

Special Terms and Conditions for the Acceptance of Cards in Card-Not-Present Transactions

§ 1 Scope of Application

- (1) These Special Terms and Conditions for the Acceptance of Cards in Card-Not-Present Transactions ("**Special Terms and Conditions for the Acceptance of Cards in Card-Not-Present Transactions**") shall apply to the execution of payment services by Wirecard on behalf of merchants, who wish to offer their customers the ability to pay for goods and services purchased from them in card-not-present transactions (ordering goods and services on the Internet, by post, phone or by fax) by using payment cards (individually referred to as "**Payment Card**" and together referred to as "**Payment Cards**"), of the card schemes set out in the Online Application ("**Card Schemes**").
- (2) The Special Terms and Conditions for the Acceptance of Cards in Card-Not-Present Transactions apply in addition to the General Terms and Conditions for Distance Transactions ("**General Terms and Conditions of Acceptance**"). References to §§ refer to the provisions of these Special Terms and Conditions for the Acceptance of Cards in Card-Not-Present Transactions, unless express reference is made to the provisions in the General Terms and Conditions of Acceptance or in other Special Terms and Conditions.
- (3) Unless otherwise defined in these Special Terms and Conditions for the Acceptance of Cards in Card-Not-Present Transactions the terms used in these Special Terms and Conditions for the Acceptance of Cards in Card-Not-Present Transactions have the meanings defined in the General Terms and Conditions of Acceptance.
- (4) If the Merchant holds accounts with Wirecard or any other Wirecard group company, including Wirecard Bank for the purposes of processing transactions with Payment Cards under this Contract, special account terms and conditions shall apply between Wirecard and the Merchant for the setting up and use of those accounts, which terms and conditions shall be agreed in addition to this Contract when the accounts are opened.

§ 2 Risk Warning, The Commissioning of Third Parties by the Merchant

- (1) The Merchant is advised that the acceptance of card payments in card-not-present transactions involves an extra high risk of unauthorised use as there is no personal contact with the customer and the Payment Card is not physically present so it is not possible to have chip and PIN verification or to compare the signatures on the Payment Card and the debit voucher, as is customary in transactions where the card is present. Therefore, it is only financially viable to accept such payments if every possible step is taken to prevent fraudulent use. The Merchant bears responsibility for ensuring this as it has the direct contact with the customer and can in each case decide whether, depending on the circumstances of the purchase order, it can accept payments by Payment Cards in card-not-present transactions despite the risk of fraudulent use.
- (2) According to the binding rules of the Card Schemes ("**Card Regulations**"), a so-called chargeback ("**Chargeback**") of card payments in card-not-present transactions is made in all cases where the cardholder ("**Cardholder**") disputes that he has issued the instruction to debit the card account ("**Disputed Case**"); in addition other reasons for a return debit can also lead to Chargebacks. A Chargeback must be made in a Disputed Case because the institution which issued the Payment Card ("**Card Issuer**") cannot prove the Cardholder's instructions in documentary form as there is no record of a chip and PIN verification or signed payment receipt. In the event of any such Chargeback, Wirecard, as the Merchant's clearing house, must pay the collected amount back to the Card Issuer even if the Merchant is able to provide other proof of the customer's identity. As Wirecard has limited control over Chargebacks received by it, Wirecard will always seek to recover all Chargeback losses from the Merchant, and the Merchant agrees expressly to accepting liability for all Chargebacks, unless otherwise agreed with Wirecard.
- (3) If the Merchant commissions third parties ("**Contractors**") to perform services in connection with the presentment and processing of transactions with VISA credit cards the Merchant must guarantee that such Contractors are registered with VISA Europe. The Merchant may not use Contractors in connection with the presentment and processing of transactions with VISA credit card transactions if such Contractors are not registered with VISA

Europe. § 2 sub-clause (29) of the General Terms and Conditions of Acceptance remains unaffected.

§ 3 Subject Matter of the Contract, Contract Alternatives

- (1) The Merchant instructs Wirecard in accordance with this Contract to process the transactions presented by it which have been initiated by means of card payments ("**Card Transactions**") and to clear the payment transactions underlying such Card Transactions (contract of agency).
- (2) Even if measures are taken against unauthorised use, the remaining risk of a Chargeback being made in the event of a Disputed Case leads to significantly higher payment defaults than in cases when card payments are made when the card is present. Wirecard agrees to assume the Chargeback Risk in a Disputed Case in consideration for an appropriately higher fee if and to the extent that the payment default was not due to fault on the part of the Merchant and if the Merchant chose the corresponding form of agreement in the Online Application under the "Promise to Pay" section (the option "With a promise to pay in the event that the Cardholder disputes having given instructions"). However, the Merchant may choose to assume this Chargeback risk itself and pay a correspondingly lower fee by choosing the option "Without a promise to pay in the event that the Cardholder disputes having given instructions" in the Online Application.
- (3) The Merchant can choose Wirecard's card acceptance services under § 3 sub-clause (1) (through a corresponding choice in the Online Application) either for e-commerce (Internet) or for mail orders/telephone orders (post, telephone, fax). If the Merchant chooses Wirecard's card acceptance services under § 3 sub-clause (1) for e-commerce as well as for mail orders/telephone orders, the Merchant shall receive a dedicated Merchant ID number for each of these distribution channels ("**Merchant ID Number**").

