

## Conditions of Concardis GmbH for POS service

### 1. Object of the agreement

These general terms and conditions govern Concardis' POS service for its contractual partners. Depending on the scope of the order placed, the POS service covers: the provision of a POS terminal, either on a rental basis or as a sale; the installation, maintenance and servicing of the terminal; the removal of faults in POS network operation; and all other services in relation to the processing of the electronic cash system, the 'GeldKarte' system from the Deutsche Kreditwirtschaft (German Banking Association), electronic offline direct debits, blacklist lookups and the routing of authorisation requests for transactions with credit and debit cards. These terms take precedence over any of the contractual partner's conflicting provisions.

Concardis assures the contractual partner that it will fulfil the requirements set by the Deutsche Kreditwirtschaft (DK) at the time the contract is signed.

Concardis also routes authorisation requests for transactions with customer cards to customer card issuers. Their cards and the cards of other systems can be used by the contractual partner if requested – provided these are permitted in the respective country where the terminal is used and are accommodated by Concardis. The proper processing of the cards/systems listed in the conditions of the Deutsche Kreditwirtschaft (see point 2.7) must not be negatively affected as a result of this. Concardis will perform an incompatibility check in relation to the cards/systems specified in the order and issue relevant approvals. Any extension to the scope of service through additional cards or services may involve additional costs, which the contractual partner will be notified about in advance and which will require a separate agreement.

If the requirements of the Deutsche Kreditwirtschaft change or if other requirements and/or provisions of public law lead to compulsory changes to the payment system during the course of a terminal's period of operation, Concardis will offer solutions for the upkeep of the payment system. Any costs that arise in relation to this can be billed to the contractual partner.

### 2. Scope of service

#### 2.1 Services on the part of Concardis

Concardis is to provide the deliveries and services agreed to in the contract according to the prices and conditions specified therein, as well as according to the prices and conditions in the table of services and fees in its respectively valid version. The preconditions necessary for the performance of the deliveries/services according to point 3 are to be put in place by the contractual partner according to Concardis' guidelines. Additional services requested (e.g. changes or adjustments to technical requirements) are to be billed separately.

#### 2.2 Scope of service

Concardis transmits information for authorisation or blacklist lookups to the operator's computer responsible for the respective card or the card issuer and sends the results back, provided this is contained within the scope of service. Concardis transmits credit card requests to the credit card company designated by the contractual partner.

Amongst other things, response times depend on the line link selected, the transmission speed, the availability of the data transmission network and the response time of the operator's computer and the respective authorisation system.

Concardis assumes no responsibility for the accuracy of the data transmitted to Concardis. Other cards are processed according to individual arrangements.

#### 2.3 Blacklist lookup process

As part of the blacklist process, Concardis checks whether a blocking notice is present on the inserted card on the blacklist lookup system managed by Concardis or a third party commissioned by Concardis. Concardis transmits the result of this check to the POS terminal or the checkout software of the contractual partner. In the event of a blacklist lookup with a positive outcome, confirmation is provided that the respective card has not been reported as blocked on the blacklist lookup system managed by Concardis or a third party commissioned by Concardis. In this process, neither is a credit assessment involved, nor is a payment guarantee/commitment provided, either on the part of the card-issuing credit institution or Concardis. If no details on the inserted card exist on the blacklist lookup system managed by Concardis or a third party commissioned by Concardis, then no further message is sent.

#### Electronic offline direct debits

In terms of the processing of electronic offline direct debits, Concardis merely acts as a transmitter of the card data it receives from the contractual partner, which Concardis then passes on to the business's credit institutions. Concardis does not conduct a check or provide an online authorisation itself.

#### 2.4 Intermediate storage

In compliance with data protection provisions and in accordance with the requirements of the banking sector, Concardis saves the information collected from the operator's computer/concentrator for

- processing complaints;
- generating payment transaction data according to the guidelines of standardised data medium exchange for the processing of payment transactions;
- billing charges in accordance with the conditions of the Deutsche Kreditwirtschaft (point 2.7).



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### 2.5 Saving payment transaction files and cashing up

Concardis saves payment transaction files 90 days from the last time the terminal was cashed up. During this period, questions on payment transactions are responded to free of charge. For questions regarding times outside this period, Concardis levies a research fee.

In order to secure payment transaction files, Concardis reserves the right to trigger a cash balancing at the terminal – which is subject to a charge – after the expiry of an appropriate period of time, but two months after the last transaction at the latest.

### 2.6 Provision and transmission of payment transaction files

Concardis creates one or several payment transaction files on a daily basis according to the specifications of the contractual partner as per point 3 and transmits these on the following working day via remote data transmission to the bank account for credit items specified in the order by the contractual partner. Concardis assumes no liability for the content of the data collected or for errors involving payment transactions executed with this data.

