

PAYNETICS DEBIT CARDS TERMS AND CONDITIONS

1. AGREEMENT AND HOW TO CONTACT US

These terms and conditions (the “Terms and Conditions”) govern the use of your Card and are provided by Paynetics AD. A schedule of fees tariff and transactional limits (the “Supplement”) provided to you is incorporated into, and is part of, these Terms and Conditions. By registering for, activating, accepting or using the Card, you agree to be bound by these Terms and Conditions.

Your Card is issued by Paynetics AD, hereby referred to as “our”, “us” or “we”, an electronic money institution, with seat and registered address at Ground Floor, 76A James Bourchier, Lozenetz District, Sofia, entered in the Commercial Register kept by the Registry Agency under UIC 131574965 and holding license to operate as an electronic money institution, issued by the Management Board of the Bulgarian National Bank by decision No 44 of 11.04.2016. The Bulgarian National Bank supervises the activities of Paynetics AD. Paynetics AD issues the Debit Card to you, which is a type of payment instrument with electronically recorded balance which is repeatedly used to identify the cardholder and by using it, under these Terms and Conditions, a payment order is submitted (the “Card”). The Card may be physical or virtual.

If your Card or PIN is lost, stolen or misused, contact us via our contact centre using one of the telephone number and email as follows: +44(0)330 223 6316 or email cardholders@paynetics.digital (the Contact centre). You agree that we may communicate with you in the English language. You may ascertain the value of unspent funds loaded onto your Card (the “Card Balance”) and the history of activity on your Card, as well as other relevant information in relation to your Card, using the mobile App or by calling the Contact centre. Paynetics shall provide information about the Card payment transactions, history of transactions, activity with the Card and information on all collected fees once per month.

2. USE OF YOUR CARD, AUTHORIZATION OF TRANSACTIONS AND SECURITY

Your card is a Debit card, not a credit card and is not connected to any bank account that you may have. You may only use the Card if you are the minimum required age under applicable law and only for lawful purposes and in a lawful manner. You will not earn any interest on the Card Balance. You must ensure that the Card Balance is sufficient to pay for each transaction you make using your Card (including any applicable Charges as defined in Section 6 below). If you attempt to use your Card in a transaction where the Card Balance is insufficient then the transaction may be declined. If for any reason a transaction is processed that results in a negative balance on your Card you will be required immediately to pay us the amount of the negative balance plus any applicable Charges. We may also place a hold on the Card Balance when we are asked by a merchant to authorise a transaction in advance to ensure there will be sufficient Card Balance to cover the transaction. You may not add funds to the Card Balance or otherwise reload your Card.

You can use the card up to the available Card Balance.

Unless otherwise provided herein or as per the applicable Transaction Limits, the following transactions can be carried out using the Card:

- Paying for goods or services via POS terminal;
- Paying for goods or services online;
- Obtaining an account statement;
- Cash withdrawal via ATM;
- Change of PIN by the Cardholder.

The Card may be used on any device accepting cards with the MasterCard® or Visa® brand.

Any payment transaction with the Card shall be allowed only after verifying: the available Card balance, the Card status and its Transaction Limits, and identification of the Cardholder by one of the following methods:

- In case of cash withdrawal from an ATM: by entering a PIN;
- In case of payment for goods or services by a POS terminal: by entering a PIN and/or signature on the POS slip note. The requirement under this Clause 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;
- In case of online payments no PIN shall be used but the card authenticity shall be confirmed by a CVC/CVV and a one-time payment code.
- 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 their Card.

Authorization of payment transactions: Each payment transaction should be approved at the time when it is initiated by you. Each payment order and authorisation shall be obtained from Paynetics in an electronic form. In order to ensure extra security when performing online payments, Paynetics registers all Cards issued by the company for the Secure Online Payments service (3-D Secure). The programmes of the International Card Organisations providing such service are the MasterCard Secure Code and Verified by Visa. For each payment on the websites of merchants involved in the MasterCard Secure Code and Verified by Visa programmes, the cardholder shall receive a text message (SMS) containing a one-time verification code for the payment. 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 MasterCard Secure Code or Verified by Visa programmes, Paynetics shall not be held liable and the losses incurred shall be covered by the cardholder. 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 cell phone number by the Cardholder. 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.