§ 4 Prerequisites for the Acceptance of Payment Cards

- (1) The Merchant may allow goods/services to be paid for by Payment Cards in card-not-present transactions in general or in individual cases in accordance with this Contract. The Merchant will not accept payment by Payment Cards if there is cause to believe that there is a case of fraudulent use.
 - (2) If the Merchant accepts card payments, it undertakes to offer to sell all its goods and/or services to the respective Cardholders for payment by means of a Payment Card for the same prices and upon the same terms as are applicable to customers wishing to use another payment method. The Merchant shall not charge any additional costs, nor require any security and shall not put the Cardholder in any worse position than other customers (principle of "no surcharge"). The Merchant may only charge an additional fee ("**Surcharge**") if the following conditions are met - collectively:
 - (a) surcharging is permitted under applicable laws and regulations in the jurisdiction in which the Merchant is located;
 - (b) surcharging is permitted under any relevant Card Regulations;
 - (c) prior to carrying out the payment process (and therefore immediately before forwarding the transaction details to Wirecard) the Merchant informs the Cardholder that payments made with a particular Payment Card will attract a Surcharge payable by the Cardholder and the amount of the Surcharge;
 - (d) in the notice pursuant to § 4 sub-clause (2)(c) above the Merchant must either expressly show the exact amount of the Surcharge to be paid by the Cardholder or the calculation method for determining the Surcharge and must do so in an easily understandable form; and
 - (e) the Merchant must not, in respect of a given means of payment, charge its customers a Surcharge which exceeds the cost borne by the Merchant for the use of that means. The Surcharge must not exceed the discount/disagio and transaction-related charges payable by the Merchant to Wirecard.
- Notwithstanding the above, if the Merchant wishes to levy any Surcharge, it must at all times ensure it does so in compliance with any applicable laws and regulations in the jurisdiction in which the Merchant is based and any specific Card Regulations (to the extent these do not conflict with applicable laws and regulations). The Merchant's right to offer a discount for using a particular payment authentication instrument (e.g. a particular Payment Card) shall remain unaffected.
- (3) The Merchant is not authorised



- (a) to set a minimum amount under which a Payment Card cannot be used; or
- (b) to accept a Payment Card for paying back a previously granted loan or a cash payment previously made by the Merchant.
- (4) The acceptance of the Payment Card and the resulting associated collection of the card details may only be effected for the purpose of paying for goods/services of the Merchant and on the basis of a direct contractual relationship with the Cardholder. The Merchant is not authorised to accept Payment Cards as a means of payment for goods and/or services,
 - (a) that fall under § 6 sub-clause (10) of the General Terms and Conditions;
 - (b) that are not rendered in the Merchant's ordinary course of business stated in the Online Application; in particular no grant of credits or other cash payments may underlie such goods/services;
 - (c) which are prohibited, illegal or immoral under the law governing the Merchant, the Cardholder or the Merchant's goods/services, this particularly applies to goods/services in connection with gambling. Furthermore, the Merchant is generally not authorised to accept Payment Cards:
 - (i) that have been issued in the United States of America for goods/services that are associated with gambling, irrespective of whether such goods/services are illegal or not;
 - (ii) which show content which is subject to the applicable law governing the protection of young people; or
 - (iii) which include, or are associated with, instructions on how to produce weapons, bombs or other explosive devices.
- (5) Payment Cards may not be accepted to settle a non-collectable debt or to pay for a cheque that is not covered.

§ 5 The Presentment of Card Transactions, Credit Entries to the Credit of the Cardholder

