TERMS FOR THE PARTICIPATION IN CARD SCHEMES

The following Terms for the Participation in Card Schemes govern the AGREEMENT FOR THE PARTICIPATION IN CARD SCHEMES between JCC Payment Systems Limited ("JCC") and "the Merchant" and are part and parcel.

1. DEFINITIONS:

Unless otherwise provided:

1.1. **"Acquirer"** refers to a Card Scheme member that enters into an Agreement with a Merchant for the display of any of the licensed mark and the acceptance of Card Scheme Products and Services.

1.2. **"Agreement"** refers to the Agreement for the Participation in Card Schemes.

1.3. **"Application Form"** refers to the application completed and signed by the Merchant for the processing of services provided by JCC.

1.4. **"Approved Products/Services"** refers to products or services:

- Offered for sale by the Merchant on its internet website at the internet address (URL) or its physical store as approved by JCC and
- For which JCC provides approval during the enrolment of the Merchant or for any other products or services that belong to the same type of business and
- Which are not products or services listed amongst JCC's prohibited type of businesses as listed in JCC's website (www.jcc.com.cy).

1.5. **"Approved Sub-Contractors List"** means the list of sub-contractors maintained and made available by JCC via JCC's website (www.jcc.com.cy), as amended and updated from time to time;

1.6. **"Authorisation"** refers to the approval of a Transaction by either an Issuer, a Card Scheme system processor, or Stand-In Processing.

1.7. **"Bank or Local Bank"** refers to all legal entities licensed by Card Schemes and regulatory authorities to operate as a bank or credit institution.

1.8. **"Business Day"** refers to any day that Banks are open for business in the Republic of Cyprus.

1.9. **"Card Acceptance Guide"** refers to all reference materials containing the JCC rules, provided periodically to the Merchant by JCC which describes the procedures that the Merchant must follow. The Card Acceptance Guide can also be found on the JCC website.

1.10. **"Cardholder"** refers to an individual or entity who or which has a Cardholder account with an Issuer.

1.11. **"Card or Bank Card"** refers to a payment Card, device or any other electronic or virtual product or account, which is capable of completing a payment Transaction and is issued by a member or a customer for use in connection with the Card Scheme and bears a licensed mark.

1.12. **"Card Schemes"** refers to the 'Visa', 'Mastercard', 'UnionPay', 'JCB' and 'Diners Club International-DCI' that includes also Discover Card Schemes, to which JCC is a member, or to any other Card Scheme that may be supported by JCC in the future.

1.13. **"Capture''** refers to the clearing and settlement request from an E-Commerce Merchant to JCC. Capture can be sent only after goods or services are shipped.

1.14. **"Chargeback''** refers to a Transaction that an Issuer returns to an Acquirer.

1.15. **"Collateral"** refers to a holding of cash deposits in bank accounts that is held in favor of JCC. It can be held in the form of either (i) a Bank Guarantee in the name of JCC or (ii) a Rolling Reserve which is derived from a percentage of the Merchant's Transaction amount.

1.16. **"Credit or Credit Slip"** refers to the record evidencing a Refund to the Cardholder.

1.17. **"CAV2"** JCB Card Authentication Value2 refers to a 3-digit numeric value indent printed on the signature panel or in the area on the right side of the signature panel of JCB Cards.

1.18. **"CVC2"** Mastercard Card Validation Code 2 refers to a unique check value printed on the back of Mastercard Cards.

1.19. **"CVN2"** refers to UnionPay Card which means Card Verification Number 2. The CVN2 is a printed 3-digit number on the upper right corner of the signature panel.

1.20. **"CVV2"** Visa, Diners and Discover Cards Verification Value 2 refers to a unique check value printed on the back of Visa, Diners and Discover Cards.

1.21. **"Data"** means documents, data and records of any kind relating to Transactions, Chargebacks, Reversals, or Refunds (including, for the avoidance of doubt, data relating to Cards and Buyers) and shall include transaction Personal Data and Sensitive Authentication Data;

1.22. **"Data Controller"** means any Person who alone or jointly or in common with others determines the purposes for which and the manner in which Personal Data are, or are to be, Processed;

1.23. **"Data Processor"** means a Person (other than an employee of the Data Controller) who Processes Personal Data on behalf of the Data Controller;

1.24. **"Data Protection Legislation"** means all Laws applicable to the protection of Personal Data from time to time, including the General Data Protection Regulation ((EU) 2016/679)) and/ or the Law 138 (I) 2001 on the Processing of Personal Data (Protection of the Individual) ("Law"), as such Law may be amended from time to time together with other regulations made under them;

1.25. **"Data Subject"** means an individual whose Personal Data is Processed under this Agreement;

1.26. **"DCC"** refers to Dynamic Currency Conversion and is the conversion of the purchase price of goods or services from the currency of the Merchant outlet to the billing currency as agreed to by the Cardholder and Merchant. That currency becomes the Transaction currency, regardless of the Merchant's local currency.

1.27. **"Deposit"** refers to submission of a Transaction Receipt by a Merchant to an Acquirer, resulting in a credit or debit to the Merchant's account.

1.28. **"E-Commerce Merchant"** refers to Merchant that accepts Transactions through JCC Internet Payment System.

1.29. **"Floor Limit"** refers to a currency amount for single Transactions for specific types of Merchants and specific types of Transactions above which Authorisation is required**.**

1.30. **"Fraudulent or Miscoded Transactions**" are, but not limited to, (i) sales made under a different trade name or business affiliation than indicated in these Terms for the Participation in Card Schemes or otherwise approved by JCC in writing; (ii) Transactions that may result to fines or penalties of any kind, losses, damages or any other costs that are beyond the total sale price; (iii) any Transaction that violates any law, ordinance, or regulation applicable to the Merchant's business; (iv) sales by third parties own sales; (v) Transaction amounts for which a customer has not specifically authorised payment through JCC.

1.31. **"Installment Transaction"** refers to the single purchase of goods or services billed to a Cardholder's account in multiple segments, over a period of time agreed between that Cardholder and a Merchant.

1.32. **"Issuer or Issuing Bank"** refers to a member that issues Cards to a Cardholder and maintains the contractual privity relating to such Card with that Cardholder.

1.33. **"International Regulations of Card Schemes"** refers to the regulations as set by the Card Schemes that govern the Card payments systems.

1.34. **"JCC Internet Payment System"** refers to the JCCgateway system that accepts and processes E-Commerce Transactions.

1.35. "**JCC SoftPOS**" refers to a software application that is downloaded on a mobile device, of Android type, so that it operates as a card present physical point of sale.

1.36. "**Marketplace**" refers to an entity that brings together Cardholders and retailers on an electronic commerce website or mobile application and processes Transactions and receives settlement on behalf of those retailers. In the event that a Merchant operates as a Marketplace, all references to 'Merchant' in these Terms and the Agreement, shall be a reference to such Marketplace.

1.37. **"Merchant**" refers to any entity or individual that has a contract with JCC under which it accepts Cards from Cardholders in payments for goods and services.

1.38. **"Merchant Agent"** refers to the term used for a service provider or third party that comes into contact with Cardholder information, as part of a service offering to the Merchant. More specifically, a 'Merchant Agent' can be considered as such only if it stores, processes or transmits Cardholder data; if so, then the 'Merchant Agent' must be registered with Card Schemes.

1.39. **"Merchant Number"** refers to the reference number given by JCC upon receipt of the Merchant Application Form and the Merchant's registration in the Card Schemes.

1.40. **"Merchant Service Charge (MSC)"** refers to the amount the Merchant is charged by JCC for the processing of each Transaction as this is defined in the Agreement for the Participation in Card Schemes and which may be amended by JCC from time to time.

1.41. **"Other Financial Institution"** means any third party credit or financial institution (including Card Issuers) which may be involved, or which we in our sole and absolute discretion involve, in the course of our provision of any of the Services;

1.42. **"PCI-DSS: Payment Card Industry Data Security Standard"** provides a baseline of technical and operational requirements designed to protect Cardholder data. PCI-DSS applies to all entities involved in payment Card processing including Merchants, processors, Acquirers, Issuers, and service providers, as well as all other entities that store, process or transmit Cardholder data. PCI-DSS comprises a minimum set of requirements for protecting Cardholder data, and may be enhanced by additional controls and practices to further mitigate risks.

