

INFORMATION

pursuant to Art. 111 of the Payment Services and Payment Systems Act
(for the employment of the service related to the assignment of a payment account)

TBI Bank JSC (hereinafter referred to as the “Bank”) shall provide its individual customers (“users”) with a payment account assignment service. This service is regulated by Section III of the Payment Services and Payment Systems Act, and it applies to the assignment of users’ same currency payment accounts kept by payment services providers located on the territory of the Republic of Bulgaria. The assignment of a payment account from one payment services provider to another results in the user’s international account number /IBAN/ being changed.

The Bank hereby, and pursuant to Art. 111 of the Payment Services and Payment Systems Act, shall provide its customers (individuals) with the required information concerning the aforementioned service, and namely:

I. Definitions

- 1.1. “Payment account assignment”** or “assignment service” shall mean a user requested assignment, from one payment services provider to another, of information related to all or some of the orders for regular credit remittances, regular direct debits, and regular incoming credit remittances performed under a payment account, or it shall mean the transfer of positive balance, if any, from one payment account to another, or both of them, with or without the previous payment account being closed;
- 1.2. “Assigning Payment Services Provider”** shall mean a payment services provider who supplies the information needed for the performance of the assignment.
- 1.3. “Receiving Payment Services Provider”** shall mean a payment services provider to whom the information needed for the performance of the assignment is being submitted.

II. Functions of the Assigning and Receiving Payment Services Providers at each stage of the payment account assignment procedure. Implementation deadlines for each stage.

Functions of the Receiving Payment Services Provider

- 2.1.** Having obtained user’s authorization, **the Receiving Payment Services Provider** shall, at the request of the user, initiate a procedure for the assignment of a payment account. Where the account is held by two or more individuals, authorizations shall be obtained from each account holder. The said authorization shall be given in writing in Bulgarian language or in any other language agreed between the parties, and a copy of the authorization shall be made available to the user.
 - 2.1.1.** By issuing the aforementioned authorization, the user shall consent to:
 - 1) the performance, on the part of the Assigning Payment Services Provider, of each of the activities referred to in item 2.2 hereunder;
 - 2) the performance, on the part of the Receiving Payment Services Provider, of each of the activities referred to in item 2.5 hereunder.

- 2.1.2. In the authorization the user may also specify:
- 1) which particular incoming credit remittances, orders for regular credit remittances, and consents for direct debits should be assigned;
 - 2) the date (at least 6 working days after the date on which the Receiving Payment Services Provider has obtained from the Assigning Payment Services Provider the documents as per item 2.3 hereunder) as of which the orders for regular remittances and the direct debits shall be processed from the payment account opened or kept at the Receiving Payment Services Provider.
- 2.2. Not later than 2 working days following the receipt of the authorization, the Receiving Payment Services Provider shall ask the Assigning Payment Services Provider to perform the following activities, provided they have been included in the user's authorization:
- 2.2.1. The Assigning Payment Services Provider shall submit to the Receiving Payment Services Provider and the user, if explicitly requested by the latter, a list of the existing orders for regular remittances and the available information on consents for direct debits subject to assignment;
 - 2.2.2. The Assigning Payment Services Provider shall submit to the Receiving Payment Services Provider and the user, if explicitly requested by the latter, any available information related to the incoming regular credit remittances and the consents for direct debits kept by the recipient, which have been performed under the account of the user for the previous 13 months;
 - 2.2.3. If the Assigning Payment Services Provider does not have a system for the automatic forwarding of incoming credit remittances and direct debits to user's payment account opened with the Receiving Payment Services Provider, the Assigning Payment Services Provider shall suspend the acceptance of direct debits and incoming credit remittances as of the date indicated in the authorization;
 - 2.2.4. The Assigning Payment Services Provider shall stop the processing of orders for regular remittances as of the date indicated in the authorization;
 - 2.2.5. On the date specified by the user, the Assigning Payment Services Provider shall transfer the positive balance, if any, to the payment account opened or kept at the Receiving Payment Services Provider; and
 - 2.2.6. On the date specified by the user, the Assigning Payment Services Provider shall close the payment account kept by him.

Functions of the Assigning Payment Services Provider

- 2.3. Having obtained from the Receiving Payment Services Provider the request referred to in item 2.2 hereinabove, **the Assigning Payment Services Provider** shall perform the following activities, provided they have been included in the user's authorization:
- 2.3.1. Within 5 working days, the Assigning Payment Services Provider shall submit to the Receiving Payment Services Provider the information referred to in items 2.2.1 and 2.2.2;

- 2.3.2.** In the case of the Assigning Payment Services Provider not possessing a system for the automatic forwarding of incoming credit remittances and direct debits to the payment account opened or held by the user with the Receiving Payment Services Provider, the former shall suspend the acceptance of incoming credit remittances and direct debits to the payment account indicated in the authorization; the Assigning Payment Services Provider shall notify the payer or the recipient on the reasons that made him reject the payment transaction¹;
- 2.3.3.** The Assigning Payment Services Provider shall cease the processing of orders for regular remittances as of the date specified in the authorization;
- 2.3.4.** On the date indicated in the authorization, the Assigning Payment Services Provider shall transfer the positive balance, if any, to the payment account opened or kept at the Receiving Payment Services Provider. If any debit cards have been issued under a payment account opened at TBI Bank JSC, the transferring of positive balance from the account shall be possible not earlier than 10 /ten/ calendar days after the closing of the last issued card.
- 2.3.5.** The Assigning Payment Services Provider shall close the payment account on the date specified in the authorization, provided the terms and deadlines established by the Payment Services Frame Agreement and TBI Bank JSC General Terms and Conditions for the Provision of Payment Services have been complied with and as long as the user has no outstanding liabilities under this account and the activities stipulated in items 2.3.1, 2.3.2 and 2.3.4 have been completed. The Assigning Payment Services Provider shall promptly inform the user in the case of him not being able to close user's account due to unpaid debts.
- 2.4.** The Assigning Payment Services Provider shall not have the right to block any payment instruments prior to the date indicated in the authorization granted by the user. Thus, the provision of payment services to the user shall not be interrupted during the assignment process, except for the cases described in Art. 74, para 2 of the Payment Services and Payment Systems Act.

