

# General Business Conditions

## ING Bulgaria

These General Business Conditions govern the general business relationship between any client (“**the Client**”) and ING Bank N.V. (the Central Office of the Bank), with its registered head office at Bijlmerplein 888, 1102 MG Amsterdam Zuidoost, The Netherlands, registered under number 33031431 at the Trade Register of the Chamber of Commerce and Industries for Amsterdam, and authorised and regulated in The Netherlands by De Nederlandsche Bank N.V. at Westeinde 1, 1017 ZN Amsterdam, reference number 12000059, and the Autoriteit Financiële Markten at Vijzelgracht 50, 1017 HS, Amsterdam, The Netherlands, acting through its ING Bank N.V. - Sofia branch, with its registered address at 49B Bulgaria Blvd, Sofia 1404, Bulgaria, registered in the Commercial Register with the Entries Agency, EIK 831553811, regulated in Bulgaria by the Bulgarian National Bank, 1, Knyaz Alexander I Sq., Sofia 1000, Bulgaria, hereinafter referred to as the “**Bank**”.

### General Rules governing the Relationship between the Client and the Bank

#### 1. Scope of Application, Supplements and Amendments to the General Business Conditions and the Special Conditions

##### 1.1. Scope of Application

The General Business Conditions shall govern the whole business relationship between the Client and the Bank and are applied to all types of contracts, including accessory contracts concluded between the Bank and the Client, as well as any and all legal relationships between the Bank and the Client, including such which have initially originated between other persons.

##### 1.2. Special Conditions

For separate business relations between the Bank and the Client, such as, but not limited to: investment services and activities by the Bank to the Client pursuant to Art. 5, Para .2 of the Markets in Financial Instruments Law /MiFIL/, including additional services under Art. 5, Para.3 of the same law; or payments services as per the Law on Payment Services and Payment Systems besides these General Business Conditions, the Special Conditions (which will be deemed to include the term Product Terms as well) for the particular type of operation or other banking service shall also be applied (resp. the General Terms, applicable to the agreements with clients for the investment services and activities provided by the Bank under the MiFIL, provided the latter are submitted to the Client and the Client has accepted them). The present General Business Conditions shall apply in the relations between the Bank and the Client, as far as they do not controvert with and/or unless otherwise specified in the Special Conditions, for a specific type of a bank operation or service (resp. in the General Terms, applicable to the contracts with the clients for the investment services and activities as provided by the Bank under the MiFIL), which will gain priority.

##### 1.3. Tariffs

The rates of interest and remuneration, which the Client is bound to pay to the Bank are determined in the Standard Corporate Customer Terms and Conditions (**The Tariff**) referred to in Art. 14.1-14.3 of the present General Business Conditions (“**the applicable tariffs**”).

##### 1.4. Contract

At the conclusion of every and each contract between the Bank and the Client, the parties may include conditions, different from the ones stipulated in the present General Business Conditions, the Special Conditions for a specific type of bank operation or service (resp. in the General Terms, applicable to the contracts with the clients for the investment services and activities as provided by the Bank under the MiFIL). In such case these different conditions, as provided in the respective contract, will be relevant for that particular contract only, and will be applied prior to present General Business Conditions, prior to the Special Conditions for the specific type of bank operation or service (resp. the General Terms applicable to the contracts with the clients for the investment services and activities as provided by the Bank under the MiFIL).

##### 1.5. Amendments and Supplements

The Bank will notify the Client in writing or by announcement on the Internet website of the Bank at “[www.ingcb.bg](http://www.ingcb.bg)” of any changes in these General Business Conditions or in the Special Conditions (where applicable) or in the General Terms applicable to the contracts with the clients for the investment services and activities as provided by the Bank under the MiFIL. Unless agreed otherwise in the applicable Special Conditions, in case the Client does not object in writing to the Bank within 15 days from the receipt of the notification it shall be deemed that the Client has accepted the changes.

#### 2. Keeping of Banking and Commercial Secrecy of the Client. Disclosure of banking and Commercial Secrecy. Consent for processing and transfer of Banking, Commercial and Personal data.

##### 2.1. Banking Secrecy

The Bank undertakes to keep the secrecy of the facts and circumstances concerning the assets and operations of the accounts and deposits of the Client (banking secrecy).

##### 2.2. Disclosure of Banking Secrecy

The Bank may disclose before third parties information concerning the assets and operations of the accounts and the deposits of the Client only if this is required by a normative act (including but not limited to central bank regulation), upon a court’s decision or upon the Client’s consent. The Client agrees, that the Bank may process and forward all data referring to the Client to the Central Office of the Bank and its other branches and affiliates.

### **2.3. Commercial Secrecy**

Upon performance of the investment services and activities, provided by the Bank to the Client, the Bank shall be obliged to keep the commercial secrecy of the Client and its commercial reputation.

