

# TERMS & CONDITIONS FOR ACCEPTANCE OF PAYMENT CARDS

## I. Basic provisions

1. The Terms & Conditions for Acceptance of Payment Cards (hereinafter referred to as the “Terms”) are issued by Československá obchodná banka, a. s., Žižkova 11, 811 02 Bratislava, registered in the Commercial Register maintained by Bratislava III Municipal Court, Section Sa, Entry 4314/B, corporate ID: 36 854 140 (hereinafter referred to as “the Bank”) in accordance with and on the basis of the current General Terms & Conditions of ČSOB (hereinafter referred to as “the Bank’s General Terms & Conditions”). These Terms govern the relations between the Bank and the Merchant resulting from the acceptance of Payment Cards via a Payment Terminal or Payment System in an Internet Shop to allow the CardHolder to make cashless payments for goods and services or to withdraw cash, as provided by the Merchant or in connection with such shop.
2. The Merchant agrees that the Bank may provide data on the Merchant as a legal entity or individual – sole trader and its Points of Sale to banks and branches of foreign banks in Slovakia and abroad as well as to the Card Companies in order to provide the Payment Card acceptance service. The Bank has the right to request further information on the Merchant, also from other sources. The Bank has the right to conclude the respective contract and disclose data on the Merchant and its Points of Sale to third parties processing or providing services related to Payment Card acceptance or optional services, and this in accordance with Act no. 483/2001 Coll. on banks as amended.
3. These Terms form an integral part of the Payment Card Acceptance Agreement concluded between the Bank and the Merchant. Legal relationships between the Bank and the Merchant not regulated in the Agreement or herein shall be governed by the Bank’s General Terms & Conditions and generally binding legal regulations.

## II. Definition of basic terms

**Additional Services via POS Terminal** enable the Merchant to perform a service or functionality provided by the supplier of the Additional Service on the basis of the Bank’s consent; any complaints and requests connected with the Additional Service shall be resolved by the Merchant directly with the supplier of the Additional Service.

**Agreement or Payment Card Acceptance Agreement** is a contract on the acceptance of Payment Cards concluded between the Merchant and the Bank. In the case of a Payment System, this is the Agreement on Payment Card Acceptance over the Internet.

**Authorisation** is the process of verifying data on a Payment Card and Payment Card Transactions at the Authorisation Centre of the bank that issued the Payment Card, the result of which is the

approval or denial of the Transaction. If the Transaction is approved, the Authorisation Centre assigns an Authorisation Code to the Transaction.

**Authorisation Centre** is a place designated by a bank, where the authorisation process is performed.

**Authorisation Code** is a unique combination of digits or digits and letters received by the Merchant and assigned by the Authorisation Centre as a confirmation of approval for completing a Transaction.

**Bank** is Československá obchodná banka, a.s., Žižkova 11, 811 02 Bratislava, Slovak Republic, corporate ID: 36 854 140, registered in the Commercial Register of District Court Bratislava I, Section Sa, entry no. 4314/B.

**Cancellation of the Last Transaction** is the immediate cancellation of the last executed transaction on the MPOS Terminal or POS terminal in Mobile Device.

**Card Company (Mastercard, VISA, American Express, Diners Club International, JCB)** is a foreign legal entity which licenses banks or other entities to issue and acquire Payment Cards and creates rules and regulations for providing these activities.

**CardHolder** is a natural person whose name and surname may be stated on the Payment Card, whose signature is on the back of the card and who is the only one authorised to use this Payment Card for making Transactions. In the case of tokenised cards, the CardHolder is considered to be the holder of the NFC device.

**Cash Back** is a type of service that allows cash withdrawal through a POS Terminal while making payment for goods or services with a Payment Card issued in the Slovak Republic and permitted by the card issuer.

**Chargeback** is the repayment (return) of a claimed Transaction or part thereof to the CardHolder on the basis of a recognised Complaint regarding the Transaction, and submitted by the CardHolder and filed against the Merchant.

**Complaint** is a request from a CardHolder or Merchant to investigate a Transaction.

**Contactless card** is a Payment Card with contactless technology, which enables the execution of Transactions by attaching the Payment Card to a device supporting contactless technology. The Payment Card can be on various media that allow communication via NFC (Near Field Communication) technology.

**Contactless Transaction** is a Transaction made by placing a Contactless Card on the contactless reader of a Payment Terminal, where generally it is not necessary to authorise the Transaction by entering a PIN when making payments up to EUR 50.

**CVC 2/CVV 2 code** (from CVC 2 (MasterCard) – card verification code; CVV 2 (VISA) – card validity value) is the security code printed as the last 3 digits on the Payment Card's Signature Strip, which is used for authentication of the CardHolder in a Transaction without the Payment Card present.

**Deposit** – is the blocking of a Merchant's funds on the contractual account throughout the life of the Agreement.

**Device** is an item of technical equipment intended for accepting Payment Cards. It may be a Payment Terminal, Payment System or any other equipment directly related to the acceptance of Payment

Cards as per the Bank's current offer.

**Internet Shop** is a Merchant's website where the Merchant referred to in the Annex to the Agreement offers goods or services.

**Manual Entry of a Payment Card Payment** is a type of Transaction initiated by a Merchant on the basis of the CardHolder's consent, and made without the Payment Card being physically present, by way of manual entry of the Payment Card number, expiration date, and the requested payment amount for the purchase of goods or services.

**Merchant** is a legal entity or an individual – sole trader who has entered into a Payment Card Acceptance Agreement with the Bank. In the course of business, professional or other similar activities, the Merchant is entitled to sell goods and/or provide services, including collection of funds in connection with their donation, sponsorship, etc.

**MO/TO** Transaction (mail order/telephone order) is a type of Transaction initiated by telephone, written, or email consent by the CardHolder, and made without the Payment Card being physically present, by way of manual entry of the Payment Card number, expiration date, CVV 2 or CVC 2 and the requested payment amount for the purchase of goods or services.

**MPOS Terminal** is a device enabling the execution of Payment Card Transactions agreed in the Agreement between the Merchant and the Bank.