1.43. **"Person"** means any individual, company, body corporate, corporation sole or aggregate, government, state or agency of a state, firm, partnership, association, organisation or trust (in each case, irrespective of the jurisdiction in or under the law of which it was incorporated, formed or otherwise exists);

1.44. **"Personal Data"** means data which relates to a living individual who can be identified from such data, or a combination of such data and other information in the possession of, or likely to come into the possession of, the Data Controller;

1.45. **"PIN"** refers to the Personal Identification Numeric code which is used to identify a Cardholder in an Authorisation request.

1.46. **"Point of Sale Terminal (POS)"** refers to the device used at the Point-of-Transaction that has a corresponding Point-of-Transaction capability including JCC SoftPOS.

1.47. **"Point of Service"** refers to the Merchant's system, POS device, the Merchant's website and JCC payment systems used for the processing of Card Transactions.
1.48. **"Privacy Statement"** means collectively JCC "layered" privacy statement as updated from time to time and which is made available at JCC's website (www.jcc.com.cy).
1.49. **"Processing of Personal Data"** means any operation or set of operations which is performed on personal data or on sets of personal data, whether or not by automated means, such as collection, recording, organisation, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction;
1.50. **"Refund/Return Transaction"** refers to the Card Transaction between the Merchant and the legal Cardholder during which the Cardholder receives a credit return.
1.51. **"Regulatory Authority"** means any governmental or regulatory authority, and/or any self-regulatory authority, governmental department, agency, commission, board, tribunal, or court or other law, rule or regulation making entity having jurisdiction over any of the Parties and/or their businesses or any part or subdivision thereof in any territory in which the Services are made available or any local authority, district or other subdivision thereof.
1.52. "**Retailers**" refers to entities which maintain a business relationship with a Merchant who operates as a Marketplace and which sell goods and/or services through a Marketplace.
1.53. **"Reversal/Void"** refers to Transaction cancellation.
1.54. **"Sales Slip"** refers to the record including any electronic Transaction reports (e.g. E-Commerce Merchants) evidencing a purchase of goods / services by a Cardholder.
1.55. **"Sensitive Authentication Data (SAD)"** refers to security-related information (including but not limited to card validation codes/values, full track data from the magnetic stripe or equivalent on a chip, PINs, and PIN blocks) used to authenticate cardholders and/or authorize payment card transactions.
1.56. **"Slip"** refers to Credit Slip and/or Sales Slip.
1.57. **"Split Sale"** refers to the preparation of two or more Sales Slips for the single Transaction on one account.
1.58. **"Stand-In Processing"** refers to the Card Scheme component that provides services for obtaining Authorisation on behalf of an Issuer when the positive Cardholder Authorisation System is used or when the Issuer or its system processor is unavailable.
1.59. **"Surcharge"** means any additional fee or charge imposed upon a customer who uses a Card for payment of a Transaction.
1.60. **"Tax Authorities"** shall mean the Tax Department of the Republic of Cyprus in relation to VAT and Income Tax.
1.61. **"Transaction or Card Transaction"** refers to the Transaction between a Cardholder and a Merchant for the sale or rental of goods or the provision of services or any Refund that results in a Transaction Receipt.
1.62. **"3-D Secure"** refers to an Electronic Commerce Transaction that has been authenticated using an authentication method based on the 3-D Secure specification.

2. THE MERCHANT'S DUTIES AND OBLIGATIONS

2.1. Where the Merchant chooses not to accept all Cards or other payment instruments of a payment Card Scheme he/she shall inform the Cardholder in a clear and unequivocal manner. The Merchant undertakes that such information shall be displayed prominently at the entrance of the shop, at the till or on the website or other applicable electronic or mobile means, and shall be provided to the Cardholder in good time before the Cardholder enters into a purchase agreement with the Merchant.
2.2. The Merchant understands and acknowledges that, in accordance with applicable law, the application of any Surcharge is prohibited and the Merchant undertakes that he shall comply with such laws at all times.
2.3. The Merchant shall comply with all JCC's instructions and the provisions as outlined in these Terms for the Participation in Card Schemes and in the Card Acceptance Guide.
2.4. The Merchant undertakes to provide JCC with any Transaction details and documentation, as may be requested by JCC from time to time, and in relation to Transactions under investigation by Card Schemes and the Tax Authorities.
2.5. The Merchant undertakes to comply at all times with applicable anti-money laundering and anti-terrorist financing principles in accordance with Card Schemes' rules and regulations, local legislation and regulations and Central Bank of Cyprus directives.
2.6. The Merchant shall comply with the necessary security requirements as these are referred by PCI-DSS standard for the protection of Card data as well as with any additional security requirements that JCC may enforce from time to time when and if instructed by the Card Schemes.
2.7. The Merchant undertakes to complete any questionnaires on an annual basis that concern the processing, transmission, and storage of data in accordance with the PCI-DSS standard.
2.8. The Merchant acknowledges that JCC is allowed to carry out regular checks to ensure that necessary security measures are in place for safeguarding Cardholder data. Failure to comply shall render the Merchant as not compliant, in which case, JCC reserves the right to terminate the Agreement without prior notice.
2.9. The Merchant, in his/her sole discretion, may, in the instance that he/she determines that a Card is altered, disfigured or counterfeited or is included in the current stop list, attempt to retain the Card using prudence and care to avoid any breach of the peace or any injury to any person or property.
2.10. The Merchant shall display advertising material which will be periodically provided by JCC for advising the public that the Merchant will honor the designated Cards.
2.11. The Merchant shall securely store all customers' personal information that come into his/her possession as well as personalized security credentials provided by JCC for the purposes of authentication. This information is considered confidential and access to it is forbidden to any third party without JCC's prior authorisation.
2.12. In no case and at no stage of the Transaction shall the Merchant, and by extension, his/her business systems which are linked to the JCC payment systems, store his/her customers' Card details. Card details are the Card numbers, expiry dates and any other data as collected in the course of the Transaction.
2.13. The Merchant shall notify JCC immediately in the event of changes which may affect these Terms for the Participation in Card Schemes including changes to any of the details stipulated in the Application Form and or any other changes which may affect the Merchant's account (e.g. address, telephone number, URL, e-mail, directors, shareholders, secretary, person granting the authority for signing on behalf of the company, name of business etc.).
2.14. The Merchant undertakes at all times to promptly provide JCC with the required documentation and information to enable JCC to carry out client due diligence measures, in line with the applicable anti-money laundering and counter terrorist financing framework, which shall include verified identification documentation of the Merchant and/or the Merchant's related persons (including, where applicable, its ultimate beneficial owners) ("**KYC documents**"). In the event of any subsequent change in such KYC documents (including changes in the legal structure, beneficial ownership, business activities or financial condition), the Merchant undertakes to inform JCC in writing immediately and provide updated KYC documents. The Merchant acknowledges that timely communication of such changes is essential for JCC to comply with regulatory requirements and failure to provide JCC at all times with updated and accurate KYC documents may result in the suspension of services and/or termination of the Agreement.
2.15. The Merchant shall notify JCC immediately of any agreement that was made with a 'Merchant Agent'. If the Merchant uses a 'Merchant Agent', then the Merchant must contact JCC to provide him/her with guidance as to the registration process of the 'Merchant Agent' to the Card Schemes.
2.16. The Merchant agrees to comply with all laws applicable to its business activities, including, without limitation, any export, import, customs, or other restrictions on distributing any goods or services sold by the Merchant.
2.17. The Merchant undertakes to immediately inform JCC of any changes to the type of products or services to be offered and JCC must provide its approval as to such changes.
2.18. The Merchant is obligated to keep and safeguard all Sales Slips for Visa and Diners Club International for a period of at least 6 months and for Mastercard, JCB and UnionPay for a period of at least 13 months and shall provide JCC within seven (7) days all requested copies and/or originals of Sales Slips. Following expiry of the above period from the date of issuance of the above Sales Slips, or as otherwise required by applicable law, the Merchant destroys them in such a way so as to make reading thereof impossible.
2.19. In the case of Sales Slips issued by the Merchants regarding services provided to their clients Cardholders, and where this is required (e.g. overnight stays in hotels and/or the issuing of air tickets and/or car rentals, insurance companies, exchange currency sales, etc.), the Merchant shall keep and safeguard for a period of three (3) years at least, any contracts, account details and customer check in and/or registration, Card records of their clients and copies of any documents required for the processing of a Transaction (e.g. air tickets for airline companies). JCC shall reserve the right at all times to check these documents and/or electronic data.
2.20. Merchants not hosted at JCC and who by extension impact the security of the Transaction and/or store, process or transmit Cardholder data (i.e. wherever a Primary Account Number (PAN)), shall comply with the PCI DSS as applicable to their environments at all times. In the instance that such a Merchant outsources any process within the payment process, (i.e. web-page hosting, payment gateway hosting, Internet Payment Service Provider), and therefore allows a third party Merchant Agent to transmit, process, or store Cardholder data on its behalf, then such Merchant is responsible to ensure that this third party is PCI-DSS compliant and is registered with the Card Schemes. Failure to do so shall render the Merchant as not compliant in which case JCC reserves the right to terminate the Agreement without prior notice.
2.21. During the validity of the Agreement the Merchant agrees to assist JCC and provide any information or access so that JCC can:
  2.21.1. Re-examine, for verification purposes any information that was given by the Merchant;
  2.21.2. Review credit reports and/or otherwise verify the Merchant's current credit standing and funding adequacy;
  2.21.3. Inspect the Merchant's establishments (physical and not physical) at any time during the Merchant's business hours and the Merchant agrees to cooperate with any such inspection.
2.22. The Merchant is obliged to conform to any network configuration and/or protocols and/or any other Card Scheme enhancements that may affect the connection with any JCC system.