To protect against unauthorized use of your Card, read the page headed "Important Information on Safeguarding Your Paynetics Debit Card" set out at the end of these Terms and Conditions. If you permit other persons to use your Card, you are responsible for any transaction they conduct. If you think an error has occurred on your Card contact the contact centre as soon as possible.

Paynetics may refuse to carry out any payment transaction ordered with the Card if it does not meet the requirements of this Agreement, including, but not limited to any of the following circumstances: (i) you have not given an exact order to implement the transaction or has given an incomplete order; (ii) Paynetics has a good reason to suspect that the transaction is unauthorized or involved in fraud or illegal activity; (iii) Paynetics has a good reason to believe that there has been a violation of these Terms and Conditions; (iv) for a reason related to compliance with rules and regulations of MasterCard® or Visa®; (v) if there are no sufficient funds in the Paynetics account or if the transaction violates the set Limits; (vi) by law or by order of a regulatory body; (vii) due to a technical impossibility to carry out the transaction; (viii) merchants may not authorize a payment unless they have obtained permission from Paynetics. You shall be responsible to provide a correct and accurate order for execution of a payment transaction. If the instructions provided by you 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 you, it shall be deemed to be accurately implemented. Each payment transaction made with the Card shall be final and irreversible, except in the following situations at the discretion of Paynetics: (i) An error on part of the merchant has been confirmed, (ii) An illegal activity in connection with the Card has been detected, (iii) A violation of the Terms and Conditions has been established. 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 execution of a transaction 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.

3.USING YOUR CARD TO MAKE PURCHASES AND REFUNDS

You may use your Card to purchase or rent goods and services from merchants displaying the service mark of any payment scheme that appears on the back of your Card, by using your PIN or other identifier as requested by the merchant. We are not responsible for the goods or services you acquire using your Card. If you are entitled to a refund in connection with a purchase transaction made on your Card or error on your Card, we will add the amount of the refund to the Card Balance instead of refunding you in cash. You agree that if the Card has funds added by mistake that we may make an adjustment to the Card Balance so that the correct amount is added and return the funds added by mistake to you the appropriate party.

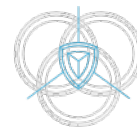
Limits on your use of your Card: We and/or operators of ATMs and points of sale may set limits on the monetary amount and number of transactions completed through the Card during a set time period ("Transaction Limits"). The Transaction Limits set by us are set out in the Supplement and will apply to you unless otherwise provided in the Supplement. We reserve the right, in our sole discretion, to modify the Transaction Limits from time to time. You will be notified of any change in the Transaction Limits as may be required by applicable law. For security purposes, we may impose additional transaction limitations on your Card and you will be advised of such limitations to the extent required by applicable law.

4.EXPIRATION, CANCELLATION AND TERMINATION

Your Card will expire on the expiration date on your Card. You will not be able to use your Card after it has expired. We may cancel or suspend your Card and terminate these Terms and Conditions immediately if: (i) your Card is lost, stolen, damaged, malfunctions or is misused; (ii) there has been no activity on the Card for 90 days or there is no Card Balance; (iii) where you are in breach of these Terms and Conditions or we otherwise suspect that you have used or are attempting to use your Card in breach of your agreement; (iv) you request that we cancel or suspend your Card; or (v) we cease to be permitted to process payments in relation to the Card by reason of law or regulation.

5.FEES AND VAT

We will deduct all fees and charges due to us, including applicable charges set out in the Fee Table in the Supplement, or due to third parties (the "Charges") from the Card Balance. When you use an ATM, you may be charged a fee by the ATM owner (you may also be charged a fee for a balance enquiry even if you do not complete a transaction). If the Charges incurred exceed the Card Balance you will be required to pay any outstanding amount to us. All Charges due to us or any third party are exclusive of value added tax ("VAT") if any, payable thereon. If VAT is chargeable on any supply made by us or any third party to you in connection with our issue to you and/or your use of the Card we will deduct such amount of VAT from the Card Balance, or if the amount of VAT exceeds the Card Balance you will be required to pay any outstanding amount to us. Any reference in these Terms and Conditions to a supply made by us or



any third party shall in relation to VAT include a supply treated as made for VAT purposes by the representative member of any VAT group of which we or the relevant third party is/are a member.