**Other payment cards** are usually pre-paid Payment Cards issued by the Card Company in the form of meal voucher cards or other special purpose cards intended for payment for goods or services.

**Payment Card** is a payment instrument issued by an issuing bank or credit company, and is marked with security features of the Card Companies. By means of a Payment Card it is possible to make cashless payments for goods and services on Devices. Depending on the data reading technology used, Payment Cards with contactless functionality may be accepted, enabling both contact and contactless manners of payment. A card is not transferable; only the CardHolder is entitled to use it.

**Payment System** is an Internet payment gateway that enables the Merchant to accept those types of Payment Cards as stipulated in Annex to the Agreement, using the Internet public data network. The Payment System is secured by way of a 3-D Secure protocol in implementations of MasterCard ID Check or Visa Secure.

**Payment Terminal** is a Device designed to accept Payment Cards at the Merchant's Point of Sale on the basis of the Agreement between the Merchant and the Bank. It may be a POS Terminal, MPOS Terminal, POS Terminal in Mobile Device of the Merchant or Self-service POS Terminal.

**PIN Code** is a personal identification number – authentication data – enabling the CardHolder to confirm a Transaction and authorise its execution.

**Point of Sale** is an operation of the Merchant that has the same address, name and goods sold and/or services provided at which Payment Terminal(s) has/have been installed as agreed in the Agreement, or an Internet Shop where payments may be made through a Payment System for the purpose of executing Transactions for these goods and/or services.

**POS Terminal** is a Device of the Bank, designed for the electronic processing of Payment Card Transactions, which is located at the Merchant's premises on the basis of the Agreement with the Bank.

**POS Terminal in Mobile Device** is the Merchant's device on which the Bank, through its payment application, enables the acceptance of Payment Cards on the basis of the Agreement between the Bank and the Merchant.

**Pre-Authorisation/Pre-Authorisation Completion** is a type of Transaction enabling a temporary reservation of funds on the CardHolder's Payment Card. After completing Pre-Authorisation, the reserved funds are debited from the account to which the Payment Card was issued, in an amount equal to or lower than the Pre-Authorisation amount. Pre-Authorisation Completion may be performed exclusively in respect of the Transaction with the Payment Card by which the Pre-Authorisation-type Transaction was made.

**Price list** is the Price list for acceptance of payment cards for natural persons – entrepreneurs and legal entities, which is published on the Bank's website [www.csob.sk](http://www.csob.sk). The Bank has the right to change (i.e. update) the Price list unilaterally. The Bank shall inform the Merchant of any unilateral change on the Bank's website [www.csob.sk](http://www.csob.sk) no later than 15 days prior to the effective date of the respective change, unless a generally binding legal regulation in force in the Slovak Republic specifies a different period.

**Provider** is Global Payments Europe, s.r.o., through which the Bank provides the Payment System to Merchants.

**Return of Goods/Services** is a Transaction executed by a Payment Card on a POS Terminal, whereby the Merchant can return the full amount or part thereof from an already executed Payment Card Transaction, to the account holder's account to which the Payment Card was issued. A Return of Goods may be executed exclusively in respect of a Transaction made with a Payment Card used for a Sale-Type Transaction.

**Reversal** is an automatic cancellation of a Transaction already executed by the Authorisation Centre when the Authorisation Centre system confirms the Transaction Authorisation, but fails to receive the correct confirmation on execution of the Transaction from the Payment Terminal (e.g. confirmation of verification of the CardHolder's signature by the POS Terminal operator).

**Risk Monitoring** is preventive monitoring of Transactions at a Merchant, carried out by the Bank as a security and preventive action against risky and fraudulent Transactions.

**Sales Document** is a confirmation on the payment made by means of a Payment Card on a Payment Terminal. It confirms the purchase of goods, or provision of services, or cash withdrawal.

**Self-service POS Terminal** is a third-party device on which the Bank, through its payment application, enables the acceptance of Payment Cards on the basis of the Agreement between the Bank and the Merchant.

**Service Organisation** is a third party that, based on a contractual relationship with the Bank, delivers and provides a maintenance service for Payment Terminals.

**Service Price** – represents the sum of:

- transaction fees (normally consisting of a percentage rate of the Transaction, a fixed fee of the Transaction or a combination thereof), whereby the minimum amount of the transaction fee is EUR 0.01
- monthly fees in the form of the Minimum Monthly Fee (in the case that the volume of transaction fees paid during one calendar month for Transactions executed by MasterCard and VISA Payment Cards on one Device of the Merchant is lower than the Minimum Monthly Fee agreed in the Agreement, the

Bank will debit this difference from the Merchant's account), a flat fee, fee for GPRS connection, all as agreed in the Agreement.

**Transaction** is any payment operation (payment for goods and services, cash withdrawal – Cashback) made by Payment Card on the Merchant's Device according to the Agreement between the Bank and Merchant.

**Turnover** is the sum of all Transactions made by Payment Cards on the Merchant's Device for a period of one calendar month, reduced by the sum of all Reversals and Return-of-Goods Transactions carried out on the same Device in the same calendar month.

**User Manual** is the Bank's manual intended for the operation of a POS or MPOS Terminal installed at the Merchant, in which the procedures and rules for the acceptance of Payment Cards are set out and is provided upon delivery of the Device.