### 2.7 Conditions of the Deutsche Kreditwirtschaft

The contractual partner expressly acknowledges

- the conditions for participating in the electronic cash system; and
- the merchant's conditions for participating in the 'Geld-Karte' system

from the Deutsche Kreditwirtschaft as a prerequisite for participating in cashless payment transactions.

## 3. Obligations on the part of the contractual partner

The contractual partner is obligated to provide Concardis with all information that is required by it or participants for implementing the selected solution for cashless payments.

Furthermore, the contractual partner is obligated

- to operate the equipment given to it according to the instructions supplied with it;
- to examine the object of the agreement (e.g. the POS terminal, PIN pad, etc.) within eight working days of delivery, paying particular attention to its completeness and functionality for employment in the POS process, and to report defects that are identified or are identifiable during this process to Concardis within another eight working days by means of a registered letter. The notice of defects must contain a detailed description of the deficiencies. Defects that are not identifiable during the course of the proper inspection described must be reported within eight working days of their discovery. If this inspection and notification obligation is not fulfilled, the object of the agreement and the delivered software shall be considered accepted, regardless of the deficiencies in question;

- not to make any changes or repairs to the equipment during the rental period;
- to enable the installation of the equipment at the agreed time;
- to inform Concardis of a change in the equipment's location immediately and in writing;
- to inform Concardis of a change to the postal address and/or dial-up number of the contractual partner immediately and in writing;
- to report faults or defects in and damages to the Concardis equipment without delay;
- to inform Concardis immediately of the enforcement of claimed rights of third parties;
- in the event of seizure attempts by third parties affecting the property of Concardis in the form of the equipment provided by it, to point out the actual ownership situation to those third parties and any body commissioned with the execution of the seizure;
- to provide the necessary cable connections and connector boxes according to Concardis' specifications at the desired terminal locations for the installation by Concardis and to inform Concardis immediately of this availability;
- to inform Concardis immediately of readiness for operation following installation by the contractual partner or a third party;
- to cash up generally on a daily basis, but at least once per week and at the end of each month;
- to inform Concardis immediately and in writing of changes to its bank account details for credit items and direct debits;
- to monitor the entry of transactions processed through the terminals and to inform Concardis immediately of any objections once they become known. Objections may only be enforced within three months of the facts justifying the objection first being discovered;
- once the contractual relationship has ended, to return the equipment and accessories provided to it, including GSM/GPRS cards, to Concardis immediately, at its own cost and risk – or to have these dismantled and collected by Concardis subject to a fee;
- to ensure that the terminal is only used for purposes other than payment (e.g. making configurations or performing repairs to the terminal and the accessory parts) by Concardis or third parties commissioned by Concardis;
- to conclude an appropriate agreement with its bank for the handling of payment transaction files (DTA files) prior to performing the first transaction with Concardis.

## 4. Commencement and duration of the agreement

### 4.1 Concluding the agreement

This contract is concluded with the countersignature of Concardis. Provided no separate term commencement date has been agreed in this contract, the term shall begin with the delivery of the terminal at the address specified by the contractual partner.



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### 4.2 Term and termination of the agreement

4.2.1 The term of the agreement corresponds with the term agreed in the service agreement. If no term has been expressly agreed in the service agreement, the term shall be 60 months.

4.2.2 The contract is extended beyond the agreed term by a further 12 months each time it is not terminated at least six months prior to the intended expiry date. The agreement is to be terminated in writing.

4.2.3 The right to extraordinary termination and termination without notice on serious grounds is reserved.

4.2.4 If the contractual partner no longer fulfils its obligations arising from the agreement, Concardis may withdraw from the agreement and/or demand compensation for non-fulfilment. This commonly occurs if, for example, the contractual partner falls into arrears with its payment obligations, terminates the agreement prior to the expiry of the agreed term, returns the terminal prematurely or if, after concluding the agreement, its financial circumstances deteriorate to the extent that settlement or insolvency proceedings are initiated. In such a case, Concardis is entitled to bill the contractual partner for a flat compensation fee based on the following costs for each terminal provided:

- In the first year of the agreement: 650.00 euros
- second to fourth year of the agreement: 450.00 euros
- from the fifth year of the agreement: 300.00 euros

If, for any reason, a terminal is replaced during the course of the contractual relationship, this terminal is considered to be in its first year of the agreement following delivery to the contractual partner for the purpose of calculating the flat compensation fee. A claim for a flat compensation fee does not exist if the contractual partner argues and proves that a claim for this amount is not justified. Irrespective of an enforcement of a claim for a flat compensation fee, Concardis is entitled to assert a claim for the damages that have actually arisen or other damage – by applying the flat rate for damages if necessary.

4.2.5 The contractual partner and Concardis are also entitled to an extraordinary termination of the contract without notice if the requirements of the banking industry change or other requirements and/or provisions of public law lead to compulsory changes to the payment system during the course of a terminal's period of operation (point 1, para. 4) and a solution for the upkeep of the payment system is not possible or is not offered.