2.22.1. JCC reserves the right to change all or part of the network configuration and the protocols used in providing the services of JCC's systems. If any such changes require the Merchant to change data communication protocols or communication networks, then JCC shall provide the Merchant with thirty (30) days prior written notice;
2.22.2. Such changes will be effected by the Merchant assuming all related costs.

2.23. The Merchant will pay promptly to JCC any amounts due upon receipt of JCC's invoice. JCC reserves the right to deduct such amounts from payments owed to the Merchant for purchases.

2.24. The Merchant agrees to cooperate on major payment security incidents, including data breaches, both with JCC and the relevant law enforcement agencies.

In addition, and where the Merchant is an **E-Commerce Merchant** the following provisions are also applicable:

2.25. The Merchant undertakes to clearly separate all payment related processes from the online shop so that customers may identify when they are communicating with JCC.

2.26. The Merchant shall proceed and process a Reversal at any time that a Transaction cancellation is required. The Merchant acknowledges however that such cancellation request shall be approved up on Issuer's policies and procedures.

2.27. Where a Merchant operates through a number of URLs, it is mandatory that the list of URLs to be given to JCC prior to any processing. If additional URLs are added in the future, then these must be disclosed to JCC in advance.

2.28. The Merchant agrees to provide clear and complete terms and conditions on its website for its customers and JCC to make inquiries about the sale, quantity, delivery, Return or exchange of a purchase so that the customer must reasonably be aware of them prior to the completion of the purchase.

2.29. In the instance that the Transaction concerns the sale of products which are to be delivered in a country other than the Republic of Cyprus the Merchant is under an obligation to abide by local legislation of the country where the products are to be delivered. In the instance that any legal issues arise, responsibility rests with the Merchant.

2.30. A Merchant's website shall adhere to the required standards and as provided during the website assessment process.

2.31. The Merchant shall and at his/her own expense:
2.31.1. Set up all connections to JCC's systems, in accordance with all technical specifications, requirements, and instructions of JCC;
2.31.2. Adhere to all technical specifications issued by JCC from time to time;
2.31.3. Conform to government regulations, current regulations by the Telecommunications Authority and/or other relevant Authorities;
2.31.4. Comply with the PCI-DSS via the appropriate SAQ (Self-Assessment Questionnaire) as assigned by JCC and/or perform an on-site audit if necessary. The Merchant must verify compliance prior to commencement of this contract and maintain this compliance annually;
2.31.5. Pay for any fees and fines imposed by JCC and/or the Card Payment Schemes in the instance that the Merchant's website and/or system is compromised;
2.31.6. The Merchant is forbidden to store Sensitive Authentication Data post Authorisation, and the full Card track data. If the Merchant is found to store these data in any form, the Merchant shall be liable to fees and fines imposed by JCC and/or the Card Schemes regulations.

In addition, where the Merchant operates as a **Marketplace**, the following provisions are also applicable:

2.32. The Marketplace shall provide JCC with all requested information in respect of the Marketplace and its Retailers as such information may be required to, among others, comply with Card Schemes' rules.

2.33. The Marketplace and its Retailers shall comply with the Card Schemes' rules.

2.34. The Marketplace must enter into a contract with each Retailer before the Marketplace deposits Transactions on the Retailer's behalf.

2.35. The Marketplace shall not allow franchises, travel agents and high-brand risk merchants to participate on the marketplace as Retailers.

2.36. JCC shall have the right to prohibit individual Retailers from participating in the Card Schemes and to immediately stop depositing Transactions for any individual Retailer for good cause or upon a request from the Card Schemes.

2.37. The Marketplace shall procure that all authorizations, data or any other information and/or documentation required, is provided by the Retailer to JCC upon JCC's request.

2.38. The Marketplace:
a) Is permitted to process Transactions for Retailers located in a different country to the Marketplace, and must ensure that Transactions are legal in the country of the Marketplace and of the Retailer,
b) Is liable for all acts, omissions, Cardholder disputes, and other Cardholder customer service-related issues caused by the Marketplace's Retailers,
c) Is responsible and financially liable for each Transaction processed on behalf of a Retailer,
d) Must not transfer or attempt to transfer, or permit the Retailer to transfer or attempt to transfer, its financial liability by asking or requiring Cardholders to waive their dispute rights,
e) Must deposit Transactions only on behalf of Retailers of goods and services that use the Marketplace's website or application,
f) Must not knowingly contract with a Retailer whose contract to accept Transactions was terminated at the direction of a Card Scheme or a government agency.

2.39. The Marketplace undertakes and warrants to JCC that it shall carry out adequate due diligence in respect of Retailers and that risk management controls are in place to do all of the following:
a) Prevent Transactions that are illegal in the location of the Marketplace, the location of its Retailers, or the location of the Cardholder,
b) Prevent the sale of counterfeit products or goods that infringe intellectual property,
c) Provide a process to investigate and remediate rights-holder complaints,
d) Ensure that the Marketplace and its Retailers are not engaged in any activity that could cause harm to the Card Schemes' brand,
e) Ensure compliance with all laws, regulations, requirements, and Card Schemes' rules relating to anti-money laundering and anti-terrorist funding.

2.40. The Marketplace shall inform JCC, upon commencing the business relationship with JCC, and each quarter thereafter and/or upon JCC's request, of the following:
a) Total Marketplace Transaction value
b) Total Marketplace Transaction value generated by Retailers in the same country as the Marketplace
c) Total domestic Marketplace Transaction value generated by Retailers in a different country to the Marketplace ("International Retailer Volume")
d) Total international Marketplace Transaction value.

2.41. The Marketplace shall inform JCC, without delay in the below cases:
a) If the annual Transaction volume of the Merchant in Cyprus through the operation as a Marketplace is expected to exceed, or exceeds, the amount of USD 25 million or the Euro equivalent;
b) If a Retailer located outside the Marketplace's jurisdiction exceeds both (i) USD 10 million (or Euro equivalent) in annual transaction volume through the Marketplace, and (ii) 10% of the Marketplace's annual transaction volume.

3. CARD TRANSACTIONS

Transactions shall be performed using a POS Terminal or via JCC Internet Payment System according to the following:

3.1. The Merchant shall process all Transactions according to the instructions sent periodically by JCC to the Merchant, the provisions of these Terms for the Participation in Card Schemes and the Card Acceptance Guide.

3.2. Where the Merchant is to accept the Card in person he shall at all times ensure that the Card is genuine by examining the security features it contains. If the Card seems to be counterfeit, then the Merchant shall refuse to perform/accept the specific Transaction and where possible contact JCC for further instructions.

3.3. All Sales Slips and/or electronic receipts issued must be designed according to International Card Schemes specifications and regulations.