Functions of the Receiving Payment Services Provider

- 2.5.** Not later than 5 working days following the receipt of the information requested by the Assigning Payment Services Provider as per item 2.2 hereinabove, **the Receiving Payment Services Provider** shall perform the following activities if they have been provided for in the authorization, and insofar as the information supplied by the Assigning Payment Services Provider enables him to do so:
- 2.5.1.** The Receiving Payment Services Provider shall draft the user requested orders for regular remittances, and shall process them on the date specified in the authorization;
- 2.5.2.** The Receiving Payment Services Provider shall carry out the necessary preparation for the acceptance of direct debits as of the date indicated in the authorization;

¹Note: TBI Bank JSC, in its capacity as an assigning provider, does not have a system for the automatic forwarding of incoming credit remittances and direct debits. Information related to the reasons for the non-acceptance of a payment transaction is submitted to the payer or the recipient along with the motives for the return of the remittance.

2.5.3. Where necessary, the Receiving Payment Services Provider shall inform the users about their rights under Art. 5, para 3, letter “g” of EC Regulation № 260/2012, and namely – payer’s right to issue the following instructions to the Payment Services Provider:

- 1) The Payment Services Provider shall limit the collection of direct debit up to a certain amount or within a specific regularity, or both;
- 2) In the event of the agreed payment plan not stipulating any entitlement to a refund, the Payment Services Provider shall, before debiting the payment account of the payer, check each direct debit transaction in terms of consent related information, and shall make sure that the size and regularity of the provided direct debit operation match the ones stated in the consent;
- 3) The Payment Services Provider shall block all kinds of direct debits to the payment account of the payer, or all kinds of direct debits made at the initiative of one or more particular recipients, or shall allow only direct debit transactions processed at the initiative of one or more designated recipients.

2.5.4. The payers specified in the authorization, who perform incoming and regular credit remittances to user’s payment account, shall be notified by the Receiving Payment Services Provider on the details of the user’s payment account kept by him, and shall receive from him a copy of the submitted authorization; if the Receiving Payment Services Provider is not in possession of all the data needed for payers’ notification, he shall request that the missing information be supplied to him either by the user or the Assigning Payment Services Provider;

2.5.5. The recipients, stated in the authorization, of funds under direct debits from user’s payment account shall be informed by the Receiving Payment Services Provider about the details of user’s payment account kept by him and the date as of which the direct debits under this account will have to be processed. The Receiving Payment Services Provider shall send the recipients a copy of the submitted authorization; if the Receiving Payment Services Provider is not in possession of all the data needed for recipients’ notification, he shall request that the missing information be supplied to him either by the user or the Assigning Payment Services Provider;

2.6. Should the user choose to personally provide the payers or the funds’ recipients with the information referred to in items 2.5.4 and 2.5.5 hereinabove, and instead of him explicitly allowing the Receiving Payment Services Provider to carry out the notification, within the period indicated in item 2.5 hereinabove, the Receiving Payment Services Provider shall send to the user standard notification letters in which the details of the payment account and the start date specified in the authorization shall be indicated.

III. FEES

3.1. The following fees shall be due and payable under the payment account assignment service:

3.1.1. Mailing costs for the sending of notification related to the assignment of a payment account – 5.00 /five/ BGN per notification;

- 3.1.2. Bank transactions associated with the payment account assignment service shall be charged according to the current Tariff of Fees and Commissions Charged to Individuals (the Tariff) published on the web page of TBI Bank JSC;
- 3.1.3. The Tariff shall also be applied to the deactivation of a debit card issued under a user's payment account which is being assigned.

IV. INFORMATION SUPPLY

Apart from the information referred to in Section II hereinabove related to the provision of the payment account assignment service, the user will have to provide data required by the Payment Services Frame Agreement and TBI Bank JSC General Terms and Conditions for the Provision of Payment Services.

V. EXCEPTIONS IN THE PROVISION OF THE SERVICE

- 5.1. There shall be no assignment of a payment account where an overdraft or an ultra-overdraft has been negotiated under it; if the account is being used for the servicing of payments under a loan agreement concluded with the Assigning Payment Services Provider; in the case of collateral, pledges, distraints or blocked amounts under the account; as well as in any other case of opposable rights established on the account and its funds on the part of the Assigning/Receiving Payment Services Provider and/or third parties.

VI. PROCEDURES FOR ALTERNATIVE SETTLEMENT OF DISPUTES

- 6.1. In its internal rules the Bank has included a procedure for the submission of objections, the settlement of disputes and the fixing of indemnifications related to the provision of payment services. Before referring the eventual dispute to the competent Bulgarian court, the user may, at his/her own discretion, file a written objection to the Bank, and the latter shall be obliged to decide on it and inform the user in writing not later than 14 (fourteen) days as of the date of objection's submission.
 - 6.2. Should the Bank fail to deliver its opinion within the aforementioned period of time, and provided its decision has not satisfied the user, the argument could be referred to the Payment Disputes Reconciliation Committee with the Consumer Protection Commission (www.kzp.bg).
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