4.2.6 In the event of the Deutsche Kreditwirtschaft terminating the existing contract regarding access to its electronic cash system, Concardis has the right to an extraordinary termination of the agreement with respect to the contractual partner affected in this regard.

4.2.7 In the cases outlined in points 4.2.5 and 4.2.6 above, the compensation provision set out in point 4.2.4 does not apply.

### 5. Fees and payment conditions

#### 5.1 Fees

Fees that are to be paid to Concardis by the contractual partner for deliveries/services from Concardis are to be based on the prices valid at the time of the conclusion of the agreement, which are set out in Concardis' service agreement and the table of services and fees, and they are to be based on the conditions for participation in the electronic cash system from the Deutsche Kreditwirtschaft. Fees are subject to VAT at the valid statutory rate in each case. The fees will be charged to the contractual partner based on the direct debit mandate to be granted by the contractual partner. Concardis is to issue the contractual partner with an invoice for the fees to be paid. The contractual partner must check these invoices immediately after receipt for their accuracy and completeness. Objections relating to the inaccuracy or incompleteness of transaction statements or invoices must be raised by the contractual partner within four weeks of them being received.

#### 5.2 Commencement of payment obligations

The contractual partner's payment obligations begin with the operational readiness of the delivered systems or the delivery of agreed services. If terminals are installed and put into operation by the contractual partner or a third party, the payment obligation starts with the initialisation of the terminal (i.e. the first call to the Concardis data processing centre), but ten calendar days after documented delivery at the latest. Operational readiness exists if at least one card can be processed. The purchase price for objects of purchase is payable immediately after supply of the objects of purchase.

#### 5.3 Offsetting

The contractual partner may only offset claims from Concardis with undisputed or legally established claims. Concardis is also entitled to offset its claims for payment with receivables of the contractual partner from the acceptance of credit cards.

### 6. Reservation of proprietary rights

With regard to the purchase of equipment or other items, these shall remain the property of Concardis until all receivables, and in particular any balance claims, that are owed to Concardis as part of the commercial relationship have been paid;

### 7. Warranty and liability

#### 7.1 Warranty for equipment

For equipment supplied by Concardis as part of a purchase based on an order, Concardis provides a warranty against deficiencies according to statutory provisions. Furthermore, Concardis is to ensure the functionality of this equipment



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at the site of operation according to agreed full or depot maintenance (see point 8.2). This does not apply to damage to equipment that is the result of one of the circumstances covered in point 7.3. Concardis is not responsible for combining the equipment with other devices and programs as part of the installation and establishment of operational readiness, unless the parties agree in writing to such a provision in individual cases. The contractual partner is to inspect the delivered items immediately for any possible damage during transport or other defects, collect corresponding proof of this and submit any claims for compensation to Concardis by providing this documentation.

In the event of installation being performed by Concardis, the risk is transferred to the contractual partner once this is completed.

### 7.2 Liability on the part of Concardis

Concardis is liable to the contractual partner for damages that arise as a result of non-conformance with characteristics that are pledged in writing and for damages that were caused by Concardis either intentionally or through gross negligence.

The contractual partner may only assert claims for damages or enforce its right to withdraw if at least two attempts at improvement by Concardis within an appropriate period remain unsuccessful.

In the case of slight negligence, Concardis is only liable if an obligation whose fulfilment is of particular significance for achieving the objective of the contract is not complied with.

In the event of fundamental contractual obligations not being fulfilled, Concardis is liable for direct financial losses of up to 10,000 euros per instance of damages, but for a maximum amount of 50,000 euros per calendar year, as well as for those damages that are typically expected to arise in relation to POS network operations.

Further damages, especially indirect damages and liability for the inaccurate content of collected data or for errors when performing payment transactions, are excluded. In particular, Concardis is not liable for

- damages that are due to: inappropriate or improper use, or other use not provided for in the agreement; incorrect operation; incorrect or careless handling; chemical, electrochemical or electronic influences; or changes or repair work performed by the contractual partner or a third party without the prior consent of Concardis;
- missing deadlines, unless these were acknowledged by Concardis as binding;
- loss of interest incurred by the contractual partner due to late value dates;
- loss of profit and savings;
- network bottlenecks, outages and malfunctions that are caused by Deutsche Telekom or another network provider and their private branch exchanges;

- outages or obstructions that are caused by authorisation systems;
- the replacement of data, unless Concardis has caused their destruction intentionally or as a result of its gross negligence and the participant has ensured that this data can be reconstructed from other data sources (e.g. from keeping slips, documentation, etc. or from back-ups) with appropriate effort.