3.4. In the event where a sale was not performed after submitting the information through a POS/Internet Payment System or submitting wrong information, then the Merchant shall cancel the Transaction according to the cancellation procedure (Void/Reversal) which is stated in the Card Acceptance Guide. The Merchant agrees to perform a Return/Refund Transaction only in the cases where the Cardholder Returns the products or services which were purchased on the specific Card. For other rectifications which none of the above procedures is applicable, the Merchant is obligated to contact JCC.

3.5. In the instance that the Transaction was effected via a POS Terminal at the Merchant place of business, the physical presence of the legal owner of the Card is an absolute requirement for the performance of a Transaction.

3.6. The Merchant shall maintain the same policy for Returns from Card sales as cash sales without affecting in any way JCC's rights. It is noted that any difference arising between the Merchant's policy and the International Regulations of Card Schemes must be announced to the Cardholder in writing during the Transaction.

3.7. The Merchant agrees not to:
3.7.1. Issue a Credit directly to the customer in the form of cash or by credit to any payment Card other than the customer's Card that was charged for that Purchase.
3.7.2. Issue a Credit for a Transaction that was originally paid in cash or charged to any other payment Card.

3.8. Where the Merchant is an E-Commerce Merchant, the Merchant undertakes to perform all Refunds according to the Return, Refund, exchange, and cancellation policies as these appear on the Merchant's website.

3.9. The Merchant's policies must comply with all laws applicable to Return, Refund or exchange policies and must be in accordance to Card Schemes regulations.

3.10. The Merchant shall offset a Transaction with an appropriate credit to the customer (a "Credit") when a Refund, whole or in part, for a purchase is due to a customer. The Refund shall never exceed the Transaction amount.

3.11. JCC reserves the right to refuse to proceed with or block any Transaction involving any Approved Product in cases where it reasonably believes that the Transaction is Fraudulent or Miscoded. Furthermore, JCC is under no obligation to approve or process any particular Transaction originating from the Merchant. If any Fraudulent or Miscoded Transactions have been processed by JCC, then JCC reserves the right to void or reverse these Transactions or hold the funds at its own discretion until the particular case is fully investigated and resolved. Such cases may be, but not limited to:

3.11.1. Sales made under a different trade name or business affiliation as indicated in the Agreement or otherwise approved by JCC in writing;

3.11.2. Transactions that may result to fines or penalties of any kind, losses, damages, or any other costs that are beyond the total sale price;

3.11.3. Any Transaction that violates any law, ordinance, or regulation applicable to the Merchant's business;

3.11.4. Sales by third parties' own sales;

3.11.5. Transaction amounts for which a customer has not specifically authorised payment through JCC.

3.12. All Transactions submitted to JCC shall be processed according to the provisions of these Terms for the Participation in Card Schemes.

3.13. JCC agrees to provide Card Authorisation, clearing and settlement for Approved Products/Services not included in the prohibited type of businesses as listed in JCC's website.

In addition, and where the Merchant is an **E-Commerce Merchant** the following provisions are also applicable:

3.14. The Merchant must provide the Cardholder with a Transaction report. The Card details must never appear on the report. The Merchant must assign a unique identification number to the Transaction and display it clearly on the report. The report must always include the Merchant's website address.

3.15. The Merchant shall request Authorisation through the Internet Payment System for all Transactions regardless of the Transaction amount (zero Floor Limit) before selling and delivering an Approved Product to a customer. Any Approved Product for which Authorisation was given by JCC shall be delivered by the specific Merchant for which Authorisation was obtained to the specific customer from which the order was received.

3.16. The request for an Authorisation must include the information required by JCC, including the Transaction advertised price, any sales taxes, VAT or other duties and taxes, or shipping charges associated with the Transaction which the customer will agree to pay (the total sales price).

3.17. An Authorisation is valid only for seven (7) days from the date provided by JCC. If the Approved Product has not been delivered by the Merchant to the customer within seven (7) days from the Authorisation date, such Authorisation will expire and Capture cannot be processed. The Merchant must request a new Authorisation for that purchase from JCC.

3.18. The Merchant has a website through which he/she sells Approved Products to customers over the web. The Merchant's system will be connected to JCC's system that allows customers who are interested in purchasing Approved Products from the Merchant's website to pay using a Card (the "JCC Internet Payment System"). The details of the Transaction will pass through JCC's systems to obtain Card Authorisation and then submitted to JCC for settlement.

4. NON-SECURED CARD TRANSACTIONS

4.1. Honoring any Card should always be made in accordance with 3.1 above. The Merchant acknowledges that Transactions performed following any other procedure are not secured, i.e. there is the possibility that the Cardholder may not accept the Transaction and therefore the Transaction amount may be debited back to the Merchant's account.

Based on the above, the Merchant acknowledges that Transactions not performed as per best practices and advices provided by JCC, including the keyboard entry of a Card number (Card is not physically present) as in the case of mail order ("MO") or telephone order ("TO"), are solely in the responsibility of the Merchant.

4.2. In the instance that the system is unavailable, and the Merchant is unable to submit or transmit data from his/her POS, the Merchant may, in his sole and own discretion, follow the procedures set out in the Card Acceptance Guide if he/she wishes to honor Cards. The Merchant acknowledges that these Transactions are not secured and if such alternative procedures are to be followed the Merchant assumes sole responsibility.

5. MERCHANT CHARGES

5.1. The Merchant will be charged for his/her registration in the Card Schemes pursuant to the Agreement and in particular, he will be charged with any additional registration fees in the event that he participates as a Marketplace.

5.2. Where the Transaction has been carried out via JCC Internet Payment System the Merchant shall only instruct JCC's Internet Payment System to "Capture" the Transaction and request settlement for the purchase, when any physical goods which are comprised in the purchase are shipped by the Merchant to the customer, or in the case of non-physical goods or services, arrangements have been made for the customer to receive such non-physical goods or services.

5.3. The Merchant will pay JCC fees (MSC), according to the Agreement. JCC will either pay the totality of the sum indicated on every Sales Slip by directly Depositing it in the Merchant's bank account or in any other way JCC decides, after having subtracted MSC and other charges. If the payment date falls on a weekend or public/bank holiday, then payment will be initiated on the next Business Day thereafter.

5.4. The fact that Authorisation is granted does not affect JCC's rights to hold funds or to revoke payment or otherwise require payment from the Merchant regarding any valid Cardholder dispute. In no event shall the fact that Authorisation was obtained by the Merchant be deemed to be JCC's acceptance that the particular Card Transaction is in fact a valid or undisputed Transaction.

5.5. No Transaction payment shall be considered final since the Transaction is subject to charges pursuant to term 5 hereunder. JCC is absolutely entitled in cases where it considers appropriate not to accept a Sales Slip to be Deposited and/or to refuse its payment and/or if such Sales Slip has been accepted and paid to charge the Merchant the amount appearing on the Sales Slip in the instance that any of the following takes place:

- It reasonably deems that this amount cannot be collected from the account of the Cardholder to which it would have been charged and/or
- The Transaction should not have been allowed and/or
- The Sales Slip was completed in breach of these Terms for the Participation in Card Schemes or the Card Schemes' Regulations.

5.6. Without prejudice to the generality of this term, JCC may also charge the Merchant in the instance any of the following cases occur and JCC is requested to take action and rectify the situation. Such cases include but are not limited to:

5.6.1. The Card number is invalid, fraudulent, counterfeit, stolen.

5.6.2. The Card has expired, or it is not yet effective.

5.6.3. The account number of the Card is listed in the Stop List.

5.6.4. The Transaction was made without obtaining an Authorisation (where required).

5.6.5. The Sales Slip was not signed (where required) or the signature does not match the signature on the Card or it concerns previous incurred debts.

5.6.6. The Transaction was made in violation of term 2.15. of Terms for the Participation in Card Schemes.

5.6.7. There is any reasonable dispute of claim on behalf of the Cardholder.

5.6.8. The Transaction had been processed before.

5.6.9. There is a Split Sale.

5.6.10. The Card features have not been checked.

5.6.11. The same Sales Slip was Deposited to other financial organizations for payment.

5.6.12. The Transaction concerns another Merchant.

5.6.13. The Sales Slip was not delivered to JCC within the time limit referred to in 7.1.

5.6.14. Refusal or failure of the Merchant to provide JCC within (7) seven days from the date of request, with copies and/or originals of the Sales Slips.

5.6.15. A purchase by Card was allegedly undertaken without the knowledge or authority of the Cardholder/owner.

5.6.16. The Transaction has been processed using '3-D Secure' protocol but the liability shift according to Card Scheme regulations is in favor of the Issuer.

