GENERAL TERMS AND CONDITIONS

PREAMBLE
These general terms and conditions (hereinafter referred as the “GTaCs”) shall apply to all agreements between the parties regarding the acceptance of debit and credit cards for face-to-face business (POS/brick-and-mortar business transactions) and for Distance Sales (E-commerce, Mail Order and telephone order). Furthermore, these GTaCs govern the services offered by PAYONE GmbH (hereinafter referred as “PAYONE”) pertaining to network operation services in the electronic cash system and as a provider of other payment transaction services.

The parties acknowledge that the admission of card payments in Distance Sales involves a particularly high risk of misuse due to the fact that it is not possible to physically verify if the customer is actually the holder of the respective Payment Card and if the signature and identification photograph, where applicable, correspond. The admission of such payment is thus only commercially possible if all possibilities of abuse prevention are employed. For this reason, the German Federal Financial Supervisory Authority (BaFin), which is the supervisory authority responsible for PAYONE, specified requirements for the security of internet payments in its “Circular regarding the minimum requirements for the security of internet payments.” The Circular also requires that PAYONE implement the relevant sections of the minimum requirements for the Merchant within the context of these GTaCs (see also Section 22). The merchant company (hereinafter referred as the “Merchant”) holds the greatest amount of responsibility in this process based on its immediate contact with customers and the means to decide in each case if payments by Payment Card shall be allowed based on the given circumstances of the placed order despite the risk of misuse.

According to the worldwide applicable regulations of Card Organisations, a chargeback of card payments in Distance Sales is made whenever the Cardholder contests that he issued the instruction to charge his card account. The chargeback must be made because the Card Issuer cannot provide original documentary evidence of the Cardholder’s instruction due to the lack of a personally signed transaction receipt. PAYONE shall refund the collected amount to the Card Issuer in the event of such a chargeback even if the Merchant is able to provide further evidence relating to the identity of the customer.

The risk which remains despite measures undertaken to prevent misuse results in substantially higher losses than in the case of traditional card payments in face-to-face business.

Card Organisations in E-Commerce offer special security procedures against misuse, in particular by means of strong customer authentication. Such procedure, if authorised by PAYONE, e.g. Verified by Visa and Mastercard SecureCode (3D Secure), shall be referred to in these General Terms and Conditions as “Special Security Procedure” (How- ever, the transmission of the Card Verification Number shall not be deemed a Special Security Procedure within this meaning).

The agreement shall be concluded with Distance Sales Merchants for either E-commerce or Mail Order or telephone order transactions. Should agreements be concluded for both E-commerce and Mail Order/telephone order, the Merchant shall receive a separate Merchant number for each sales channel.

1 OBJECT OF THE AGREEMENT
PAYONE as a licensed acquirer of various Card Organisations provides services to trading and service companies in which it undertakes to settle payment transactions resulting from the correct use of Payment Cards.

Against this backdrop and based on an agency agreement (Geschäftsbesorgungsverhältnis), the Merchant agrees with PAYONE with the transmission of transaction data made by PAYONE and with the settlement of such payment transactions according to the provisions of the Agreement and the GTaCs. As far as agreed in the contract, PAYONE shall provide services to the Merchant with regard to the settlement of the following types of payment procedures:

- electronic cash
- GeldKarte
- electronic direct debit

POS Device purchase or rental agreements – including installation and service agreements – concluded with PAYONE are also subject to the following terms and conditions.

2 FURTHER DEFINITIONS
The following definitions shall apply to the Agreement and these General Terms and Conditions:

Agreement as defined as the agency agreement (Geschäftsbesorgungsvertrag) between the Merchant and PAYONE regarding the processing of payment transactions made by PAYONE and in accordance with these General Terms and Conditions.

Authorization as defined as the notification that a transaction with a specific amount is chargeable to a specific Payment Card, which is issued by the Card Issuer upon request of the Merchant and forwarded by PAYONE to the Merchant.

BG is defined as the German Civil Code.

Card Data is defined as the Card Number, Card Verification Number, validity date and payment amount as well as, if so defined by PAYONE for the specific scope of application, the name and address of the Cardholder.

Cardholder is defined as the person in whose name a Payment Card has been issued.

Card Issuer is the bank or company that issued the Payment Card.

Card Number is the multi-digit number imprinted on the Payment Card that identifies the relevant card account.

Card Organisations are organisations such as Visa Inc., Visa Europe, Mastercard Inc., Diners Club International, Discover Financial Services, JCB International and UnionPay International (UPI), which operate payment systems and provide licences to Card Issuers and acquirers as related to the Payment Cards included in the Agreement.

Card Verification Number (Kartenprüfnummer) as defined as the three or four-digit number imprinted on the Payment Card in addition to the Card Number (generally located in the signature box on the back of the Payment Card).

Clearing is defined as the cumulative transmission to PAYONE of transaction data stored in the POS Device to PAYONE.

Distance Sales as defined as service contracts in which the transmitting of instruction to pay by charging the card account is made via the Internet, mail, fax, or telephone even if they are not Distance Sales contracts within the meaning of BGB Section 312b.

E-Commerce in Distance Sales takes place when the instruction to pay by charging the card account is transmitted via the Internet.

Electronic Transmission is the technical process with which the Merchant and PAYONE communicate electronically for the purpose of processing card transactions and which has been expressly permitted and specified to the Merchant by PAYONE.

EMV Approval is the acceptance of EMV capable POS Devices for the processing of chip and PIN based Payment Cards. EMV is a defined standard for Payment Cards with chips developed by Europay International (now Mastercard), Mastercard, and Visa, Diners Club International and Discover.

Internet is defined as the Internet as such and all open networks and similar data transmission systems.

Mail Order is defined as Distance Sales in which the transmitting of the instruction to pay by charging the card account is made by mail, fax or telephone.

Major Payment Security Incident is an incident which has or may have a material impact on the security, integrity or continuity of PAYONE’ or the Merchant’s payment-related systems and/or the security of sensitive payment data or funds.

Payment Cards is defined as all credit and debit cards and other payment instruments issued in accordance with the regulations of the Card Organisations and expressly included in the Agreement with which the Cardholder issues instruction to pay by charging his card account instead of making a cash payment.

POS Device is a POS terminal or POS card-cash-system (POS stands for Point of Sale) with which the Payment Card data stored on the magnetic strip and/or the chip of a Payment Card is read by a magnetic strip reader or chip card reader.

Service is defined as the supply of goods and/or services by the Merchant, which are paid or should be paid for by means of a Payment Card.

Transaction Deposit is defined as the Merchant’s request to PAYONE for settlement of payment transactions made with Payment Cards, which is conducted by the transmission of databases to PAYONE in accordance with the provisions of the Agreement and the General Terms and Conditions.

3 CARD ACCEPTANCE BY THE MERCHANT
(1) The Merchant is not obliged in general or in specific cases to accept payment for Services by Payment Card in Distance Sales. The Merchant may not accept payment by Payment Card if the circumstances of its use arouse suspicion that a case of misuse could be at hand.

(2) The Merchant shall not offer the relevant Services at increased prices or less favourable conditions to persons presenting Payment Cards for the purpose of payment than to customers paying in cash. The Merchant may not charge the Cardholder additional fees for the acceptance of a Payment Card. The Merchant’s right to offer the Cardholder a discount or another incentive for the use of a specific Payment Card or other payment instrument remains unaffected.

(3) An acceptance of the Payment Card and the procurement of Card Data from the customer are permitted exclusively for the payment of provided Services or Services to be provided by the Merchant.

(4) If a compulsory Special Security Procedure (as in E-Commerce, see Section 22.12) is introduced, the acceptance of payment by means of the relevant Payment Card is valid only if the Merchant employs such procedure.

(5) The Merchant is not entitled to accept Payment Cards as payment for Services, which

a. are not performed or supplied for the Merchant’s own account or on behalf of third parties;

b. are not performed or supplied in the context of the Merchant’s normal business operations; in particular, these may not be based on the granting of credit or cash payments;

c. have as their objective or are associated with obscene, pornographic, illegal or immoral content according to German law, the law applicable to the Merchant, the Cardholder or the Service, subject to the applicable legal protection for children and minors, or include instructions for the manufacturing of weapons or explosive devices. Exceptions hereto require the prior written approval of
PAYONE, which will be issued at the discretion of PAYONE and only issued if the request is not illegal or immoral.

(6) Payment Cards may not be used to perform an obviously illegal or immoral legal transaction or to settle a claim related to the lottery or gambling, or to pay to a non-cover-
chased when used for recurring Services (such as subscriptions), partial payment for one-time services and financing costs may not be charged.