The members of the management and the controlling bodies of the Bank and the persons, working under a contract for it shall not be entitled to disclose, unless authorized thereof, and to use in their favor or in third parties' favor any facts and circumstances, affecting the cash and the operations under the financial instruments accounts and for money of the Client, as well as any other facts and circumstances, representing commercial secrecy, which have become familiar to them in execution of their official and professional obligations. The Bank requires by all persons under the previous sentence upon hiring or starting of work for the Bank the signing of a declaration for the keeping of the secrecy of the Client under this item, including the cases when these persons are not employed or when their activity is suspended.

### **2.4. Disclosing of commercial secrecy**

Except for the Financial Supervision Commission, the deputy chairman of the Commission, managing „Supervision of the Investment Activity” department and for authorized officials from the administration of the Financial Supervision Commission, as well as of the regulated market, to which it is a member – for the purposes of their controlling activity and pursuant to the examination order, the Bank might give information under Art.2.3 only with the content of the Client, or by a decision of the court, issued under the conditions and the order of Art. 35, Para. 6 and 7 of the MiFID.

Except for the cases of the preceding sentence, the Bank shall provide information for the cash and the movement under the accounts of the Client at the written request of the director of the National Investigation Office, of the National Office "Security" or of National "Police" Office in the cases when it is a company with above 50 per cent of a state and/or municipal participation.

Upon presence of data for organized crime or money laundering the Chief prosecutor or a deputy authorized by him might request by the Bank to provide information about the Client under Art.2.3.

### **2.5. Consent for processing and transfer of banking, commercial and personal data**

The Client agrees, that the Bank may process and transfer any data of banking, commercial or personal nature related to the Client or its legal representatives, proxies or any other physical person (related to a service provided to the Client by the Bank) to the Central Office of the Bank, its other branches, subsidiaries, representative offices, affiliates and agents as well as third parties selected by any of them, wherever situated, for confidential use (including in connection with the provision of any service and for data processing, statistical and risk analysis purposes, operating management, strategic planning or internal audit of the Bank). The Client herewith confirms that it has received the consent of its legal representatives, proxies or any other physical person (related to a service provided to the Client by the Bank) with regard to the processing and transfer of personal data whenever such consent is required by

applicable law. The Client confirms he is aware of the right to refuse providing or withdraw his consent for processing and transfer of personal data at any time. The Client is informed that his refusal or withdrawal of consent may make it impossible for the Bank to provide services. The Bank, the Central Office of the Bank, its other branches, subsidiaries, representative offices, affiliates, agents or third parties may transfer and disclose any such information as required by any law, court, regulator or legal process.

The Client has the right to access to his personal data, as well as the right to require those to be updated or erased in accordance with regulatory requirements.

## **3. Instructions to the Bank. Liability of the Client. Liability of the Bank; Contributory Causing of Damages**

### **3.1. Instructions**

Instructions and orders received by the Bank from the Client should point out exactly, and free of any ambiguity, the type of operation requested and contain all the necessary information for its performance. Any and all instructions by the Client to the Bank, in order to be binding for the Bank shall be provided in original writing, duly signed and delivered by the Client and/or person(s) authorised to represent the Client in his relations with the Bank under Art. 12.1-12.3 of these General Business Conditions. In case of contradiction between instructions given in words and instructions, given in numbers, (numbers, amounts of money, etc.) the order will be performed under the instructions given in words.

Upon rendering of investment services the Bank shall fulfill the order of the Client to the highest benefit of the Client, which obligation shall be fulfilled if the Bank has laid all reasonable efforts to establish the best price, amount of the costs, execution probability for the Client in accordance with the terms of the order, as well as any other circumstances, related to the execution of the order. Upon specific instructions on behalf of the Client the Bank shall fulfill the order, following those instructions.

### **3.2. Liability of the Client**

The Client undertakes to pay any and all fees, commissions, interest, principle, exchange rate differences and any other amounts due to the Bank, as well as any other charges and expenses (in particular, but not only: all taxes and levies; insurance premiums; telephone, cable and mail, and other expenses on communication; court charges due to third parties, etc.) related to operations performed upon Client's instruction or on Client's behalf or any expenses in connection with court or out-of-court enforcement against property of the Client or property of third party providing security in favour of the Client. The Client hereby agrees that the Bank shall at all times be irrevocably entitled to collect the amounts due under the present General Business Conditions, including the amounts which might fall due under a letter of guarantee or letter of credit issued by the Bank, from any account of the Client held with the Bank without prior notice required to be given to the Client ("**Liability of the Client**"). If the currency of any such account is different from that of such indebtedness, the Bank is hereby entitled to purchase (at the Bank's selling rate for the currency of the debt) an amount in the currency of the indebtedness (not exceeding the amount thereof)

with the currency of such account(s) and may debit the cost of such purchase from such account(s).

### **3.3. Liability of the Bank**

In case damages are caused as a result of delay, error or negligence in the performance of the instructions, the liability of the Bank is limited exclusively and solely to the reimbursement of the damages arising out of the loss of interest, with the exception of cases where the Bank has been in possession of knowledge, or because of gross negligence has not been in such possession, that according to the explicit and specific contents and object of the instructions, such damages could have exceeded the damages from the loss of interest.