### 7.3 Liability on the part of the contractual partner

The contractual partner is liable to Concardis

- for damage to property, financial loss and personal injury that has been caused intentionally or negligently by it or people it has commissioned to fulfil its contractual obligations;
- for damages caused by improper or negligent/inappropriate handling, especially due to connecting third-party products without the consent of Concardis or the impact of third-party devices such as electronic retail security systems, as well as the results of this; also with regard to complaints by cardholders and operators of authorisation systems;
- for damage to equipment provided to it including the loss or any other kind of destruction of equipment provided; and for the consequences resulting from this in each case, for which the contractual partner is to obtain appropriate insurance;
- for failing to return the equipment provided following the ending of the agreement or when equipment is replaced. In such a case, Concardis is entitled to bill the contractual partner for a flat compensation fee amounting to 650.00 euros plus VAT, provided the contractual partner fails to return the equipment provided despite requests made by Concardis and the setting of an appropriate deadline. Such a claim for the payment of compensation does not exist if the contractual partner argues and proves that a claim for this amount is not justified. Irrespective of an enforcement of a claim for a flat compensation fee, Concardis is entitled to assert a claim for the damages that have actually arisen or other damage - by applying the flat rate for damages if necessary.

## 8. Installation, maintenance and service

### 8.1 Installation

Provided the contractual partner has chosen to have the installation on-site in the order, Concardis will install the configured terminals at the contractual partner's location. The installation includes discussing the installation requirements with the contractual partner, the installation of the terminal (with PIN pads if required) and connecting the communication technology to functional power and data connections.

The contractual partner is obligated to make the place where the terminals are to be installed freely accessible prior to



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the installation. Furthermore, the contractual partner is obligated to provide functional and freely accessible power and data connections. Disproportionately long installation times or maintenance periods that are the result of the contractual partner not fulfilling, or not properly fulfilling, its obligations as laid out in lines 1 and 2 above will be billed to the contractual partner separately.

### 8.2 Depot maintenance and full maintenance (on-site maintenance)

8.2.1 Upon the request of the contractual partner, Concardis can offer the contractual partner depot or full maintenance for the upkeep or restoration of operational readiness and other equipment associated with this according to the scope of functionality ordered. When concluding a rental agreement, the depot maintenance is included in the flat rental fee. Servicing only covers the removal of faults upon the request of the participant or contractual partner.

8.2.2. Irrespective of the form of maintenance chosen (depot or full), and following the agreement of a date in advance, the contractual partner is to enable access to the terminal via remote maintenance software or on-site for preventive maintenance work to ensure the agreed scope of functionality of the terminals. When reporting a fault, the contractual partner is to state all recognisable details and follow the subsequent instructions of the technician, within reasonable bounds, for problem analysis and fault determination, in order to guarantee effective fault elimination. For the performance of service work on-site, the contractual partner is obligated to accept appropriately trained and certified service partners from Concardis. At the request of the contractual partner, employees of these service partners shall have sales partner identification or equivalent documentation.

8.2.3 The elimination of operational disruptions that are the fault of the contractual partner, its employees, its agents or any other third parties, that are caused by force majeure, especially those caused by water and fire damage, or that are due to changes to POS processes (e.g. as a result of new specifications from the Deutsche Kreditwirtschaft) are not covered by the depot or full maintenance. If, during the course of providing maintenance services, it transpires that the operational disruption is due to one of the reasons mentioned above, Concardis is entitled, but not obligated, to remove the operational disruption. The contractual partner will bear the costs for the repair in this case.

### 8.3 Hotline service

Provided this service has been agreed, Concardis provides the contractual partner with a telephone service with authorised personnel for reporting disturbances and answering queries according to the following schedule:

Monday to Wednesday:	7 a.m. – 9:15 p.m.
Thursday to Friday:	7 a.m. – 10 p.m.
Saturdays:	7 a.m. – 9 p.m.
Sundays and public holidays:	8 a.m. – 4:45 p.m.

### 8.4 Right of access for the removal of equipment

Once the contract has ended, access to the terminals, including other equipment provided by Concardis, is to be granted if required for their removal by Concardis or third parties commissioned by Concardis.

### 8.5 Ability to dial the terminal

A requirement of the service is that the contractual partner ensures that the terminal can be dialled directly from outside.

### 8.6 Depot maintenance

With depot maintenance, the contractual partner has a joint obligation in performing terminal diagnostics and fault localisation. It is obligated to remove defective devices and to send these to a depot location specified by Concardis at its own cost. Provided nothing else has been agreed, Concardis performs the repair, or provides an equivalent replacement for the defective equipment, and sends this back to the contractual partner at the contractual partner's expense in a condition that is ready for operation. The contractual partner is to perform the installation and the proper commissioning of the equipment.

