

TERMS & CONDITIONS FOR ACCEPTANCE OF PAYMENT CARDS

I. Basic provisions

1. These Terms & Conditions for Acceptance of Payment Cards (hereinafter the “Terms”) are issued by Československá obchodná banka, a. s., Žižkova 11, 811 02 Bratislava, entered in the Commercial Register of District Court Bratislava I, section Sa, file no. 4314/B, ID no.: 36 854 140 (hereinafter the “Bank”) in accordance with and based on the applicable ČSOB General Business Terms and Conditions (hereinafter the “ČSOB Terms & Conditions”). The Terms govern the relations between the Bank and the Merchant resulting from the acceptance of Payment Cards via a POS 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 the shop.
2. The Merchant agrees that the Bank may provide data on the Merchant as a legal entity or sole trader and its Points of Sale to banks and branches of foreign banks in Slovakia and abroad as well as Card Companies in order to provide Payment Card acceptance services. The Bank has the right to request further information on the Merchant, also from other sources. The Bank has the right to conclude the appropriate 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 line with Act no. 483/2001 Coll. on banks as later amended.
3. These Terms form an integral part of the Payment Card Acceptance Agreement concluded between Bank and the Merchant. Legal relationships between the Bank and the Merchant not set out in the Agreement or herein shall be governed by the ČSOB Terms & Conditions and generally binding legal regulations.

II. Definition of basic terms

Additional Services via POS Terminals enable the Merchant, following the Bank’s agreement/approval, to perform a service or functionality supplied by a third party (e.g. credit recharge – TopUp / acceptance of electronic meal vouchers, etc.). The additional service is not provided directly by the Bank; any claims or requirements connected with the additional service are to be addressed by the Merchant directly to the provider of the additional service.

Agreement or **Payment Card Acceptance Agreement** is a contract concerning the acceptance of Payment Cards and concluded between the Merchant and the Bank. In the case of the 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 card-issuing bank, the result of which is the approval or rejection of the Transaction. If the Transaction is authorised, the Authorisation Centre assigns an Authorisation Code to the Transaction.

Authorisation Centre is a place designated by the Bank where the authorisation process is performed.

Authorisation Code is a unique combination of digits or digits and letters that a Merchant receives as a confirmation of approval for completing a Transaction.

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

Card Company (MasterCard, VISA, American Express, Diners Club International, JCB...) is a foreign legal entity which licences banks to issue and acquire Payment Cards and creates rules and regulations for providing these activities. Minimum Monthly Fee is a contractually agreed minimum amount of the fee (Commission) that the Merchant pays during a calendar month for Transactions made by Payment Cards on one Merchant Device. In the event that the amount of the fee (Commission) actually paid during one calendar month for Transactions made by Payment Cards on one device is lower than the contractually agreed minimum monthly charge, the Bank shall deduct the difference from the Merchant's account.

Cardholder is an individual authorised to use the Payment Card; the surname and first name may be placed on the front side of the Payment Card and the signature is on its rear side.

ChargeBack is an entitled Transaction Claim filed by the Cardholder against the Bank or Merchant in relation to the transfer (return) of a relevant amount to the Cardholder or the Bank.

Combined Commission is the joint billing of fees, i.e. a Commission merged by category and individual Card Company brand, or merged by a number of categories and Card Company brands, accepted by the Merchant under the Agreement.

Contactless card is a Payment Card with contactless technology designated as PayPass by MasterCard or VISA PayWave by VISA, enabling the execution of a Transaction by placing the Payment Card on a device supporting contactless technology. A Payment Card may be issued on various media such as plastic, a sticker, a watch, in-built into a mobile telephone, etc.

Contactless Transaction means a Transaction carried out by placing the Contactless Card on the contactless card reader of a POS Terminal which may be built directly into the POS Terminal or connected to a POS Terminal via an additional device (also referred to as PIN PAD). CashBack is a type of service that allows cash withdrawal through a POS Terminal while making payment for goods or services with a Payment Card.

CVC 2/ CVV 2 code (Card Verification Code on Payment Cards by MasterCard; Card Validity Value on Payment Cards by VISA) is a security code printed as the last 3 digits on the signature strip of the Payment Card, used during internet payment authorisation and MO/TO transactions.