5.6.17. The Transaction has been accepted without using the 3-D Secure protocol.

5.7. In addition, the Merchant shall pay, upon demand:

5.7.1. All charges in accordance with these Terms for the Participation in Card Schemes.

5.7.2. Any arbitration fees that may be imposed upon JCC by the Card Schemes in order to ascertain the validity of a Transaction for which JCC deems the Merchant was responsible.

5.7.4. Charges and fines imposed by the Card Schemes on JCC for non-compliance of or breach of the Card Schemes regulations, for which JCC deems the Merchant, or the Retailers in the event where the Merchant operates a Marketplace, was responsible.

5.7.4. Legal and judicial fees incurred by JCC for any reason and which concern the Merchant, or the Retailers in the event where the Merchant operates a Marketplace.

5.7.5. In cases for which payments to the Merchant are made in a currency different from the currency that the Transaction was made in, then a Local Bank's exchange rate applied by JCC, shall be used and the relevant mark-up of the Merchant will be subtracted pursuant to the Agreement for the Participation in Card Schemes.

5.8. In the instance that there is a difference between the terms of this Agreement and of any other document concerning the Merchant's account, the terms of this Agreement will apply.

5.9. JCC can collect all due fees, payments and charges including those mentioned in term 5 by making a direct withdrawal from the Merchant's account or request a direct payment from the Merchant or in any other way that JCC may decide, including Collaterals and the retention of sums from future payments for sales of Approved Products. It is understood that the charges and fees mentioned above can be imposed after the termination of the Agreement or in the case where the Merchant's account has been closed or does not contain sufficient sums to pay any dues to JCC. In order to preserve the rights of JCC which are mentioned above, the Merchant shall sign and deliver to JCC an irrevocable authorisation (which is part of the Application Form) which will give the right to JCC to engage in any actions as to credit and/or debit the Merchant's account. The irrevocable authorisation will be signed on or around the signature date of the Agreement for the Participation in Card Schemes.

6. COLLATERALS

6.1. The Merchant acknowledges and agrees that if JCC, in its sole judgment, considers that the Merchant's activities, and/or the activities of its Retailers where the Merchant operates as a Marketplace, might damage its interests, and/ or its rights and/or its credibility and/or may cause possible financial damages either to JCC or to the banking industry, JCC will create a Collateral upon execution of the Agreement, in order to secure the Merchant's obligations thereunder. The Collateral will be held as a security against Chargebacks and/or Fraudulent Transactions and/or possible penalties imposed by Card Schemes and/or penalties or claims made by any governmental body in respect of a possible breach of its regulations, and/or any other obligations of the Merchant towards JCC, pursuant to these Terms for the Participation in Card Schemes or any other Agreement in force between JCC and the Merchant. The Collateral will consist of either or both of the following, pursuant to the provisions of the Agreement for the Participation in Card Schemes:

6.1.1. The "Rolling Reserve amount": the retention by JCC of a percentage determined by JCC in the Agreement for the Participation in Card Schemes, of the total gross sales from all Transactions (less Merchant Service Charge) on any particular day. JCC will retain the Rolling Reserve amount for a period set out in the Agreement for the Participation in Card Schemes the "Rolling Period for Rolling Reserve", after which the amounts retained will be released to the Merchant;

6.1.2. The "Bank Guarantee": The Deposit of a financial security by the Merchant with JCC as beneficiary for an amount equal to a percentage of the Merchant's anticipated total gross purchases as determined by JCC in the Agreement for the Participation in Card Schemes (the "Bank Guarantee Amount"). The Bank Guarantee amount may be reviewed and amended as required.

6.2. The Merchant acknowledges and agrees that JCC may withhold payment from the Merchant in the instance that JCC has reason to believe that it is necessary to create a Chargeback reserve as security against Chargebacks, Credits, or other obligations to JCC.

6.3. JCC reserves the right to withdraw an amount equal to the Chargebacks and/or Fraudulent Transactions from the Bank Guarantee amount, or the Rolling Reserve amount. It also reserves the right to request to change the Rolling Reserve amount, according to the Merchant's Chargeback ratio performance and monthly turnover.

6.4. JCC shall have the right to deduct from, recoup, or offset against the Collateral, any amounts owed by the Merchant to JCC. JCC shall have a general preferential lien upon the Collateral, as security for any amounts which may at any time become due or owing by the Merchant to JCC or for which the Merchant may be or may become liable to JCC.

6.5. Upon termination of the Agreement, JCC will retain the Collateral if any, for a period of one year from the date of the last Transaction before returned to the Merchant, or indefinitely if there was material breach of these Terms for the Participation in Card Schemes. JCC can hold the Collateral and use it to pay Chargebacks or penalties even if the Merchant is liquidated (either by its members or creditors or by the Court in accordance with the provisions of the Cyprus Companies Law (CAP 113) as amended from time to time) or in the instance in which the Merchant is a natural person if he/she is declared bankrupt pursuant to the Bankruptcy Law (CAP 5) and regulations in place as amended from time to time.

6.6. JCC may take any other reasonable actions and measures necessary, to be effective immediately, whenever JCC considers that such measures and actions are required so as to protect itself against fraud, Chargebacks, penalties, and credits including, but not limited to, changing the Merchant's payment schedule for Transactions or refusing to Authorise any or all Transactions.

7. BATCH TRANSMIT

7.1. The batch transmission of the Transactions performed shall be made on a daily basis. The batch must include valid Transactions between the Merchant and Cardholders. Payments shall be made pursuant to the Agreement for the Participation in Card Schemes.

7.2. The Merchant undertakes to ensure that the batch has been sent to JCC for processing and such responsibility rests on the Merchant.

7.3. The Merchant warrants that each Sales Slip to be sent is a true and correct record of a Transaction.

7.4. JCC reserves the right to inspect Transactions and delay and/or block any payment when it reasonably judges that the Transactions might have been performed incorrectly or in breach of these Terms for the Participation in Card Schemes or the Regulations of the Card Schemes.

7.5. JCC further reserves the right to delay, part or the full amount of the payment of the Deposit in order to create and retain a Collateral pursuant to the provisions of term 6, if in its sole judgment, it reasonably deems that the risks from the Merchant's activities have increased and such activities may damage JCC's interests.

7.6. If the Merchant is using outside sources to deliver goods or services, such source(s) shall be the Merchant's agents. The Merchant agrees to assume full responsibility and liability for any failure of such source(s) to comply with the Card Acceptance Guide or any rule and regulation of the Card Schemes and for any damages that JCC may suffer. The Merchant agrees that JCC's obligation to reimburse the Merchant for the value of Transactions concerning goods or services delivered through such agent, is limited to the amount of Transactions received by JCC from that agent.

7.7. The Merchant warrants that each Transaction shall be presented to JCC for processing on a daily basis and that Sales Slips presented to JCC for payment will not be presented for payment to any other financial organization.

7.8. Payment or otherwise in connection with the continued provision of those services by JCC, was true and accurate when given and remains true and accurate in all material respects and does not omit any fact or circumstance which would render such information inaccurate or misleading in any material respect, except to the extent that the Merchant promptly and subsequently notifies JCC in writing of any changes or errors in such information or documentation.

7.9. JCC reserves the right to inspect Transactions and delay or refuse any payment when it reasonably judges that the Transactions might have been performed incorrectly or in breach of the terms of the Agreement or the regulations of the Card Schemes.

7.10. JCC reserves the right to switch any of the Merchant accounts into one of JCC's merchant client accounts used for settlement of Card payments.

7.11. JCC reserves the right to suspend all services to the Merchant including all channels until its dues are fully collected.

8. AGREEMENT AMENDMENTS

8.1. JCC may at any time, and at its sole discretion, propose an amendment to the Agreement and these Terms for the Participation in Card Schemes, policy, procedures, and documents or terminate any service with at least two months' notice from the proposed date of entry into force of the amendment by: (a) sending to the Merchant written notice of such amendment, or (b) posting such amendment to JCC's website and providing the Merchant with electronic notice.

8.2. Any amendment to the Agreement or to these Terms for the Participation in Card Schemes proposed by JCC shall be considered to have been accepted by the Merchant if he/she has not notified non-acceptance to JCC prior to the proposed date of entry into force.