6.OVERSEAS TRANSACTIONS

If you make purchase transactions or ATM withdrawals in a currency other than the currency in which your Card is denominated, the charges will be converted to the currency of your Card in accordance with applicable bankcard association rules. The currency conversion rate used on the processing date may differ from the rate that would have been used on the purchase date or the date when it is applied to the Card Balance. Card Balance may vary due to exchange rate fluctuations.

7.YOUR LIABILITY

Unless you acted fraudulently or without reasonable care your maximum liability for any transactions on your Card after your Card or PIN becomes lost, stolen or used by someone without your permission up to the time you notify us will not exceed €67 (or where your Card is denominated in sterling, £50) or its equivalent in the currency of your Card at notification. Once you have notified us of the theft, loss or misuse of your Card we will cancel the Card and may refund the Card Balance. You shall be required to notify Paynetics in writing of any unauthorised or improperly executed transaction with the Card without undue delay after becoming aware of the unauthorised or improperly executed transaction but no later than 13 months from the date of the transaction.

In the event that you have grounds for recovering amounts from incorrectly performed or unauthorized transactions, we will recover them as soon as possible upon receipt of your claim or any additional information we may request in order to investigate your right to a refund. However, if, following an investigation, we have reasonable grounds to believe that the refund is not actually due to you for any reason or that we have made an unreasonable refund, we will have the right to request a refund of the previous refund and you will be liable for any loss caused to us or to you.

8.OUR LIABILITY

Where the Card is faulty due to our fault, our liability shall be limited to replacement of the Card loaded with any Card Balance, or repayment of the Card Balance. Where sums are deducted from the Card Balance due to our fault, our liability shall be limited to refunding an equivalent amount to the Card Balance or where the Card has expired to repayment of an equivalent amount. In all other circumstances our liability shall be limited to repayment of any Card Balance. Nothing in these Terms and Conditions is intended to, nor shall have the effect of, excluding or limiting our liability: (i) for death or personal injury caused by our negligence; (ii) for fraud or wilful misconduct; or (iii) which may not otherwise be restricted or excluded under applicable law.

9.DATA PROTECTION

Paynetics AD are the data controller of your personal data provided to us in connection with these Terms and Conditions. We will process your personal data in order to provide a Card to you, to administer your Card, to deal with any queries you have concerning the Card or its use, for statistical reporting and fraud prevention purposes. We will confidentially and only to the extent permitted under applicable data protection and bank secrecy laws, give other companies in the Paynetics group of companies, third parties including those providing application processing, fraud monitoring, customer service, card production and technology processing services and each of their agents and subcontractors, information about you and your Card. We may pass your personal data to: (i) fraud prevention agencies if false or inaccurate information is provided and fraud is suspected; and (ii) regulatory authorities, law enforcement or fraud prevention agencies where we are required to do so by applicable law or court order. Your personal data may be transferred to the recipients identified above in countries outside the European Economic Area (even those which have only limited or no data protection laws provided that we remain responsible for making sure your personal data is held securely) including, without limitation, the United States of America. You may request a copy of your personal data by writing to us at: dpo@paynetics.digital We may charge you a reasonable administration fee for providing such access not exceeding any maximum amount permitted under applicable law. We may record and/or monitor telephone calls to help maintain a high quality service and for security, data collection and training purposes or as required by applicable law. All recordings belong to us. You consent to the processing (including transfer) of your personal data by us and the other recipients identified above for the purposes set out above.

10.COMPLAINTS

If you want to make a complaint, please contact our Contact centre for details of our complaints procedures. Paynetics shall review any objections submitted or disputes raised by you or its signatory in connection with the payment services provided and shall notify you of its decision within fifteen business days from their submission. If Paynetics fails to announce its decision within the time limit referred to above or the decision is not to the your satisfaction, the you may refer the dispute to the Conciliation Committee for Payment Disputes with the Commission for Consumer Protection If you are not happy with our handling of your complaint, or the outcome of the process, you may have the right to refer the matter to the Bulgarian Conciliation Commission for Payment Disputes to the Commission for Consumer Protection (Sofia, Bulgaria, str. Vrabcha No. 1, 4th floor, postcode 1000, phone: +359 2 933 05 77).