### 8.7 Full maintenance (on-site maintenance)

With full maintenance, Concardis performs the servicing of the equipment through repairs or replacements on-site at the agreed location of the terminal. In the case of mobile terminals, the address of the contractual partner shall apply in this regard, provided nothing else has been agreed. In order to perform the service work, the contractual partner is to grant Concardis or a third party commissioned by Concardis unobstructed access to the equipment during usual business hours or at other times by separate agreement and for an additional charge. Travel costs resulting from non-functioning mains connections or the contractual partner's own checkout and communication systems, the failure to keep to agreed appointments and the provision of on-site service despite depot maintenance being agreed to will be billed separately.

### 8.8 Replacing defective equipment

Concardis will arrange for the replacement of equipment – provided this is necessary – within two working days of the proper reporting of the fault during the course of normal working hours.

## 9. Confidentiality and data protection

The contractual parties mutually undertake to treat as confidential all information that the other contractual party has expressly indicated as confidential, or which is recognisable as confidential based on its content, and not to make this information accessible to third parties. This obligation applies in particular to operational and commercial secrets of a contractual party that become known during the per-



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formance of the contract. Concardis is to ensure that the companies employed by it for the processing of data observe the provisions of the German Federal Data Protection Act (Bundesdatenschutzgesetzes).

### 10. Place of jurisdiction / applicable law

Frankfurt am Main is the sole place of jurisdiction. The law of the Federal Republic of Germany applies between the two contractual parties. The terms of the UN purchasing law (CISG) are excluded.

### 11. Other provisions

The general terms and conditions listed here can be supplemented by separate general terms and conditions for special areas of business based on the deliveries/services owed in accordance with the order.

Changes or additions to these general terms and conditions require the written form. This also applies to a waiver of the requirement for the written form itself.

The invalidity of individual terms of these general terms and conditions does not affect the effectiveness of the remaining terms. Any invalid term is to be replaced with an effective provision that matches the commercial purpose of that invalid term as closely as possible.

### Merchant policy

#### Conditions for participation in the German banking industry's electronic cash system

##### 1. Participation in the German banking industry's electronic cash system

The company is entitled to participate in the electronic cash system operated by the German banking industry in accordance with these conditions. The electronic cash system enables cashless payment at automated checkouts and electronic cash terminals. The company's contractual partner in relation to the authorisation of each individual payment transaction is the respective card-issuing payment service provider (see 5). All payment service providers participating in the electronic cash system are henceforth referred to as 'the banking industry'.

##### 2. Card acceptance

Debit cards issued by payment service providers that display an electronic cash symbol as per section 2.5 of the technical appendix are to be accepted at the company's electronic cash terminals. The company remains free to award discounts or to levy surcharges on the cash payment price and for possible cashback withdrawals (see no. 13). The company is to advise cardholders of any commission or the non-acceptance of debit cards by payment service providers for want of a commission agreement by means of stickers, electronically or by any other appropriate means. Any surcharge must be reasonable and in line with the actual costs incurred by the company.

If the banking industry has entered into corresponding cooperation agreements with operators of or participants in secure and PIN-supported debit card systems who are based abroad (cooperation partners), the company is obligated to accept the debit cards issued by a payment services provider in the system of a cooperation partner for cashless payment at electronic cash terminals under the conditions applicable to the electronic cash system. The network operator will inform the company about the cooperation partners' debit cards that are to be accepted within the framework of the electronic cash system and will take these into consideration during technical processing within the electronic cash system. The acceptance of cards from other systems at electronic cash terminals is not affected by this, provided this does not compromise the proper processing of the cards that are to be accepted within the electronic cash system.

##### 3. The company's connection to the network of a network operator

The company's participation in the electronic cash system requires a connection to a network based on a separate



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agreement between the company and a network operator, provided the company does not itself assume the role of the network operator. The task of an operator network is to connect the electronic cash terminals with the authorisation systems of the banking industry, which approve the electronic cash transactions. The network operator is responsible for the installation of electronic cash terminals, their connection to the operator's computer, their technical support and the insertion of cryptographic keys. If the process for the online personalisation of terminal hardware security modules (the OPT procedure) is used here, the network operator is responsible for the transmission of cryptographic keys as part of those processes. The network operator is to ensure that the network fulfils the security requirements laid out by the banking industry.

#### 4. Changing the cryptographic keys required for terminal operation

In order to maintain the security of the electronic cash system, it is necessary to change the cryptographic keys at regular intervals or in response to circumstances. The cryptographic keys required for operating the terminal are created by the banking industry.

The company is obliged to accept these cryptographic keys as they were provided by the banking industry. This takes place via the network operator. If the OPT procedure is used for insertion, the company is to conclude an appropriate agreement for this purpose with a payment service provider chosen by it (a terminal payment service provider) or with a network operator commissioned by one.