### III. Acceptance of Payment Cards

1. The Merchant is required to accept Payment Cards via the Payment Terminal and the Payment System for making payments for goods sold or services provided by the Merchant, under conditions equal to those for cash payments. These may be made only in EUR, unless the Merchant has agreed otherwise with the Bank. At its Point of Sale the Merchant is not allowed to set any price limit from above which the Merchant will accept the Payment Cards agreed in the Agreement and is required to clearly and comprehensively inform its client – CardHolder of the price and terms and conditions under which the goods or services are provided, including specific services, such as donations, sponsorship etc.
2. The Merchant undertakes to comply with all principles concerning sensitive data protection, security standards for Payment Card acceptance, known under the respective rules of the Card Companies as the Payment Card Industry Data Security Standard (PCI DSS), available at [www.pcisecuritystandards.org](http://www.pcisecuritystandards.org). The Bank is entitled to check compliance with the above principles at any time.
3. The Merchant may not make lists of CardHolders and their Payment Card numbers for its own purposes or disclose any information on CardHolders to third parties.
4. The Merchant is not allowed to keep CVV/CVC (verification value stored electronically on the magnetic strip of a Payment Card), ICVV (verification value stored electronically on the chip of a Payment Card), PVV (PIN verification value stored electronically on the magnetic strip), CVV 2/CVC 2 code (value printed on the signature strip of the Payment Cards).
5. The Merchant agrees to follow all instructions on operating the Payment Terminal and obligations contained in the User Manual.
6. The Merchant bears full responsibility for any loss, damage, destruction, or theft of the Payment Terminal and shall ensure its protection against any unauthorised use or misuse for fraudulent conduct, with the exception of circumstances excluding the Merchant's liability.
7. The Merchant is not authorised in any way to tamper with the Device, including its software, connection to the telecommunications network or otherwise tamper with the Payment Terminal application or Payment System application.



8. The Merchant or persons appointed by the Merchant operating the Payment Terminal on the Merchant's behalf are required to attend training performed by a Service Organisation designated by the Bank concerning the operation of the POS Terminal and to sign a protocol confirming such training; for MPOS there applies the confirmed activation of the Device on the basis of the unique activation password entered by the Merchant. In the case of any changes concerning the operation of the Payment Terminal on the Merchant's side, the Merchant is required to ensure that new staff be trained by a person previously trained by the Service Organisation for the operation of the POS Terminal, or the Merchant is required to request that the Bank performs the training at the Merchant's expense, or to proceed according to available instructions for operating the Device. The price for additional training of the Merchant is set in accordance with the Price list.
9. In the case of a successful Authorisation via the POS Terminal, the Merchant shall issue a Sales Document, in the case of MPOS Terminal or POS Terminal in Mobile Device it is possible to send a confirmation of the Transaction at the CardHolder's request by SMS or email.
10. The Merchant operating an Internet Shop is required to conclude with the Bank an Agreement on Payment Card Acceptance over the Internet. The Merchant undertakes to follow the instructions displayed by the Payment System, in particular not to deliver the goods or service if the Payment System denies the Transaction. Else the Bank shall not be held liable for execution of the Transaction. In the event of any failure in the Payment System the Internet Shop Merchant shall immediately notify the Provider thereof, in order that the failure can be removed.
11. The Internet Shop Merchant is required to place on the Internet Shop website all the following information:
  - identification of the Merchant,
  - complete description of the goods or services offered,
  - procedure for returning goods/funds,
  - contact details of customer service, including e-mail addresses or telephone number,
  - address of the Merchant's permanent establishment,
  - Transaction currency,
  - export restrictions (if known),
  - delivery conditions,
  - business terms & conditions, claims procedure and cancellation conditions,
  - policy regarding the customer's personal data protection.
12. The Merchant is entitled to accept Payment Cards as further specified in the Annex to the Agreement, subject to the instructions contained in the User Manual and in line with the guidance displayed on the Payment Terminal screen and/or the instructions announced by the Bank:
  - if the Payment Terminal instruction requires authentication verified by PIN Code, the Merchant shall ask the CardHolder to authorise the Transaction by correctly entering the PIN Code; or,
  - if the Payment Terminal does not require a PIN Code, the Merchant shall ask the CardHolder to authorise the Transaction by signature, unless the POS Terminal allows the Transaction by placing a Contactless Card or NFC device and does not require PIN Code entry or signature, in which case the Merchant is not required to request a PIN Code or signature from the CardHolder.

13. In the case of a Contactless Transaction, the Merchant is required to allow the CardHolder to perform the Transaction him/herself by placing the Contactless Card on the contactless sensor.
14. The Merchant agrees that the Bank is authorised to provide information to other banks, branches of foreign banks and Card Companies regarding any breach by the Merchant of the Agreement and these Terms.
15. The Merchant undertakes to communicate the rights and obligations set out in these Terms also to other persons entrusted to perform Payment Card Acceptance.
16. The Merchant declares that it is aware of all legal and other implications ensuing from accepting false, forged, or illegally used Payment Cards as well as any failure to comply with the terms and conditions of this Agreement. If, in processing Payment Card Transactions, the Merchant cooperates with a third party, it is required to ensure that the third party complies with all requirements concerning the protection of sensitive data as required under these Terms for Payment Card Acceptance. If the third party fails to comply with these requirements, for the purpose of the Payment Card Acceptance Agreement concluded between the Bank and the Merchant, such conduct shall be deemed to constitute a breach of the Merchant's obligations.
17. The Merchant is not entitled to let or provide the Payment Card Acceptance Device, if it was provided to the Merchant by the Bank, to any third party without the Bank's prior written consent.
18. The Bank reserves the right to request a Deposit – a blocking of funds on the Merchant's account. The Merchant signs the Agreement extended with a provision on funds blocking, in which the Merchant undertakes to deposit or transfer the appropriate funds to its account as at the date of signing this Agreement, and concurrently the Merchant grants consent for the Bank to block and use the set amount of the funds deposited for the purposes specified in the Agreement.