(7) With regard to Distance Sales, the Merchant shall not accept Payment Cards to pay for an order if any of the following conditions applies (such order shall be re-
ferred to in this agreement as “Unusual Order”):

a. On two consecutive calendar days and in individual or multiple orders in conjunc-
tion with the relevant order, the same customer has
   (i) ordered more than five (5) identical goods or Services; or
   (ii) made orders for delivery to addresses outside of the European Union for an
        amount exceeding 1.500,00 Euro; or
   (iii) made orders for an amount exceeding 3,500,00 Euro; or
   (iv) used more than one Card Number.

b. Between two consecutive calendar days, orders from different customers are made
   from a same email address; and such national domain does not coincide with the delivery address
   provided.

(8) With regard to Distance Sales, the Merchant may not accept a change of delivery
   address, regarding Authorisation for orders paid by means of a Payment Card.

(9) PAYONE is entitled to change or amend the conditions listed in Section 3.7 or ex-
plant the list of Unusual Orders by issuing written notification to the Merchant with a
notice period of no less than one month if PAYONE deems such changes to be reason-
ably necessary based on potential practices of misuse.

(10) The Merchant undertakes not to request that the customer transmit its Card Data via email to make it possible for the customer to do so. Payment information may only be transmitted via a payment system accepted by PAYONE.

4 TRANSACTION PROCESSING

(1) The Transaction Deposit must be delivered to PAYONE via Electronic Transmission of
   datasets for the respective transactions that comply with the standards agreed upon
   by PAYONE and the Merchant in each case relating to content, format and method of
   transmission. PAYONE is entitled to change these standards by means of written decla-
   ration to the Merchant for valid reasons, especially if the Card Organisations’ standards
   change. The procedure for Electronic Transmission may only be used after release by
   PAYONE. PAYONE is not liable for the proper functioning of the procedure. The Mer-
   chant shall carry the costs (including transmission costs) and the risk of malfunction of
   the Electronic Transmission. The Merchant carries the ongoing responsibility for the
   proper functioning of the devices, the transmission lines, data storage devices, and
   other facilities used for the transmission of data. All obligations of PAYONE resulting
   from a separate contract under which PAYONE sold or rented hardware or software for
   Electronic Transmission and/or the maintenance thereof remain unaffected.

(2) As far as these GTCs do not render an Authorisation unnecessary, a Transaction
   Deposit is only valid for transactions that were issued prior Authorisation. At the discre-
   tion of PAYONE, PAYONE may decide in specific cases that Authorisation and the sub-
   sequent processing of the authorised transaction may be completed by PAYONE in a
   one step process subject to the condition that the Merchant’s Service is provided
   within two working days after the expected completion of the processing and without
   any change to the invoiced amount.

(3) Only Electronic Transmission may be used for Authorisation. If Authorisation of
card transactions by Electronic Transmission is not possible, the Merchant shall request
Authorisation via the PAYONE telephone authorisation service and record the authori-
sation code issued by PAYONE on the transaction receipt. For Mastercard, V-Pay, UPI and
Electron cards, Authorisation by telephone is not possible even during an operational
disruption.

(4) With regard to face-to-face business, all transactions shall be processed via POS
Device if the Merchant has a POS Device available to it. The Merchant may only utilise
POS Devices if such have been approved by PAYONE for use in the relevant country. The
POS Device must be set-up in such a manner that does not allow the detection of the
PIN number when such PIN number is entered. The Merchant shall ensure that the POS
Device is not accessible by unauthorised third parties. The Merchant is obliged to im-
mediately inform PAYONE that unauthorised third parties have gained access to the
POS Device and to give reasons to suspect that such has occurred.

(5) Transaction receipts may not be produced manually in any case, even if the POS
Device is non-functional or if the magnetic strip on the back of the card cannot be read
at all or only incorrectly. The transaction data recorded by reading the card via the POS
device must be transmitted to PAYONE electronically within one working day after the
disconnection has been rectified. The manual entry of card data at the POS device is always
impermissible.

(6) The Merchant shall ensure – particularly by instructing his employees – that
within his personal and physical areas of influence, including persons commissioned by
the Merchant (e.g. Internet provider), no misuse of Card Data or Electronic Transmis-
sion shall be possible, for example by improper use of Card Data or manipulation of
data entry. If the Merchant becomes aware of a possible misuse of the Electronic Trans-
mission or misuse of transaction data, it shall inform PAYONE of such immediately.

5 AUTHORIZATION

(1) The Merchant shall request Authorisation from PAYONE through the relevant
Card issuer for each transaction, regardless of the transaction amount. For each Au-
thorisation request made by the Merchant, the relevant data requested by PAYONE
shall be delivered. The data must comply with the standards for content, format, and
method of transmission agreed upon by PAYONE and the Merchant for each given cir-
cumstance. When the Authorisation for the transaction is issued by the relevant Card
Issuer, PAYONE shall issue the Merchant an authorisation code. If the Merchant is not issued
Authorisation for a transaction, the Merchant shall contact the PAYONE authorisation
service. If the Merchant is not issued Authorisation for a transaction, the Merchant is not per-
mitted to resubmit this transaction for Authorisation. The Merchant is also not permitted,
in particular, to divide a transaction into multiple partial amounts in order to receive Authorisation in this way.

(2) When requesting Authorisation, the Merchant shall truthfully declare in a
manner specified by PAYONE for each given situation whether the Transaction origi-
nated via E-Commerce or Mail Order, specifically by indicating the relevant merchant
number.

(3) With regard to face-to-face business, as far as a manually issued transaction re-
eceipt is valid according to the GTaCs, or contactless payment cards are being used, Au-
thorisation is not required if the total amount is less than the limit for transactions
without Authorisation applicable (Floor Limit) in the relevant countries. With contact-
less payment cards, cardholder legitimisation by signature or entry of correct PIN is not
necessary if the Floor Limit is not exceeded. In any other case, PAYONE reserves the
right to charge back the card transaction in case of the authorised cardholder con-
testing issuing the instruction. The total amount is the aggregate of all sales which (a)
have been made on the same calendar day at the same cash register of the Merchant
with the same payment card, or (b) apply to the same Service (Service of the Merchant to
the Cardholder) even if the sale is made at another cash register of the Merchant.
Therefore, it is particularly not allowed to reduce the card sales below the limit by is-
buing multiple transaction receipts. Undated transaction receipts are generally prohib-
ited. If specific cash registers are not indicated on all transaction receipts, all receipts
from one day shall be considered as receipts from one single cash register. The limit for
transactions without Authorisation is the amount fixed in the Agreement. PAYONE shall
be entitled to modify the amount at any time based on reasonably exercised discretion
(BGB Section 315) through notification of the Merchant (including reduction to zero),
especially if the Card Organisations make corresponding changes. The Merchant shall
be responsible for the correct entering of data in the POS Device.

6 CREDIT BOOKINGS

(1) The Merchant may issue refunds by means of a credit booking for Services for
which a Transaction Deposit has been made. With regard to face-to-face business, the
Merchant may issue credit bookings in the form of a credit voucher, the original of
which shall be delivered to the Cardholder. The credit booking document is non-in-
lawful and includes the legally binding signature of the Merchant. This shall be provided to
PAYONE within 10 business days after issuance. A credit booking in the case of Payment
Cards, as defined in Section 4.6 sentences 4 and 5, may only be issued by use of the POS
Device.

(2) Credit bookings for transactions where no prior corresponding Transaction De-
posit has been made are not permitted. Credit bookings for transactions where the
Cardholder has already initiated a chargeback are also not permitted, PAYONE shall
delete any such credit bookings immediately.

(3) The Merchant shall pay PAYONE the credit booking amount and the service fees
resulting from the issuance of a credit booking. PAYONE is entitled to set off the owed
amount against outstanding claims of the Merchant. Provided that the Merchant issues
payment as set out in sentence 1 or amounts owed are offset according to sentence 2,
PAYONE shall instruct the Card Issuer to issue the amount of the credit booking to the
Cardholder’s account.

7 PAYMENT CLAIM OF THE MERCHANT, TRUST AGREEMENT

(1) PAYONE is obligated to immediately provide the Merchant with the transaction
amounts for all Transaction Deposits subject to the chargeback rights in Section 11.2
and subject to any set off conducted after such transaction amounts have been previ-
ously deposited into the account of PAYONE. The payment period for Merchant claims
according to sentence 1 is defined in Section 10.2.