- (1) The Merchant is entitled to present all due accounts receivable from Cardholders for goods and services, which accounts receivable have been created by using a Payment Card in card-not-present transactions, without presentment of the Payment Card and which have been accepted, to Wirecard for settlement and to settle such accounts receivable through Wirecard. The Merchant is not prevented from also concluding card acceptance contracts with other payment service providers unless the Merchant has expressly undertaken in the Online Application to work together with Wirecard exclusively as far as this is concerned.
- (2) All card transactions must be processed fully and solely via the Processing Platform pursuant to § 6 sub-clause (10) et seq. of the General Terms and Conditions of Acceptance and additionally indicating the respective merchant category allocated by Wirecard to the Merchant (so-called Merchant Category Code).
- (3) With every order placed remotely without physical presentment of the Payment Card, the Merchant shall, prior to forwarding the transaction details to Wirecard, electronically record:
 - (a) the Cardholder's name and address;
 - (b) the card number and period of validity of the Payment Card, as well as the date of the transaction;
 - (c) the invoiced amount;
 - (d) the authorisation number within the meaning of § 7 sub-clause (1); and
 - (e) the card security code (the last three (3) digits set out in the signature field on the reverse side of the Payment Card)
 and, unless another process has been agreed on, store such details – except the card security code – in appropriate protocols for the required retention period in accordance § 8 of the General Terms and Conditions of Acceptance. The Merchant must transmit the information under (b), (c), and (d) above to Wirecard in full and in a readable format every time a transaction is presented and must transmit the information under a) upon request.
- (4) If the Merchant offers the Cardholders a special security process (in particular "3-D Secure" consisting of "Verified by Visa" for Visa) the Merchant must carry out all card transactions using this security process and forward to Wirecard any and all transaction details through a correspondingly certified and registered platform, and must do so complying with the relevant requirements of the Card Schemes (e.g. use of logos, etc.) and complying with the relevant specifications for such security process (e.g. corresponding user manuals) as well as the agreements reached for use of this security process.
- (5) The Merchant shall only present card transactions for settlement that are not based on a case which falls under § 4 sub-clause (3) to sub-clause (5).
- (6) After completing the card transaction the Merchant must provide the Cardholder with a transaction receipt in writing and/or electronically. Such receipt must include a clear transaction ID as well as the Merchant's internet address.
- (7) In addition to § 6 sub-clause (14) of the General Terms and Conditions of Acceptance the Merchant is obliged to comply with all technical and security requirements of the Card Schemes' Card Regulations; Wirecard shall notify the Merchant of these requirements in good time in accordance with § 3 sub-clause (1) of the General Terms and Conditions of Acceptance. The Merchant particularly undertakes to comply with the relevant requirements of the Card Schemes in the version as applicable from time to time, particularly the requirements of the Payment Card Industry Data Security Standards ("PCI DSS") and to prove compliance therewith in an appropriate manner to Wirecard upon request. Further information on this can be found at e.g. www.pcisecuritystandards.org. If necessary pursuant to the requirements of the Card Schemes, the Merchant shall register with the Card Schemes and, as the case may be, become certified. If certified, the Merchant shall regularly, but at least annually, send Wirecard a copy of the certificate without being asked to do so. The cost of certification shall be borne by the Merchant.
- (8) The Merchant may give refunds arising out of card transactions ("Credits") only if the original card transaction is cancelled. If the card transaction has not yet been presented to Wirecard the Merchant must cancel the authorisation request using the Online Tool (cf. § 3 of the General Terms and Conditions of Acceptance). The Merchant must reverse any refunds arising out of underlying transactions, which have been cancelled and which relate to card transactions, which have already been presented for settlement, exclusively via Wirecard, i.e. the Credit on the card account must be initiated by the Merchant via Wirecard. In that case Wirecard shall reverse the card transaction. The Merchant may give Credits arising out of transactions via the Online Tool only by means of an electronic credit and by using the Online Tool and only in the amount of the previously executed card transaction. In addition the Merchant must electronically draw up a credit note with the card details and the amount of the Credit, which credit note must be signed by the Merchant and the original of which must be handed over to the Cardholder. The Merchant must present the Credit to Wirecard within two (2) Business Days (cf. § 2 sub-clause (30) of the General Terms and Conditions of Acceptance) of having cancelled the card transaction.
- (9) The Merchant undertakes not to present any card-not-present card transactions for settlement through other Merchant ID numbers. The Merchant must settle card transactions within a particular distribution channel using the respective Merchant ID number allocated by Wirecard for this distribution channel.
- (10) The Merchant shall present a payment transaction to Wirecard for settlement only once. If the Merchant has concluded other card acceptance contracts with other acquirers in addition to this Contract, the Merchant shall only ever present one and the same card transaction to one acquirer / payment service provider in each case for settlement (prohibition of multiple presentments). Upon request the Merchant shall provide Wirecard with proof that each card transaction presented was based on a legal transaction with the Cardholder that was permitted under this Contract and in an amount that corresponds to the presented card transaction.
- (11) The Merchant shall not present a card transaction until the goods or services underlying the card transaction have been delivered or provided to the Cardholder or recipient of the goods/services, or the Cardholder has agreed to an advanced debit or a recurring debit on the Payment Card. Upon request, the Merchant must prove to Wirecard that the above conditions are met.
- (12) Following authorisation of the payment with the Payment Card, the Cardholder can no longer revoke the card payment in relation to the Card Issuer unless he has agreed otherwise with the Card Issuer, and the Merchant has consented to such revocation. The Merchant hereby undertakes to Wirecard not to grant consent following authorisation of the payment with the Payment Card and to refrain from anything which could lead to the granting of any such right of revocation of the Cardholder.

§ 6 The use of 3-D Secure;

If the Merchant uses the security process 3-D Secure pursuant to the agreement in the Online Application the following shall apply:



- (1) 3-D Secure is a security process specifically supported by the Card Schemes. Its purpose is to authenticate the use of Payment Cards and reduce the Merchants' risk of Chargebacks in their function as e-commerce merchants if Cardholders generally dispute the use of the authenticated Payment Card. The Merchant's risk of Chargebacks is only reduced in a Disputed Case (cf. § 2 sub-clause (2)) and if the conditions specified by the Card Schemes are complied with "Conditions for 3-D Secure". Any and all return debits (Chargebacks) for other reasons are not covered by 3-D Secure.

