the next business day after the time of receipt of the payment order at the latest. Transfers ordered after 3 pm CET shall be executed with a value date on the next business day. External transfers in GBP via Faster Payments to a beneficiary payment account in GBP in the EEA or the UK can be executed only if the payment services provider of the payee attributes unique account number and sort code to the payment account of the beneficiary. External transfers in EUR via SEPA to a beneficiary account in EUR in the EEA or the UK can be executed only if the payment services provider of the beneficiary is participant in the SEPA payment scheme.

3.9. The terms indicated hereinabove shall be prolonged for the period of the check-up and the submission of the additional required documents or information with the legislative requirements and international standards in the field of measures against money laundering and terrorism financing according to the Clause 2.21 above.

3.10. Other deadlines may be agreed by and between the Customer and Paynetics.

4. Special rules for outbound credit transfer payment transactions

4.1. Paynetics shall execute credit transfers from the Paynetics Account ordered by the Customer into an account of a payee with Paynetics or with another bank or payment service provider. The payer and the payee may be the same person.

4.2. Paynetics shall offer the Customer outbound credit transfers in EUR, GBP and BGN.

4.3. The Customer shall draw up a Payment Order for credit transfer using the standard form of Paynetics, containing data in accordance with the rules of the corresponding payment system.

4.4. For credit transfers in BGN the Customer shall draw up a Payment Order for credit transfer using the standard form of Paynetics, with content in accordance with the requirements of the Ordinance No. 3 of the BNB.

4.5. For credit transfers in currencies in EUR the Customer shall draw up a Payment Order for credit transfer using the standard form of Paynetics, containing data in accordance with the rules of the corresponding payment system. Prior to the execution of a credit transfer to a third country in an amount equal to or exceeding the equivalent of BGN 30,000 | EUR 15,338.76, the Customer shall submit to Paynetics information and documents as required by Ordinance No. 28 of the BNB in accordance with the declared reason for the credit transfer. Third country shall mean a country which is not a Member State of the European Union and does not belong to the European Economic Area, and in which a payment service provider of the payee of the credit transfer operates.

4.5.1. In any case of suspicion of money laundering and/or of the presence of criminal assets regardless of the value of the operation or transaction, at the request of Paynetics, the Customer should provide the necessary information and documents to clarify the origin of funds in accordance with Art. 66 LMAML.

4.6. In connection with credit transfers between a resident and a non-resident person in Bulgaria and all cross-border transfers and payments with a value equal to or exceeding BGN 50,000 | EUR 25,564.59 or their equivalent in a foreign currency, with regard to which a register is kept in accordance with Article 7, paragraph 5 of the Currency Act, the Customer shall submit a statistical declaration under Ordinance No. 27 of the BNB.

5. Prevention and Control

5.1. The Customer undertakes not to use the Account for or in connection with illegal activities, including but not limited to unfair trade practices, money laundering, financing of terrorism, committing fraud, and/or for conduct which would constitute a risk to the reputation of Paynetics.

5.2. In the event that an occasion, in which the Account is designated and/or used for one or more of the activities specified in item 5.1 above, is established, Paynetics shall have the right to block immediately all payment accounts of the Customer with Paynetics pursuant to the Section 6. Paynetics shall inform the Customer of the blocking and shall decide on its own discretion whether to terminate the Agreement and to close the Account(s). If there is a credit balance at the time of closing of the Account(s), Paynetics shall reimburse the unused funds to the Customer in the way referred to in Clause 12.7, d) of the General Terms and Conditions after deduction of all applicable fees and outstanding obligations of the Customer. Transfers received after the closing of the Account(s) shall be returned to the ordering customer.

5.3. In the event that Paynetics establishes that the Customer has provided untrue data in

connection with the opening or the use of Account and/or where it is permanently impossible (for over one month) for it to get in contact with the Customer using the contact data provided by the Customer, Paynetics shall have the right to terminate unilaterally the Agreement without prior notice and without explicit notification addressed to the Customer.

5.4. Paynetics is entitled to block officially and/or return funds, wrongly received into the Account of the Customer as a result of unauthorised or executed as a result of illegal actions payment transactions, of which the payer's bank/a correspondent bank has informed Paynetics or has requested recovery of the funds.

5.5. Paynetics will not execute orders for payment transactions from the Customer to individuals / entities, with regard to which national or international sanctions or embargo have been imposed under the procedure envisaged by law.

6. Temporarily blocking the use of a Paynetics Account

6.1. Paynetics shall have the right to block temporarily the use of a Paynetics Account if one of the following circumstances occurs:

- a) Distraint on the account, imposed by a competent authority;
- b) In the event of established or possible abuse and/or access to the Account by an unauthorised third party – on the order of a competent government authority, on the grounds of any other rule or duty applicable to Paynetics or at Paynetics' discretion;
- c) On the instructions of the Customer;
- d) In the event of established or possible breach of the General Terms and Conditions by the Customer.