(2) On behalf of the Merchant as the trustee, the Transaction Deposits received on the
PAYONE account according to Section 7.1 as well as the credit booking amounts
received from the Merchant according to Section 6.3 shall be deposited by PAYONE as
the trustee in one or more trust accounts at one or more credit institutions. These trust
accounts shall be managed in PAYONE’s name as open trust accounts under the
meaning of the German Payment Services Regulatory Act (ZAG) Section 17 para. (1) (2)
(1b). These accounts may also be managed as trust collective accounts. PAYONE shall
ensure that the received payment amounts as described in sentence 1 are attributable
at all times in terms of accounting to the Merchant and at no time shall they be com-
bined with funds of other private individuals or legal entities other than the respective
service user for which they are held. PAYONE is permitted to withdraw amounts from the
trust accounts that correspond to claims in favour of PAYONE against the Merchant.
At the Merchant’s request, PAYONE shall provide the Merchant with the following infor-
mation: at which credit institution and on which trust account the received payment
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2/10
amounts as described in sentence 1 are deposited; if the credit institution, at which the received payment amounts as described in sentence 1 are deposited, belongs to an organisation which promotes the security of depositor and investor claims; and to which extent these payment amounts are safeguarded by this organisation.

(3) If requested by PAYONE, the Merchant shall at its own cost register on and, if applicable, file with the PCI DSS Platform within 14 days of receiving theMerchant number according to the provisions of the current programmes Mastercard Site Data Protection (SDP) and Visa Account Information Security (AIS) pursuant to the PCI-DSS (Payment Card Industry Data Security Standards) used by the Card Organisations (including Mastercard Inc. and Visa Inc., Visa Europe) to protect against unauthorised access to and compromising of Card Data and to prove PCI Compliance.

(4) The Merchant shall implement all measures to prevent misuse (including the prevention of the improper use of Card Data) as informed by PAYONE and which are deemed necessary according to reasonably exercised discretion to reduce the risk of misuse. In addition, the Merchant is obligated to apply special procedures to prevent misuse if such are introduced by Card Organisations as mandatory and PAYONE communicates such to the Merchant. All costs related to the procedures set out in this Section 7.4 shall be borne by the Merchant.

(5) The performance of duties set out in Sections 7.1 shall be made based on an individual contractual payment obligation of PAYONE to the Merchant, not tied to the payment order of the Cardholder, and not as settlement of the claim of the Merchant against the customer.

8 ASSIGNMENT OF RIGHTS OF THE MERCHANT

In order to facilitate the collection of the respective payments of the Card Issuers (directly or through the Card Organisations) by PAYONE, the Merchant hereby assigns to PAYONE all rights of the Merchant against the customer or Cardholder arising from Services which are made by the use of Payment Cards as well as all claims against the Card Issuers, which may arise in conjunction with the use of the Payment Card. PAYONE accepts the assignment. The assignment of each claim shall become valid upon receipt of the Transaction Deposit by PAYONE.

9 SERVICE FEES/CLAIMS FOR REIMBURSEMENT OF EXPENSES OF PAYONE/CHARGING-ON OF PENALTY FINES

(1) PAYONE shall receive service fees from the Merchant as compensation for the services provided by PAYONE, where some fees must be paid by PAYONE to the Card Organisations (Card Scheme Fee) and the Card Issuers (Interchange). The service fees set out in the Agreement consist a) in the Discount Percentage Model of a discount percentage rate and/or a transaction fee charged on each transaction, b) in the Interchange Plus Model of the actual charged Interchange, the service fee or transaction fee and c) in the Interchange Plus Plus Model of the actual charged Interchange, the fees of the Card Organisations (Card Scheme Fee) as well as the service fee or transaction fee.

In addition to that, in all price models additional service fees apply, e.g. for credit bookings, transaction cancellations, chargebacks, etc. The amount of the service fees is contingent on, inter alia, the respective requirements of the Merchant according to Section 10.2 and Section 2 pertaining to the time at which PAYONE should begin the transfer of amounts due under Sections 7.1. Deviant to BGB Section 675 para. 5 (2), the charging of remuneration for the fulfilment of secondary obligations according to BGB Sections 675f and 676c shall be allowed. All payments due to PAYONE are exclusive of value added tax provided that the service at the respective place of performance is deemed to be subject to VAT.

(2) The Merchant shall reimburse PAYONE for all expenses incurred in conjunction with the performance of the Agreement, if deemed necessary by PAYONE according to the circumstances. In this meaning, expenses are specifically but not exclusively

a. fees charged by the Card Organisations to PAYONE as far as such fees are associated with the performance of the Agreement,

b. fees charged by the Card Organisations for listing the Merchant in special merchant programmes. The claim for reimbursement of expenses does not apply where PAYONE has acted negligently. BGB Section 254 shall apply in this case.

(3) The Merchant shall refund PAYONE all expenses related to penalty fines charged by the Card Organisations to PAYONE in association with the performance of the Agreement, as far as PAYONE has reason to assume based on the circumstances that these penalty fines were caused by the Merchant’s transactions, which represent a culpable breach of contract, or by a culpable act and/or wrongful omission of the Merchant and were assessed by the Card Organisation according to the policies in their rules and regulations. This shall particularly – but not exclusively – apply to penalty fines that are assessed by the Card Organisation for the following acts of the Merchant: the submission of illegal or brand-damaging transactions, for the submission of third-party transactions contrary to the rules and regulations, for exceeding charges or fees, for non-registration and/or non-certification according to the PCI-DSS standards or for compromising of Card Data in the Merchant’s system or in the system of third parties instructed by the Merchant. In place of reimbursement, PAYONE is even entitled to request execution regarding an obligation entered into in this context. The refund or release from obligation shall not exist as far as the assignment of a penalty fine is attributable to a culpable act of PAYONE. In such case, BGB Section 257 shall apply.

The Merchant is obliged to provide the information required for the defence against the penalty fine without delay, or at least timely enough that PAYONE is able to object to the assignment of the penalty fine within the deadline set by the Card Organisations. Based on the information provided by the Merchant, PAYONE shall take action against the assignment of the penalty fine within the framework of defence procedures provided for by law or before an arbitration committee.

PAYONE shall only pursue a defence against the assignment of penalty fines in a court of law or before an arbitration committee, if the Merchant requests such from PAYONE expressly in writing and if the Merchant provides an advance or security for the anticipated costs incurred if referred to a defense in a court of law or before an arbitration committee. In the case of arbitration or court proceedings, the Merchant shall bear the risk of not winning the case.

(4) PAYONE has the right to deduct service fees owed to it according to Section 9.1 as well as the reimbursement of expenses owed to it according to Sections 9.2 and 9.3 from PAYONE payable amounts owed to the Merchant according to Section 10. In the case that such deduction is not possible, the Merchant shall pay the service fees and the reimbursement of expense to PAYONE upon request.

(5) The agreed service fees apply based on the average transaction amount per month (total value of all transactions divided by the number of transactions) indicated by the Merchant at the conclusion of the Agreement or according to an agreed amendment. If such amount has not been reached for more than one month, PAYONE is entitled to adequately adjust the fee by increasing the service fee or by agreeing upon a separate transaction fee. The same shall also apply if the amount of approved chargebacks by PAYONE in one month exceeds one per cent (1%) of the value of the Transaction Deposits in the same month.

(6) The costs incurred by the Merchant for the implementation of a Special Security Procedure shall be borne by the Merchant (including transmission costs).

(7) PAYONE is entitled to reasonably modify service fees during the term of the Agreement if the material cost factors have changed and the changes are reasonable for the Merchant under consideration of PAYONE’s interests. This is particularly applicable if the Card Organisations introduce new or higher fees or higher Interchange Fees. PAYONE shall inform the Merchant of such modification in writing.

10 STATEMENTS/PAYMENTS TO THE MERCHANT

(1) PAYONE provides the Merchant with a statement on the deposited card transactions and the service fees to be paid by the Merchant either on the account statement in electronic form as a PDF file, or, as a special service, on paper. The reference number for each transaction, the amount of the card transaction, the amount of the service fees and Interchange are provided at least once a month in the PAYONE Service Portal. The Merchant shall promptly verify all statements from PAYONE as to correctness and completeness. Any complaints must be made in writing and within a 28-day period following receipt of the statement by the Merchant. Dispatch in good time shall suffice. Failure to issue complaint in good time shall be deemed as approval, as far as PAYONE expressly notified the Merchant in the respective statement that failure to issue complaints within 28 days of receipt of the statement is deemed as approval. Corrections by PAYONE shall not be excluded after the lapse of the 28-day period.

