

General Terms and Conditions of MKB Unionbank AD for savings accounts and term deposits

SECTION I. General provisions

1. MKB Unionbank AD (the Bank) opens and keeps savings accounts and term deposits at the request of clients – local and foreign individuals and legal entities (Client).
2. Savings accounts are bank accounts for keeping funds payable at sight. Term deposits are bank accounts for keeping funds payable on a fixed date (maturity date).
3. The types, currencies, terms, interest rates and minimum amounts set on savings accounts and term deposits offered by the Bank are described in detail in the “Interest Conditions on Current Accounts and Deposit Products at MKB Unionbank AD” and the Tariff for the conditions, fees and commissions applied by MKB Unionbank AD in providing bank services to clients (the Tariff).
4. The Bank opens the following deposit and savings accounts upon submission of the following documents by the client:
 - 4.1. A Client – legal entity or sole trader shall submit:
 - a) Unified identification code (EIK) or a certificate of registration under BULSTAT;
 - b) A current certificate of registration of the Client (issued by the Commercial Register within the Registry Agency) or a court decision and a current legal status as per the company file of the client;
 - c) An excerpt from the Client’s instrument of association, setting out the powers for disposal of its assets, incl. funds on accounts;
 - d) Personal data of the representatives of the Client from identity documents (identity cards/passports, etc.).
 - e) Declaration of consent for copying personal data under the Law on Personal Data Protection under “g” (to be submitted by a proxy);
 - f) A notary certified power of attorney (if any), by means of which the person/s managing and representing the Client authorize another person/s to dispose of the funds on the account on behalf of the titleholder;
 - g) A specimen (sample) of the signatures of the persons authorized to dispose of the funds on the account on behalf of the Client (the persons under “c” and “f”), and the signatures of said persons shall be laid in the presence of an authorized employee of the Bank or shall be notary certified.
 - h) The declaration of a beneficial owner within the meaning of Art. 6, para. 2 of the Law on the Measures against Money Laundering (LMML) in connection with Art. 3, para 5 of the LMML Implementing Regulation;
 - i) Other documents required by the Bank at its discretion.
 - 4.2. A Client – private individual shall submit:
 - a) Personal data according to the identity document of the Client;
 - b) Notary certified power of attorney (if any) whereby the titleholder authorizes another person/s to dispose of the account;
 - c) An identity document of the authorized person. The authorized person shall fill in a Declaration of consent for copying personal data under the Law on Personal Data Protection;
 - d) A specimen (sample) of the signatures of the persons authorized to dispose of the funds on the account on behalf of the Client (the persons under “a” and “b”), and the signatures of said persons shall be laid in the presence of an authorized employee of the Bank or shall be notary certified.
5. The Client may open an unlimited number of savings and deposit accounts at the Bank and deposit unlimited amounts of money.
6. The interest on savings accounts and term deposits is calculated on the base of 360 interest days per annum and 30 days per month, except for short-term deposits (with a term of less than one month) in respect whereof the interest accrual base is 365/365 days.
7. The Client shall owe fees and commissions on opened deposit or savings accounts in accordance with the applicable Tariff.
8. The Bank shall have the right to change the interest rates on savings and deposit products and the Tariff for the conditions, fees and commissions applied by MKB Unionbank AD in providing bank services to clients and shall notify clients thereof by displaying them at a visible place in bank halls and/or by publishing them on its website.