8.3. Whenever any amendment to these Terms for the Participation in Card Schemes or to the Agreement is proposed by JCC, the Merchant shall be entitled to terminate the Agreement immediately and with no additional charge prior to the proposed date of entry into force of the amendment.

9. USE OF ELECTRONIC POINT OF SALES (POS)

9.1. JCC shall present the Merchant with the POS models and the Merchant shall freely choose the type of POS to be installed at the Merchant's place of business. Commencement date shall be the date the POS is installed and becomes operable at the Merchant's place of business or for JCC SoftPOS the date it is activated.

9.2. The Merchant shall be held responsible for: (a) the provision and supply, at his/her own expense, of the proper space for the installation of the POS and the proper telephone line, (b) for the proper and necessary electronic settings in order to operate the POS according to the manufacturer's instructions and the instructions of JCC for the installation, programming, and operation of the POS (c) the security of the mobile device that JCC SoftPOS is installed and shall take all reasonable precautions to prevent the fraudulent use of the mobile device.

9.3. In the event where the Merchant rents the POS from JCC, the latter shall provide all technical or other support regarding the POS approved software, upgrades and parameters. The Merchant shall allow only JCC authorised agents to program the POS. In the event where the POS was purchased by JCC's authorised vendors, the Merchant and the vendors are responsible for ensuring that JCC's approved software, upgrades and parameters are installed on the POS.

9.4. The Merchant shall solely be responsible to conform to the applied telecommunication regulations including the regulations applied by different telecommunication organizations.

9.5. The Merchant shall use the POS to receive Authorisation, Capture the Cards Transaction information and then transmit all Card Transactions according to the Card Acceptance Guide and for any other functionality approved by JCC. The Merchant shall not use the POS for any other purpose other than the specific purpose which it was rented / purchased for and the Merchant shall be responsible for its protection against any damages or causes that could lead to its harm or destruction. The

Merchant shall not install or attach any equipment or part to the POS that might interfere with its functions and use. Any required technical modifications to the POS or should be approved by JCC.

9.6. If the Merchant does not succeed to obtain Authorisation for a Card Transaction through the POS, then he/she has three options: (a) refuse the Transaction, (b) call JCC to re-examine the specific Card, and (c) to request another Authorisation through the POS for a smaller amount. If the Merchant succeeds in obtaining Authorisation by exercising the third option, then he/she is forfeited the right to request Authorisation for any other amount, smaller or higher than the Authorised one within the next 24 hours from the Authorised Transaction.

9.7. The Merchant shall notify JCC of any loss, theft, exposure to abuse or unauthorised use of the POS or the mobile device that JCC SoftPOS is installed as soon as this comes to his/her attention.

9.8. The Merchant shall notify JCC in a timely manner of any malfunction of the POS and about the place, time, and nature of such malfunction.

9.9. The Merchant must ensure that the POS is always operated by trained personnel and according to JCC's instructions, the manufacturer's specifications and any other instructions and procedures issued by JCC from time to time.

9.10. JCC is at all times the sole owner of the POS in the event where the Merchant is renting the POS. The Merchant will have no other right than to use it for the purpose rented at his/her place of business or otherwise stated in the Agreement. JCC may at any time attach stickers onto the POS device that will indicate the rightful ownership of JCC.

9.11. JCC may at all times attach a sticker on the POS terminal containing relevant contact details for JCC's customer service and technical support.

9.12. In the event where the Merchant is renting the POS from JCC, he/she shall be obligated to keep the POS free from any confiscating rights, claims, pretensions, burdens, or procedures. The Merchant shall not sub-contract or grant the POS to any other party. In the event of POS ownership by the Merchant, the latter should notify JCC in writing for any change in the POS ownership.

9.13. Loss or any other damage to the POS or not using it for whatever reason (with the exception of not using it because it is non-functional and is not the Merchant's fault) will not be a cause for a decrease in the rental fee. The Merchant is fully responsible to insure the POS against all risks. In case the POS is lost, stolen, destroyed, sustained damages, or became non-functional, the Merchant will be held responsible for the costs and repair. In case the POS cannot be repaired, the Merchant will be held responsible and liable for the residual value of the POS (cost minus depreciation).

9.14. Upon termination of the Agreement, the Merchant shall return the POS to JCC in the same condition/appearance as when it was delivered to the Merchant, with the exception of normal wear and tear. Regardless of any provisions made in these Terms for the Participation in Card Schemes, the Merchant shall be held liable for any damage caused to the POS until its return to JCC. In case the Merchant does not return the POS to JCC within 15 days from the date of termination of the Agreement, JCC shall have the right to charge the Merchant the residual value of the POS.

9.15. JCC may at any time disable, suspend and collect an inactive POS.

9.16. The Merchant is obligated to have all of his/her POS devices always connected to JCC systems in order to be continuously updated and operational and maintain the latest JCC SoftPOS software version on the mobile device used.

9.17. JCC shall provide to the merchant the mobile device requirements for JCC SoftPOS.

10. DYNAMIC CURRENCY CONVERSION (DCC)

Where the Merchant has chosen to participate in the provision of DCC service, the following shall apply:

10.1. The Merchant shall have the right to perform Transactions in foreign currency with foreign Cardholders.

10.2. The Merchant shall make sure that he/she or his/her employees give the owner of a foreign Card the choice of a Transaction currency for the purchase of a product or service in euro (€) or in other currencies for which the currency rate is determined by the POS in the respective exchange rate provided to the POS based on a Local Bank's exchange rate applied by JCC, plus JCC mark-up. The choice of a Transaction currency is solely the choice of the owner of the foreign Card with no interference from the Merchant or his/her employees.

11. INSTALLMENT PURCHASES

In the event that the Merchant has chosen to participate in the Installment Purchase Scheme the following shall apply:

11.1. The Merchant can perform any Transaction on an Installment basis. The number of Installments that can be offered by the Merchant must be in accordance with the Issuing Bank's discounting fees rates table (this can be found on the JCC website www.jcc.com.cy Installment Plan) with which the Transaction will take place.

11.2. The Merchant has the right to refuse an Installment Transaction from a specific Bank if he/she considers the Bank's Discounting Fees Rates to be excessive.

11.3. The way the Installment Plan will be applied (e.g. with or without interest) depends entirely on the Merchant's policy as long as it complies with, and does not contradict these Terms for the Participation in Card Schemes and of the Installment Plan. The Merchant shall have the sole responsibility to inform his/her customers orally and in writing of his/her policy and the relevant policy for every period regarding the way the Installment Plan will be applied. JCC shall not be held responsible for any omission by the Merchant to inform Cardholders and customers accurately regarding the above.

11.4. The maximum amount for an Installment Purchase allowed will be checked at the POS level.

11.5. The minimum monthly Installment Transaction amount allowed must be in accordance with the policy of each Bank participating in the Installment Scheme and this will be checked at the POS level.

11.6. The Merchant agrees that JCC and/or any of the Local Cyprus Issuing Banks, which participate in the Cyprus Card Market Installment Plan, will have the right to announce publicly using any media including the JCC's website (www.jccsmart.com) and/or the Local Cyprus Issuing Banks' websites that the Merchant accepts Card payment for Installment Purchases giving also the Merchant's address.

11.7. All Installment Transactions are Authorised by the Issuing Bank through the POS. Once the Transaction is Authorised by the Issuing Bank, the Merchant is guaranteed settlement by JCC regardless of whether the Cardholder shall pay the monthly Installments or not. In the event of a Chargeback by the Cardholder or his/her Bank or in the event of a fraud investigation involving either the Merchant or the Cardholder, JCC's guarantee for settlement will not apply.

11.8. The first Installment Transaction will be generated on the date agreed between the Merchant and the Cardholder. It is understood that such a date shall in any event be set within one (1) month from the Installment Purchase date and then each monthly Installment Transaction will be generated on the same day of each subsequent month. This day must be between the 1st and the 28th of each month, thus avoiding any issues during the months having fewer days. All the above will be checked by the POS.