If the Special Conditions for particular business relations or the General Business Conditions, applicable to the contracts with the clients for the investment services and activities as provided by the Bank under the MiFID or the contracts between the Bank and the Client contain different provisions, these different provisions shall have priority. In the event that losses are attributable to the Client (for example, but not limited to: by violating the duties to cooperate under Art. 13.1-13.7 of these General Business Conditions), the extent to which the Bank and the Client shall bear the loss will be determined by the principles of contributory fault.

### **3.4. Orders Assigned to Third Parties**

If the subject of an order given by the Client is of a type that the Bank usually assigns to a third party, then the Bank may carry out the order assigning it to such third party (order assigned to a third party). In such cases the liability of the Bank will be limited to the damages caused by improper appointment or instruction of the third party. The expenses on the engagement of third parties are at the expense of the Client. In case third party has been appointed by the Client, the Bank will not be liable for the damages of the appointment.

The Bank shall not be entitled to transfer the execution of investment or additional services on the account of the Client to other intermediary, as well as the execution of important operative functions of a third person, if in this way there would be frustrated the execution of an effective internal control or the opportunity of the Financial Supervision Commission to realize its supervision functions. The Bank might transfer essential operative functions and the rendering of investment services on the account of the Client to other intermediate only in the cases, which are regulated by an Ordinance pursuant to Art.32, Para.7 of the MiFID.

### **3.5. Force Majeure**

The Bank shall not be liable for any losses caused by events of force majeure, inclusive but not limited to: riot, civil war, terrorism, war or natural calamities or for losses due to other events beyond the control of the Bank, such as, but not limited to: strike; lock-out; any event referred to in Art.9.1-9.4; administrative acts of domestic or foreign authorities (inclusive, but not limited to: Bulgarian National Bank, Financial Supervision Commission or other supervisory institution).

## **4. Place of due Performance**

The place of due performance of any and all obligations of the Bank, as long as the Special Conditions or the General Business terms, applicable to the contracts with the clients for the investment services and activities as provided by the Bank under the MiFID or the Contract with the Client do not provide otherwise, is solely at the office of the Bank.

## **5. Right of disposal upon Death of Client**

Upon the death of Client - natural person, the Bank, in order to clarify the right of disposal, will demand an heir's certificate, a document for the appointment of executor of the will and a certificate evidencing payment of due taxes. Any documents in foreign language must be submitted in legalised translation into the Bulgarian language. The Bank may consider a person authorised when that person identifies itself with the above listed papers and allow this person to dispose of any assets and, in particular, make payment or delivery to this person. Through performing these acts the Bank discharges its obligations. The foregoing sentence shall not apply if the Bank was aware that the person identified therein is not entitled to dispose of any assets (for example, but not limited to: because of challengability or invalidity of the will) or if the Bank was not aware of these circumstances because of its own gross negligence.

## **6. Applicable Law and Jurisdiction**

### **6.1. Applicability of Bulgarian Law**

The business relationship between the Client and the Bank shall be governed by Bulgarian law.

### **6.2. Jurisdiction**

All disputes arising from the business relationship between the Bank and the Client shall be resolved by the competent court in Sofia, Bulgaria.

## **Keeping of Accounts**

## **7. Account Statements. Mail Collection Services**

### **7.1. Issuance**

Unless otherwise agreed, at the beginning of each calendar month the Bank will issue account statements that establish the obligations between the parties for the past month (inclusive of interest and charges calculated by the Bank).

### **7.2. Deadline Provided for Objections; Silent Approval**

Any objections of the Client concerning inaccuracy or incompleteness of an account statement must be submitted within 15 days after receipt of the account statement unless specified otherwise in the particular Special Conditions. In case there are no objections made within the above period, it will be deemed that acceptance was made. The Client may also demand correction of the account statement after expiration of the above period, but the burden of the proof that the account was inaccurately debited or credited will be then laid with the Client.

### **7.3. Opening of a Client's Post Box**

In connection with the account relationship which the Client maintains with the Bank and upon written request on behalf of the Client the Bank shall open and maintain a Post Box in the Client's name. The parties hereby agree to consider that "Post" shall mean all such items posted by the Bank to accountholders in the regular course of business or such post as received by the Bank from third parties relating directly to the account.

### **7.4. Receipt and delivery of the post, taking of the risk**

Items usually sent by the Bank to the Client by post shall be considered sent and delivered to the Client as of each item's date mark. The Bank has no obligation whatsoever to contact and advise the Client as to the status or events directly related to the account.

By entrusting post keeping to the Bank, the Client shall bear for its sole and full risk and liability all financial loss, damage, harm and eventual claims for legal responsibility that may result from the Client being unaware of the status of the account, resulting from the Post box service requested.

The Bank will not make the Post box available to any third party, provided duly authorisations are in place, different from those under Art. 12.1-12.3. The handover of mail will occur only in the Bank's premises.

### **7.5. Obligation for regular post collection**

The Client undertakes to collect and receive all available Post regularly, at least once a year. The Bank shall retain the Post box for a period of five years, whereupon it shall destroy it, unless the Client requests in writing to have it mailed to a specified address at the Client's expense.

Upon termination of the account relationship, the Client's Post box service maintained by the Bank, is terminated simultaneously.