Deposit – blocking of a Merchant's funds on a contract account throughout the life of the contract.

Device is a technical device intended for accepting Payment Cards. It may be a POS Terminal, Payment System or any other equipment directly related to the acceptance of Payment Cards as per the Bank's current offer.

Individual Commission is a way of charging for Transactions made with the Merchant. It is usually set as a percentage rate of a Transaction made on the Device, in combination with monthly charges. Its amount is agreed in the Schedule to the Agreement.

Interchange Fee is a fee that the Bank, directly or indirectly (i.e. through a third party such as a Card Company) pays for each Transaction made between the Bank or card-issuing credit institution and the Bank accepting the Payment Card. Interchange Fee is indicated under the Commission if the Merchant has requested in writing that the Bank charges the related fees jointly to the Merchant. The Payment Cards issued to consumers within the European Union

(EU) and EEA (European Economic Area) countries are subject to the maximum rate of Interchange Fee for individual Transactions carried out by debit cards and prepaid cards, amounting to 0.2% of the Transaction value, while the maximum rate of the Interchange Fee for individual Transactions made by credit card is set at 0.3% of the Transaction value. For Transactions made by Payment Cards held by non-consumers as well as Transactions by Payment Cards issued to consumers in the countries outside the region of the EU and EEA countries, the rates published on the website of Card Companies apply. Interchange Fees for MasterCard Payment Cards are listed on www.mastercard.com, and Interchange Fees for VISA Payment Cards are listed on www.visaeurope.com.

Internet Shop is a website of the Merchant where the Merchant referred to in the Schedule to the Agreement offers goods or services.

Merchant is a legal entity or 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.

MO/TO Transaction (mail order/telephone order transaction) is a type of CNP Transaction initiated by telephone or written consent by the Cardholder, and made without the Credit Card being physically present by way of manually entering the Credit Card number, expiration date, CVV 2 or CVC 2 and the requested payment amount for the purchase of goods or services.

Payment Card is a payment instrument issued by the issuing bank or credit card company in respect of the account holder's account, and which is marked with security features of the Card Company. By means of the Payment Card cashless payments for goods and services may be made or cash may be withdrawn. The card is not transferable, its use is reserved exclusively for its holder.

Payment Slip is a confirmation on the payment made through POS Terminal using Payment Card. It confirms the purchase of goods or provision of services or cash withdrawal. Pre-Authorisation/Pre-Authorisation Completion is a type of transaction enabling a temporary reservation of funds to 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. Commission is a way in which the Bank charges the Merchant for the provision of services related to the acceptance of Payment Cards. The Commission is negotiated between the Bank and the Merchant (typically it is determined by a percentage rate of the value of Transaction made on the Merchant's Device) and is set out in the Schedule to the Agreement. The Commission is part of the POS Package or Individual Commission. Claim is a request made by the Cardholder concerning the investigation of a disputed Transaction.

Payment System is an Internet payment gateway which enables the Merchant to accept those types of Payment Cards as stipulated in Schedule 1 to the Agreement, using public data network Internet. The Payment System is secure by way of a 3-D Secure protocol in the implementations MasterCard SecureCode or Verified by Visa.

PIN Code is a personal identification number – authentication – data, enabling the Cardholder to confirm the 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 POS Terminal(s) have been installed as agreed in the Agreement, or an Internet Shop where payments may be carried out through a Payment System in order to execute Transactions for such goods and/or services.

POS Package is a method of a monthly fee charged by the Bank to the Merchant for the services provided by the Bank in connection with the acceptance of Payment Cards, and set

out by the Bank. It comprises a percentage rate of the Transaction value and the Minimum Monthly Fee.

POS Terminal (EFT POS - Electronic Funds Transfer at Point of Sale) is a device designed for electronic processing of Payment Card Transactions located at the Merchant under the Agreement with the Bank.

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 at POS Terminals and by which the Merchant can return the full amount or part thereof from the previously executed Transaction made by a Payment Card, to the account of the account holder to which the Payment Card was issued. 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 automated 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 the execution of Transaction from the POS Terminal.

Risk Monitoring is preventive monitoring of Transactions at Merchant's, carried out by the Bank as a security and preventive action against risk and fraudulent Transactions. Table of Fees is the specification of the Bank's charges and fees, listed in the Schedule to the Agreement. In line with the Table of Fees the Bank charges the Merchant fees for the provided services.