#### **IV. Authorisation and types of permitted Transactions**

1. The Payment Card issuer has the right to accept or reject Authorisation for each Payment Card Transaction. Authorisation is approved if the Transaction from the Payment Terminal or the Payment System is assigned an Authorisation Code. If the Authorisation result is rejection of the Transaction, the Transaction is not assigned an Authorisation Code; the Transaction is unsuccessful and will not be charged. The Merchant may not break up the Transaction amount into multiple partial Transaction amounts.
2. The Bank reserves the right to not pay any rejected Transaction to the Merchant.
3. The Merchant is entitled to perform on the Payment Terminal or using the Payment System only Transactions that are not at variance with generally binding legal regulations applicable at the place where these Transactions are made, and only those types of Transactions agreed in the Agreement.
4. Transactions made via a Payment Terminal are authorised after scanning the magnetic strip or chip or scanning by a contactless card reader and after sending the data for Authorisation. If the type of Payment Card also requires PIN Code authentication for Authorisation, the Merchant shall ask the CardHolder to enter the PIN Code. Where the type of Payment Card does not require also PIN Code authentication for Authorisation, but signature verification is required, the Merchant shall ask the CardHolder to sign the Sales Document. The Merchant is required to check whether the

signature on the Sales Document is identical to the signature on the Payment Card's Signature Strip, and to confirm or not confirm this directly on the POS Terminal; if the signatures do not match, the Transaction already authorised shall be cancelled; in the case of an MPOS Terminal, the operator shall enter a cancellation of this Transaction. In the case of a Contactless Transaction, the Payment Terminal will not necessarily require Authorisation to be verified by PIN Code or signature; normally this concerns payment values up to EUR 50, depending on the settings of the Contactless Card.

5. The Device allows Transactions from EUR 0.05.
6. The Bank shall not be liable for any damage incurred by the Merchant in connection with the use of a Payment Card on the Payment Terminal or in the Payment System used at the Merchant's Point of Sale as a result of circumstances beyond the Bank's control (e.g. incorrectly performed Authorisation or its denial due to a failure in the processing system of the Authorisation Centre, power supply failure, transmission lines failure etc.) or as a result of failure to comply with the guidelines and obligations contained in the Agreement and User Manual.
7. The Merchant may execute a Sale-type Transaction on a Payment Terminal or Payment System solely for the purpose of payment for the goods sold or services provided by the Merchant, including specific services agreed with the Bank and contained in the Agreement.
8. The Merchant is required to process orders in its Payment System within 7 calendar days of their execution, with the exception of the orders evaluated by the Bank as high-risk or fraudulent, and of which the Merchant has been notified by e-mail, telephone, or letter.
9. In the case that a CardHolder disputes a Transaction executed with a Payment Card using the Merchant's Payment Terminal at the Point of Sale, and where the purpose of the Transaction was payment for goods or services, the Merchant is required to carry out Return operation using the procedure set out in the User Manual, and this solely by means of the Payment Card used for the Sale-type Transaction.
10. The Merchant is entitled to carry out a Return-type Transaction only if the Sale-type Transaction was carried out prior to the Return-type Transaction, at most up to the amount of the original Sale-type Transaction.
11. A Pre-Authorisation-type Transaction can be performed only on a POS Terminal (e.g. payments for accommodation or for car rental), usually in the physical presence of the Payment Card. The person operating the POS Terminal must estimate the amount to be paid by the CardHolder (by duration of the stay, rental period). Without the completion of the Pre-Authorisation type Transaction, this type of Transaction has no financial impact on the Merchant's account agreed in the Annex to the Agreement. Without valid Pre-Authorisation, the completion of a Pre-Authorisation type Transaction shall be considered a Transaction without valid Authorisation, and in the event of a claim by the CardHolder, the claim shall be considered eligible.
12. A MO/TO Transaction or Transaction inputted by means of a Manual Key entry is made on the basis of a written or telephone order of goods or services, if the future payment will be made without physical presentation of the Payment Card by its Holder at the Merchant's premises. The CardHolder by signing in his/her own hand the form that is part of the specific Payment Card Acceptance Agreement for MO/TO Transactions in order to confirm such Transaction types agrees to their execution and undertakes to pay for the ordered goods or services, and confirms the



accuracy and truth of the particulars indicated therein. The form may not contain corrections and must be filled out legibly.

13. MO/TO Transactions or Transactions inputted by means of a Manual Key entry may be executed by the Merchant solely under the condition that the Merchant has entered into with the Bank a specific Payment Card Acceptance Agreement for MO/TO Transactions or the Payment Card Acceptance Agreement for Transactions with Manual Entry of Payment Card Data. When posting a Transaction related to a provided service, the Merchant is obliged to demonstrably inform the CardHolder in advance about the execution of the additional Transaction. If the CardHolder or Payment Card issuer disputes at the Bank any MO/TO Transactions or Transactions inputted by Manual Key entry, the Bank in assessing any Claim of this type shall assume it to be legitimate. For this reason, the Bank will return to the CardHolder the funds that were withdrawn from the CardHolder's account in favour of the Merchant's account when executing this type of Transaction, meaning that the funds will be debited from the Merchant's account and credited back to the CardHolder's account. The Bank undertakes to notify the Merchant of the performance of this operation within 5 working days after executing it. By signing the Agreement, the Merchant expresses its explicit consent to this procedure
14. The Merchant in executing a Sale-type Transaction connected with Cashback may pay out to the CardHolder up to EUR 50 cash under the condition of a simultaneous purchase in the value of at minimum EUR 5 by the CardHolder.

## **V. Terms of payment for Transactions, Transaction fees, Service Price**

1. The Bank shall pay the Merchant only for those types of Transactions agreed in the Agreement and made on a Payment Terminal, or using the Payment System, located at the Merchant's Points of Sale, as also agreed in the Agreement.
2. If the Merchant makes the Transaction via a Payment Terminal or Payment System, the Bank shall pay to the Merchant only authorised Transactions with the assigned Authorisation Code. Upon each Transaction made by a Payment Card agreed in the Annex to the Agreement, the Merchant shall issue a Sales Document for goods or services related to the one Transaction; in the case of an MPOS Terminal or POS Terminal in Mobile Device, the Merchant shall send the Sales Document upon request by SMS or e-mail.
3. The Merchant undertakes to pay the Bank for services related to the acceptance of Payment Cards on a Payment Terminal or via the Payment System the fees listed in the Agreement.
4. The Merchant is required to regularly check the amounts of Transactions credited to its account, including account statements received from the Bank showing an overview of Transactions made, at least once a month. Errors in the clearing of Transactions notified to the Bank after the expiry of 1 month after their execution shall be credited by the Bank, with the Bank's right to their cancellation in the event of a claim made by the CardHolder.
5. The Bank is entitled to refuse to pay the Merchant the amount of a Transaction, or where the Transaction amount has already been credited to the Merchant's account, the Bank shall be entitled to charge the Merchant's account up to the Transaction amount, if:

- the payment took place under conditions that do not meet or explicitly breach the terms of the Agreement,
  - the CardHolder, the Issuer of the Payment Card or the Card Company raise an objection (claim) against the said Transaction and the Bank recognises it as justified, or if the Bank evaluates the Transaction as unjustifiably executed as part of preventive security measures,
  - the Merchant is unable to demonstrate, at the Bank's request, the eligibility of the Transaction made by presenting the Sales Document which (i) contains the CardHolder's signature, where the Transaction was carried out by contact Payment Card but was not authenticated by PIN Code; or (ii) only contains a valid Authorisation Code when using a Contactless Card and where the Payment Terminal did not require authorisation authenticated by PIN Code or signature,
  - if the Merchant failed to deliver the goods or perform services to the CardHolder in the scope agreed.
6. If there is a suspicion of illegal conduct or violation of any terms and conditions set out in the provisions of these Terms, the Bank reserves the right to suspend payments of Transaction amounts made in favour of the Merchant's account.

## VI. Transaction Posting Procedure

1. All information concerning Transactions made by a Payment Card at a Point of Sale via a Payment Terminal or Payment System is processed by the Authorisation Centre which is authorised to perform these activities, and which has a specific agreement concluded with the Bank to perform these activities.
2. The Bank shall credit the Merchant the Transactions carried out using the Payment Cards agreed in the Agreement at the Merchant's Point of Sale via a Payment Terminal or Payment System using the Merchant's account and the method specified in the Agreement; usually, the Bank shall settle the Payment Card Transactions as a summary of Transactions executed by Payment Cards of each Card Company. The posting of Transactions made on a Payment Terminal usually takes place on the first business day immediately following the day on which the Transaction was made, while the Transaction Date is the day on which the Transaction was authorised if Transactions were authorised in the period before the close of the respective day. In the case of a Payment System, the Transaction Date is the day on which the Transaction was sent for processing, which must be no later than 6 days from the Transaction Authorisation itself. If the Merchant has an annual turnover of more than EUR 1.5 million, the Bank shall charge the Merchant a monthly fee for payments received in the amount of EUR 0.20 for each payment received on the account after being executed via a Payment Terminal or Payment System unless the Merchant and the Bank agree otherwise.
3. The Transaction Fee, in the amount agreed in the Agreement for each Payment Card Transaction, shall be debited by the Bank from the Merchant's account agreed in the Agreement; the Bank shall charge this fee as the sum of Transaction Fees for Transactions made by Payment Cards of each Card Company. As a rule, Transaction Fees are debited from the Merchant's account on the first business day immediately following the Transaction Date.

4. The Bank sends the Merchant, exclusively by email and in the frequency agreed in the Annex to the Agreement, a Statement of Transactions made by Payment Cards, listing the total amount of sums of Transactions made by Payment Cards agreed in the Agreement at the Merchant's Point of Sale and posted in favour of the Merchant's account, and the total amount of the Commissions pertaining to such Transactions and charged to the debit of the Merchant's account for the period agreed in the Agreement. The Bank shall send a Statement of Transactions made by Payment Cards to the Merchant in the form of an attachment to a standard unencrypted e-mail message.
5. Where the Merchant requests that the Statement of Transactions be generated and sent again, the Bank shall charge a fee for each Statement of Transactions. Where the Merchant requests a different report related to the Merchant's Transactions made on the Device, the Bank shall charge a fee for such report. The fees are charged in accordance with the Price list.

## **VII. Claim concerning a Transaction made at a Point of Sale**

1. The Merchant is required to deal with any claims and complaints regarding the quality of the goods sold or services provided directly with the CardHolder. In dealing with the claims concerning quality, the Bank shall not provide any cooperation or bear any liability for any breach of contractual obligations by the Merchant towards the CardHolder and vice versa.
2. Where the CardHolder makes a claim regarding the goods or services purchased, the Merchant must not reject the Claim for reasons that payment for the goods or services was made by means of a Payment Card. In the case of returned goods or a Claim concerning agreed services, the Merchant shall not return cash, but shall cancel the particular Transaction in the manner described in the User Manual or in the Provider's documents, i.e. the Merchant returns the funds in question to the CardHolder in a cashless method.
3. In the case where the CardHolder, the Bank or other bank, or other authorised entity involved in the payment intercourse associated with the Transaction marks any Transaction or amount of a Transaction made at the Merchant's as disputed, or if the Bank refuses to pay it, or if it concerns a Transaction monitored by the Bank for security reasons, the Merchant undertakes to demonstrate to the Bank the correctness and justification of the Transaction, proper delivery of goods or services paid for by the Payment Card, or, if appropriate, provide further information on the Transaction as requested by the Bank by means of reliable documents. The Merchant is required to present the Bank in particular with the Sales Document from the POS Terminal, cash register receipt, or electronic cash register receipt, a copy of the sales receipt, in the case of Payment Card acceptance via a MOTO, or in the case of Manual Inputting of the Payment Card, also a written order, in the justified cases another document requested by the Bank (e.g. the client's demonstrable consent to acceptance of the business terms and conditions published in its Internet Shop, notification of the CardHolder of charging a penalty, document confirming the shipment of goods) in the period of 5 business days from the day of the Bank's request to the Merchant. The Bank shall decide on the eligibility of the Claim and on the complaint about the disputed Transaction or on the eligibility of the monitored Transaction.