Wirecard's Services

- (2) Wirecard is not the provider of the 3-D Secure process, rather it only supports the Merchant when carrying out 3-D Secure transactions in accordance with the following provisions. Wirecard's services comprise supporting the Merchant's technical connection to participate in the 3-D Secure Process by making it possible to use a so-called Merchant Plug-in (a software component, which supports the Merchant System in the 3-D Secure process, particularly with regard to enquiries made to the Card Schemes' servers, "MPI") at Wirecard ("Technical 3-D Secure Connection") and the forwarding of information between the Merchant and the other parties involved in the implementation of the 3-D Secure process. Specifically, Wirecard provides the following services in this regard:
- registration of the Merchant with the Card Schemes for 3-D Secure by registration with the Card Schemes' "Directory Server";
 - provision of the interface specifications for technically connecting the Merchant to the 3-D Secure process;
 - processing and documentation of authentication transactions in accordance with the Conditions for 3-D Secure via the Processing Platform (cf. § 6 sub-clause (10) of the General Terms and Conditions of Acceptance). Wirecard must process requests for authorisation only using information that has been transmitted to Wirecard by the Merchant or by a third party commissioned by the Merchant to technically connect the Merchant to the 3-D Secure process ("3-D Secure Provider").
- (3) Wirecard has no influence over the content of the Conditions for 3-D Secure. The Merchant must independently inform itself and keep itself informed about the Conditions for 3-D Secure and shall ensure that it complies with the Conditions for 3-D Secure. Wirecard accepts no liability for proper performance of the obligations of the 3-D Secure Provider.

The Merchant's Obligations

- (4) If the 3-D Secure process is used, the Merchant shall have an obligation to ensure:
- that all of the requirements and processes are complied with by the Merchant itself or by the 3-D Secure Provider (in particular enabling the use of the MPI) in accordance with the Conditions for 3-D Secure as well as in accordance with the interface specifications, in particular that the certifications, registration procedures and test procedures required by the Card Schemes are undergone; and
 - that the Merchant, or the 3-D Secure Provider: (i) processes the authentication transactions in accordance with the Conditions for 3-D Secure, including properly transmitting necessary information to Wirecard (e.g. information on results of the authentication requests relating to the submission of card transactions); and (ii) holds the necessary documentation relating to the authentication and authorisation of transactions ready for the purposes of proof in view of Chargebacks that may occur.
- If the Merchant uses a third-party 3-D Secure Provider, the Merchant shall be liable for non-compliance with the requirements and processes of the Conditions for 3-D Secure by such 3-D Secure Provider in relation to Wirecard as though it was its own breach of duty in accordance with § 2 sub-clause (29) of the General Terms and Conditions of Acceptance.
- (5) Wirecard shall allocate a separate Merchant ID to the Merchant for the use of 3-D Secure. 3-D Secure transactions must be executed solely using the Merchant ID allocated for this purpose. Such Merchant ID must be used solely for processing 3-D Secure transactions and may not be used for carrying out other transactions which are not 3-D Secure transactions.

Termination/Suspension of the use of 3-D Secure

- (6) The right to use 3-D Secure pursuant to this § 6 shall lapse:
- automatically upon termination or expiry of this Contract;

- if the mandate to use 3-D Secure is terminated by one of the Parties with a notice period of 10 Business Days;
- is terminated by one of the Parties without notice for good cause.

There shall be good cause if the Merchant or the 3-D Secure Provider breaches obligations under § 6 and/or the Conditions for 3-D Secure. Irrespective of the above-mentioned grounds for termination, Wirecard shall be entitled to prohibit the Merchant from continuing to use 3-D Secure or to suspend it from 3-D Secure transactions if and to the extent that the Merchant or the 3-D Secure Provider intentionally or negligently breaches the provisions of this § 6 and/or the Conditions for 3-D Secure. Wirecard shall promptly inform the Merchant of any suspension from 3-D Secure transactions.

§ 7 Authorisation of Card Transactions

- Each card transaction shall always require online authorisation from Wirecard regardless of its amount. Wirecard issues the Merchant with an authorisation number together with the online authorisation.
- By issuing the authorisation number Wirecard confirms to the Merchant that, at the time of authorisation, use of the Payment Card is not restricted under the scope of this Contract, the Payment Card has not been declared invalid by virtue of any blacklist of the Card Schemes or similar lists or other notices, and that the transaction amount is within the transaction limit. The issue of an authorisation number does not include any promise to pay. In particular Wirecard remains entitled to make a Chargeback in accordance with § 10.
- The authorisation number is issued or rejected automatically; in the event of rejection, an error notification is transmitted to the Merchant.
- It is not possible to settle card transactions if there is a disruption in the online transmission or some other operational disruption. No manual or other settlement method is permitted.
- For card transactions where the exact amount of the transaction is not known in advance, the Merchant must inform the Customer of the exact amount to be blocked on the Customer's payment account at the time of the transaction.

§ 8 Charges, Reimbursement of Expenses

In addition to § 9 of the General Terms and Conditions of Acceptance the following provisions shall apply to the charges and expenses to which Wirecard is entitled in return for the services under these Special Terms and Conditions for the Acceptance of Cards in Card-Not-Present Transactions.