Service Organisation is a third party that, based on a contractual relationship with the Bank, delivers, installs, provides maintenance service for Devices and performs training of the Merchant's staff. **Transaction** is each payment operation (payment for goods and services, cash withdrawals – CashBack) made by Payment Card on the Merchant's Device.

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 Goods-Return Transactions carried out on the same Device in the same calendar month. Flat Fee is a fixed monthly fee that includes the Bank's costs for services connected with the acceptance of Payment Cards.

User Manual is a guide issued by the Bank and Service Organisation designed for operating the POS Terminal installed at the Merchant's setting out the procedures and rules for acceptance of Payment Cards.

III. Acceptance of Payment Cards

1. The Merchant is required to accept Payment Cards via POS Terminals and the Payment System for making payments for the 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 which the Merchant will accept the Payment Cards agreed in the Agreement and is required to clearly and comprehensively inform clients – Cardholders 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.
3. The Merchant may not make lists of Cardholders and their Payment Card numbers for their own purposes or disclose any information on Cardholders to third parties other than the Bank.
 4. The Merchant is not allowed to keep CVV/CVC (verification value stored electronically on the magnetic strip of the Payment Cards), ICVV (verification value stored electronically on the chip of the Payment Cards), PVV (verification PIN 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 guidance on operating the POS Terminal and obligations contained in the User Manual.
 6. The Merchant shall bears full responsibility for any loss, damage, destruction or theft of the POS 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 interfere with the POS Terminal application or Payment System application.
 8. The Merchant or persons appointed by the Merchant operating on its behalf the POS Terminal are required to attend training performed by the Service Organisation designated by the Bank concerning the operation of the POS Terminal and to sign a protocol confirming such training. In the case of any changes concerning the operation of the POS 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.
 9. For each Authorisation successfully performed via the POS Terminal, the Merchant is required to issue to the Cardholder the Payment Slip from the POS Terminal.
 10. A Merchant operating an Internet Shop is required to conclude the Agreement on Payment Card Acceptance over the Internet with the Bank. The Merchant undertakes to follow the instructions displayed by the Payment System, in particular not to deliver the goods or service when the Payment System refuses the Transaction. Otherwise, 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:
 - a clear identification of the Merchant;
 - a complete description of the goods or services offered;
 - procedure for returning goods/funds;
 - contact to the customer service, including e-mail addresses or telephone number;
 - address of the Merchant's brick and mortar establishment;
 - Transaction currency;
 - export restrictions (if any);
 - delivery conditions;
 - business conditions and complaint procedure;
 - policy regarding the customer personal data protection.