(2) PAYONE shall pay the amounts owed to the Merchant according to Sections 7.1 by transfer to the account indicated by the Merchant in the Agreement. PAYONE shall begin transfer of payment on the date indicated to PAYONE by the Merchant in each case. As far as the Merchant is inactive or does not inform PAYONE reserves the right to suspend the Agreement and services arising from this Agreement until renewed identification of the Merchant has been performed according to the German Money Laundering Act (in particular verification of the bank details and the ownership structure of the Merchant). The Merchant shall be notified in this respect. Any delays resulting from the above shall be accepted by the Merchant to a reasonable extent.

(3) For the completion of the payment transfer according to Section 10.2 and in accordance with BGB Section 675s para. 1 (4), a deadline of one business day after the date indicated in Section 10.2 sentence 2 shall be agreed upon.

(4) The transfer of payment according to Section 10.2 shall be made in Euro (EUR) provided that no other transaction currency has been agreed upon. If the currency of the amount deposited in the account of PAYONE according to Section 7.1 differs from the currency in which the payment transfer was initiated according to sentence 1, the currency shall be converted based on the schedule of prices for the respective indicated reference exchange rate.

11 CHARGEBACK RIGHTS OF PAYONE/HANDLING OF COMPLAINTS

(1) All payments by PAYONE to the Merchant shall be subject to chargebacks. If PAYONE made a payment to the Merchant even though the Merchant held no claim to such payment, PAYONE may request repayment or may apply such to payment obligations of PAYONE.

(2) PAYONE shall be entitled to charge back a Merchant’s transaction, if

a. PAYONE had no obligation to provide the relevant transaction amount regardless of whether PAYONE was aware of such or not, or

b. the transaction amounts, which were deposited in the account of PAYONE and were provided to the Merchant, were reimbursed to PAYONE by the Card Issuer or Card Organisation (e.g. due to a reimbursement claim by the Cardholder in accordance with BGB Section 675s or 675t).

(3) With regard to face-to-face business, a chargeback according to Section 11.2 is excluded if all of the following specified conditions (and not merely some) are met (condition precedent under the meaning of BGB Section 158 para. 1):

a. the acceptance of payment was permitted under Section 3,
b. the Payment Card was physically presented to the Merchant (acceptance of payment via mail, telephone, fax or Internet is not permitted under the Agreement),

c. the Payment Card was valid, i.e. the date of the signing of the transaction receipt fell within the period in which the payment card is valid,

b. the existed securities have lost value or are in danger of losing value.

d. the payment Card is not on a ban list or has not been declared void to the Mer-

merchant through any other form of communication,

e. the Merchant matched the photograph, if any, on the Payment Card with the person that presented the Payment Card,

f. if it was not apparent that the presented Payment Card had been modified or ren-

nered unaesthetical,

g. if a special verification is to be conducted, this was conducted and had a positive result,

h. the Merchant has issued two copies of the transaction receipt from a POS Device (without manual entry of Card Data) or, if allowed, has made three copies of the transaction receipt with an imprinter which contains at least the Card Number (or if so directed by PAYONE, a part thereof), the period of validity, and the name of the Cardholder in a complete, correct and legible manner and which shows the gross price of the Service, the date of the transaction receipt as well as the com-

pany name, address and PAYONE Merchant number of the Merchant; the Card-

holder was provided with a copy of the signed transaction receipt,

i. the person who presented the Payment Card has signed the front of transaction receipt in the presence of the Merchant, the Merchant matched such signature with the signature on the back of the payment card; For Payment Cards with chip and PIN, the Cardholder is required to enter his personal identification number (PIN) instead of providing a signature; for URI, both entry of the PIN and signature are required,

j. the Merchant received an Authorisation for the relevant transaction through PAYONE (except in cases set out in Section 5.3),

k. the transaction is expressed in Euro or another currency permitted in the Agree-

ment,

l. the correct Transaction Deposit shall be made no later than 5 days after issuance of the transaction receipt in accordance with the provisions of Section 4; in the case of Maestro, V Pay, URI and other Payment Cards with chip and PIN, the dead-

time shall begin at the execution of the transaction,

m. in the event of improper usage, the misuse would still have been possible even if the procedure set out in Sections 7.4 and 7.5 had been applied; PAYONE carries the burden of proof to demonstrate that this is not the case. Improper usage also occurs when the Payment Card is not used by the Cardholder or without his per-

mission or if the Payment Card has been forged or falsified,

n. the Cardholder does not request cancellation of the charge to his card account in writing stating that

(i) the Service has not been provided at all or not provided to the agreed upon delivery address or not provided by the agreed upon time because the Mer-

chant was unwilling or unable to provide the Service, or

(ii) the Service did not comply with the written description on the transaction receipt or another document provided at the time of the purchase and the Cardholder returned the merchandise to the Merchant or cancelled the Ser-

vices, or

(iii) the delivery was defective or damaged upon arrival, unless in the case of i) through iii) the Merchant provides evidence of the proper performance of Services by submitting documentation within 15 days after receiving a re-

quest for such by PAYONE,

o. the Merchant provided, properly and in good time, the documentation specified in Section 18 to PAYONE according to a request made by PAYONE within the time period set out in Section 18,

p. the Payment Card was read by a POS Device with EMV approval and PCI certifica-

tion.

(4) A chargeback is made in addition to the service fees for a chargeback. The charge-

back amount may be set-off against due payment claims of the Merchant. If a set-off is not possible, the Merchant is obliged to promptly pay the chargeback amount. After settlement of all obligations of the Merchant, PAYONE shall reassign to the Merchant any possible claims of the Merchant against the Customer or the Cardholder under-

lying the chargeback. The Merchant shall not be entitled to a refund of the service fees incurred with the chargeback in the case of a chargeback because PAYONE per-

formed the service compensated by such fee.

(5) The Merchant shall deal with complaints made by the Cardholder regarding Ser-

vices directly with the Cardholder. If a chargeback has been validly made, the Merchant shall pursue payment claims directly against the Cardholder.

(6) The chargeback rights of PAYONE against the Merchant shall not be restricted by the issuance of an authorisation code or by BGB Section 675 para. 2.

(7) PAYONE is entitled in the event of a chargeback for a specific transaction, which is part of recurring payments, to undertake a chargeback of all other transactions of the Merchant with the relevant Customer as long as the Merchant has not proven that the conditions for a chargeback pursuant to Section 18 do not apply.

12 CREATION OR STRENGTHENING OF SECURITIES

(1) PAYONE may request the creation of bank-like securities for all claims arising from the agreement and also in the event that the claims are conditional (e.g. the claims for reimbursement of expenses according to Sections 9.2 and 9.3).

(2) If PAYONE did not receive, in part or in whole, the creation of securities or the strengthening of securities when the claim against the Merchant arose, PAYONE shall nevertheless be entitled to request backing at a later date. This shall only be admissible if circumstances arise or become known that justify an increased risk assessment of claims against the Merchant. This is particularly the case, when

a. the Merchant’s economic circumstances have worsened or are in danger of wors-

ening

b. the existing securities have lost value or are in danger of losing value.

(3) PAYONE shall provide the Merchant with a reasonable deadline for the creation or strengthening of securities.

13 RIGHTS OF LIEN

(1) The Merchant and PAYONE agree that PAYONE shall have a right of lien on all claims which the Merchant has - or may have in the future - against PAYONE based on the Agreement, including these General Terms and Conditions (e.g. claims according to Sections 7.1).

(2) The right of lien serves as security for all current, future and conditional claims which PAYONE is entitled to against the Merchant based on the business relationship (e.g. chargeback claims according to Section 11 as well as claims for service fees and reimbursement of expenses according to Sections 9.1, 9.2 and 9.3).

(3) Should PAYONE retain payment amounts based on the right of lien according to Section 13.3 and should the Merchant have claim to such payment amounts, PAYONE shall make an interest-bearing investment as long as such investment can be achieved with reasonable effort. PAYONE shall provide the Merchant with the interest earnings under the meaning of this Section 13.3.

14 WITHDRAWAL OF PAYMENT CARDS IN FACE-TO-FACE BUSINESS

(1) If (a) when requesting Authorisation the terminal display shows "withdraw card" or a similar statement, or (b) there is otherwise suspicion that a presented Payment Card was forged or falsified, or (c) the signature on the presented Payment Card does not match the signature on the transaction receipt, or (d) the person presenting the card does not resemble the photograph on the Payment Card, or (e) the Card Number or validity date on the Payment Card does not coincide with the electronically issued transaction receipt, or (f) the four-digit number imprinted under the Card Number does not coincide with the first four numbers of the Card Number, the Merchant shall immediately inform PAYONE of such by telephone before return of the Payment Card to the customer. PAYONE may request that the person presenting the card show a valid identity card with photograph to the Merchant. Upon request by PAYONE, the Mer-

chant shall attempt to retain or withdraw the Payment Card.

