

## **UBB AD TERMS AND CONDITIONS FOR DEFERRAL OF CREDIT CARD PURCHASES IN EQUAL MONTHLY INSTALLMENTS**

1. United Bulgarian Bank AD provides an opportunity to all holders of UBB credit cards to defer the payment of their credit card purchases in equal monthly installments.
2. The mechanism for deferral in equal monthly installments is applicable to purchases, complying with the following conditions:
  - Paid with a credit card;
  - Minimum value BGN 100;
  - Posted as accounting entries;
  - Lacking any repayment whatsoever;
  - The purchase should be made after the date of the recent account statement and prior to the date of the next account statement;
  - Purchases, bearing international transaction code 7995 (betting and gambling) shall not be subject to deferral.
3. Clients are provided with the ease to defer the payment of their purchases in equal monthly installments over a selected period of 3, 6, 9 or 12 months. Repayment periods may vary with each credit card purchase.
4. Clients may request this service via one of the following channels:
  - Via e-banking/ mobile banking – by sending a confirmation through the client’s personal e-banking profile;
  - Via the Call Center – upon the client’s explicit consent, as stated in the recorded phone call, which phone call shall be considered conclusion of a written annex to the agreement.
5. Upon deferral of UBB credit card purchases in equal installments the Bank will not charge interest on the transaction’s value. Clients will pay only the one-off fee as per the Bank’s Tariff, collected upon transaction’s deferral. Depending on the selected period the fee is, as follows:

Deferral period	One-off fee, collected from the client
3 months	3%
6 months	
9 months	6%
12 months	

*Thus, for example, a purchase worth BGN 500 will entail the following one-off fee:*

- *Upon 3/6-month deferral – BGN 15.*
- *Upon 9/12-month deferral – BGN 30.*

6. Upon deferring a credit card transaction the disposable balance under the client's credit card will be reduced with the purchase value. The blocked amount will also include the service fee.

7. Upon generating a monthly account statement the purchases, which payment has been deferred in installments, will be visualized as separate line items, as follows: the portion of the purchase (the monthly installment), included in the minimum payment, will appear in the transactions' data – purchase 1/12, 2/12 etc. while the residual amount, blocked in the system (reduced with the already repaid purchases) will be visualized at the account statement's bottom as a *Blocked amount under purchase deferral*. Also, the number of installment purchases, paid with the card as of the account statement's date, will appear in the same field of the account statement.

8. Users, utilizing the new opportunity for repayment of credit card purchases in equal instalments, will be entitled, without owing compensation or penalty and without specifying a reason for that, to cancel the service within 14 days, counted as of the date of the monthly statement's receipt. The above cancellation right shall be exercised prior to deadline expiration, by submitting a notification thereof to UBB AD at a branch of the Bank. In the latter case, the client shall not owe the one-off fee, penalty or compensation and to him/her the standard terms and conditions for repayment of credit card liabilities, as stipulated in his/her agreement, shall apply. A client's failure to exercise the cancellation right shall render applicable the provisions herein.

9. The agreement for credit card issuance, concluded between the parties, as well as all its provisions shall remain unmodified and in full force and effect.

10. All disputes between the parties shall be settled via negotiation and by mutual agreement. Any failure to reach consensus shall entail referral of the dispute to a Bulgarian court of respective authority. To all issues not provided for herein the effective Bulgarian legislation shall apply. All information, exchanged between the parties under the agreement, as well as the subsequent correspondence held, shall be in Bulgarian language.

This document represents UBB AD's Terms and Conditions for Deferral of Credit Card Purchases in Equal Monthly Installments. The information shall be considered provided by virtue of Art. 8 of the Remote Provision of Financial Services Act, with all legal consequences, ensuing from its nature. This information shall be valid over the period of the card issuance agreement.

*UBB AD is a joint-stock company, entered in the Commercial Register with the Registry Agency under Company Identity Number 000694959, having registered office and head office address in 1463 Sofia, Triaditza Region, 89B Vitosha Blvd. UBB AD is a credit institution within the meaning of Article 2, Para.1 of the Credit Institutions' Act, established in compliance with the procedures as per the effective Bulgarian legislation. The company's main activity involves also services, concerning public attraction of deposits or other refundable funds, as well as providing of loans or other financing, while assuming, for its own account, all associated risks, or relating to money transfers, as after 01 November 2009 – rendering of payment services pursuant to the Payment Services and Payment Systems Act, or performing activities, related to issuance and*

*administration of other means of payment, such as payment cards, traveler's cheques and letters of credit.*

*UBB AD holds a banking license as the effected by it banking activity is subject to regulation by the Bulgarian National Bank, with address Sofia, 1 Knyaz Alexander I Sq.*