## **8. Cancellation of Entries and Corrections made by the Bank**

### **8.1. Prior to Issuing an Account Statement**

Inaccurate credit entries on accounts (for example, but not limited to: due to wrong account number) may be cancelled by the Bank through a debit entry prior to the issuance of the next account statement, to the extent that the Bank has a repayment claim against the Client. In such case the Client may not object the performance of the debit entry on the grounds that disposal of the amount equivalent to the credit entry had already been made.

### **8.2. After Issuing an Account Statement**

If the Bank establishes an inaccurate credit entry after the account statement has been issued and provided that the Bank has a repayment claim against the Client, the Bank will debit the account with the amount of its claim.

### **8.3. Notification to the Client**

The Bank will immediately notify the Client of any cancellation of an entry and/or a correction entry made. The Bank will re-calculate the interest retroactively as of the day on which the correction of the entry was made.

## **9. Foreign Currency Transactions**

### **9.1. Accounts and Deposits in Foreign Currency**

For keeping accounts and acceptance of Client deposits in foreign currency the Bank shall not warrant, nor be held liable for changes in the legal framework governing such transactions, neither for possible events beyond its control and caused by imposing foreign exchange restrictions or insuperable circumstances which may adversely affect the rights of the Client.

### **9.2. Transactions in Foreign Currency**

All foreign currency transactions between the Bank and the Client are governed by the provisions of the Bulgarian law and the Regulations issued by the Bulgarian National Bank and the other competent authorities.

### **9.3. Superseding of Separate Parts of the Agreement by Imperative Rules of Law**

The imperative rules of law will supersede any contradictory arrangement between the Bank and the Client. The Bank and the Client agree hereby to waive filing of compensation claims on the grounds of termination of the business relationship either by the Bank or by the Client, resulting from contradictions between the General Business Conditions, the Special Conditions and the particular agreement with imperative rules of law.

### **9.4. Objective Reasons for Impossibility of Performance**

If due to political measures or events beyond the control of the Bank it is obstructed to execute a payment order for transfer of money in foreign currency or meet an obligation in foreign currency, then the Bank's obligation shall be suspended to the extent that the Bank cannot or can only partially dispose of the currency in which the account is kept. This rule shall also apply in case the obligation of the Bank is denominated in foreign currency. To the extent that, and until such measures and events persist, the Bank will not be obliged to perform at some other place of performance outside the country, nor in some other currency (including Bulgarian leva) nor by providing money in cash and other means of payment.

### **9a. Special Conditions for Payment Services**

The legal relationship between the Bank and the Client with respect to payment services shall be governed by the Special Conditions – Terms and Conditions for Payment Services of ING Bank N.V. – Sofia Branch and the particular Product Terms where applicable.

## **Specific Banking Transactions**

### **10. Negotiable Instruments**

#### **10.1. Acceptance of Negotiable Instruments**

The Bank will accept for collection cheques and/or other standard negotiable instruments (bills of exchange, promissory notes, etc.)

## **10.2. Collection Orders. Conditional Credit Entries Effected upon Presentation of Documents**

If the Bank credits the counter value of cheques and direct debits prior to their payment, this is done upon the condition of payment, even if these negotiable instruments are payable at the Bank itself. If the Client submits other items, instructing the Bank to collect an amount of money owed by a debtor (e. g. interest coupons), and if the Bank effects a credit entry for such amount, this is done upon the condition that the Bank will receive that amount of money. This rule will also apply if the negotiable instruments are payable at the Bank itself. If cheques or direct debits remain unpaid or if the Bank does not receive the amount of money under the collection order, the Bank will cancel the conditional credit entry regardless of the fact an account statement has been issued in the meantime.

## **10.3. Responsibility of the Bank**

The Bank undertakes no responsibility over negotiable instruments and cheques payable abroad.

## **10.4. Rights of the Bank**

The Bank has the right to debit the Client's account by means of official collection

- when the negotiable instruments or cheques submitted to the Bank are not paid;
- when the free disposal of the proceeds out of such negotiable instrument or cheques is restricted by legislative or administrative measures;
- when the business relationship between the Bank and the Client is terminated;
- when under the provisions of the applicable foreign law or as a consequence of a contract made with a foreign bank, the Bank is debited with the amount of the value of the negotiable instruments or cheques, which bear a counterfeit signature or alterations, or for some other reason are returned unpaid

By debiting the Client's account with the amount of the value of the negotiable instrument or the cheque the Bank still has the right to file claims against any and each person that might be liable, until the debit is fully settled.

## **11. Custody Services**

### **11.1. General Rules**

The Bank may hold securities for and on behalf of the Client or into such other name as the Client may advise.

The Bank may perform all necessary actions and duties as an agent for the Client in connection with the registration, sale, purchase, substitution, transfer and other dealings with the investment of the Client, as the Client may from time to time instruct the Bank to do so, as well as to pay any taxes it is required to pay in connection with the same.