15 ACCEPTANCE INFORMATION

With regard to Distance Sales, the Merchant shall make signs indicating card accept-

ance clearly visible on its website, in its offers (e.g. catalogues) and advertising pro-

spectuses. With regard to face-to-face business, the Merchant shall install the adver-

tising material provided by PAYONE in a clearly visible position in its place of business.

16 INFORMATION DUTIES OF THE MERCHANT/ COMMUNICATION TO THIRD PARTIES/INVOLVEMENT OF THIRD PARTIES BY THE MERCHANT

(1) The basic data to be listed in the appendices to the Agreement shall be completed by the Merchant in full and correctly.

PAYONE must be promptly notified of any significant changes, particularly

a. a sale or leasing of the company or any other change of ownership,

b. change of address or bank account,

c. change of legal form or the name of the company,

d. changes to the product portfolio,

e. changes to the beneficial owner within the meaning of German Money Lau-

ndering Act (GwG) Section 3,

f. changes of VAT identification number of the company or its subsidiaries.

(2) The Merchant shall provide PAYONE with certified copies of any requested docu-

ments (e.g. commercial register extracts, other register extracts, trade licences, articles of association, print-outs of the applicable Internet websites, annual accounts) and translations of the documents if such are in languages other than English or German. The Merchant shall disclose information regarding the organisation of its business op-

erations (including security procedures) upon request by PAYONE, including informa-

tion that PAYONE deemed necessary to transmit to the Card Organisations.

(3) The Merchant shall permit PAYONE upon request to inspect its business premises within usual business hours personally or by a third party commissioned by PAYONE to enable PAYONE to monitor compliance with the provisions of the Agreement.

(4) In order to verify any contractual breaches with other acquirers or Card Organisa-

tions, PAYONE is entitled to transmit the basic data as well as in Distance Sales data.

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4/10
regarding the Merchant’s website to information agencies set up for this purpose. The same applies to contractual breaches by the Merchant that entitle PAYONE to termi-
nate the Agreement. The Merchant hereby declares its consent.

(5) Furthermore, for the purposes of the organisational and technical support of the Merchant, PAYONE is entitled to transmit to the Merchant’s account-holding bank such technical information as well as such settlement data (and data the account-holding bank is already in possession of) that the account-holding bank needs in order to com-
prehensively support the Merchant regarding payment transactions.

(6) The Merchant shall not be entitled without receiving prior consent from PAYONE to contract third parties to fulfil any obligations of the Merchant arising from the Agreement. Such third parties must assume the obligations set out in Sections 16.2 and 16.3 and the Merchant shall provide evidence of such. The Merchant shall remain fully liable in all cases for the fulfilment of the Agreement. In regards to card acceptance, the Merchant shall only contract third parties if they are registered as “Merchant Agent” with Visa Europe / Visa Inc. and “Service Provider” with Mastercard and fulfil all re-
quirements of the Card Organisations as well as PCI DSS Standards and such third par-
ties declare to the Merchant they shall fulfill all such requirements.

(7) The Merchant is obliged to notify PAYONE immediately in writing of a change in
saving, processing and transmitting credit card data on its own systems.

17 INFORMATION DUTIES OF PAYONE
The information duties resulting from RgS Section 675d para. 1(1) in conjunction with Art. 248 EGBGB Sections 1 - 12, 13 para. 1 (3)-5 and Sections 14 - 16 (EGBGB: Introduc-
tory Act to the German Civil Code) shall be excluded.

18 DOCUMENTATION AND STORING OBLIGATIONS
(1) The Merchant shall store the following data and documentation electronically or in writing for each Transaction Deposit:
   a. for E-Commerce, all data transmitted by the customer except the Card Verifica-
tion Number,
   b. for Distance Sales by mail or fax, all documents transmitted by the customer,
   c. for Distance Sales by telephone, the date and the time of the telephone call, the
   person who received the instruction to charge the card account, and the content
   of the order but not the Card Verification Number,
   d. for face-to-face business, all documents related to the Service including any
copies of the transaction receipts.

(2) The Card Verification Number shall be deleted after the Authorisation request has
been made.

(3) The Merchant shall safeguard the data and documents specified in Section 18.1 for a period of at least thirteen (13) months after the Transaction Deposit unless dele-
tion is required by law. The data and documents shall be made available at any time to
PAYONE upon request for inspection by PAYONE during this time period in paperformat or in a format which can be deciphered by customary standard software. Any further statutory storing obligations of the Merchant remain unaffected.

19 TERM/TERMINATION RIGHTS OF PAYONE/SUSPENSION
In the event of the agreement of an unlimited term, Section 19.1 a) shall apply. In the event of the agreement of a limited term, Section 19.1 b) shall apply.

(1) a. The Agreement shall be concluded for an unlimited period of time. The Agree-
ment may be terminated by both parties at any point in time with a no-
tice period of 30 calendar days.
   b. The Agreement shall be concluded for the term set out in the Agreement. The
   Agreement may be prematurely terminated by PAYONE with a notice period of
   one month if the Merchant does not make any Transaction Deposit within 6 months
   after the commencement of the Agreement.

The term of the Agreement shall be extended by 12 months respectively after expiry of the period specified in Section 19.1 b) sentence 1 unless terminated 3 months prior to expiry by the Merchant or PAYONE in writing. The Merchant shall be obligated to terminate the Agreement at any time according to RgS Section 675h para. 1. Is excluded. A premature termination for the purpose of a change to the Agreement’s conditions pursuant to Section 32.6 remains unaffected. The Merchant shall comply with the obligations set out in the Agreement until the end of the termination notice period.

(2) A termination without notice based on important reasons shall be permitted at any time. Important reasons for termination by PAYONE include but are not limited to the following:
   a. if, at the time of the signing of the Agreement, the Merchant provided false infor-
mation regarding its business operations or the Services offered, particularly if PAYONE were not made aware that such Service includes erotic content or it did not inform PAYONE of subsequent changes;
   b. if PAYONE becomes aware of adverse financial circumstances of the Merchant or
   any other adverse circumstances which make it unreasonable for PAYONE to
   maintain the Agreement;
   c. if there exists the suspicion or knowledge of repeated misuse of the processing
   system through requests for Authorisation not based on a card transaction;
   d. if the Merchant has transmitted transactions with stolen or lost Payment Cards
   repeatedly within a one month period and the Merchant is not able to prove that
   the Merchant cannot be accused of breach of contract;
   e. if the amount validly charged back by PAYONE per card type in one calendar
   month exceeds one percent (1%) of the value of the Transaction Deposits, or the
   number of chargebacks per card type exceeds 50 basis points (0.5%) of the
   amount of transactions in the previous month;
   f. if the Merchant repeatedly or with obvious repetitive intent requests the Author-
isation of transactions for which PAYONE has no payment obligation or makes
Transaction Deposits without Authorisation;
   g. if the Merchant grossly violates the terms of the Agreement in any other way;
   h. if the Merchant does not fulfil its obligations to create or strengthen securities as
set out in Section 12.2 of these General Terms and Conditions, or based upon any
other agreement, after prior written warning within the reasonable deadline set by PAYONE;
   i. if the Merchant does not fulfil its obligation upon request by PAYONE to install an
EMV certified POS Device within the deadline;
   j. if penalty fees are imposed upon PAYONE by a Card Organisation or the imposi-
tion of penalty fees has been threatened and the imposition or threatening of
such is attributable to Merchant;
   k. a Card Organisation requests the termination of card acceptance via the Mer-
chant;
   l. if the Merchant does not implement a compulsory Special Procedure, particularly
3D Secure or another procedure introduced as compulsory by PAYONE;
   m. if, in breach of the obligation stipulated in Section 22.8 e), the Merchant does not
cooperate with PAYONE and the responsible law enforcement authorities in the
event of major payment security incidents;
   n. if the Merchant is in breach of the obligations specified in no. 22.9.

(3) If there are grounds to suspect facts, which would entitle PAYONE to terminate the Agreement, PAYONE is entitled to suspend the execution of the Agreement (par-
ticularly the Authorisation of transactions and payment of deposited transactions) until the suspicion has been cleared. If it is possible to lift the suspension by providing infor-
mation or documents, for example, PAYONE shall inform the Merchant in this respect.