- Wirecard shall as a general rule indicate the charges to be paid by the Merchant for the individual brands and types of card of the Card Schemes separately. However, they shall not be indicated separately if the charges for the individual types of card of the Card Schemes are identical; the Merchant hereby expressly agrees that in this special case the charge stipulated in the Online Application for all of the individual types of card of the Card Schemes are deemed to be agreed and that the charges are not indicated separately as described above.
- The discount/disagio set out in the Online Tool (as part of the charges) is based on the total value of all transactions (transaction volume) per month as well as the average transaction amount per month (total value of all transactions in relation to the number of transactions) as stated by the Merchant at conclusion of the Contract or when a change is agreed on. The discount/disagio shall in each case be charged on the card transaction's final invoice amount.
- In the context of these Special Terms and Conditions the expenses within the meaning of § 9 sub-clause (6) of the General Terms and Conditions of Acceptance also include:
 - all penalties, Chargebacks (cf. § 10) or other charges by the Card Schemes (e.g. for registering the Merchant in special merchant programs), which the Card Schemes impose on Wirecard - as the Card Schemes' licensee - either directly or indirectly on the basis of the Card Regulations (cf. § 2 sub-clause (2)), to the extent that such penalties, Chargebacks or other charges were caused by the Merchant's transactions or any act and/or omission of the Merchant and were charged on the basis of the Card Regulations; and
 - provided the Merchant uses 3-D Secure in accordance with § 6, Wirecard's payment obligations arising out of claims of third parties based on the fact that the Merchant or the 3-D Secure Provider has breached the obligations under § 6 and/or the Conditions for 3-D Secure.
- Wirecard shall additionally issue separate monthly reports, in which the charges and interchange fees for the transactions presented by the Merchant are indicated separately and broken down according



to each Card Scheme and each type of card used (e.g. VISA Commercial Card, VISA Consumer deferred debit and credit cards, MasterCard Debit Card transactions etc.) The charges and expenses shall be billed by e-mail or through the Online Tool. § 10 sub-clause (4) to sub-clause (6) of the General Terms and Conditions of Acceptance apply.

§ 9 Payout, Assignment of Claims

- (1) The provisions of § 10 of the General Terms and Conditions of Acceptance shall apply to the payout and settlement of the payment sums resulting from the card transactions presented.
- (2) The payout amount shall in each case be the amount resulting from the card transactions presented and made available to the Merchant by Wirecard less:
 - (a) the Holdback (§ 12) for the payout period concerned;
 - (b) as the case may be Chargebacks within the meaning of sub-clause § 10 that have accrued up until the time of payout;
 - (c) charges and expenses owed to Wirecard under the provisions of this Contract; and
 - (d) as the case may be, other deduction items within the meaning of § 10 sub-clause (1) of the General Terms and Conditions of Acceptance.
- (3) Wirecard shall be entitled to offset the charges, expenses and other deductions to which it is entitled under this Contract pursuant to § 10 sub-clause (1) of the General Terms and Conditions of Acceptance against the payment sums to be paid out to the Merchant under these Special Terms and Conditions for the Acceptance of Cards in Card-Not-Present Transactions.
- (4) The Merchant hereby already assigns all of its claims against the Cardholder arising out of goods/services and which have been created by use of the Payment Card (claims arising out of the underlying transaction) as well as any claims against the Card Issuer, connected with the use of the Payment Card, to Wirecard. Wirecard accepts this assignment. The assignment shall in each case become effective when Wirecard receives the presentation of the transaction. § 10 of these Special Terms and Conditions shall remain unaffected.

§ 10 Chargebacks

- (1) The Merchant must reimburse Wirecard the payment sums paid out to it by Wirecard to the extent that these payment sums are charged back to Wirecard. In addition, Wirecard may offset claims for a refund under sentence 1 against its own payment obligations towards the Merchant under the Contract and any other relationship with the Merchant under any banking relationship that may exist between the Merchant and Wirecard Bank. Any such refund/set-off is effected in addition to the charges that accrue for a refund/set-off.
- (2) The claim to a refund and the right to offset under § 10 sub-clause (1) shall not apply if the Merchant has chosen the option "With a promise to pay in the event that the Cardholder disputes having given the instructions" and all of the conditions set out in paragraphs a) to o) below are met:
 - (a) the acceptance of the Payment Card as the means of payment was permitted under § 4 and at the time when the card transaction was presented the Merchant had no knowledge that the Payment Card had been declared invalid by means of black lists or other notices;
 - (b) the duties in connection with acceptance and presentment under § 5 and § 5 sub-clause (7) have been complied with, in particular the Merchant has not yet presented the card transaction concerned to Wirecard or another payment service provider / acquirer, with whom the Merchant has concluded an agreement regarding the acceptance of cards (cf. the prohibition of multiple presentments, sub-clause (10));
 - (c) the technical Prerequisites for Connection under sub-clauses (10) to (17) of the General Terms and Conditions of Acceptance and the duties as to conduct under § 6 sub-clauses (29) and (30) of the General Terms and Conditions of Acceptance have been complied with;
 - (d) the Merchant has received a card-not-present sales order from the Cardholder, according to which the latter wishes to pay using his Payment Card;
 - (e) the transaction date falls within the Payment Card's period of validity;
 - (f) the card transaction was authorised by Wirecard online; in the case of card-not-present sales transactions, issuing authorisation with an authorisation number cf. § 7 may also be made dependent on identification measures, such as e.g. the transmission of a copy of photo identification of the Cardholder;

