

1. COMMON CONDITIONS

The Common Conditions International Cards shall apply in their entirety to these Service Conditions International Cards. For the purposes of applying the Common Conditions, the following terms shall be defined as indicated below:

- **Sales Voucher:** the document produced by the Payment Device or cash register by way of proof of the transaction. This document is also called a "transaction ticket".
- **Payment Device** means the payment terminal which, in addition to authorizing transactions, can also print Sales Vouchers (if not connected to a cash register) and automatically send transactions to the Acquirer.

2. ADDITIONAL DEFINITIONS

- **Credit Voucher:** the document produced at the moment of (partial) cancellation of a transaction.
- **Cashback:** the service relating to a Card transaction in which an amount is added to the purchase price and the Cardholder receives the added amount in cash. This service is only applicable to Cards of some international Card Schemes.

3. SCOPE

These Service Conditions International Cards cover all transactions accepted by the Merchant in a physical point of sale ("POS") with either a desktop payment terminal or a portable dedicated payment terminal (not attached to a smartphone or tablet).

4. CARD NOT PRESENT

Until the Merchant has signed dedicated Service / Special Conditions, he shall refrain from accepting any "Card Not Present" transaction. Such Service / Special Conditions target specific sectors or activities (e.g., the hotel, travel and car rental sector, as well as internet sales).

5. VALIDATION OF TRANSACTIONS

The Cardholder can validate transactions in one of three ways:

- **By entering the Secret Code:**

In this case, the Cardholder enters the Secret Code on the secured and dedicated keyboard of the Payment Device. After having entered the Secret Code, the Cardholder then needs to push the «OK» button on the Payment Device. The Merchant shall ensure that the Cardholder is given full discretion when entering the Secret Code.

The transaction is only received by the Acquirer if so confirmed on the Payment Device's display. The Payment Device will print two tickets: the customer ticket to be handed over to the Cardholder, and the Merchant's ticket to be archived by the Merchant.

- **By signing the Sales Voucher:**

The Merchant shall always compare the data as printed on the Sales Voucher with the data mentioned on the Card (and more in particular the conformity of the Cardholder's printed name and card number with the name and the number as mentioned on the Card). In case of any discrepancy, the Merchant shall notify the CODE10-line immediately, and refuse the transaction. For each valid Sales Voucher the Merchant shall request the Cardholder to sign the Sales Voucher on the dedicated place. The Merchant shall verify the signature placed on the Sales Voucher with the signature on the Card. If the signature of the Cardholder matches the one mentioned on the Card, the Merchant shall hand over a copy of the Sales Voucher to the Cardholder. If the signature does not match, then he will request the person offering the Card for additional identity documents, so as to make sure that he is indeed the legitimate Cardholder. The Merchant shall then keep a copy of these additional documents, which can be requested by KB SmartPay or the Acquirer at any time.

The manner in which the transaction is validated, is determined by the Card and can never be modified by the Merchant.

When accepting the Card, the Merchant shall follow the instructions from the Payment Device. In case of any dispute, the history record and the computer surveys of the Acquirer will serve as evidence to ascertain whether the Merchant followed the instructions from the Payment Device. In case of unusual conduct, abnormal expenses and/or the slightest suspicion of any irregularity whatsoever, the Merchant shall immediately call the CODE10-line prior to accepting the transaction, and then follow the operator's instructions.

- **Contactless payments:**

In the context of contactless payments, it is possible that the Cardholder is not required to confirm the transaction by using the keyboard of the Payment Device, but instead by confirming (e.g., by entering a Secret Code) on the Cardholder's own device, such as his smartphone or smartwatch. Depending on the parameters defined by the Merchant and/or the Card Scheme, it may also be the case with low-value contactless payments that no explicit validation is necessary to validate the transaction. The Merchant acknowledges that the lack of an explicit confirmation can more easily give rise to Cardholder disputes.

6. CREDIT NOTES AND TRANSACTION CANCELLATIONS

If the Cardholder has legitimate complaints about the goods or services sold, or if the Cardholder returns the goods for a legitimate reason, then the Merchant cannot refuse to exchange them or to draw up a Credit Voucher for the sole reason that the goods or services were paid with a Card.

The reimbursement shall never be realized in cash, by bank transfer, by money transfer, or by any other means outside the means allowed by the Card Scheme or by the Acquirer. If the Merchant draws up a Credit Voucher in order to cancel a transaction performed with a Card, and he does not want to use his Payment Device for doing so, he will only be entitled to use the Credit Vouchers that were ap-

proved by the Acquirer. The Card data, as well as date and amount, shall then be mentioned on the Credit Voucher. The Credit Voucher is to be sent to the Acquirer within twelve calendar days of their issuing date. The Credit Voucher shall only be drawn up to the benefit of the Card that was used to realize the transaction. Merchant equipped with a Payment Device are entitled to cancel a transaction through the Payment Device within a period of eleven calendar days, by entering the Authorization Code, the date and time of the transaction.

7. STORING SALES & CREDIT VOUCHERS

With respect to transactions executed by signing a Sales Voucher, the Merchant shall store the original Sales Vouchers signed by the Cardholder, Credit Vouchers and summary sheets, as well as the

details of the sale, for at least two years after their issue date.

With respect to all other transactions, the Merchant shall save the merchant ticket during a period of two years. Upon the Acquirer's written request, the Merchant shall send a complete and legible copy of the relevant evidence within a period of ten calendar days. If the Merchant fails to do so, the Acquirer shall be entitled to debit the merchant's account, in accordance with the Common Conditions.

8. CASHBACK

8.1. If a Merchant chooses to provide Cashback to his customers, he shall comply with all relevant rules imposed by the Card Schemes. In any case, the Merchant shall:

- Only be allowed to provide Cashback in case of Domestic Transactions, meaning transactions made with Cards that were issued in the same country as the one the Merchant is located in;

- Not promote the Cashback services at his point of sales or prompt a Cardholder to purchase with Cashback;
- Only provide Cashback in conjunction with a purchase;
- Uniquely identify the Cashback portion of the transaction amount;
- Only provide Cashback when the transaction has been successfully authorized and the Cardholder has successfully been verified using his PIN;
- Only provide Cashback up to a maximum amount CZK 3,000 per transaction and if the transaction amount higher than CZK 0.