12. The Merchant is entitled to accept Payment Cards as further specified in the Schedule to the Agreement, subject to the instructions contained in the User Manual and in line with the guidance displayed on the POS Terminal screen and/or the instructions announced by the Bank:
 - if the POS 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 POS 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 and does not require PIN Code or signature authorisation, in which case the Merchant is not required to request 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 by placing the Contactless Card on the contactless sensor.
14. Where the Merchant has any doubts concerning the authorisation to hold the Payment Card, an unusual quantity or type of the goods purchased or the Cardholder's behaviour, the Merchant is obliged to request the Cardholder's ID card or to contact by phone the Authorisation Centre and use "code 10", whereupon the Authorisation Centre operator will ask questions in a way that the Merchant can reply with merely "yes" or "no" answers. If the Cardholder refuses to prove their identity, the Merchant is required to refuse execution of the Payment Card Transaction.
15. 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 the Terms.
16. The Merchant agrees that the Merchant will notify other persons appointed by it to perform Payment Card acceptance of the rights and obligations specified herein.
17. 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 the 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 & Conditions 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 failure to comply with the Merchant's obligations.
18. The Merchant is not eligible to let or provide the Payment Card Acceptance Device to any third party without the Bank's prior consent.
19. The Bank reserves the right to request Deposit – blocking of funds on the Merchant's account. The Merchant signs the Agreement extended with the provision on funds blocking, in which the Merchant commits 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. Using the Device, The Merchant is obliged to request Authorisation for all Transactions regardless of the amount of Transaction. The Merchant may not break up the Transaction amount into multiple partial Transaction amounts.
2. The Bank has the right to accept or reject Authorisation for each Payment Card Transaction. Authorisation is approved if the Payment Slip from the POS Terminal or the Payment System states an Authorisation Code.
3. If Authorisation results in a rejected Transaction, the Transaction is not assigned an Authorisation Code; the Transaction is unsuccessful will be not cleared. The Bank reserves the right to not pay any rejected Transaction to the Merchant.
4. The Merchant is entitled to perform on the POS Terminal or using the Payment System, only Transactions that are not at variance with generally binding legal regulations applicable at the place where such Transactions are made, and only those types of Transactions as agreed in the Agreement.
5. Transactions made through a POS Terminal are authorised after scanning the magnetic strip or chip or scanning by contactless card device and after dispatching 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 PIN Code authentication for Authorisation, the Merchant shall ask the Cardholder to sign the Payment Slip from the POS Terminal. The Merchant is required to check whether the signature on the Payment Slip is identical to the signature on the Payment Card's Signature Strip and confirm so or not, if the signatures do not match, directly on the POS Terminal. In the event that the signatures do not match, the transaction already authorised shall be cancelled. In the case of a Contactless Transaction, the POS Terminal will not necessarily require Authorisation to be authenticated by PIN Code or signature; typically this concerns payment values up to €20, depending on the Contactless Card's settings. The POS terminal, for reason of technical restriction, will not enable Transactions below €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 POS 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 refusal 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. In order to verify whether a Transaction has been successful, the Merchant may contact the Authorisation Centre on the free helpline +421 2 2212 1259 or +421 2 2212 1258.
8. A Sale-Type Transaction may be executed on the POS Terminal or Payment System solely for the purpose of payment for the goods sold or services provided by the Merchant, including specific services such as donations, sponsorship etc.
9. 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 was notified by e-mail, telephone or letter.
10. In the case that the Cardholder disputes a Transaction executed with a Payment Card

using the Merchant's POS 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 a Goods/Services 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.

11. 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.
12. The Pre-Authorisation-type Transaction can be performed only on the 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 as agreed in the Schedule to the Agreement.
13. MO/TO Transaction or Transaction entered via Manual Key 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. By signing in own hand the form which is part of specific Payment Card Acceptance Agreement for MO/TO Transactions in order to confirm such types of Transactions, the Cardholder agrees to their execution and commits to pay for the ordered goods or services, and confirms the accuracy and truthfulness of the particulars indicated therein. The form may not contain corrections and must be filled out in a legible manner.
14. MO/TO Transactions or Transactions entered by Manual Key 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. If the Cardholder or Payment Card issuer disputes any MO/TO Transactions or Transactions entered by Manual Key at the Bank, any Claim of this type shall be assessed by the Bank as expected 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, so that the funds will be debited from the Merchant's account and credited back to the Cardholder's account. The Bank agrees to notify the Merchant of executing such operation within 5 working days of executing it. By signing the Agreement, the Merchant expresses its explicit consent to such procedure.
15. In executing a Sale-Type Transaction that is associated with CashBack, the Merchant may pay out to the Cardholder cash in an amount from €0.03 to €50, provided that the Cardholder is at the same time making a purchase in a value of at minimum €5.

V. Terms of payment of Transactions, Commission

1. The Bank shall pay the Merchant only for those types of Transactions agreed in the Agreement and made on a POS 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 POS Terminal or Payment System, the Bank shall pay the Merchant only for authorised Transactions with the assigned Authorisation Code. For each Payment Card Transaction agreed in the Schedule to the Agreement, the

Merchant is required to issue a Payment Slip for all the goods or services related to a single Transaction.

