

DEAR CLIENTS,

We hereby inform you that according to Art. 62, paragraph 2 of Directive (EU) 2015/2366, introduced in the Bulgarian legislation with Art. 68, paragraph 2 of the Law on payment services and payment systems (LPSPS) when executing credit transfers in **EURO**, within the **European Union (EU)**, where both the payer's and the payee's payment service providers are, or the sole payment service provider in the payment transaction is, located therein, the payee pays the charges levied by his payment service provider, and the payer pays the charges levied by his payment service provider (**costs are SHA - shared**).

The above-mentioned requirement is also included in the GENERAL TERMS AND CONDITIONS of INVESTBANK JSC for the provision of payment services and opening and servicing of bank accounts of legal persons, sole traders and physical persons under the terms of LPSPS (**GENERAL TERMS**) as follows:

SECTION IV

PAYMENT SERVICES PROVIDED

3. PAYMENT TRANSACTIONS RELATED TO THE USE OF CREDIT TRANSFERS

3.1. CREDIT TRANSFERS

3.1.7. When executing payment transactions executed in euro or in a currency of a Member State within the meaning of the LPSPS, where both the Bank of the payer and the beneficiary's Bank are located in the territory of the EU, the payee on the payment order pays the fees due to the payee's Bank and the payer pays the fees payable to the payer's bank - that is, the execution of the operations is at shared expenses (SHA).

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6. EXECUTION OF PAYMENT TRANSACTIONS

6.15. When executing a payment transaction within the EEA, the fees payable by the Payer and the Payee shall be shared (SHA) - each of them shall pay the fees and commissions due to its payment service provider.

In case the *Payment Order for credit transfer in foreign currency* submitted by you **does not** meet the above-mentioned requirement for **shared expenses (SHA)**, the **Bank will refuse the execution of the payment transaction**, which is specified in the GENERAL TERMS, as follows:

SECTION III

BANK ACCOUNTS

3. EXECUTION OF PAYMENT TRANSACTIONS

3.7. In the event that the conditions referred to in item 3.6 are not present, the Bank shall refuse to execute the payment order. The Bank may refuse to execute a payment transaction in the event of restrictions under the applicable law, the applicable rules for the execution of the respective payment transaction, the agreed terms and conditions of the account, and in cases there are any ambiguities or omissions in the payment order or its related documents. In the event of a refusal, Art. 84 of the LPSPS shall be applied.

In view of the above, we strongly recommend you to correct the instructions submitted by you in the *Payment Order for credit transfer in foreign currency*.

In case of a refusal to make the abovementioned change, we would like to inform you that Investbank JSC will not execute the payment transaction as it contradicts with both Bulgarian and EU legislations.

Kind regards,

INVESTBANK JSC