11.9. The Merchant shall have the following two options regarding the method of settlement of his/her Installment Purchases:

- 11.9.1. Full Settlement (less discounting Fees) on the date of the 1st Installment. This means the Merchant will be charged the Discounting Fees associated with the Installment Purchase, according to the Issuing Bank's Installment Plans (Discounting Fees Rates Table). The Discounting Fees will be calculated on the amount that remains after the deduction of the relevant Merchant Service Charge from the Installment Purchase amount.
- 11.9.2. Settlement on Installment basis on each Installment Transaction Date. This means that the Merchant will receive monthly payments of an amount on the dates agreed upon with the Cardholder according to the above, regardless of whether the Cardholder has made the payment or not. The payment will be the monthly Installment amount less the applicable Merchant Service Charge.
- 11.9.3. The Merchant has the right to change the Settlement Option at any time by notifying JCC in writing at least three (3) days in advance. The new option chosen will be effective for all the Merchant's POS terminals and only for future Installment Purchases.

11.10. In the event of a Merchant debit as a result of a Chargeback of an Installment Transaction by the Cardholder or the Issuing Bank, the Discounting Fees that the Merchant may have been charged, can be partly or fully returned, depending on the case.

11.11. The POS terminal will produce a detailed report of the Installment Purchases performed by the Merchant within a specific day.

11.12. The Merchant cannot perform Returns regarding Installment Purchases through the POS terminal but should notify JCC in writing for processing the Return.

12. CARD CREDIT TRANSFER

12.1. A Card Credit Transfer Transaction must involve only a single sender and a single recipient.

12.2. A Merchant offering a Card Credit Transfer service must:

- 12.2.1. Be approved by JCC.
- 12.2.2. Maintain sufficient balance in his/her account, so that Card Credit Transfer Transactions can be completed.
- 12.2.3.. Must always ensure that Card Credit Transfer Transactions comply with applicable anti-money laundering regulations and anti-terrorist financing standards in accordance with Card Schemes' rules and regulations, local legislation and regulatory and Central Bank of Cyprus mandates.
- 12.2.4. Ensure that no funds are sent for illegal, unlawful, or fraudulent purposes.
- 12.2.5. Be wholly responsible for providing the correct Card account number of the recipient as well as the correct money transfer amount.
- 12.2.6. Place a Bank Guarantee in favor of JCC equal to the amount of the monthly Transaction ceiling.
- 12.2.7. Accept that JCC reserves the right at any time to block or reject Transactions that would or may infringe on legal or regulatory requirements.
- 12.2.8. Ensure that proper documentation regarding Card Credit Transfer Transaction is available upon request from JCC.
- 12.2.9. Must be aware that the Issuing Bank may charge fees to the recipient Cardholder.
- 12.2.10. Ensure that personal information collected from a Cardholder is only used for activities related to this particular service.

12.2.11. Submit the Card Credit Transfer for clearing within one business day of receiving the approval response to the Authorisation request for that Card Credit Transfer Transaction, unless a reversal is sent.
12.2.12. Establish controls and monitor Transaction activity for signs of fraud as well as misuse of the Card Credit Transfer for the payment of goods and services.
12.2.13. Ensure that the recipient is not in any applicable government or blocked lists.

12.3. A Reversal of a Card Credit Transfer Transaction may not be processed if that Transaction is an Online Financial Transaction.

12.4. A Reversal of a Card Credit Transfer is only valid if:
12.4.1. The Transaction was processed within one business day from the processing date of the Card Credit Transfer Transaction.
12.4.2. The Cardholder did not complete the Transaction.
12.4.3. It is due to one of the following processing errors:
- Incorrect account number;
- Incorrect Transaction amount;
- Duplicate processing of a Transaction; or
- Incorrect Transaction code for the Clearing Record.

13. NEW PRODUCTS AND SERVICES

From time to time, JCC may notify the Merchant about new products and services that may be available with their relevant terms and conditions. However, if a Merchant submits a Transaction that engages new products or services, the Merchant is deemed to have accepted any terms and conditions related to these new products and services.

14. PERSONAL DATA PROTECTION

14.1. The Merchant acknowledges that he is the Data Controller of transaction Personal Data and JCC acknowledges that it is the Data Processor of Personal Data. JCC will be the Data Controller in relation to transaction Personal Data and other Personal Data when data is processed for the following purposes (A) conducting risk management activities including monitoring of Transactions, prevention, detection and prosecution, as well as authentication and authorisation management; (B) conducting anti-money laundering, financial crime and other screening checks; (C) complying with any rule, regulation or Law imposed upon it; (D) anonymising or pseudonymising (eg, tokenising or otherwise de-identifying) transaction Personal Data and Transaction Data, including in aggregated format to provide analysis and comparisons and for maintaining, improving or developing services, including but not limited to the Services provided to you under the Agreement; (E) assessing and/or mitigating financial, information security, sector, credit risks arising in connection with the Agreement; and (F) managing or enhancing its relationships with Merchant and related obligations under the respective Agreement.

14.2. The Merchant as Data Controller by signing the Agreement has selected JCC as a Data Processor by exercising his/her duties of due diligence, and the primary Data Processor obligations placed on JCC are as set out in clause 14.3 below.

14.3. The Merchant has appointed JCC to process such Personal Data on its behalf as is necessary to provide the Services (as such Services are defined in the Agreement). JCC undertakes in respect of all Personal Data that it Processes as Data Processor on Merchants' behalf and that it shall (A) comply with, and only Process the Personal Data in accordance with, the instructions as set out in the Agreement, as necessary to perform the Services or as otherwise agreed between the parties; (B) Process Personal Data, and ensure that any sub-contractors Process Personal Data in accordance with the Privacy Statement and Data Protection Policy; (C) comply with the Data Protection Legislation and any applicable guidelines and codes of practice applicable to JCC; (D) subject to not publish, disclose or divulge (and ensure that its personnel do not publish, disclose or divulge) any Personal Data related to the Transaction to any third party except in the event where (i) such disclosure is permitted by applicable Law or declared by court order, (ii) such disclosure takes place upon the Merchant's request and the Merchant has given his/her consent to such disclosure or such disclosure takes place within court proceedings between; (E) in delivering Services, employ only personnel who have committed themselves to confidentiality or are under an obligation of confidentiality; (F) and for better understanding of our controls, co-operate with you in any reasonable enquiries as to JCC's technical and organisational measures in relation to transaction Personal Data; (G) at your request, return or destroy all Personal Data in the possession or control of JCC as Data Processor, except as required by Law or PCI DSS; (H) not store transaction Personal Data for longer than is necessary; (I) inform you promptly, and in any event within two (2) Business Days, of any inquiry or complaint received from Data Subjects or a competent Regulatory Authority relating to the Services (including requests to access any Personal Data) and will furnish all reasonable assistance to you to enable you to respond to such inquiries or complaints and to meet applicable statutory or regulatory deadlines; (J) without prejudice to JCC obligations which relate to PCI DSS and in the event JCC becomes aware of a security breach, compromise, or theft leading to the accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to, any Personal Data, JCC shall: (i) promptly notify you of the circumstances and scope of such an event once known; (ii) dedicate appropriate resources to investigating; (iii) take appropriate steps to mitigate the scope of such an event and the damage, loss, and other negative consequence thereof; and (iv) reasonably liaise with you (including via our website) in resolution of the incident; (K) ensure that where Personal Data is transferred out of the European Union ("EU") or the European Economic Area ("EEA") it shall do so in a manner which demonstrates compliance with Data Protection Legislation and may include taking the following steps and you hereby authorize JCC to take any of the following steps: (i) the transferee entering into a data export agreement with JCC in the form of standard and/or model clauses (which are approved by the European Commission as offering adequate safeguards under the Data Protection Legislation); (ii) equivalent protections being in place, or as otherwise allowed or required under the applicable Data Protection Legislation; and (L) ensure that the Data Processor shall select all subcontractors (regardless of the location of data Processing within or outside the EU or the EEA) with care and must ensure prior to the appointment that the subcontractor agrees by contract to comply with substantially similar provisions in respect of data protection as set out in this Agreement and, in the event that Personal Data are transferred out of the EU or EEA, abide by sub-clause 14.3(K).