### **11.2. Authorisation of Third Parties for Performance of Custody Services**

The Bank has the right to employ one or more third parties to hold Client's investments on such terms as it may determine including, (without limitation) terms that are customary, appropriate or reasonably available for the respective investment or the respective market concerned or for the deposit of investments in a depository system. If such third parties are appointed by the Bank, the liability of

the Bank shall be limited solely to the damages caused by improper appointment of such third parties.

### **11.3. Custody Agreement**

Any and all transactions between the Bank and the Client related to custody services are governed by the terms of the respective special conditions and/or of a custody agreement signed by the Bank and the Client.

### **11.4.**

The custody services rendered by the Bank under this article are investment services in the sense of the MiFID and the rules provided for under Art.11c.1-11c.5 of the present General Business Conditions, the General Terms, applicable to the contracts with the clients for the investment services and activities, rendered by the Bank under the MiFID shall apply respectively, as well as any requirements of the MiFID and the sub-legislative legal acts on its application.

### **11a Online Banking**

The Bank may provide banking and information services through ING Online Banking. The contractual relationship between the Bank and the Client on providing banking and information services through ING Online Banking shall be governed by the General Terms of ING Bank N.V. – Sofia Branch for Usage of the Service ING Online Banking.

### **11b FX Transactions**

#### **11b.1 General Rules**

The Bank may, entirely at its sole discretion, conclude with the Client transactions with spot value and transactions with forward value for the purchase and sale of foreign currency (the "FX Transaction"). The Bank and the Client agree to be legally bound by the terms of a specific FX Transaction from the moment they reach consent on those terms whether verbally or otherwise. Each specific FX Transaction can be concluded only for a pair of currencies for which the Client has opened current accounts with the Bank unless explicitly agreed otherwise. The Client agrees that the Bank can record each and every conversation to be held between the Bank and the Client and to use such recordings as a proof in the event of dispute with the Client in respect of the terms of a specific FX Transaction or to ascertain an obligation undertaken by the Client.

If consent on a specific FX Transaction is reached then the Client sends to the Bank a confirmation in this respect which is in form and substance approved by the Bank. The Bank must receive the confirmation on the date of concluding the specific FX Transaction while the confirmation is sent by the Client via telex, SWIFT or mail. Such confirmation shall be sufficient evidence for concluding a specific FX Transaction by the parties.

#### **11b.2 Liability**

On the settlement date of each specific FX Transaction, the Client is obliged to pay to the Bank; respectively the Bank is obliged to pay to the Client, the value of the currency purchased under the specific FX Transaction.

In the event the Client does not perform its obligation to pay under a specific FX Transaction or defaults in respect of an

obligation under an agreement with the Bank, then the Bank is entitled to execute, in the name and for the account of the Client, the inverse FX Transaction to the agreed by the Client specific FX Transaction applying the effective as at the moment of executing of such inverse FX Transaction buy or sell rate as announced in the bulletin of the Bank.

If there occurs a negative difference between the value of the currency to be debited from the account of the Client with the Bank in respect of the specific FX Transaction and the value of the currency to be credited to the account of the Client with the Bank in respect of the executed inverse FX Transaction, then the Client is obliged to pay to the Bank the amount of such negative difference.

If the currency of the account(s) of the Client is different from that of the existing negative difference, the Bank is hereby entitled to purchase (at the Bank's selling rate for the currency of the debt) an amount in the currency of such negative difference (not exceeding the amount thereof) with the currency of such account(s) and may debit the cost of such purchase from such account(s).

## **11c. Investment Services and Activities with Financial Instruments**

### **11c.1 General Provisions**

The Bank performs investment services and activities with financial instruments under Art.5, para.2 and 3 of the MiFIL on the account of the Client, on the grounds of a written contract with it. For the issues not regulated in the agreement with the Client, the General Terms shall apply, as applicable to the contracts with the clients for the investment services and activities under the MiFIL rendered by the Bank.

Upon rendering of the investment services and activities with financial instruments the Bank shall be obliged to act fairly, just and professionally in accordance with the best interests of the Client, to notify him about the risks of the financial instruments transactions, as well as to observe all requirements under the MiFIL and the sub legislative acts on its application

### **11c.2 Obligations of the Bank**

The Bank shall execute the order of the Client to the best interest of the Client. The Bank shall have fulfilled its obligation if it had laid the reasonable efforts to establish the best price, amount of the costs, execution probability for the Client according to the conditions of the order, as well as any other circumstances, related to the execution of the order. Upon specific instructions on behalf of the Client, the Bank shall fulfill the order, following those instructions. The Bank shall fulfill the orders of the Client in accordance with the policy adopted by it, respectively the updated one, for execution of clients' orders, and it shall inform the Client about it, as well as about any significant changed therein. The Bank shall not be entitled to execute orders on the account of the Client, if he hasn't provided his prior consent on the policy followed by it. The Bank shall be obliged to provide to the Client an understandable, true, clear and non-misleading information for the investment services provided by it and for the financial instruments, subject of those services, for the places of execution of the transactions, for the types of costs for the Client and their amount, as well as for all other data and information,

provided for in the MiFIL and the sublegislative acts on its application. The information shall be provided to the Client in a way, allowing him to understand the nature and the risks of the investment service and the offered specific financial instrument, ensuring the receivable subsequently on a information based investment decision. This information might be provided by the Bank in a standardized form. Upon the financial instruments investment services rendered to the Client, the Bank shall observe also the obligations and shall keep the rules regarding establishing of potential conflicts of interests, regarding the determination of its own financial instruments and monies of those of the Client, as well as any other obligations and rules, provided for in the MiFIL and in the sublegislative acts on its application.