3. The Merchant undertakes to pay the Bank for services related to the acceptance of Payment Cards via a POS Terminal or Payment System the fees listed in separate Schedules to the Agreement.
4. If the Merchant requests a change in the type of POS Package, the Bank shall accept the requested change, including the settings of the Individual Commission, with effect of the first day of the following calendar month.
5. The Merchant is required to check the amounts of Transactions credited to its account, including account statements received from the Bank showing an overview of Transactions, on a regular basis, 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.
6. 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, Payment Card issuer or Card Company raise an objection (claim) against the mentioned Transaction and the Bank recognises it as justified;
 - the Merchant is unable to demonstrate, at the Bank's request, the eligibility of the Transaction made by presenting the Payment Slip which (i) contains the Cardholder's signature when 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 when the POS 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 within an agreed scope.
7. Where illegal conduct or violation of any terms and conditions set out in the provisions of these Terms and Conditions is suspected, 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 Credit Card at the Point of Sale via a POS Terminal or Payment System is processed by the Authorisation Centre authorised to perform this activity and having a specific agreement concluded with the Bank to do so.
2. The Bank shall post to the Merchant Payment Card Transactions as agreed in the Agreement and executed at the Merchant's Point of Sale via POS Terminal or Payment System in favour of the Merchant's account as agreed in the Agreement. It shall do so by posting them as a summary of Transactions executed by Payment Cards of each Card Company. As a rule, the posting of Transactions made on a POS Terminal 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. For the

Payment System, the Transaction Date is the day of sending the Transaction for processing, which must be not later than 6 days from the Transaction Authorisation itself.

3. Commission in the amount agreed in the Agreement for each Payment Card Transaction is debited by the Bank from the Merchant's account agreed in the Agreement, in the manner that the Bank charges it as the sum of Commissions for Transactions made by Payment Cards each Card Company. As a rule, Commissions will be debited from the Merchant's account on the first business day immediately following the Transaction Date.
4. The Payment Card Transactions Statement concerning the total amount of Transactions made by Payment Cards as 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 posted to the debit of the account will be sent to the Merchant by the Bank in the manner and frequency agreed in the Schedule to the Agreement. The Bank reserves the right to additionally send statements for the POS Terminal/Payment System for at maximum the period of the preceding 3 months.

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

1. The Merchant is required to handle the 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 corporation or bear any liability for any breach of contractual obligations by the Merchant towards the Cardholder and vice versa.
2. If the Cardholder makes a claim regarding the goods or services purchased, the Merchant must not reject the Claim for reason that the payment for the goods or services was made by means of a Payment Card type agreed in the Agreement. In the case of returned goods or services in respect of which a customer claim is made 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. For the purposes of potential investigation into the Claim raised by the Bank or Cardholder in respect of a Transaction, the Merchant is required to immediately ensure unambiguous and demonstrable identification of the Merchant's staff operating the POS Terminal.
4. The Merchant is required to provide the Bank with all the requested information and documents related to the claimed or for-security-reasons monitored Transaction at the Merchant's Point of Sale, within 5 business days of the day the Bank requested the Merchant to do so. The eligibility of a Claim raised by the Cardholder or Payment Card issuer shall be decided by the Bank. The Merchant is required to present the Bank in particular with the Payment Slip 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 through a written order also the written order, and in the justified cases other documents requested by the Bank (e.g. the client's demonstrable consent to acceptance of the terms and conditions published in its Internet shop).
5. In the case where the Cardholder makes a Claim to the Bank, the Merchant is required to provide the Bank with the requested documents and explanations. If the Cardholder, the Bank or other bank or other authorised person involved in the Payment System

associated with the Transaction disputes any Transaction or amount of a Transaction made at the Merchant's or if the Bank refuses to pay it, the Merchant agrees to demonstrate to the Bank the accuracy and legitimacy of the Transaction and proper delivery of goods or services paid for by Payment Card, by means of credible documents, and, if necessary, to provide further information on the Transaction as requested by the Bank. For this purpose the Merchant undertakes to provide the Bank with all documents requested by the Bank in relation to the Claim, within 5 days of receiving the Claim or Complaint disputing the Transaction.