(4) In the event of termination of the Agreement, the Merchant shall return to
PAYONE upon request all voucher forms, documents, equipment as well as advertising
material provided by PAYONE. In addition and without request, the Merchant shall re-
move all indications of card acceptance unless otherwise entitled to use.

20 CONFIDENTIALITY, DATA PROTECTION, PCI AUDIT
(1) The contract parties undertake to keep strictly confidential all confidential infor-
mation made available to them within the scope of the Agreement by the respective
other party or the Cardholder and to not make such accessible to third parties. This
shall not apply to third parties under the meaning of Sections 16.5 and 16.6, which
shall be obligated to maintain the confidentiality of such information by the Merchant.
Information shall be deemed to be particularly confidential if such constitutes opera-
tional and/or business secrets of either contract party as well as non-anonymous infor-
mation regarding the Cardholders. The Merchant is obliged to inform its customers
(cardholders) in a transparent manner about PAYONE’s data processing in accordance
with the General Data Protection Regulation (GDPR) Art. 14, taking into account the
Information on data processing in the context of payment handling by PAYONE GmbH
pursuant to the General Data Protection Regulation (GDPR) Art. 14, which can be

(2) PAYONE processes the personal data collected directly by the Merchant for the
purpose of executing the contracts concluded with the Merchant and the services as-
sociated with them. Other purposes for processing this personal data by PAYONE in-
clude fraud prevention, audits pursuant to the Act on the Detection of Proceeds from
Serious Crime, detection and prevention of violations of directives or applicable terms
and conditions, credit checks, protection of its own IT infrastructure, improvement of
services by optimising usability, verification of creditworthiness and solvency, and mar-
keting.

(3) Any processing necessary for the fulfilment of primary and secondary service ob-
ligations shall be carried out on the legal basis of GDPR Art. 6 para. 1b) (performance of
the contract). The processing required for fraud prevention and audits in accordance
with the Act on the Detection of Proceeds from Serious Crime takes place on the legal
basis of GDPR Art. 6 para. 1c) (legal obligation). Processing of personal data for mar-
keting purposes shall only take place with the Merchant’s prior consent. Consent al-
ready given can be revoked by the Merchant at any time. Other data processing for the
aforementioned purposes is carried out on the legal basis of GDPR Art. 6 para. 1f) (le-
gitimate interests). The legitimate interest of PAYONE is economic security, as well as
monitoring compliance with the agreements applicable between the contract parties.

(4) In the course of processing, the personal data is also passed on in whole or in part
to banks and financial service providers, card schemes, web crawling service providers,
authorities and credit agencies.

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PAYONE shall be liable to the Merchant for intent and gross negligence. In regard to other negligent acts, PAYONE shall be exclusively liable for:

- b. as far as obligations that allow for the overall proper performance of the Agreement, and compliance with such obligations is normally relied upon by the other party and may be relied upon, have been violated in a slightly negligent manner, liability shall be limited, which normally and typically may be expected to occur under similar circumstances and which cannot be controlled by the other party.

23 LIABILITY

23.1 In regards to the liability of PAYONE in the event of non-occurring, incorrect or delayed execution of a payment transaction, the following shall apply:

- a. PAYONE shall be liable in accordance with BGB Section 675y only for wilful and grossly negligent breaches of obligations during the execution of payment transactions. All other liability under BGB Section 675y is excluded.

23.2 In regards to the liability of PAYONE for breached obligations other than non-occurring or incorrect execution of a payment transaction, the following shall apply:

- a. PAYONE shall be liable to the Merchant for intent and gross negligence. In regard to other negligent acts, PAYONE shall be exclusively liable for

   - i. personal injury
   - ii. damages, for which PAYONE is responsible according to a guarantee for characteristics or according to German Product Liability Act, as well as
   - iii. damages due to a breach of principle obligations which endangers the attainment of the object of the Agreement or its fulfillment as such principle obligations allow for the proper execution of the Agreement and may normally be relied upon by the Merchant (Cardinal Obligations).

24 E-COMMERCE

24.1 The Merchant shall ensure that the Card Data, including the Card Number, validity date and Card Verification Number, if necessary, are only transmitted in the encrypted form permitted by PAYONE in each instance. Credit card data may only be received and transmitted via SSL or another similar encryption algorithm (at least 128-bit SSL encryption).

24.2 Offers of the Merchant shall be designed in a manner which does not create the impression that the Card Organisations are offering or providing the Service.

24.3 The Merchant is under obligation, also to PAYONE, to comply with all provisions of the law, particularly regarding Distance Sales.

24.4 The Merchant agrees that the Internet address indicated in the Agreement shall appear on the card statement of the Cardholder.

24.5 Any other Internet addresses of the Merchant aside from the one indicated in the Agreement which will be used for processing the Merchant’s Services shall be promptly communicated to PAYONE.

24.6 The Merchant shall ensure that the Cardholder is clearly informed at the time of the payment transaction as to which Internet address will appear on the card statement. If this address differs from the address indicated in the Agreement, the Merchant shall ensure that an indication, link or forwarding address to the address used for the order appears at the site of the card statement address.

24.7 The Merchant shall clearly and explicitly provide the following information on a website, which can be reached via the Internet address indicated in the Agreement:

   - a. complete name and address, registered office, company number as stipulated in the commercial register, location of the commercial register and all other information which is required by law to be stated on business documents in the country of the Merchant’s office from which it offers Services;
   - b. the terms of delivery, in particular agreements pertaining to revocation rights or right of return as well as the processing of credit bookings;
   - c. all fees due for the Services of the Merchant, including compensation for shipping, packaging and taxes;
   - d. if the Merchant ships abroad, all possible countries of destination and any special delivery terms;
   - e. the currency in which the Services shall be invoiced, no later than the time of the order placement;
   - f. indication of customer service with complete address, including all contact information;
   - g. the Merchant’s policy for the use of customer data and the transmitting of Payment Card information;
   - h. any available security procedures.

24.8 The Merchant is obliged

   - a. to express prices only in currencies which are permitted by PAYONE for Transaction Deposits;
   - b. in the event of recurring Services, to provide the Cardholder with simple options to give notice of termination online provided that termination is possible according to the Merchant’s terms or a compulsory provision of the law. An online termination or cancellation procedure must be as least as simple and accessible as the procedures to place the original order;
   - c. in the event of trial use of its website/Service, to inform the Cardholder promptly as to when the trial use period ends with precise information regarding the start of payment obligations and the termination options available to the Cardholder, if applicable;
   - d. if he offers his customers direct access to other businesses (links), to clearly indicate the change of site;
   - e. in addition to the obligations specified in Sections 20.7 and 20.8, if the Merchant stores, processes or communicates Payment data, to cooperate with PAYONE and the responsible law enforcement agencies in the event of major payment security incidents including data protection breaches.
9. If the Merchant handles sensitive payment data, i.e. if he stores, processes or transfers such data, he is also obliged to take the following measures in addition to the requirements specified in Sections 20.7 and 20.8:

a. In designing, developing and maintaining his websites and shop systems, the Merchant must pay special attention to the adequate segregation of duties in information technology (IT) environments (e.g. the development, test and production environments) and the proper implementation of the least privilege principle as the basis for sound identity and access management. Each program must run and each authorised user of the system must work with only those privileges required to perform the work duties.

b. The Merchant must have appropriate security solutions in place to protect networks, websites, servers and communication links against misuse or attacks. The Merchant must strip the servers of all superfluous functions in order to protect (harden) them and eliminate or reduce the vulnerabilities of applications at risk.

Access by the various applications to the data and resources required must be kept to a strict minimum following the least privilege principle. In order to restrict the use of ‘false’ websites (imitating legitimate Merchant sites), transactional websites where internet payment is accepted must be identified in the Merchant’s name or by other similar authentication methods.

c. The Merchant must have appropriate processes in place to monitor, track and restrict access to: i) sensitive payment data, and ii) logical and physical critical resources, such as networks, systems, databases, security modules, etc. The Merchant must create, store and analyse appropriate logs and audit trails.

d. In designing, developing and maintaining websites and shop systems, the Merchant must ensure that data minimisation is an essential component of the core functionality: the gathering, routing, processing, storing and/or archiving, and visualisation of sensitive payment data must be kept at the absolute minimum level.

e. Security measures for websites and shop systems must be tested under the supervision of the risk management function to ensure their robustness and effectiveness. All changes must be subject to a formal change management process ensuring that changes are properly planned, tested, documented and authorised. On the basis of the changes made and the security threats observed, tests must be repeated regularly and include scenarios of relevant and known potential attacks.

f. The Merchant’s security measures for his websites and shop systems must be periodically audited to ensure their robustness and effectiveness. The implementation and functioning of the websites and shop systems must also be audited. The Merchant must ensure that data minimisation is an essential component of the core functionality: the gathering, routing, processing, storing and/or archiving, and visualisation of sensitive payment data must be kept at the absolute minimum level.

g. Whenever the Merchant outsources functions related to his websites and shop systems, the contract must include provisions requiring compliance with the principles and guidelines set out in these GTAs.