### **11c.3 Obligations of the Client**

The Client shall be obliged to provide to the Bank clear, full, punctual and updated information, on the grounds of which the Bank shall be in a position to estimate whether the respective investment service is suitable for the Client, resp. the information would serve to it upon rendering of investment consultations and portfolio management.

All investment services and activities shall be rendered by the Bank for the account of the Client and he shall be obliged to pay the prices, fees and all other costs on the execution of the financial instruments transactions.

### **11c.4 Warning about the Risk Character of the Investment Activity**

By the present General Business Conditions the Bank warns the Client and he shall take into consideration that the financial instruments investments bear a risk.

### **11c.5**

The investment services and activities under the present article shall be regulated in detail in the General Terms applicable to the agreements with clients for the rendered by the Bank investment services and activities under the MiFIL.

### **Client Identification and Representation. Duties of the Client to Cooperate**

## **12. Client Identification and Representation**

### **12.1. Persons Authorised to Operate an Account**

When opening a bank account the Client or Client's representative(s) submits to the Bank an official proof of its identity and powers of representation, according to the Bulgarian legislation and provides the Bank with a specimen of its signature, which is done in the presence of a Bank officer.

The Client may authorise before the Bank other person(s) who will operate its current account. Such authorisation is given before an officer of the Bank and the authorised person must give its signature in the presence of that officer, which signature will constitute a specimen. The authorisation may also contain limitations (limits) of the amounts of money, which the authorised person may order to be transferred or paid in cash.

The Bank will not be liable for performing orders given on behalf of the Client, bearing signatures which at usual

examination on their face appear reasonably similar to the specimen signatures supplied to the Bank, irrespective of whether such signatures are genuine or not.

### **12.2. Validity of the Specimen Signatures**

The signatures of the persons authorised to maintain business relationship with the Bank will be considered valid until their official written cancellation is received by the Bank, irrespective of the fact that the withdrawal of powers of representation has been entered into the Commercial register.

### **12.3. Orders for Receipt or Delivery of Documents**

When the Bank accepts a Client's order to receive or deliver documents, the Bank is not liable to the Client or any third person neither for the authenticity, the legal effect, the completeness and/or the punctuality of the contents and/or the translation of such documents, nor for the type, volume or the state of the securities, goods or other items which may be mentioned in the documents.

The Bank is not liable for the authenticity, the legal effect and/or the punctuality of the documents submitted to it by a beneficiary in case of payment of money or delivering documents to that beneficiary.

When the Client sends documents to the Bank, only the Bank's signature and official stamp on such documents or stamp of the Bank with a date of entry or copies of the documents will be considered evidence of their receipt, respectively for the day of their receipt.

## **13. Duties of the Client to Cooperate**

### **13.1. Change into Client's Name, Address or Powers of Representation**

The Client shall immediately notify the Bank in writing of any changes in its name and address, as well as of termination or amendment to any powers of representation of the authorised person's vis-à-vis the Bank. This duty of notification also exists in case the powers of representation are to be entered into a public register (e. g. the Commercial Register with the Entries Agency) and any termination there of or any amendments there to are entered in that register. Until the notification of the above mentioned circumstances no objections could be raised to the Bank because of them. The Bank is entitled to request the necessary documents certifying that the legal entity was established in compliance with law and that its representatives are authorised to engage the liability of such legal entity. The Bank is not liable for the authenticity, the validity, the legal effect and/or the punctuality of the contents and/or the translation of the submitted documents.

### **13.2. Clarity of Orders**

The contents of all and any orders of any kind must be unequivocal. When submitting orders to credit an account (e. g. payment orders), the Client must ensure punctuality and completeness of the stated name of the payee, the account number and the bank code number. This also applies to any amendments, confirmations or repetitions of orders.

### **13.3. Special Instruction of Urgency in Connection with the Execution of an Order**

If the Client decides that an order requires particularly prompt execution (e. g. the date of value be a particular day), the Client notifies the Bank of this fact expressly.

### **13.4. Examination of the Statements of Account and Objections**

The Client must immediately examine the account statements, financial instruments transactions statements under the investment services as provided to him by the Bank, other statements, advises of execution of orders, as well as information on expected payments and other consignments as to their punctuality and completeness, and within 15 days raise all and any objections related thereto, unless otherwise agreed in the particular Special Conditions.

### **13.5. Notification of the Bank in Case of Non-Receipt of Statements**

The Client must notify the Bank immediately if account statements and/or securities statements have not been received. The duty to notify the Bank also exists if other advice expected by the Client has not been received. In case of lack of notification, objections arising from non-receipt of the above statements or advice cannot be raised to the Bank.