- (g) the period between the date of requesting authorisation (date on which the authorisation number is issued) and the date of performance (date on which the goods are sold or on which the service is rendered, hereinafter referred to as "Performance Date") does not exceed seven (7) calendar days at the most;
 - (h) the total amount of goods/services sold or rendered, which in the case of a cash transaction would have been settled in one amount, has not been divided into several card transactions;
 - (i) all sale details have been forwarded to Wirecard correctly, completely and within two (2) Business Days within the meaning of § 2 sub-clause (30) of the General Terms and Conditions of Acceptance following the Performance Date;
 - (j) the transaction value is stipulated in a contractually agreed transaction currency;
 - (k) the Merchant's special obligations in electronic commerce under § 7 of the General Terms and Conditions of Acceptance have been complied with, in particular the Merchant has informed the Cardholder fully and correctly of the Merchant's full name and address, including the Merchant's Internet address and e-mail address, has clearly designated itself to the Cardholder as the Cardholder's responsible contract partner and has made its general terms and conditions of business easily accessible to the Cardholder so that it is possible for the Cardholder to become aware of all of the essential terms and conditions (particularly his rights such as e.g. the right of cancellation or right of return and any restrictions of use) which are required in order to be able to make a proper decision about the purchase of the goods/services concerned;
 - (l) the Merchant has sent a confirmation of order and/or invoice in writing or by e-mail with a note that the Cardholder's Payment Card account will be debited; the complete card number, the card security code and the period of validity must not appear on such confirmation for reasons of security;
 - (m) the Cardholder has not rescinded, withdrawn from, cancelled or otherwise terminated the Contract with the Merchant for the delivery of the goods or the provision of the services;
 - (n) the Cardholder has not requested any cancellation of the debit on his card account held at the Card Issuer or refuses to make the payment and declares in writing within thirteen (13) months after his card account has been debited or after the date when the Merchant's goods and/or services were delivered or provided to him or should have been delivered or provided:
 - (i) that the Merchant's goods and/or services were not delivered or provided at all or not to the agreed delivery address or at the agreed time;
 - (ii) that the goods and/or services did not correspond to a description which existed at the time of purchase and that the Cardholder has returned the goods to the Merchant and/or has cancelled the contract for the goods/services; or
 - (iii) that the delivery received by the Cardholder was defective or damaged,
 unless in the cases set out in paragraphs (i) to (iii) the Merchant proves proper performance within fourteen (14) days following a corresponding request by Wirecard. The above-mentioned proof for the avoidance of a Chargeback is not possible if the transaction amount is less than € 10.00;
 - (o) The Merchant submits the complete documentation relating to the order in accordance with § 8 sub-clause (1) of the General Terms and Conditions of Acceptance and § 5 sub-clause (3) and it arises therefrom that the customer (even if the customer's identity can no longer be determined) issued an instruction to debit the respective Payment Card account, unless the Merchant knew or exercising ordinary care ought to have known that the instruction did not come from the Cardholder.
- (3) If the proportion of Chargebacks arising out of card transactions at the Merchant exceeds one percent (1%) of the number of transactions (only debits, no credits) or two percent (2%) of the transaction volume ("Limits") over a period of one (1) month Wirecard shall immediately notify the Merchant thereof.
 - (4) When calculating the proportion of Chargebacks, account shall also be taken of those transactions/sales where the Merchant issues Credits to the Cardholders before a Chargeback is made in order to avoid such Chargeback and thereby not exceed the Limits mentioned in § 10 sub-clause (3). This is always to be presumed if



the Credit is issued after Wirecard has received a query from the Card Issuer regarding a card transaction and has forwarded the query to the Merchant for clarification.

- (5) The provisions of this § 10 shall continue to apply for a further period of eighteen (18) months following the termination of this Contract.
- (6) In the event of any Chargeback under this § 10 Wirecard shall reassign the Merchant's claim against the Cardholder underlying the Chargeback and any associated claims of the Merchant against the Card Issuer back to the Merchant (cf. § 9 sub-clause (4)) upon complete satisfaction of the corresponding claim for a refund by the Merchant. The Merchant hereby accepts this reassignment. The Merchant does not have any right to a refund of the service charge which accrued for the transaction concerned because Wirecard has rendered the service paid for.