#### 5. Transaction authorisation from the card-issuing payment service provider

With a positive authorisation of a transaction, the card-issuing payment service provider, who is affiliated with the electronic cash system, declares that it will pay the receivable to the amount authorised at the electronic cash terminal (an electronic cash transaction). If the company accepts at its electronic cash terminal a debit card issued by a credit institution in the system of a cooperation partner then, with a positive authorisation of a transaction, the card-issuing payment service provider from the system of a cooperation partner declares that it will pay the receivable to the amount authorised at the electronic cash terminal (an electronic cash transaction). Requirements for settling the electronic cash transaction are that the electronic cash terminal is approved by the network operator, was operated according to the procedures agreed with the network operator and the requirements listed in nos. 2 and 7 were adhered to by the company. If the card-issuing payment service provider is affiliated with the electronic cash system, a further requirement is that the electronic cash transaction is submitted by one of the company's payment service providers

(a collection payment service) within eight days. The submission of the electronic cash transaction by the company via its payment service provider is not part of the authorisation of the transaction given to the company by the card-issuing payment service provider. When an electronic cash transaction is cancelled, the card-issuing payment service provider no longer has a payment obligation.

If requested to do so by the banking industry – via the network operator – the affiliated company is obligated to provide more detailed documentation regarding a contested electronic cash transaction (e.g. copies of records, retailer's reports, etc.) immediately, but within a period of ten days following receipt of the request at the latest.

#### 6. Fees

For the operation of the electronic cash system and the approval of electronic cash transactions in the authorisation systems of the banking industry or the authorisation system of a cooperation partner, the company or anyone appointed by it is liable to the card-issuing payment services provider for the fee agreed between them. If individual fees are agreed, both parties will comply with the technical requirements of the electronic cash system. No fee is levied for cancelled transactions.

The company is obliged to prove the existence of a fee agreement with all card-issuing payment service providers to the network operator and to inform the network operator of the parameters it needs for technical transaction processing (e.g. it may be necessary to provide the basic calculation figure that has been individually agreed). If the company does not have a fee agreement with one or more card-issuing payment service providers, it must use its best efforts to enter into fee agreements with those card-issuing payment service providers. Until full evidence has been provided, the network operator may take suitable and reasonable precautions involving the company, such as advising cardholders via the company that debit cards from certain card-issuing payment service providers are not accepted for want of a fee agreement or the (temporary) disconnection of the terminal until evidence of the missing fee agreements has been provided.

At the merchant's request and once they have signed a service agreement, the network operator may carry out the technical processing of fee agreements negotiated directly between the company and card-issuing payment services provider(s). If the company uses an appointee for settling electronic cash fees, it will also oblige the appointee to record the electronic cash fees separately from its other assets on a separate account. Notwithstanding any agreement to the contrary, these fees are held in trust for the card-issuing payment services provider.

The fees owed to the individual card-issuing payment services providers are remitted to the card issuing payment service providers at intervals via the network operator, insofar as this has been agreed between the company or its



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appointee and the individual card-issuing payment service providers, taking the technical requirements of the network operator into account.

### 7. Operation of terminals according to the guidelines in the technical appendix

The company will operate the electronic cash terminals for the cards permitted within these conditions (see no. 2) exclusively in accordance with the 'operating instructions' provided in the accompanying technical appendix. The requirements contained within them form part of these conditions. In order to prevent, in particular, the exposure of a PIN when this is entered at a terminal, the security requirements listed in the accompanying technical appendix are to be observed when installing the terminals.

The company is to refrain from doing anything that could compromise the security or the proper functioning of the electronic cash system.

Only terminals approved by the banking industry may be used to take part in the electronic cash system. Necessary adjustments to terminals are to be carried out on time according to banking industry guidelines so that applicable authorisation requirements are adhered to. Non-adjusted terminals may not be used in the electronic cash network after the deadline.

### 8. Entering a personal identification number (PIN) during the payment process

In addition to providing a card, a personal identification number (PIN) is to be entered at the electronic cash terminal to execute payment. The PIN may only be entered by the cardholder.

### 9. Granting access

The company is to ensure that representatives of the banking industry can, upon request, gain access to the electronic cash terminals and inspect them.

### 10. Collecting electronic cash transaction amounts

The collection of electronic cash transaction amounts is to take place based on separate agreements between the company and the selected payment service provider and does not form part of these conditions. The network operator will already have declared itself ready to support the company with the processing of payment transactions by creating direct debit files from the company's electronic cash/transactions and by, amongst other things,

- providing these either to the company for submission to its account-keeping payment service provider or to a central office specified by one;

- submitting these itself to the account-keeping payment service provider of the company on its behalf;
- or by handing these over for its account-keeping payment service provider to collect following the assignment of receivables by the company.

### 11. Retention periods

The company will keep the retailer's reports from electronic cash terminals for at least 15 months – irrespective of statutory retention periods – and, upon request, provide these to the collection payment service provider through whom the electronic cash transaction was collected. Objections and other complaints by cardholders – as per no. 2, line 1 – that concern the contractual relationship with the company will be raised directly with the company.