### **13.6. Submitting Due Documents and information by the Client**

The Client undertakes to submit timely upon Bank's request the documents necessary for the legalisation of its relationships with the Bank, such as but not limited to: making declarations, applications and others; issuing letters of authorisation in due form and/or other documents as might be necessary in the case.

At the portfolio management and rendering of investment consultations to the Client the Bank shall require from the Client information for his financial capabilities, investment purposes, knowledge, experience in those two services and his readiness to take a risk, as well as to update this information. The Bank shall not have the right to perform the services portfolio management and rendering of investment consultations to the Client, if he hasn't provided the information of the previous sentence. Upon provision of investment services, which are different from portfolio management and rendering of investment consultations to the Client, the Bank shall require from the Client the information about his knowledge and experience in respect of the rendered service, as well as shall update this information.

### **13.7. Use of the information provided by Client to the Bank in relation to the investment services provided by the latter**

Upon provision of the services portfolio management and rendering of investment consultations to the Client, the Bank shall take into consideration the information obtained by the Client according to Art.13.6. Upon provision of other investment services on the grounds of the information obtained by the Client pursuant to Art.13.6, the Bank shall estimate whether the offered investment service is suitable for the Client and if on the basis of this information it decides that the offered investment service would not be suitable for the Client and shall warn him in writing thereof.

In case that the Client fails to present the information under Art.13.6 or if the provided information is not sufficient for the performance of the estimation under the previous sentence, then the Bank shall notify the Client in writing, that it cannot estimate whether the offered investment service is suitable for him.

The Bank is entitled to provide the investment services accepting and transmitting of orders in respect to one or more financial instruments, including intermediation for the concluding of financial instruments transactions and/or execution of orders on the account of the Client, without he having provided to it the information about his knowledge and his experience on those services if the terms of Art.28, para.6 MFIL are present.

The Rules for requiring of information by the Client and its use by the Bank upon the investment services rendered by it, shall not apply, if the investment service is offered as a part of a financial product, which is governed by the European Union law or by general European standards in respect of credit institutions or consumer credits regarding the estimation of the risk for the clients and/or the requirements for providing of information.

## **Cost of Banking Services and Tariffs**

### **14. Interest, Charges and Expenses**

#### **14.1. Interest and Charges**

The interest and charges determined in the applicable tariffs will be applied in case of using credit or service, unless there is a separate contract between the Bank and the Client in which different interest and/or charges have been agreed. The Bank is entitled at its reasonable discretion to determine the charges for services which are not mentioned in the applicable tariffs, which services are rendered under the instructions of the Client and/or in connection with their performance.

#### **14.2. Client's Right of Termination in Case of Changes in Interest and Charges**

The interest and the charges determined within the applicable tariffs are subject to unilateral changes by the Bank. The Bank will notify the Client of changes in the interest and/or charges in writing, by means of a durable medium (as per the Law on Payment Services and Payment Systems) or by announcement on the Internet web site of the Bank at [www.ingcb.bg](http://www.ingcb.bg) in accordance with the applicable Special Conditions. Unless otherwise agreed, the Client may in case of increasing the charges terminate the business relationship with the Bank within one month from the receipt of the notification.

#### **14.3. Expenses**

The Client shall indemnify the Bank for all the expenses incurred in performance of the instructions or acts to the benefit of the Client (in particular, but not limited to: payments executed under the instructions of a an enforcement agent, tax authority or other authorised authority, telephone costs, postage, etc.) or in delivery, administration, enforcement (in court or out of court), release or acceptance of security for a credit facility (for example, notary fees, storage charges, cost of guarding items

serving as collateral, fees towards expert evaluation, legal fees, etc.).

## **Security for the Bank's Claims against the Client**

### **15. Providing or Increasing of Security**

#### **15.1. Right of the Bank to Request Security**

The Bank may demand the Client to provide sufficient security towards any and all of its claims. This will also be relevant in case such claims are conditional (e. g. money that might be paid under a guarantee issued for the Client). If the Client has assumed a liability for another Client's obligation towards the Bank (e. g. as a surety), the Bank is not entitled to demand that security be provided or increased for the debt resulting from such liability incurred before the maturity of the debt.

#### **15.2. Changes in Risk Rates**

If the Bank, upon the coming into existence of claims against the Client has in advance released the Client wholly or partly from the obligation to provide or increase security, it may, nonetheless make such a demand at a later time, provided however, that circumstances occur or come to the knowledge of the Bank, which impose higher assessment of the risk of collection of the claims against the Client. The foregoing rule will also be applied in case that:

- the financial standing of the Client has deteriorated or there is a danger of deterioration,
- or
- the existing security has become insufficient or there is a danger that it will lose value.

#### **15.3. Setting a Time Period for Providing or Increasing of Security**

The Bank will allow a reasonable period of time for the provision or the increase of the security. If the Bank intends to exercise its right of termination without notice pursuant to Art. 19.2 of these General Business Conditions, in case the Client has failed to perform its obligation to provide or increase security within this time period, the Bank shall warn the Client about this consequence before it exercises its right of termination.