11.AMENDMENTS

We may, at any time and subject to applicable law, change or delete any provision, or add new provisions to, these Terms and Conditions. This includes the right to add or change (including to increase or decrease) any Charges. We will provide you with a notice of any change, deletion, or addition prior to making the change, deletion or addition and if you do not object within 60 days of such notice you will be deemed to have consented to such change, deletion or addition. If you do not agree to any change you may terminate these Terms and Conditions at any time in accordance with Section 4. You are obliged to notify us of any change to your name and your postal address or e-mail address that you have provided to us. Should you fail to inform us of any such change, any notice to be sent by us under these Terms and Conditions will be deemed to be received by you, if sent to the postal or e-mail address last provided to us by you.

12.MISCELLANEOUS

We may sell, assign, or transfer all or any of our rights or obligations under these Terms and Conditions. Where so stated in the Supplement, we will notify you of any such sale, assignment or transfer and should you not object within 30 days of such notice you will be deemed to have consented to such sale, assignment or transfer. Where you do object then you agree that these Terms and Conditions will immediately terminate. We may subcontract any of our obligations under these Terms and Conditions. You may not sell, assign, or transfer any of your rights or obligations under these Terms and Conditions. If any provision of these Terms and Conditions is determined to be void or unenforceable under applicable law, all other provisions of these Terms and Conditions shall still be valid and enforceable. These Terms and Conditions constitute the entire agreement between you and us relating to your Card, and supersede any other prior agreement between you and us relating to your Card. No third party who is not a party to these Terms and Conditions has a right to enforce any of the provisions of these Terms and Conditions.

13. GOVERNING LAW AND LEGAL PROTECTION PROCEDURE

These Terms and Conditions and all matters arising out of the issue and use of your Card are subject to Bulgarian law and the exclusive jurisdiction of the courts of Bulgaria, except where such a choice of jurisdiction would be contrary to your rights under the laws of the country where you are domiciled.

IMPORTANT INFORMATION ON SAFEGUARDING YOUR PAYNETICS DEBIT CARD

As with any financial tool – credit cards or cash – security is a top concern. Protect your Card and yourself by practicing the safety precautions set out below. If your Card is lost or stolen notify us immediately by calling our contact centre.

Definitions:

PIN shall mean a unique personal identification number, representing a combination of numbers and digits, known only to the Cardholder, serving to identify the Cardholder by entering it to the keyboard of the ATM and POS when performing payment transaction with the Card. The PIN can be changed via an ATM.

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.

Please follow the following safety precautions:

Memorize your PIN and keep it confidential.

- Never give the PIN to anyone
- Don't write the PIN on your Card
- Avoid carrying the PIN with you.

If you forget your PIN, contact our contact centre and select a new one. Protect your Card as you would credit cards or cash. Minimize the time spent at the ATM by having your Card ready. Do not give out any information about your Card, expiration date or balance to anyone who calls you on the telephone. Use common sense and be aware of your surroundings before, during and after your use of the ATM; if you are apprehensive about your safety defer your transaction. If anyone follows you after you leave the ATM, go immediately to a heavily populated, well-lighted area and call the police.

Be aware that, notwithstanding security measures, access to the ATM facility is sometimes obtained by persons who are not authorized cardholders. Where there is one, close the entry door completely upon entering and exiting an ATM facility. Do not permit entrance to the facility by any unknown person at any time after regular banking hours. Remember to remove your Card from the ATM and place withdrawn cash securely upon your purse before exiting an ATM facility. Don't carry money in open view or in an obvious manner. Stand between the ATM and anyone waiting to use the ATM so others cannot see your PIN or the transaction amount. Always take your receipts, so you can check them against your transaction history. If your transaction was not completed, be sure to cancel the transaction prior to leaving the ATM. When using a drive-up ATM, be sure it's well lit. Be sure all windows except the driver's are closed and doors locked.