6. The Bank has the right to block funds on the Merchant's account held at the Bank in the case of any suspicious or fraudulent Payment Card Transactions as agreed in the Agreement and executed at the Merchant's that have been reported to the Bank or in the case of Claims made by Cardholders. The Bank is entitled to block funds in the amounts of disputed Transactions up until completion of the complaints procedure with the Cardholder or Payment Card issuer.
7. Within 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.
8. The Bank reserves the right to require the Merchant, by e-mail communication, telephone or letter, to 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.
9. The Bank reserves the right to immediate regional (typically permission for accepting only Payment Cards issued by the banks in Slovakia or the Czech Republic or Europe) limitation 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 thereof the Merchant 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 necessary to eliminate the risk arisen.
10. The Bank reserves the right to immediately disable 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.
11. The Merchant is liable for any damage caused by the POS Terminal being operated by a person not trained for this activity or who has failed to signed the training protocol.
12. 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 the acceptance of a ChargeBack, through signing this Agreement, the Merchant authorises the Bank to debit the claimed amount of such Transaction from the Merchant's account as agreed in the Agreement. This authorisation also applies in the case when a breach of terms and conditions by the Merchant or staff operating the POS Terminal, as listed in the Agreement, these Terms, the ČSOB Terms & Conditions or User Manual, is proven in connection with the execution of a Transaction at the Merchant's Point of Sale.
13. If, based on a Claim concerning an executed Transaction as filed from the side of the Payment Card issuer, Cardholder, or Card Company, the Bank incurs any damage, the

Merchant is required to pay 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.

14. A Merchant operating an Internet Shop is required to immediately return unreduced any 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 provision of services consistent with the Cardholder's order.
15. In the framework of the complaints procedure, the Merchant operating an Internet Shop is required to demonstrate to the Bank that it 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 POS Terminals

1. Based on the Agreement, the Bank shall install for the Merchant a POS Terminal for accepting Payment Cards agreed in the Agreement, including software, and shall provide maintenance and initial training of the Merchant's staff for operating the POS Terminal.
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.
3. Installation, uninstallation, maintenance interventions to eliminate failures 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 9:00 to 17:00 hours. 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 carry out repairs and maintenance of the POS Terminal.
4. 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 remedy any faults on the POS Terminal.
5. By signing the Agreement, the Merchant undertakes to prepare, no later than on the installation day of the POS Terminal, the Point of Sale for installing a POS Terminal in a way that the operating temperature of the Point of Sale ranges from 0 to 40 degrees Celsius, relative humidity between 20-90%, with a working power outlet (230V/50 Hz) and protection ensured against the direct effect of sunlight.
6. In the event that the Merchant's Point of Sale is not ready on the installation day for POS Terminal installation and the Merchant has failed to request the Bank by phone to change the installation date on any day preceding the installation date, the Merchant shall be required to pay the Bank a fee according to the Schedule to the Agreement (Table of Fees). This provision shall not prejudice the Bank's right to damages in accordance with applicable legal regulations.
7. The Merchant undertakes not to carry out any modifications or interventions to the POS Terminal and not to make any copies or modifications to the software. The Merchant commits 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 a POS Terminal. The Merchant agrees to pay the residual value of the POS Terminal, or of any added device, if the POS Terminal is returned in a degraded state based on the Service Organisation's assessment. The residual value of the Device must be paid by the Merchant also in the event of loss or destruction caused by force majeure.

8. The Merchant is required to immediately report a need for maintenance intervention on a POS Terminal to the Service Organisation on telephone number +421 257 103 324. A maintenance intervention shall comprise either maintenance at the installation site or technical-consulting support for operating the POS Terminal. Maintenance intervention is carried out at the installation site of the POS Terminal referred to in the Agreement and is to remove any malfunction on the POS Terminal, which the Bank shall ensure within 2 business days of receiving by telephone a report of the need for a maintenance intervention.
9. Before reporting the need for a maintenance callout, the Merchant shall take steps to rule out any possible problems on the provided POS Terminal and additional Devices, in particular on communication nodes/devices. The costs for any unjustified callout of the Service Organisation caused by a failure of communication nodes shall be borne by the Merchant, which authorises the Bank to collect the amount from the Merchant's account in an amount according to the Table of Fees.
10. The Bank provides the Merchant with free warranty service to return the Device into an operating condition.
11. The free warranty service does not cover defects or damage caused by normal wear and tear on used parts such as batteries, power supply, cables, damage to the display or keyboard. Similarly, the warranty service may not apply, if the POS Terminal and additional Device have been exposed to incorrect, 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. are also excluded from the free warranty service.
12. Maintenance operations excluded from free warranty service shall be fully paid by the Merchant (or in the amount specified in the Schedule to the Agreement (Table of Fees)) and the Merchant authorises the Bank to collect such amount from the Merchant's account. At the Merchant's request, the Bank will also ensure, using the Service Organisation, reinstallation of the Device, presenting a replacement of the POS Terminal, PIN PAD's replacement or additional installation. For this operation the Merchant shall pay the Bank a fee in the amount specified in the Schedule to the Agreement (Table of Fees).
13. Without the Bank's prior written consent, the Merchant is not permitted to take the POS Terminal out of the place of operation, or make Payment Card Transactions using a borrowed POS Terminal at a Point of Sale other than that indicated in the installation protocol and Agreement.
14. 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 the Point of Sale 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 will be ensured by the Service Organisation on the basis of a call from the Bank, while the