10. If the Merchant operates websites in languages other than German or English, it shall provide to PAYONE a German or English language translation for such websites upon request and unrequested for subsequent changes.

11. If the Merchant operates businesses, which require government permits according to the applicable law for all users or specific users (such as minors), including but not limited to gambling, lottery, bets or similar, the Merchant shall prove to PAYONE that the permit has been granted and is still valid. To the extent that a permit has not been granted for particular countries where the Merchant is offering its Services or the respective Service is generally prohibited or the Merchant is not aware of the legal situation, all interested parties shall be clearly notified of such.

12. Verified by Visa (VPV) and Mastercard SecureCode (MSC), collectively referred to as “3DSecure”, are considered “Special Security Procedures” in the context of the GTAs and must be introduced for E-Commerce transactions. They enable authentication of the Cardholder and protection against card misuse. When applying this security procedure via a payment system approved by PAYONE, Cardholder chargebacks based on the argument “transaction not authorised by cardholder” shall no longer be possible (liability shift). This is also applicable if the Cardholder and the Cardholder’s bank do not participate in the security procedures. The liability shift in such cases is applicable to private credit cards worldwide and to business and company credit cards throughout Europe. The Merchant shall be responsible for the technical implementation of Special Security Procedures. The following requirements shall be established in advance with the payment service provider:

- The technical requirements have been established. The correct identification of transactions has been established in the Internet shop.
- The necessary registration for a connection with Visa and Mastercard was conducted by the payment service provider and confirmed.
- The procedure was activated by PAYONE (Agreement).
- The security procedures are to be applied to every payment.

- For Maestro-payments, in addition to the Merchant, the Cardholder and the card-issuing bank must also participate in Mastercard SecureCode procedure.

23 MAIL ORDER

Sales from the Mail Order agreement are exclusively conducted via Mail Order/telephone order. The Merchant shall undertake not to charge for sales for which payment data has been received via the Internet (including email systems).

24 GIROPAY

Companies with a registered office in the European Union and a bank account in the SEPA area may use giropay. Companies with registered offices outside of the European Union, may only use giropay after receiving prior consent from PAYONE. PAYONE is not liable for the infringement of third-party protective rights during the use of giropay brands outside the licensing area of the European Union.

25 PERIOD OF LIMITATION

The statutory period of limitation shall apply to all claims by PAYONE and the Merchant against one another.

26 CHANGES IN THE CARD ORGANISATIONS’ REGULATIONS AND RULES OF PROCEDURE

After receiving notification from PAYONE the Merchant shall acknowledge and implement changes made to the Card Organisations’ regulations and rules of procedure regarding the acceptance and submission of card sales within the deadlines set by the Card Organisations.

PAYONE shall provide the Merchant with this information, in particular information regarding the deadlines, in a timely manner. Costs arising from such shall be borne by the Merchant.

27 SPECIAL TERMS FOR THE PROVISION OF NETWORK OPERATION SERVICES AND OTHER PAYMENT TRANSACTION SERVICES

1 Payments

Payments shall be excluded from PAYONE, making reference to the invoice number. Ongoing payments shall be deducted via (SEPA) direct debit from the bank account designated in writing by the Merchant. The Merchant issues to PAYONE the required direct debit authorisation or a SEPA direct debit mandate. In the event of a return of payment for which the Merchant bears responsibility, a processing fee of 15.00 Euro shall be charged. The Merchant shall notify PAYONE of any changes to its bank account details in writing without delay.

The Merchant shall bear all fees induced by the Merchant which are charged to PAYONE by third parties (e.g. return of direct debits). The following transactions are subject to charges: sales transactions, credit bookings, cancellations and Clearings; diagnostic analyses and the initialisation of the Merchant’s terminal are also subject to charges. The monthly flat rate and, if agreed, the number of transactions for the fee structure, shall apply to each individual terminal, even if the Merchant operates multiple terminals.

In the event of arrears, the Merchant shall owe interest in the amount of 8 (eight) percentage points above the base rate (BGB Section 247). In addition, the Merchant is obliged to bear the costs of damages incurred as the result of the delay for the necessary involvement of attorneys or collection agencies. The assertion of further claims for damages remains unaffected. PAYONE is also entitled in the event of Merchant default to suspend the delivery of goods or, at its own discretion, to request advance payments or security.

If the Merchant ceases to make payments or files for bankruptcy, if insolvency proceedings are opened or the opening of proceedings is rejected due to insufficient funds, or if measures of enforcement were unsuccessfully taken against the Merchant’s assets, the Merchant is obliged to notify PAYONE immediately, to provide all necessary information and to submit to PAYONE all relevant documentation upon first request. In such cases, PAYONE is entitled to secure and to reclaim all items in its possession (including delivered items subject to retention of title) and may do so without withdrawing from the agreement.

The Merchant may only offset with undisputed or legally determined claims. The Merchant is not entitled to retention based on claims that are not associated with these agreements.

All payments to be made to PAYONE, including compensation payments and one-off payments of compensation, shall be payable plus VAT at the valid rate, if applicable. The fees to be paid are to the German Banking Industry Committee (Deutsche Kreditwirtschaft) by the Merchant (which were paid by PAYONE on its behalf) are currently not subject to VAT.

2 Exclusivity

During the term of the rental or maintenance agreement for POS devices, the Merchant undertakes to settle all transactions via the payment procedures underlying the Agreement and specified in Section 28.2 exclusively through PAYONE or through a third party authorised by PAYONE.

28 NETWORK OPERATION

1 Scope of Services and Contractual Terms and Conditions

Within the scope of the Agreement, PAYONE shall provide the following services for all payment procedures:
OPERATION OF THE TERMINAL

The Merchant shall operate the terminal in such a manner that no measures are taken that would affect the liberty of the Cardholder’s position or violate his rights.

To the extent arrived at in the course of the operation of the terminal, the Merchant is obliged to ensure that no damages are caused to the terminal.

The Merchant shall use the terminal exclusively for the purpose of card payments in accordance with the instruction of the respective processing service provider.

(1) Rental Agreement

The Merchant agrees to the rental of POS Devices and peripheral devices for the term of the rental agreement. A transfer of the ownership of the POS Devices and peripheral devices to the Merchant is not the subject of the rental agreement, as the Merchant holds no property in the POS Devices and peripheral devices at any time. Accordingly, the Merchant is not entitled to dispose of the POS Devices and peripheral devices in any manner.

(2) Payment Procedures

PAYONE receives the information required for the Authorisation of a transaction from the Merchant’s terminal, which has been approved by PAYONE, and transfers this information to the Merchant. PAYONE then receives the authorisation results from the Merchant’s terminal and transfers these results to the Merchant.

The Merchant shall pay the agreed rental fee during the term of the rental agreement. The provision set out in Section 28.2 shall apply.
GENERAL TERMS AND CONDITIONS

If the Rental Objects are not functional, in part or in full, based on reasons for which PAYONE is not responsible, the Merchant shall continue to be obligated to pay the monthly rental fee. This also applies if the use of the Rental Objects is only slightly impaired.

(5) Rights of use
PAYONE grants the Merchant for the duration of the Agreement a non exclusive, non-transferable, single right to use the installed software programs. The Merchant is not entitled to produce copies of, decompile, otherwise amend, translate or revise the software, nor is he entitled to duplicate the results of such procedures. The right of use also does not entitle the Merchant to issue sublicenses, to transfer use of rights wholly or in part to third parties or to issue to third parties any other rights of use.

30 SALE AGREEMENT POS TERMINALS, PERIPHERAL DEVICES AND ACCESSORIES ("SALES OBJECTS")
(1) Delivery
Unless otherwise agreed for individual cases, the Sales Objects shall be delivered within four weeks after conclusion of the agreement; partial deliveries may be undertaken.
PAYONE shall ship the ordered goods via the standard means of transport (i.e. mail, train, distributors, couriers, etc.) at the Merchant’s own cost and risk. If installation and full service for the devices have been agreed, PAYONE shall ship the goods at its own cost and risk. If the Merchant separately makes reference to the conclusion of an insur- ance policy in writing on the order (to cover breakage, transport or fire damages), PAYONE shall conclude a relevant shipping insurance policy at the Merchant’s own cost.