§ 11 Liability, Reimbursement of Expenses, Preclusion of Objections

- (1) If the Merchant fails to implement or comply with the requirements of the PCI DSS in accordance with the stipulations of this Contract (cf. § 5 sub-clause (7)), does not do so in full or does not do so in due time ("Breach of the PCI DSS") the Merchant must pay Wirecard damages for the extra cost incurred in implementing this Contract due to the Breach of the PCI DSS, which damages shall be in the amount of € 250 for each month in which the Merchant breaches the PCI DSS. This shall not apply if the Merchant proves that Wirecard did not suffer any loss whatsoever due to the Breach of the PCI DSS or suffered only minor loss. Damages paid or payable by the Merchant to Wirecard under § 11 sub-clause (1) shall not be Wirecard's exclusive remedy for the Merchant's Breach of PCI DSS and Wirecard will remain entitled to claim against the Merchant for all loss suffered by it as a result of the Merchant's Breach of PCI DSS in accordance with the Contract.
- (2) This shall be without prejudice to any further claims for damages by Wirecard pursuant to this Contract or pursuant to applicable laws or regulations; it shall likewise be without prejudice to Wirecard's contractual rights of termination.
- (3) If any charges, fines or penalties ("charges") are imposed on Wirecard by the Card Schemes for excessive chargeback rates (so-called excessive chargebacks) because the Limits stipulated in § 10 sub-clause (3) are exceeded or because of the breach of a contractual obligation by the Merchant or otherwise has fines imposed on it, the Merchant shall indemnify Wirecard from and against any such charges or shall refund Wirecard any charges paid by way of a reimbursement of expenses. For this, it shall be irrelevant whether the charge is justified as between Wirecard and the Card Schemes. The duty to indemnify shall also apply if the Merchant had no opportunity of raising objections or defences prior to payment by Wirecard; as far as this is concerned Wirecard is not obliged to allow the Merchant to negotiate or such like, with the Card Scheme prior to payment of any indemnity sums by the Merchant. Wirecard shall, upon request, provide the Merchant with a catalogue of the current charges which may be imposed on Wirecard by the Card Schemes. Sentence 1 above applies mutatis mutandis for other claims of third parties against Wirecard based on the fact that the Merchant or a third party employed by the Merchant breaches its obligations under this Contract. This shall be without prejudice to any further claims of Wirecard.
- (4) If a Chargeback has been lawfully made under § 10, any further claims and any objections by the Merchant against Wirecard shall be excluded. The Merchant shall remain at liberty to turn directly to the Cardholder in order to assert its payment claim arising out of the underlying transaction which it concluded with the Cardholder.

§ 12 Holdback/Provision of Security

The following shall apply in addition to § 11 of the General Terms and Conditions of Acceptance:

- (1) As security for all existing, future and conditional claims, to which Wirecard is entitled against the Merchant under this Contract, Wirecard shall hold back the portion of the final invoice amount of every card transaction as set out in the Online Tool (hereinafter "Holdback"). Wirecard shall not pay the Holdback out to the Merchant until after the expiry of the holdback period as set out in the Online Tool, in each case, however, after a maximum of 180 days.
- (2) If, due to breaches of contract by the Merchant, it has to be assumed that such breaches will lead to charges being imposed on Wirecard by the Card Schemes, for which the Merchant has to reimburse Wirecard the expenses pursuant to § 8 sub-clause (3) and § 11 sub-clause (3) above and/or, from and against which it must indemnify Wirecard in accordance with the provisions of the

Contract, Wirecard may demand a payment in advance equivalent to the prospective penalty charge as security for its claims and/or deduct any such sums from settlement monies.

- (3) Wirecard shall separate the Holdback amounts held back as security within one working day after the statement of account has been issued and shall transfer such amounts to a separately held account.
- (4) Wirecard has a right to realise the Holdback as soon as the Merchant does not pay following a written statement of account or equivalent payment statement within two (2) weeks of the date of the statement of account or of the equivalent payment statement.
- (5) Wirecard shall regularly review the amount of the Holdback and shall assess the extent of the security risk. If the amount of the Holdback significantly exceeds Wirecard's foreseeable security requirement (hereinafter referred to as "Security Requirement") Wirecard may, at its sole discretion, repay some or all of that excess. If the estimated Security Requirement exceeds the Holdback, Wirecard shall have the right to change the amount of the Holdback and/or to reasonably extend the Holdback period. Wirecard's Security Requirement shall be increased if:
 - (a) the Merchant's chargeback rate exceeds the Limits mentioned in § 10 sub-clause (3) or has increased by more than fifty percent (50 %) compared to the preceding month;
 - (b) the Merchant's sales cleared under these Special Terms and Conditions for the Acceptance of Cards in Card-Not-Present Transactions drop significantly; or
 - (c) notice to terminate the Contract is given.
- (6) After termination of the Contract, the Holdback shall remain with Wirecard for a further nine (9) months in order to secure any claims for recovery resulting from Chargebacks. The remaining credit balance shall be transferred to the Merchant's account designated to Wirecard nine (9) months after termination or expiry of the Contract. If it has to be assumed that, due to breaches of contract by the Merchant, charges will be imposed on Wirecard by the Card Schemes, the remaining credit balance can be retained for up to twelve (12) months after termination of the Contract. After expiry of the above-mentioned Holdback period, Wirecard shall pay out the remaining amount to the Merchant.
- (7) The Merchant's claims to the return of any security retained must be asserted in writing to Wirecard within a period of six (6) months following the expiry of the six-week deadline for statements of account that have been issued in accordance with § 10 sub-clause (6) of the General Terms and Conditions of Acceptance. Any later assertion is precluded; this provision does not apply to claims, about the existence of which the Parties began negotiating before expiry of the six-month deadline.

§ 13 Advertising and Marketing

- (1) The Merchant is obliged to make the marks/logos/other distinctive signs, which advertise the possibility of paying by Payment Cards, clearly visible on its website.
- (2) If the Merchant carries out direct mail campaigns or other forms of advertising the relevant symbols and logos may only appear in connection with the payment details or payment notes and on the first page of any such direct mail. If the direct mail campaign is directed at the holders of only one type of Payment Card the direct mail campaign must include an express note to the effect that the respective Card Scheme does not assume any responsibility for the respective offering and does not support it. Before sending out the first samples of a direct mail campaign, the specific design of the direct mail campaign or of the advertising must be approved by the respective Card Scheme. The above provision applies mutatis mutandis to mail campaigns sent by e-mail.
- (3) If a Card Scheme requires, whether directly or through Wirecard, that use of any trademark/logo cease or requires that it be adapted to be in line with the requirements of the respective Card Scheme, the Merchant shall promptly comply with this requirement at its own cost.