- 8.1.** Changed interest conditions on effective term deposit agreements shall take effect on the maturity date following the date of change announced by the Bank, if the term of the agreement is automatically renewed.
 - 8.2.** Changes in savings account agreements shall take effect on the date specified by the Bank.
- 9.** A client in whose name a savings account or a deposit account is opened shall be the titleholder of the account. Titleholders of accounts and deposits shall dispose of the funds on the accounts in person or through a proxy with a notary certified power of attorney, against presentation of the term deposit agreement and an annex thereto (if any), an identity document and the original power of attorney (in the cases of existing power of attorney).
- 10.** Authorization by a titleholder – legal entity shall be done by the legal representatives and their representative power shall be verified by presentation of a photocopy of the instrument of authorization thereof, certified by their original signatures, even where the power of attorney is notary certified.
- 11.** A notary certified power of attorney shall contain: the full name of the proxy, his personal identification number and residence, and for foreign persons – the full name according to identity document, date and place of birth, number and issuer of the identity document and explicit statement of the actions which the proxy is authorized to perform.
- 12.** The copies of all formal documents issued by foreign authorities and organizations or issued for specific reasons in a foreign language shall be submitted to the Bank with a translation in Bulgarian made by a sworn translator and shall be legalized by the Bulgarian embassy/consulate in the respective country or certified by an apostille in accordance with the Hague Convention of 1961.
- 13.** The Bank shall not be liable for amounts paid to a proxy, if it has not been notified that the power of attorney has been revoked by the authorizer. Revocation of a power of attorney shall have effect in respect of the Bank subject to a due written notification.
- 14.** Disposal of a savings account or a term deposit opened in the name of a minor or under age person, regardless of the depositor of the funds, shall be carried out with authorization of the Regional Court as follows:
 - for a minor person – by his legal representative;
 - for an under age person – by the person himself, together with a parent or custodian.
- 15.** The titleholder shall notify the Bank in writing and without delay of any changes that have occurred in the name, the identity documents, the address, as well as of any other circumstances of material significance for their business relations, submitting documents certifying the changes. Changes shall take effect in respect of the Bank from the moment of the written notification thereof.
- 16.** Funds availability on savings and deposit accounts and movements thereof shall constitute bank secret. Information about them shall be provided only to the titleholders and the duly authorized persons with a notary certified power of attorney or in accordance with the legally set procedure. Information about the deposits of a deceased titleholder shall be provided to his heirs upon presentation of a certificate of heirs and a death certificate.
- 17.** The Bank shall accept and execute in accordance with applicable laws distraint notices for imposition of distraint on funds in savings and deposit accounts.
- 18.** The funds in the savings accounts and standard term deposits are guaranteed by the Bank Deposit Insurance Fund to the amount of BGN 196,000 and in accordance with the procedure set out in the Law on Bank Deposit Insurance.
- 19.** The deposits of the following persons shall not be guaranteed under the Law on Bank Deposit Insurance:
 - 19.1.** the persons to whom preferential interest conditions have been provided in deviation from the conditions announced by the Bank and applied to its depositors;
 - 19.2.** the persons in possession of shares entitling them to more than five per cent of the votes in the Bank's General Meeting of Shareholders;
 - 19.3.** the members of the Management Board and the Supervisory Board, the procurists/attorneys in fact and the members of the internal audit bodies, respectively;
 - 19.4.** natural persons who are specialized audit enterprises, elected or appointed in accordance with the legally set procedure to certify the annual financial statements of the Bank;
 - 19.5.** the spouses and relatives in direct and collateral line up to the second degree inclusive of the persons under items 19.2, 19.3 and 19.4;
 - 19.6.** no guarantee shall be provided on accounts arising from or connected with transactions and actions constituting "money laundering" within the meaning of Art. 2 of the LMML if the offender is convicted and with an enforced sentence.

20. Upon accrual of interest on an account of a foreign person, the Bank shall deduct a withholding tax in accordance with the applicable legal framework.

SECTION II. Savings accounts

21. The Bank shall accept and carry out any and all deposits to and withdrawals from savings accounts in accordance with the terms and conditions of the concluded Framework Agreement, the General Provisions for Payment Services to the Framework Agreement of MKB Unionbank AD and these General Terms and Conditions.
22. Interest on savings accounts shall accrue on daily balances and shall be payable at the end of the calendar year or upon closing of the account.

SECTION III. Term deposits

23. Term deposits shall be opened by depositing cash or by transfer of funds from other accounts or deposits opened at the Bank.
24. The Bank shall accept and carry out any deposit to and withdrawal from term deposits in accordance with the terms and conditions of the concluded agreement, the General Terms and Conditions for Single Payment Operations of MKB Unionbank AD, and these General Terms and Conditions.
25. Interest on a deposit shall accrue from the date of signing the deposit agreement and shall be payable at maturity, together with the deposited amount, or on the dates for interest payments described in the "Interest Conditions on Current Accounts and Deposit Products of MKB Unionbank AD".
26. If the maturity date is a non-business day, the titleholder shall dispose of the funds on the deposit on the first next business day.
27. If the titleholder has not filed a written request for termination of the agreement before the maturity date, the deposit shall be automatically extended for the same period and in accordance with the terms and conditions under which the Bank accepts deposits of the same type as of the date of renewal, unless the agreement provides otherwise.
28. The term deposit agreement may be terminated earlier, without any notice, unless the agreement provides otherwise, but any withdrawal of the total deposited amount or a portion of it before maturity shall be deemed as violation of the deposit terms and conditions.
29. The Bank shall have the right to refuse to pay in cash amounts exceeding the amount for cash withdrawal with a request, set out in the Tariff, if it has not been notified in writing in advance of the client's intention to withdraw such amount.
30. Upon violation of the terms and conditions of the deposit the Bank shall pay interest in accordance with the "Interest Conditions on Current Accounts and Deposit Products of MKB Unionbank AD".
31. Upon receipt of a distraint announcement for enforcement on the amount of the deposit account of the client at the Bank, the deposit agreement shall be deemed early terminated and the Bank shall not be obliged to pay the agreed interest rates.

These General Terms and Conditions of MKB Unionbank AD enter into force on 26.01.2011.