6.2. The Account shall be unblocked under the following conditions:

- a) Lifting the distraint, duly notified by the competent authority; or
- b) Submitting a written order for unblocking by the Customer or a person authorised thereby in case the Account has been blocked on the grounds of art. 6.1. c) above; or
- c) Upon a decision of Paynetics.

6.3. When the account has been blocked following an official order by a competent authority, by virtue of which the free disposal and use of the funds in the account of the Customer is restricted or an immediate transfer of a specified amount, defined in the order, is required, Paynetics will perform all ordered actions within the specified deadline and will not be liable to the Customer for the consequences of the restriction imposed or the transfer executed.

GENERAL TERMS AND CONDITIONS FOR PAYNETICS BUSINESS ACCOUNTS AND PAYNETICS BUSINESS DEBIT CARDS

1. Description of the Paynetics Business Debit Card/The Card

1.1. The Paynetics Business Debit Card can be used for transactions in the country or abroad.

1.2. The Paynetics Business Debit Card includes the following requisite details: validity period, unique card number, name of cardholder, currency and CVV2/CVC2.

1.3. Each Card is linked to the balance of the Paynetics Account. Each Card has a validity period within which the Cardholder may use the Card. The Card shall expire on the last day of the month/year indicated on its front side (in case of plastic Cards), or on the Platform or on the expiry date sent to you by email (in case of virtual Cards). All transactions initiated after the expiration or cancellation of the Card shall not be authorised or effected.

1.4. The physical card may be used on any device accepting cards with the MasterCard® or the VISA brand, while your virtual Card may only be used for online transactions or transactions performed by phone devices using mobile applications. If the virtual Card has a pre-defined spending limit, it may be used only for online payments, in accordance with clause 2.7, item “c)” herein below, at certain pre-defined types of merchants.

1.5. Virtual Cards, which have pre-defined by the Customer maximum spending limit, can be issued to Customer`s Paynetics Account denominated in EUR or GBP only. The spending limit should be specified by the Customer in the Customer`s Request for the issuance of the virtual Cards and must be approved by Paynetics. Once the maximum spending limit is set, it cannot be changed subsequently by the Customer. The virtual Cards with a maximum spending limit may be subject to additional restrictions, defined by Paynetics.

2. Paynetics Business Debit Card use

2.1. Unless otherwise provided herein, the following transactions can be carried out using the physical cards:

- a) Withdrawing cash via ATM/POS terminals
- b) Paying for goods or services via POS terminal
- c) Paying periodic expenses
- d) Paying for goods or services online
- e) Obtaining an account statement

f) Change of PIN by the Cardholder.

2.2. Transactions under Clause 2.1 above can be carried out on all terminal devices bearing the MasterCard or VISA logo and maintaining the respective functions.

2.3. The transactions with the Card will be subject to limits set by Paynetics.

2.4. The Cardholder may carry out transactions with the Card to the amount of the available cash in the Account to which the Card was issued in accordance with the limits set to the Card.

2.5. The Cardholder shall use the Card only in person and in compliance with the provisions for issuance and use set out in the General Terms and Conditions. The Cardholder may not perform any unauthorised transactions with the Card.

2.6. The Cardholder shall safeguard the Paynetics Account and the Card, the information recorded thereon and the personalised security features of the Card.

2.7. Each payment transaction with a Card should be approved at the time when it is initiated by the Cardholder. Any payment transaction with the Card shall be allowed only after verifying: the accessible cash, the Card status and its limits, and identification of the Cardholder by one of the following methods:

- a) In case of cash withdrawal from an ATM: by inserting the card into the ATM device and entering a PIN in the ATM device.
- b) In case of payment for goods or services by a physical card at a POS terminal: by providing the Card, placing it on the respective POS terminal and/or entering a PIN to effect the particular payment and/or signature on the POS slip note. The requirement under this item „b” shall not be applied in case of contactless payments for amounts under the maximum set by Paynetics. The maximum amount for a contactless transaction beyond which Customer verification is required by entering a PIN shall be approved and confirmed by the International Card Organisation for each country. The signature on the slip note from the terminal device should be identical to the signature on the reverse side of the Card and shall verify the authorisation and the correct execution of the transactions. At the Merchant's request, the Cardholder shall also present a document for identification and verification of their signature. Failure to provide an ID shall represent a reasonable ground for refusing to effect the payment transaction;
- c) In case of online payments no PIN shall be used but the Card authenticity shall be confirmed by entering a CVV2 number/three-digit code of the Card/ and the one-time verification code, sent via SMS or on the Platform.