### 12. Acceptance marks

The company is to clearly emphasise the electronic cash system with a symbol provided as per section 2.5 of the technical appendix and emphasise the acceptance of cards from cooperation partners with an EAPS symbol provided. In so doing, the company may not advertise a payment service provider or a group of payment service providers.

### 13. Special requirements for the provision of cashback by the company

If a company provides the option of cashback as part of the electronic cash procedure, the following additional provisions apply:

- The withdrawal of cash is only permitted as part of an electronic cash transaction to pay the company for goods and services. The electronic cash transaction should be for at least 20 euros.
- Cash may solely be withdrawn following the compulsory authorisation of the requested amount by the card-issuing payment service provider.
- The company is bound by the payment service provider's decision to provide authorisation, subject to there being sufficient cash reserves in the till.
- The maximum amount of cash that may be withdrawn is 200 euros
- The company is not to treat cardholders of different card-issuing payment service providers differently based on charges for withdrawing cash. In this process, the merchant may consider the cash reserves in the respective till, however.

### 14. Changes to the conditions

The company will be notified of any changes to these conditions. If an electronic communication path is agreed with



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the company, such changes may also be transmitted in this way, provided the form of transmission permits the company to save and print out the changes in a legible format. Changes shall be considered approved if the company does not object to its payment services provider, either in writing or via the agreed electronic communications channel. The company will be alerted to this fact in particular when it is notified of changes. The company must send any objections to its account-keeping payment service provider within six weeks of notification of changes.

### 15. Choice of law, place of jurisdiction and language

These conditions and their attachments are subject to the law of the Federal Republic of Germany. Berlin is the exclusive place of jurisdiction for disputes concerning these conditions. A payment service provider and the company can also have proceedings brought against them in the jurisdiction where their place of business is located. In the case of translations, the version in the German language is binding in each case.

### Technical appendix to the conditions for participating in the electronic cash system from the Deutsche Kreditwirtschaft (German Banking Association)

#### 1. Permitted cards

Cards issued by German credit institutions that display an electronic cash symbol as per section 2.5 can be used at terminals that are compatible with the electronic cash system from the Deutsche Kreditwirtschaft.

#### 2. Operating instructions

##### 2.1 Security requirements (privacy shield)

In principle, system security is to be ensured by the network operator. However, the merchant must also contribute by taking appropriate measures to provide a privacy shield: i.e. to ensure the customer can enter his or her PIN in private. The following is important in this regard:

- The location of the customer keypad should be chosen and designed in such a way that the privacy shield combined with the customer's body enables the best-possible shielding of PIN entry.
- Handheld devices should be placed in the customer's hands.
- Table devices should be movable so that the customer can adjust them to a suitable position.
- Video cameras and mirrors should be positioned in such a way that PIN entry cannot be observed using them.
- A separation zone should be set up around the input device.

##### 2.2 General requirements for terminals

The network operator is obligated to only connect terminals to its network that satisfy the requirements of the banking industry (cf. point 3 of the merchant's conditions). These are limited to

- the smooth processing of the transaction whilst maintaining a few basic functions;
- organising a 'customer interface' (with a display, customer records, PIN entry keypad, etc.) to ensure a uniform appearance of the system; and in particular
- system security, which ensures the secure transmission of purchase data and personal identification numbers (PINs) by employing appropriate software and hardware.

##### 2.3 Processing electronic cash transactions

An electronic cash terminal includes the following components, which may be arranged in one or various devices:

- A customer keypad for entering the personal identification number
- A card reader for taking card data (from a magnetic strip or chip)
- A merchant unit for operational procedures performed by checkout staff
- Printers for issuing customer receipts

At manned terminals payment is processed with the aid of a checkout staff member; at unmanned terminals (vending machines and petrol pump payment machines) this is performed exclusively by the customer.

The terminal must be able to support the

- authorisation (approval) and
- automatic cancellation (without the participation of the merchant or customer)

functions for cashless payments. The manual cancellation function (process reversal with the assistance of the merchant and/or customer) is optional and depends on the support of the network operator.

The payment procedure follows the steps listed below (recommended sequence):

1. Insert/swipe card
2. Select service (only for unmanned terminals)
3. Confirm amount
4. Enter PIN
5. Confirm PIN
6. Display the outcome
7. Remove card (chip card reader)

Alternatively, steps 3 and 5 can be performed at the same time and after step 4 (combined confirmation) if the amount, the entry screen for the PIN and the request for confirmation are displayed together.

All processes performed in the terminal must be recorded in the retailer's report, which can also be managed electronically in the background. After each operational step, the



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customer must be able to cancel a process or make a correction. The final confirmation must come from the customer.

### 2.4. Description of the customer interface

A terminal's customer interface includes

- the display equipment (on the customer keypad) and
- the receipt issue point.

The display informs the customer directly of the completion of a process.