4. The Bank shall be entitled to block funds on the Merchant's account held at the Bank in the case of any reported, monitored, suspicious or fraudulent Transactions made at the Merchant's or in the case of a Claim made by CardHolders. The Bank shall be entitled to block funds in the amount of claimed Transactions up until completion of the claim procedure with the CardHolder or Payment Card issuer.
5. For the purposes of securing or satisfying its potential future receivables related to the Agreement, the Bank is also entitled to block funds on any or all accounts of the Merchant, even after the termination of the Agreement, in which case it is also entitled to block such funds for the period while future receivables may arise to it from the Transactions claimed by CardHolders made at the Merchant's Point of Sale.
6. In the framework of its Risk Monitoring, the Bank monitors high-risk Transactions at the Merchant's as a preventive – security measure. At the Bank's request, the Merchant is required to provide Transaction documentation and information (order, invoice, delivery address, receipt document, cash register document, power of attorney for the merchant, communication with the client). The Bank shall notify the Merchant of the investigation into the Transaction and of any requirement to submit documentation in the form of an e-mail, by telephone or letter.
7. The Bank reserves the right to require by e-mail communication, telephone, or letter that the Merchant does not provide goods or services if the Bank evaluates the Transaction as high-risk or fraudulent, and this up until verification of the payment by the Payment Card issuing bank.
8. The Bank reserves the right to immediate regional limitation (typically permission for accepting only Payment Cards issued by the banks in Slovakia or the Czech Republic or Europe) on the acceptance of Payment Card Transactions via the Merchant's Payment System if there exists a reasonable suspicion of potential abuse or fraudulent conduct. The Bank shall immediately notify the Merchant thereof, including of the scope of the measure and expected period of the limitation on the acceptance of Payment Card Transactions via the Merchant's Payment System that is necessary for eliminating the risk arisen.
9. The Bank reserves the right to immediately block a Device or Payment System in the event of suspected misuse of the Device or Payment System; it may do so also in cases when it is entitled to terminate the Agreement with immediate effect, of which it shall promptly notify the Merchant.
10. The Merchant shall be liable for any damage caused by the Payment Terminal being operated by a person not trained for this activity or who has failed to sign the training protocol.
11. In the event of a legitimate Claim concerning a Payment Card Transaction agreed in the Agreement and executed at the Merchant's Point of Sale filed by the CardHolder or Payment Card issuer, or by accepting a Chargeback, by signing this Agreement the Merchant authorises the Bank to direct debit the claimed amount of such Transaction from the Merchant's account held at the Bank. This authorisation also applies in the case when a breach of terms and conditions by the Merchant or staff operating the Payment Terminal, as referred to in the Agreement, these Terms, the Bank's General Terms & Conditions or User Manual, is proven in connection with the execution of a Transaction at the Merchant's Point of Sale.
12. If, based on a Claim concerning an executed Transaction filed from the side of the Payment Card issuer, CardHolder, or Card Company, the Bank incurs damage, the Merchant shall be required to cover such damage at the Bank's demand within 10 days of the delivery of the request. In case of any doubts concerning delivery, it shall be understood that the demand was delivered on the third

day following its registered dispatch. The Bank is entitled to recover any damages incurred through the courts.

13. A Merchant operating an Internet Shop is required to immediately return unreduced the monetary amount of the respective Transaction in the case that the Merchant becomes unable, for any reason whatsoever, to deliver the ordered goods or supply the services, and, based on the above, the Merchant is also unable to demonstrate to the Bank proof of receipt of goods or services consistent with the CardHolder's order.
14. In the framework of a claim procedure, the Merchant operating an Internet Shop is required to demonstrate to the Bank that it has obtained demonstrable consent from the CardHolder to acceptance of the Merchant's terms & conditions published on its Internet Shop website; else the Merchant shall bear full liability for any damage.

## **VIII. Borrowing of a POS Terminal**

1. Based on the Agreement, the Bank shall ensure for the Merchant installation of a POS Terminal for accepting Payment Cards agreed in the Agreement, including software, and shall ensure maintenance and initial training of the Merchant's staff for operating the POS Terminal. In the event of the Merchant's request for express installation within 24 hours, the Bank shall charge for this activity a fee in accordance with the Price list.
2. The POS Terminal is not owned by the Merchant; only the right to use the POS Terminal passes to the Merchant, unless agreed otherwise. Installation, uninstallation, maintenance interventions to remedy defects of the POS Terminal and Merchant's staff training for operating the POS Terminal shall be ensured by the Bank and carried out by a Service Organisation that has entered into a valid separate agreement with the Bank for these activities, on business days from 09:00 am to 05:00 pm. The Bank has the right to unilaterally change the Service Organisation. The Merchant is required to bear any limitation in using the POS Terminal to the extent necessary for carrying out repairs and maintenance of the POS Terminal.
3. In the case of uninstallation or a maintenance intervention being performed by a person or Service Organisation other than that designated by the Bank, the Merchant shall bear any costs for remedying any faults on the POS Terminal.
4. By signing the Agreement, the Merchant undertakes to prepare, no later than on the installation day of the POS Terminal, its Point of Sale for installing the POS Terminal so that the operating temperature of the Point of Sale ranges from 0 to 40 degrees Celsius, relative humidity is between 20-90%, with a working power outlet (230V/50 Hz), and with protection against the direct effect of sunlight.
5. In the event that the Merchant's Point of Sale is not ready for POS Terminal installation or re-installation on the date of installation or re-installation, and the Merchant has failed to request the Bank by phone to change the installation or re-installation date on any day preceding the date of installation or re-installation, the Merchant shall be required to pay the Bank a fee for a frustrated callout in accordance with the Price list. This provision shall not prejudice the Bank's right to damages in accordance with applicable legal regulations.
6. The Merchant undertakes not to carry out any modifications or interventions to the POS Terminal and not to make any copies of or modifications to the software. The Merchant undertakes to use the POS Terminal properly and exclusively for Payment Card Acceptance or for Additional Services



using POS Terminal activated with the consent of the Bank, and to protect the POS Terminal from damage, loss, or destruction. The Merchant is required to compensate the Bank for any damage incurred by it or by the CardHolder as a result of improper or unauthorised manipulation of the POS Terminal.