(2) Retention of Title
If the Merchant is a merchant, legal entity under German public law, or a special invest- ment fund under German public law, PAYONE shall retain title to all goods delivered by PAYONE until the fulfillment of all of the Merchant’s obligations towards PAYONE that are payable at the due date of the purchase price, whereby PAYONE is obligated to re- lease insofar as the Merchant’s obligations are less than 20% of the realizable value of the delivered goods. If the Merchant is not included in one of the above-mentioned categories, PAYONE retains title to the goods delivered by PAYONE until complete pay- ment of the purchase price. Resale is not allowed.

(3) Warranty
PAYONE issues warranty for a period of 12 months, which shall commence upon de- livery.
The Merchant is obligated to immediately inspect the Sales Objects after receipt; all evident defects must be claimed by the Merchant to PAYONE in writing, and include the delivery and invoice, within a deadline of two weeks after receipt of delivery incorrectly handling, inadequate service, exasperated use, or improper use are not cov- ered under warranty.
At its own discretion, PAYONE shall provide warranty services by means of remedy or replacement delivery; the replacement delivery shall only take place by means of de- livery of the newest program version not containing the defect.
If the remedy or replacement delivery is ultimately unsuccessful, the Merchant may withdraw from the agreement or reduce the purchase price.

(4) Duplication or Reproduction of Programs
The Merchant is only entitled to use the software programs installed in the context of this agreement on the POS Devices also purchased from PAYONE for the electronic au- thorisation and settlement of payment procedures. The right of use is not exclusive and non-transferable. The Merchant is not entitled to produce copies of, decompile, other- wise amend, translate or revise the software, nor is he entitled to duplicate the results of such procedures. The right of use also does not entitle the Merchant to issue sublicenses, to transfer use of rights wholly or in part to third parties or to issue to third parties any other rights of use.

31 POS DEVICE, INSTALLATION AND SERVICE AGREEMENT
(1) Installation
As far as installation is agreed in the contract, PAYONE, or a service provider commis- sioned by PAYONE, shall carry out the installation of POS Device, which is either rented or purchased by the Merchant from PAYONE, including all instructions on site. The exact time and date of installation shall be agreed sepa- rately by the parties. If the PAYONE service technician is unable to perform his/her du- ties on site for more than 15 minutes based on reasons for which the Merchant bears responsibility, the Merchant shall carry the costs. At its own costs, the Merchant shall ensure that the electrical and telecommunications/data outlets necessary to operate the POS Devices are functional and serviced at the locations selected by the Merchant.
If the Merchant fails to observe the installation/service appointment or has not suffi- ciently fulfilled the installation requirements, the Merchant shall carry the costs for additional travel fees. The contract partners are agreed to that the POS Devices may be installed by the Merchant at its own costs. PAYONE shall bear only costs for preliminary configuration and shipping. If the assistance of a PAYONE service tech- nician is required for the start-up procedure, and the Merchant requests a technician from PAYONE, the Merchant shall bear the costs for the trip.
As far as the Merchant is to carry any of the costs as stated above, these costs shall in- clude the effective travel and material costs and the technician's time at a rate of 75.00 Euro per 30-minute period commenced, unless a higher or lower damage is proven.

(2) Basic Service
If the parties have agreed to basic service with regard to the POS Device, PAYONE shall provide a technical hotline during PAYONE business hours (Hotline). If necessary, a re- placement device shall be sent to the Merchant at its own costs and risk, as soon as the defective device is received by PAYONE (Depot service).
The replacement POS Device shall have at least similar qualities and functions, but without customer-specific functions, if any. If the services of a PAYONE technician are requested by the Merchant, the Merchant shall bear the associated costs as set out in Section 31.1.
PAYONE shall be entitled to decide which repairs are to be carried out or if a replace- ment terminal is necessary.

(3) Full Service
If the parties have agreed to full service with regard to the POS terminal, after con- ducting an assessment and reaching a conclusion about the possible defect of the POS Device, the PAYONE technical hotline shall send the Merchant a replacement terminal within a reasonable period of time or shall organise shipment by the sales team or a service provider commissioned by PAYONE. The installation and start-up procedure for a replacement device and the return of the defective device shall be conducted by the PAYONE sales team, if required, or a third party commissioned by PAYONE. The costs for device replacement including installation and start up shall be assumed by PAYONE, if the Merchant is not responsible for the device’s defect.

(4) Installation and Service Fees
The amount of fees charged for installation and service is set out in agreement; in the event that a provision has not been made in this respect, PAYONE’s general schedule of prices shall apply.
If the POS terminal and peripheral devices are not functional in full or in part due to reasons for which PAYONE is not responsible, the Merchant shall remain obligated to pay the service fee.

(5) Provision of Software via Remote Maintenance
If the contract parties have agreed to a functional expansion or update of the terminal software (download) via the telecommunications network, PAYONE shall activate such via remote maintenance and enable this remote maintenance for the Merchant.

32 MISCELLANEOUS
(1) Assignment of Claims
Any assignment of claims by the Merchant against PAYONE shall be excluded.

(2) Rights and Obligations of PAYONE and the Merchant
If an agreement on the POS Devices also purchased from PAYONE is terminated, PAYONE and the Merchant shall not be affected by the provisions of this Agreement.

(3) All amendments and supplements to this Agreement including this provision shall require the written form to be valid.

(4) Invalidity of Provisions
If any of the provisions of the Agreement should be invalid wholly or in part, this shall not affect the validity of the remaining provisions. The invalid provision shall be replaced by a valid provision which comes closest to representing the economical in- tent of the invalid provision.

(5) PAYONE shall notify the Merchant of any amendments to the Agreement, in- cluding all contractual components, and particularly the General Terms and Conditions, at least two months before such amendments become applicable (Amendment Notifi- cation). The changes are not required to be submitted in text form. It shall be sufficient to issue notice that the changes will be sent to the Merchant upon request and that option of downloading from an internet website exists. The Merchant’s approval to the amendment shall be deemed given, except as otherwise provided in sentence 5 re- garding termination, if the Merchant does not express rejection of such amendment before the period of time in which the amendment takes effect as indicated in the Amendment Notification. PAYONE shall notify the Merchant of the consequences of its silence in the Amendment Notification. The deadline shall be deemed to have been met if the Merchant dispatches the rejection of the amendment before the period of time in which the amendment takes effect as indicated in the Amendment Notification. The Merchant may terminate the Agreement at no cost and without notice after re- ceipt of the Amendment or if the start-up procedure for the POS Device and peripheral objects becomes effective. PAYONE shall notify the Merchant of the right to terminate at no cost and without notice in the Amendment Notification. Termination must be made in writing. If the Merchant objects, PAYONE shall be entitled to terminate the Agreement without notice. The Merchant Requirements of the German Banking Industry Com- mittee ("Requirements of participation in the electronic cash system of the German Banking Industry Committee") are submitted by PAYONE to the Merchant on behalf of the German Banking Industry Committee as amended from time to time and do not have to be submitted in written form or text form.
It shall be sufficient to issue notice that the Merchant Requirements will be sent to the Merchant upon request and that option of downloading from an internet website exists. The Merchant shall discuss any objections or questions regarding the Merchant Requirements directly with his respective Merchant Bank.

(6) In order to amend the terms of the Agreement or the General Terms and Conditions, PAYONE shall be entitled to an extraordinary termination prior to the normal term of the Agreement with a notice period of six (6) weeks, if PAYONE deems such amendment to be necessary based on reasonable assessment of the legal situation (including case law), the regulations of the Card Organisations, the state of technology (particularly in regards to security issues), or the objective market conditions.

(7) This Agreement is subject to German law. Exclusive place of jurisdiction shall be Frankfurt am Main if the Merchant is a merchant, legal entity under German public law, or a special investment fund under German public law, if the Merchant’s legal venue is not in Germany or the Merchant relocates his residence or normal place of dwelling outside Germany after the conclusion of the Agreement or if such is not known. PAYONE may file suit against the Merchant at any other place of jurisdiction, which is competent for the Merchant or the relevant dispute.

(8) Any non-German version of these General Terms and Conditions is provided for convenience only and the German language version, which shall be made available to the Merchant any time upon request, shall be the only binding version.

Version: February 2020