The following text is included:

Payment in process	Amount cancelled
Payment not possible	Cancellation not possible
Incorrect PIN	Too many incorrect PINs
Card not permitted	Card invalid
Card expired	System error

The receipt issued to the customer following successfully completed processes – authorisations and manual cancellations – must contain at least the following details:

#### a) Online transactions:

'Card payment'	- fixed text
Merchant name and location	
Name of the payment system	- recommendation: 'electronic cash'
Terminal number	
Date/time	
ec number	- additional process identification
Bank sort code	
Account number	- at petrol-pump-type terminals
'...####' (last four digits of account number)	
Maximum amount	- only for unmanned, petrol-pump-type terminals
Amount	- payment amount
Or cancellation	- amount cancelled
AID parameter	- value from the authorisation response
Authorisation note	- sign of approval
'Payment in process'	- text for approved payments
'Amount cancelled'	- text for successful cancellations

#### b) Offline transactions with chips (additional details):

Card number	
Card suffix number	
Expiry date	
Cancellation ID	- cancellation identification in the chip

The details listed are important for customer complaints. In the event of unsuccessful operations, receipts can be created that do not have to contain approval information (AID-

Par./Aut. Note or Param./Trans. Certificate). Instead of 'Payment in process' or 'Amount cancelled', an error text should be printed.

### 2.5 Electronic cash pictograms

At the very least, the 'electronic cash PIN pad' or 'girocard' pictograms illustrated here must be used as acceptance marks at the checkout. Only the 'girocard' pictogram is to be used as an acceptance mark at newly established checkout locations.



ec electronic cash



electronic cash PIN-Pad



girocard



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### Special conditions for 'Concardis KontoPlus Klassik'

#### 1. Basis

The following regulations apply to the special conditions for 'Concardis KontoPlus Klassik', if the contractual partner wishes to use this service from Concardis.

#### 2. Object of the agreement

2.1 Concardis gathers together the contractual partner's submitted girocard card transactions, for which the cardholder must enter his or her PIN for verification and which have been processed through a Concardis terminal with the terminal ID prefixes 690, 691 or 692. For Concardis terminals with a different terminal ID to the ones mentioned above, Concardis also gathers the girocard ELV card transactions for which the cardholder must sign to verify the payment voucher. The payment amounts of all the gathered card transactions are then credited daily to a separate account of Concardis, or a third party commissioned by Concardis, with a German credit institution (henceforth referred to as a 'bank') as a credit item, whereby this account can also be an escrow account.

2.2 A requirement for the daily crediting according to point 2.1 is that the respective terminals be cashed up by the contractual partner on a daily basis, too. If the contractual partner has multiple terminals under one contractual partner number, the credit item for the payment amounts is calculated from all the terminals into a single sum total.

2.3 Concardis will irreversibly instruct the bank to transfer all the credit items for the contractual partner that entered the account into the contractual partner's account. The bank will then transfer the credit items for the contractual partner that entered the account into the contractual partner's account. This transfer generally occurs within two banking days of cashing up being performed.

#### 3. Term and termination

3.1 The term of the special conditions for 'Concardis KontoPlus Klassik' is based on the duration of the respective POS service agreement between Concardis and the contractual partner.

3.2 The right to extraordinary termination and termination without notice of the special conditions of 'Concardis KontoPlus Klassik' remains unaffected. Serious grounds for termination without notice exist in particular when

a) Concardis and the bank end the 'Concardis KontoPlus Klassik' agreement that exists between them;

b) substantial adverse circumstances come to light regarding the contractual partner or its owners that would make Concardis' continued involvement in the contract unacceptable. Such a circumstance would exist in particular if a considerable deterioration of its financial situation occurred, or threatened to occur (e.g. the submission of an application to open insolvency or settlement proceedings or a subsequent degrading by a credit agency) or its financial situation appeared insecure.

3.3 Any termination is to be announced in writing.

#### 4. Collecting and forwarding information

4.1 The contractual partner authorises Concardis to collect bank information of a general nature and frees the account-keeping institution from a duty of banking confidentiality in this regard. Furthermore, the contractual partner authorises Concardis to collect commercial information and/or information from the General Credit Protection Association (SCHUFA) through the account-keeping institution.

4.2 In addition to statutory information, Concardis is entitled to transmit to the bank all documentation and information concerning the contractual partner that is required for opening and managing an escrow account.

#### 5. Liability

5.1 The liability provisions from Concardis GmbH's general terms and conditions for service apply, as long as nothing else is provided in these special conditions.

5.2 Concardis is not liable for damages that arise as a result of delays to the transmission of credit items to the contractual partner's account.

5.3 The contractual partner is liable for any returned debit notes from cardholders and their associated fees. These will appear directly on the contractual partner's account.

#### 6. Other matters

Provisions that already exist arising from Concardis GmbH's general terms and conditions for POS service remain unaffected and have not been reprinted in these special conditions for the 'KontoPlus Klassik' option. They apply accordingly, provided they are consistent with these special conditions.