7. The subject of the service intervention is service at the place of installation and technical & advisory support for the POS Terminal operator. Maintenance intervention is carried out at the place of installation of the POS Terminal as referred to in the Agreement and is to remove any malfunction on the POS Terminal, which the Bank shall ensure using the Service Organisation within 2 business days of receiving a telephone report of the need for a maintenance intervention on the telephone number +421 257 103 324.
8. Before reporting the need for a maintenance callout, the Merchant undertakes to rule out any possible problems outside the provided POS Terminal and additional Devices, in particular on the communication nodes/devices. The Merchant shall be liable for any unjustified callout of the Service Organisation caused by a fault on communication nodes, and hereby authorises the Bank to collect the amount in accordance with the Price list from the Merchant's account.
9. The Bank provides the Merchant with free warranty service to return the Device to an operating condition.
10. The free warranty service does not cover faults or damage caused by normal wear and tear on used parts such as batteries, power source, cables, damage to the display or keyboard. Similarly, the warranty service cannot be applied if the POS Terminal and additional Devices have been exposed to improper, negligent, or forceful operation, a fall, damage caused by food or spilled liquids, or by non-compliance with the conditions under clause 8.5. hereof. Damage caused by natural disasters such as fire, flood, wind, earthquake, storm, etc. is also excluded from the free warranty service.
11. At the Merchant's request, the Bank shall also ensure, using the Service Organisation, re-installation of the Device, representing a replacement of the POS Terminal, PIN PAD replacement or additional installation of the PIN PAD. For each such operation, the Merchant shall pay the Bank a fee in accordance with the Price list. The Service Organisation shall check the condition of the replaced POS Terminal and inform the Bank on the condition of the replaced Device. The Merchant undertakes to pay a fee in accordance with the Price list if the Merchant returns the POS Terminal in a degraded state. The fee in accordance with the Price list must be paid by the Merchant even in the event of loss or destruction caused by force majeure.
12. Without the Bank's prior written consent, the Merchant is not permitted to put the POS Terminal out of operation, or make Payment Card Transactions using a borrowed POS Terminal at a Point of Sale other than that indicated in the Agreement, unless agreed otherwise.
13. After the expiry of the Agreement, the Merchant is required to return the borrowed Device to the Bank through the Service Organisation. For this reason, the Merchant is required to make the premises of its operation available and allow the Service Organisation to uninstall and take receipt of the Device, including the accessories provided, and this no later than 10 days after the expiry of the Agreement. Uninstallation of the Device shall be ensured by the Service Organisation on the basis of a request from the Bank; the Merchant shall receive a written confirmation of the handover of the POS Terminal. Verification of the returned POS Terminal shall be performed by the Service Organisation, which shall provide the Bank with information on the condition of the returned device.

In the case that the Device is returned damaged, the Bank is entitled to charge the Merchant a fee in accordance with the Price list.

14. The Merchant is required to pay the Bank for uninstallation a fee in accordance with the Price list.
15. If the Merchant, following expiry of the Agreement or following an amendment to the Agreement concerning the termination of acceptance at the Merchant's location, fails to return the borrowed POS Terminal to the Bank, the Merchant shall be required to pay to the Bank a fee for each POS Terminal borrowed in accordance with the Price list. This provision shall not prejudice the Bank's right to damages in accordance with applicable legal regulations.
16. At the Merchant's request, the Bank shall provide, through the Service Organisation, additional operations, such as the addition of the Merchant's logo, support for the connection of the payment application with the Merchant's cash register system, rental of the Device for testing purposes. The additional operations are subject to a fee in accordance with the Price list.

## **IX. Borrowing of an MPOS Terminal**

1. The Bank, on the basis of the Agreement, shall ensure for the Merchant the delivery of an MPOS Terminal, in selected cases with accessories for accepting Payment Cards agreed in the Agreement, including software, together with subsequently sending of an activation e-mail and instructions for activating the Device and operating it.
2. The MPOS Terminal is not the property of the Merchant, and only the right to use it passes to the Merchant, unless agreed otherwise.
3. In the event of intervention by a person other than appointed by the Bank, the Merchant shall bear any costs for remedying any faults on the MPOS Terminal.
4. The Merchant undertakes not to carry out any modifications or interventions to the MPOS Terminal and not to make any copies of or modifications to the software. The Merchant undertakes to use the MPOS Terminal properly and solely for accepting Payment Cards, and to protect the MPOS Terminal from damage, loss, or destruction. The Merchant is required to compensate the Bank for any damage incurred by it or by the CardHolder as a result of improper or unauthorised manipulation of the MPOS Terminal. The Merchant undertakes to pay the residual value of the MPOS Terminal if it causes damage to the Device. The residual value of the Device must be paid by the Merchant even in the event of loss or destruction caused by force majeure.
5. The Merchant is obliged to promptly report technical problems of the Device to the e-mail address: support@verisoft.sk. After assessing the problem, the Merchant shall be contacted by the Device supplier or a new Device shall be sent to the Merchant, according to the assessment of the degree of the technical problem. The Merchant is also required to return to the Bank the original Device to a Bank branch, using a courier company ensured by the Service Organisation, or by sending it to the Bank's address: ČSOB, a. s., Odd. akceptácie platobných kariet, Žižkova 11, 811 02 Bratislava.
6. Before reporting any need for servicing, the Merchant undertakes to rule out any problems outside of the provided MPOS Terminal, i.e. those regarding possible communication problems. Additional service operations related to communication problems on the Merchant's side shall be charged to the Merchant in accordance with the Price list. The Merchant authorises the Bank to collect the amount from the Merchant's account.