In order to ensure extra security when making online payments, Paynetics registers all Cards issued for the Customer for the Secure Online Payments service (3-D Secure). For each payment on the websites of merchants involved in 3-D Secure programme, the Cardholder shall receive a text message (SMS) containing a one-time verification code for the payment or one-time verification code on the Platform. Entering the payment verification code is a further identification besides entering the CVV2/CVC2 code on the Card. In the event of misuse of the Card online after learning the verification code from third parties and/or in case of payments with the Card to Merchants not involved in the 3-D Secure programme,

Paynetics shall not be held liable and the losses incurred shall be covered by the Customer. Also, Paynetics shall not be held liable for any non-received SMS with a confirmation code in case of failure of the respective mobile communication providers to deliver such notifications or in case of wrongly provided phone number. Paynetics shall not be a party to the relationship with the online payment system operator and shall not be held liable with regard to such relationship.

2.8. The Cardholder shall send an irrevocable order to Paynetics and shall agree to carry out the payment transaction, and also shall give an unconditional consent and order to Paynetics to use the funds in the Paynetics Account and to deduct any fees and commissions payable in relation thereto.

2.9. The Cardholder/Account Holder shall be responsible to provide a correct and accurate order for execution of a payment transaction with the Card. If the instructions provided by the Cardholder/Account Holder are incorrect, inaccurate or incomplete, Paynetics shall not be liable for errors or inaccuracies in the transaction. If a payment transaction is carried out in accordance with the instructions provided by the Cardholder/Account Holder, it shall be deemed to be accurately implemented.

2.10. Each payment transaction made with the Card shall be final and irreversible, except in the following situations at the discretion of Paynetics:

- a) An error on part of the merchant has been confirmed.
- b) An illegal activity in connection with the Card has been detected.
- c) A violation of the General Terms and Conditions has been established.

2.11. The maximum period for completion of payment services provided with the Card shall be determined by the rules of card organisations and card operators within the terms set out in Article 87 and Article 88 of the Law on Payment Services and Payment Systems (LPSPS). The implementation of a payment transaction ordered with the Card may be delayed due to the performance of Paynetics' obligations under the applicable anti-money laundering laws, including if Paynetics suspects that the transaction is involved in frauds, illegal or unacceptable activities or constitutes an unauthorised transaction.

2.12. Payment transactions with the Card shall be implemented immediately after receiving a due order and the account shall be debited within: a) 10 days in case of cash withdrawal via ATMs; b) 15 days for all other transactions other than the ones under letter a).

2.13. The Customer needs to make sure there are sufficient funds in the Account to which the Card was issued in order to carry out payment transactions with the Card, as well as that the amount of the payment transaction does not violate any pre-set spending limits, as the case may be. The Customer should ensure sufficient funds in the Account to which the Card has been issued in order to perform payment transactions with the Card. If the Cardholder performs payment transactions with amounts in excess of the available cash or otherwise exceeds it in connection to the Card use, the excess amount shall be recorded as an unauthorised overdraft and charged with an interest rate equivalent to the legal interest rate and the Customer must make an immediate payment of the amount in excess plus the accrued interest. If the amount of the payment transaction exceeds any pre-defined spending limit of the virtual Card, the transaction will be rejected.

2.14. Paynetics may refuse to perform a transaction with a Card if there are not sufficient available funds in the Customer's Paynetics Account to cover the amount of the payment transaction and all applicable fees. If any action results in a negative balance in the Paynetics Account, the Customer shall recover the respective amount ensuring a positive balance in the Account, and Paynetics shall be entitled to take all necessary steps in accordance with the General Terms and Conditions for the collection of amounts due from the Paynetics Account.

2.15. It is possible that some merchants may not accept payments made with the Card. It is a responsibility of the Cardholder to check the policy of each merchant. Paynetics holds no responsibility if a merchant refuses to accept a Card payment.

2.16. Merchants in certain business sectors (e.g. car rental companies, hotels and other service providers) have the practice to estimate the potential funds that can be spent with them and to require retention of the total amount of the potential funds so estimated. In some cases, that total amount may exceed the amount effectively spent. In such cases, the initially withheld funds from the Card may be held for up to 15 days and the amount will not be available. Paynetics may release such amounts only with the Merchant's consent.

2.17. If the Card is lost, stolen or damaged, Paynetics shall replace it at the Customer's request by charging a Replacement Fee which shall be deducted from the Paynetics Account. If a card has been reported lost, stolen or misappropriated but later is found, then the Cardholder should immediately inform Paynetics about it and destroy the Card.

These Terms and Conditions have been amended by virtue of a Decision of the Board of Directors of Paynetics AD dated 31.07.2025.