Merchant shall confirm in writing the handover of the POS Terminal.

15. The Merchant is required to pay the Bank for the uninstallation a fee in the amount specified in the Table of Fees.
16. If after the expiry of the Agreement the Merchant fails to return the borrowed POS Terminal to the Bank, the Merchant will be required to pay to the Bank a contractual penalty of €995.82 for each POS Terminal borrowed. This provision shall not prejudice the Bank's right to damages in accordance with applicable legal regulations.
17. If after the expiry of the Agreement or during the term of the Agreement the Merchant fails to return the borrowed SIM card to the Bank, the Merchant will be required to pay to the Bank a contractual penalty for each borrowed and unreturned SIM card in the amount of €33.19. This provision shall not prejudice the Bank's right to damages in accordance with applicable legal regulations.

IX. Promotional material

1. The Merchant shall appropriately display promotional materials at its premises, and which the Bank shall provide it with in connection with performing the Agreement. The Merchant is required to mark the entrance 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 is required to immediately remove all documents and promotional materials provided by the Bank that would indicate accepting the Payment Cards agreed in the Schedule to the Agreement at the Points of Sale agreed in the Agreement.
2. A 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 the Schedule to the Agreement, including the logo for secured by the 3-D Secure protocol: Verified by Visa for Visa, and MasterCard SecureCode for MasterCard.

X. Storing Payment Card Information and archiving documents

1. The Merchant is required to keep only that part of the Payment Card information on Cardholders that is essential for the purposes of accepting Payment Cards. The Merchant may under no circumstances 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 gained access to data on Transactions and/or customers, the Merchant is required to immediately notify the Bank thereof.
3. The Merchant is required to keep a copy of confirmations from the POS Terminal as well as copies of Payment Slips for a period of 13 months from their date of issue. In the case of use of the Payment System, the Merchant is required to keep a copy of 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 Transactions in a secure place accessible only to authorised persons and to take all necessary actions to prevent disclosure to and any misuse of these documents by unauthorised persons. The

obligation to archive the Payment Slip 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.

4. In accordance with Act no. 122/2013 Coll. on personal data protection as later amended, the Merchant as well as the Bank are required to ensure technical and organisational personal data protection and to take any actions so as to prevent unauthorised or accidental access to personal data, its modification, destruction or loss by way of unauthorised transfer and unauthorised processing, as well as its misuse. The duty to confidentiality concerning the personal data processing applies following the end of the data processing.
5. The Merchant is obliged to provide, if necessary, any cooperation whatsoever in contact with the Office for Personal Data Protection of the Slovak Republic or other organisations involved in the processing of personal data.

XI. Liability

1. The Merchant shall bear liability for any damages incurred by the Bank or Cardholder through the Merchant breaching the provisions of the Agreement and Schedules thereto, the Terms and the ČSOB Terms & Conditions as well as the relevant provisions of legal regulations.
2. The Bank reserves the right to claim against the Merchant any damages incurred in connection with the Merchant's failure to provide the service or goods to the Cardholder or in connection with a breach of the Merchant's obligations resulting in demonstrable expenses being incurred by the Bank.
3. The Merchant is required to immediately notify the Bank in writing of any change of its legal form, business name, bank details, statutory bodies, activities or other decisive facts for 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 is liable for any damage incurred by the Bank through the Merchant stating inaccurate or false information in connection with the performance of this Agreement.

XII. Final provisions

1. In the event that any provision of these Terms or the Agreement becomes invalid or unenforceable, it 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, 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 amended 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 January 2016 and enter into force and effect on 1 March 2017.