7. The Bank provides the Merchant with free warranty service for restoring the Device to a functioning state, or for setting up a new Device.
8. The free warranty service does not cover faults or damage caused by normal wear and tear on used parts such as batteries, cables, damage to the display or keyboard. Similarly, the warranty service cannot be applied if the MPOS Terminal has been subjected to improper, negligent, or forceful operation, a fall, damage caused by food or spilled liquids, or by non-compliance with the conditions of use for the electronic device. Damage caused by natural disasters, such as fire, flood, wind, earthquake, storm, etc. is also excluded from the free warranty service.
9. In the case of replacement of a damaged Device, the Bank shall charge a fee in accordance with the Price list for this damage, or for operations necessary for restoring the Device to its functioning state.
10. After the expiry of the Agreement or part of the Agreement in connection with the termination of acceptance at the Merchant's site, the Merchant is required to return the borrowed Device, including accessories, to the Bank through a Bank branch, a courier provided by the Service Organisation, or by sending it to the Bank, no later than 10 days after the expiry of the Agreement. The Bank shall be entitled to charge the Merchant an uninstallation fee in accordance with the Price list. Verification of the returned MPOS Terminal shall be performed by the Service Organisation, which will provide the Bank with information on the state of the returned Device. In the event that the Device has been returned damaged or non-functional, the Bank shall charge a fee in accordance with the Price list for such damage.
11. If the Merchant, following the expiry of the Agreement, fails to return the borrowed MPOS Terminal to the Bank, including the provided accessories, the Merchant shall be required to pay to the Bank a fee for each MPOS Terminal borrowed in accordance with the Price list. This provision shall not prejudice the Bank's right to damages in accordance with applicable legal regulations.

## **X. Promotional material**

1. At its premises, the Merchant shall appropriately display promotional materials provided to it by the Bank in connection with performance of the Agreement; the Merchant is required to mark the entrance door to the Point of Sale providing the service under the Agreement with a sticker promoting this service. In all its advertising and promotional publications, the Merchant is entitled to indicate that the Merchant accepts Payment Cards agreed in the Agreement. Upon expiry of the Agreement, the Merchant shall be required to immediately remove all documents and promotional materials provided by the Bank that would indicate acceptance of Payment Cards agreed in the Annex to the Agreement at the Points of Sale agreed in the Agreement.
2. The Merchant operating an Internet Shop is required to visibly place the logos of accepted Payment Cards on the pages of its Internet Shop site as referred to in an annex to the Agreement, including the logo for the 3-D Secure protocol: Visa Secure valid for VISA and Mastercard ID Check valid for Mastercard.

## **XI. Keeping information on Payment Cards and archiving of documents**

1. The Merchant is required to keep only that part of information of the Cardholders' Payment Cards that is essential for the purposes of accepting Payment Cards. The Merchant must not, under any circumstances whatsoever, store the entire content of any information from the magnetic strip or chip as well as the CVC 2 or CVV 2 code.
2. In the event that an authorised person has obtained or has gained access to data on Transactions and/or customers, the Merchant shall be required to immediately notify the Bank thereof.
3. The Merchant is required to archive a copy of confirmations from the POS Terminal as well as copies of Sales Documents for a period of 13 months from their date of issue; in the case of use of the Payment System, to archive the records and documents relating to payments for goods/services for a period of 13 months. The Merchant is required to archive copies of all documents demonstrating the execution of Transactions in a secure place accessible only to authorised persons and to take all necessary steps to prevent disclosure or any misuse of these documents by unauthorised persons. The obligation to archive the Sales Document of the POS Terminal does not apply to Transactions executed by reading data from a chip, and which are also authorised by entering the correct PIN, to Transactions executed via an NFC device, and to Contactless Transactions without entering the PIN.
4. In accordance with relevant legal regulations on personal data protection, the Merchant as well as the Bank are required to ensure technical and organisational personal data protection and to take such measures so as to prevent unauthorised or accidental access to personal data, their modification, destruction, or loss by way of unauthorised transfer and unauthorised processing, as well as their misuse. The duty to confidentiality concerning the personal data processing shall also apply following the end of the data processing.
5. The Merchant is obliged to provide, if necessary, all and any cooperation in contact with the Office for Personal Data Protection of the Slovak Republic or other organisations involved in the processing of personal data.

## **XII. Liability**

1. The Merchant shall be liable for any damage incurred by the Bank or CardHolder through the Merchant breaching the provisions of the Agreement, annexes thereto, these Terms and the Bank's General Terms & Conditions as well as the relevant provisions of legal regulations.
2. The Bank reserves the right to claim from the Merchant compensation for damage incurred in connection with the Merchant's failure to provide the service or deliver the goods to the CardHolder, or in connection with a breach of the Merchant's obligations resulting in demonstrable expenses incurred by the Bank.
3. The Merchant is required to promptly notify the Bank in writing of any change of its legal form, business name, bank details, statutory bodies, activities, or any other decisive facts concerning their contractual relationship, including the change to the type or nature of the goods sold or services provided, change to the Merchant's or Point of Sale's address, or telephone number.
4. The Merchant shall be liable for any damage incurred by the Bank through the Merchant stating inaccurate or false information in connection with the performance of this Agreement.
5. The Bank shall not be held liable for any harm incurred by the CardHolder, account holder to whom the Payment Card was issued, or by the Merchant, connected with the non-supply of goods or

services paid for by the Payment Card via the Bank's Payment Terminal located at the Merchant's or via the Payment System operated by the Merchant (e.g. the non-supply of a transport service on the basis of air tickets, intermediated through a third party). In such a case, the Merchant shall bear the cost of compensation for the harm, which the claimant duly sought in the form of a claim concerning the Transaction.

### **XIII. Final provisions**

1. In the event that any provision of these Terms or the Agreement becomes invalid or unenforceable, this shall not affect the validity or enforceability of the remaining provisions of these Terms or the Agreement.
2. The Bank is entitled to unilaterally update these Terms. The Bank shall notify the Merchant of any amendments to these Terms by publishing the Terms at the Bank's operating premises accessible to the public and at the Bank's official website [www.csob.sk](http://www.csob.sk), no later than 15 days prior to the effective date of such amendment, unless a generally binding legal regulation applicable in the Slovak Republic stipulates a different period.
3. The Merchant is required to familiarise itself with the updated Terms. Unless the Merchant notifies the Bank in writing prior to the proposed effective date that it does not accept the amendments, the new wording of these Terms will become binding on its effective date for the concluded contractual relationship in the form of an amendment to the originally agreed Terms, with effect as of the day specified in the relevant amendment to the Terms.
4. These Terms supersede the Terms for Acceptance of Payment Cards dated 1 October 2022 and enter into force and effect on 1 July 2023.