### **16. Pledge and Lien in Favour of the Bank**

#### **16.1. Rights of Pledge**

Bank's claims against the Client - including future, conditional and unmatured claims, are secured by all rights of pledge adopted by Bulgarian law rights of pledge - by operation of law and negotiated in a contract.

#### **16.2. Right of Lien**

The Bank has the right of lien over the movable assets and securities of the Client held by or assigned to the Bank, which it has received by the Client or for the Client, irrespective of its commercial status. This right will be independent from the instructions given by the Client in respect of the movable assets or securities, even in case the instructions are given before the receipt.



### **16.3. Interest and Dividend coupons**

If securities are subject to the Bank's pledge or lien, the Client is not entitled to collect interest and/or to encash dividend coupons pertaining to such securities. These claims will be collected by the Bank.

## **17. Enforcement of Security Rights**

### **17.1. Satisfaction of Bank's Claims**

In case of Client's failure to perform, constituting non-performance of his/her obligations or omission in relation to providing or increasing any security agreed with the Bank, the Bank shall have the right to satisfy its claim by undertaking the judiciary and/or out-of-court remedies provided by Bulgarian law.

### **17.2. Bank's Right to Choose**

In undertaking acts of enforcement the Bank has the right to choose out of which security out of those provided shall be used for satisfaction of its claim. It might at its sole discretion satisfy its claim by all of the provided securities proportionally or only by some of them.

## **Termination**

### **18. Client's Right of Termination**

#### **18.1. Right of Termination at any Time**

In case there has not been agreed a term or Special Condition for termination, the Client may at any time, without notice, terminate the business relationship as a whole or part thereof, provided that the Client has no obligations outstanding towards the Bank, whether contingent or not.

#### **18.2. Termination for Reasonable Cause**

If in a contract the methods of termination have been agreed, then it may be terminated without notice only if there exists reasonable cause thereof which makes it unacceptable for the Client to continue its business relationship, after due consideration of the legitimate concerns of the Bank.

### **19. Bank's Right of Termination**

#### **19.1. Termination upon Notice**

The Bank has the right to terminate the business relationship as a whole or part thereof, for which there has not been a term or Special Condition for termination, by submitting a 30-days notice to the Client.

#### **19.2. Termination for Reasonable Cause without Notice**

The Bank has the right to terminate the business relationship as a whole or part thereof (including closing of Client's account(s)), without notice in case there exists reasonable cause thereof which makes it unacceptable for the Bank to continue the relationship, after due consideration of the legitimate concerns of the Client. Such a cause will be existing, for example (but not limited to): if the account(s) of the Client has remained unused for 60 (sixty) days or the Client has made incorrect statements as to the Client's financial standing, provided that these statements

were of significant importance for the Bank's decision-making on granting of credit or completing of other acts, involving risks for the deterioration of the Client's financial standing, which endangers the performance of obligations towards the Bank. The Bank has the right to terminate the business relationship without notice if the Client within the term set by the Bank fails to provide or increase a security according to Art. 15.3 of these General Business Conditions, or under the terms and conditions of another contract; or fails to perform some other obligation undertaken by the Client towards the Bank. The above rules do not affect any other means of defence, including termination of relations, given to the Bank by the Bulgarian law.

## **Additional Provisions**

### **20. Ban for Transactions or Services related to Countries of Higher Reputational and Business Risk**

In the event the client is in any way involved with a country deemed by the Bank to fall within those countries it has determined to be of higher reputational and business risk for the purposes of trading, the Bank reserves the right not to execute, reject, reverse or to cancel a particular (incoming or outgoing) payment transaction, deal or agreement or terminate as a whole the relationship with such client.

### **21. Customer Complaints**

If the Customer has any cause for complaint in relation to any aspect of the business relationship with the Bank hereunder, the complaint should initially be raised with the Bank. Complaints are filed in writing. To the extent such are related to personal data, complaints may also be verbal via the phones available at the Bank internet site. The bank responds to any complaint within four weeks, except in cases when longer term is necessary for response for which the Client is informed in advance. To the extent such a complaint has not been resolved to the satisfaction of the Customer, the Customer should address the complaint directly to the relevant competent authority according to the subject of the dispute, including the Bulgarian National Bank at the following address: 1, Knyaz Alexander I Sq., Sofia 1000, Bulgaria, and tel. (+3592) 91459; Personal Data Protection Commission at the following address: 2, Prof. Tsvetan Lazarov Blvd, Sofia - 1592, Bulgaria, and telephone (3592) 91-53-518. To the extent a complaint is personal data related and has not been resolved to the satisfaction of the Customer, the Client may escalate it to the attention of the Personal Data Protection executive in the Bank Headquarters.

The present General Business Conditions have been prepared in the Bulgarian and English languages. In case of discrepancies in translation or interpretation, the Bulgarian text shall prevail.

These General Business Conditions were adopted by the Managers of ING Bank N.V. – Sofia Branch and were amended on 4 November 2002, on 1 February 2005, on 20 February 2006, on 01 October 2007, 11 August 2008, 26 September 2009 and 25 November 2014.

ING Bank N. V. - Sofia Branch