§ 14 Merchant Category Code, Duty to Disclose Information, Audits

- (1) Based on the details provided by the Merchant about the businesses operated by the Merchant, Wirecard shall allocate the Merchant one or more Merchant Category Codes. Notwithstanding this the Merchant must notify Wirecard of every change in its business activities so that Wirecard can, if appropriate, adjust the Merchant Category Code.
- (2) On request the Merchant shall permit Wirecard, the Card Schemes or a third party instructed by Wirecard or the Card Schemes to inspect its business premises and systems so that compliance with



the provisions of this Contract and compliance with the requirements of the Card Schemes to be complied with by the Merchant can be checked. In doing so, checks may particularly be made as to whether, and the extent to which, the Merchant's organisational measures are appropriate in accordance with the standards customary in the trade for excluding the possibility of any fraudulent use and/or other manipulation of any kind of the Merchant's systems. The Merchant undertakes that it will - at its own cost - fully cooperate with and enable such inspections/audits. The Merchant is also additionally obliged to enable any security audit (e.g. PCI audit) carried out by the Card Schemes or by a third party commissioned by the Card Schemes to be performed and to cooperate without limitation and at its own cost.

- (3) Furthermore, the Merchant must ensure that all inspections/audits can be carried out directly in relation to and at the business premises of and of the systems used by any technical service providers and other subcontractors commissioned by the Merchant and vicarious agents of the Merchant, whom the Merchant has commissioned in connection with the submission and processing of card transactions.

§ 15 Termination

- (1) Irrespective of the other rights of termination that exist under this Contract, Wirecard shall have a special right of termination by providing to the Merchant two (2) months' written notice in the event that one of the Card Schemes requires that this Contract between Wirecard and the Merchant is terminated.
- (2) In addition to § 12 sub-clause (7) of the General Terms and Conditions Wirecard is entitled to terminate this Contract without notice if:
- (a) the proportion of Chargebacks from card transactions over a period of two (2) months (hereinafter "Assessment Period") exceeds two percent (2 %) of the transaction volume or one percent (1 %) of the number of transactions (§ 10 sub-clause (3) applies mutatis mutandis to the calculation); during the first six (6) months after the Contract entered into force the Assessment Period is reduced to one (1) month; or
 - (b) the Merchant breaches any material contractual obligations (including but not limited to non-compliance with the obligations stipulated in § 5 sub-clause (7) and § 6 of these Special Terms and Conditions for the Acceptance of Cards in Card-Not-Present Transactions, the obligations stipulated in § 6 and § 7 of the General Terms and Conditions of Acceptance as well as the Card Regulations). Such breaches are in particular:
 - (i) if the Merchant (also) presents to Wirecard not only transactions from its own business but also transactions by third parties (so-called third party processing);
 - (ii) if the registered office of the Merchant, from which the Merchant operates its business, is not located in a country listed in the attached Schedule "List of Countries";

- (iii) if the Merchant does not show the Cardholder the country in which the branch office of the Merchant entering into the contract has its registered office, prior to the completion of the payment process;
- (iv) if the Merchant's website is not available in at least one European language (e.g. English);
- (v) the Merchant does not point out its general terms and conditions of business to Cardholders in a clearly visible manner;
- (vi) if the Merchant fails to clearly draw attention on its web page to the Card Schemes' trade marks to be used;
- (vii) if the Merchant does not present any card transactions to Wirecard within a period of three months of the Contract having entered into force;
- (viii) if the Merchant does not present any, or only a minimal number of card transactions (in terms of the number of transactions and transaction volume) to Wirecard for a period of three months. Sales are negligible if the actual number of card transactions or the actual card sales fall short of the Merchant's forecast figures by more than seventy-five percent (75%); or
- (ix) if despite request by Wirecard, the Merchant does not implement the technical and security requirements of the Card Schemes, in particular the requirements arising out of PCI DSS or does not do so in good time.

- (3) Wirecard can terminate this Contract – also in part in relation to individual types of Payment Card – with two (2) months' notice ("Special Right of Termination") if Wirecard (i) ceases the settlement of card transactions for certain types of Payment Card or (ii) loses any licences and/or permits that are necessary to render the performance of this Contract (e.g. software licenses, licences from the Card Schemes).
- (4) If the Merchant has decided on the contract alternative "With a promise to pay even in the event that the Cardholder disputes having given the instructions", Wirecard shall have an extraordinary right to terminate the Contract with two (2) weeks' notice if the amount of the Chargebacks assumed by Wirecard, which cannot be charged on to the Merchant, during the respective previous month exceeded three percent (3%) of the transaction volume in that month.
- (5) Wirecard expressly reserves the right to partial termination of the Contract only in relation to individual types of Payment Card in accordance with this § 15.