14.4. JCC undertakes to make available to the Merchant details of any sub-contractors processing Personal Data on behalf of JCC under the Agreement via the Approved Sub-Contractors List. By entering into the Agreement you have provided your general consent to the appointment of all sub-contractors set out in the Approved Sub-Contractors List from time to time. To withdraw your consent to one or more of the subcontractors in the Approved Sub-Contractors List, you need to let us know by providing written notice of your objection (including details of any subcontractor in respect of which you wish to withdraw your consent), in which case: (A) JCC may, at its option and without any liability to you, terminate the Agreement or suspend any Service thereto; (B) If JCC does not exercise its right to terminate this Agreement pursuant to clause 14.4(a) above, you acknowledge that you may be unable to obtain the full benefit of one or more of the Services;

14.5. By signing the Agreement the Merchant authorizes (and/or shall secure the rights for) JCC to store, use, share and release data including Personal Data, provided or generated pursuant to this Agreement, to any person (including any Card Schemes, Issuing Banks or Other Financial Institutions) in fulfilment of JCC's rights and obligations as set out in the Agreement and insofar as is permitted under the Agreement or required in accordance with Law, and including the provision of transaction Personal Data to JCC subcontractors and suppliers outside the EU or the EEA, in accordance with clause 14.3(K).

14.6. The Merchant will receive marketing communication from JCC only if Merchant's express opt-in consent that is requested in the Agreement or via other means. The Merchant has the right in the instance that Personal Data is processed for Direct Marketing purposes to withdraw the consent at any time. In that case, the withdrawal of consent will not have any impact on the Processings that took place before it. JCC which has access to your Personal Data for marketing and/or advertising purposes of its own services and products, should ensure compliance with all applicable Data Protection Legislation.

14.7. The Merchant ensures that, in respect of all Personal Data provided to JCC under the Agreement, and in respect of the use of such Personal Data under the Agreement, all necessary fair Processing notices have been provided to and consents obtained from Data Subjects by you, and all necessary steps have been taken to ensure that such Personal Data has been collected and Processed in accordance with the principles set out in the Data Protection Legislation, including in particular those relating to (i) lawful, fair and transparent Processing; (ii) specified, legitimate and explicit purposes; and (iii) adequate, relevant and not excessive Processing.

14.8. JCC may make periodic searches of, and provide information about you to credit reference, market research, customer feedback and fraud prevention agencies. Such information as is provided to credit reference agencies may be used by other credit providers to take decisions about you. Further information about how we use this information can be found in our Privacy Statement.

14.9. The Merchant upon request by JCC shall provide all reasonable assistance to facilitate the successful collection and delivery of all Data.

14.10. The Merchant acknowledges and agree that he shall abide by the PCI-DSS: Payment Card Industry Data Security Standards.

14.11. The Merchant shall notify JCC immediately in the instance he becomes aware of or suspects any security breach relating to Data (whether or not you have complied with the PCI DSS Standards).

14.12. The Merchant shall not store (as such term is used in the PCI DSS), at any time: (A) Card verification value in the magnetic stripe; (B) Card verification value printed on the Card in or next to the signature panel; (C) Card verification value contained in the magnetic stripe image in a chip application; (D) PIN verification value contained in the magnetic stripe; (E) the full contents of any track from the magnetic stripe (on a Card, in a chip or elsewhere); or (F) any other Data that the Card Schemes mandate from time to time as Data that cannot be stored.

15. TERMINATION

15.1. The Agreement will become effective when signed by the Merchant and accepted by JCC in writing and will remain in full force and effect unless terminated by either party upon fifteen (15) days prior written notice to the other.

15.2. Subject to the remaining terms, the Agreement shall be terminated by JCC without further notice if: (a) the Merchant misrepresents any personal data or information to JCC or information regarding Transactions; (b) all or substantially all of the assets of the Merchant's business are sold, transferred or pledged in any way; (c) a bankruptcy petition is filed by or against the Merchant; (d) there is a substantial change in the Merchant's current credit standing; (e) term 8.3 is put into operation; (f) it has been noticed that the Merchant was engaged in Fraudulent Transaction and/or illegal activities; (g) the Merchant has direct or indirect involvement in activities that are illegal, morally reprehensible or in contravention of applicable anti money laundering and counter terrorist financing legislation, applicable sanctions or international conventions or treaties, data security policies, or a contravention of the general policies of JCC; (h) the Merchant does not comply with PCI-DSS standard for the protection of Card data and any additional security requirements; (i) the Merchant does not cooperate on major payment security incidents, including data breaches, both with JCC and the relevant law enforcement agencies.

15.3. The Merchant hereby agrees to notify JCC immediately upon occurrence of any event or condition stated in term 15.2 above.

15.4. Termination of the Agreement shall not affect JCC's rights as to Sales Slips presented prior to termination and JCC shall not be obliged to pay any Sales Slips from the time that the Agreement was terminated, including those that have not yet been introduced in JCC's processing system. JCC may retain any payments pending to the Merchant until any disputes over the validity of the Merchant's Transactions by the Cardholders have been settled or until any debts of the Merchant to JCC have been settled.

15.5. All services offered through the Point of Service cease to exist after termination of the Agreement for the participation in Card Schemes.

15.6. JCC will have the right to terminate or suspend its performance pursuant to these Terms for the Participation in Card Schemes and the Agreement at any time where the number of customer disputes, complaints, or the amount of Chargebacks, Credits, reach a level which JCC in its sole discretion deems detrimental to JCC.

15.7. JCC will have the right to terminate or suspend its performance pursuant to these Terms for the Participation in Card Schemes if the Merchant has been compromised, and/or ceases to be PCI-DSS compliant.

15.8. Notwithstanding 15.2 above, in the event of a breach, of any term of these Terms for the Participation in Card Schemes by one party, the other party will give written notice to the party in breach requiring remedy of the breach within ten (10) days. If the party in breach fails to remedy the breach within that time, then the other party will be at liberty to terminate the Agreement without further notice. Any obligations of the Merchant incurred, or existing, under the Agreement as of the date of termination will survive such termination.

16. REPRESENTATIONS AND WARRANTIES OF THE MERCHANT

16.1. The Merchant undertakes that with respect to each Transaction:

16.1.1. Will promptly perform all of the Merchant's obligations to the customer in connection with the Transaction evidenced thereby;

16.1.2. The Transaction is, in all respects, as required by and in compliance with these Terms for the Participation in Card Schemes and all laws, rules, and regulations, governing the same;

16.1.3. That any request for Authorisation represents a bona fide sale of merchandise or services only in the ordinary course of business for the total sale price; and

16.1.4. That the Merchant has no knowledge or notice that would impair enforceability or collection by JCC as against the named customer.

16.2. The Merchant further represents and warrants THAT:

16.2.1. The Agreement and these Terms for the Participation in Card Schemes constitute the valid and binding obligation of the Merchant and is enforceable against the Merchant according to its terms;

16.2.2. The Merchant has full legal and corporate authority to enter into the Agreement, to perform its obligations hereunder, and to carry on the business which is to give rise to Transactions hereunder;

16.2.3. The Merchant's company is duly constituted and in good standing in the place of its formation;

16.2.4. All information and documents concerning the Merchant provided to JCC in connection with the Merchant's application for the provision of services by JCC are true and accurate.

17. JCC'S WARRANTY & LIMITATION OF LIABILITY

17.1. JCC will use reasonable and prudent efforts to provide the JCC services in a reliable manner. JCC will contract with reliable third parties for the products and services on which JCC systems depend on, including, but not limited to, communication or network service providers, whether owned or licensed.

17.2. Notwithstanding the foregoing however, JCC does not warrant or represent that the JCC System will operate without interruptions or be error free.

17.3. JCC will not be liable to the Merchant for Fraudulent or unauthorised Transactions made by customers through the JCC Systems, howsoever or where so ever originated.

17.4. JCC will have no responsibility to equip its Systems with the means to intercept or prevent Fraudulent or unauthorised Transactions.

17.5. JCC will not be liable for any loss of data in transit including and without limitation between the Merchant, JCC and the Card Schemes associations.

18. MISCELLANEOUS

18.1. These Terms for the Participation in Card Schemes binds the Merchant and JCC and their respective heirs, representatives, and assigns.

18.2. The Terms for the Participation in Card Schemes are part and parcel of the Agreement.

18.3. No term or condition of these Terms for the Participation in Card Schemes may be waived unless a written waiver is signed by JCC.

18.4. These Terms for the Participation in Card Schemes bind all the Merchant's outlets with JCC as well as all future outlets.

18.5. The Agreement may not be assigned by the Merchant to any other party.

18.6. Should any term of the Terms for the Participation in Card Schemes be determined to be invalid or unenforceable, that determination shall not affect the validity or enforceability of any other provision of these Terms for the Participation in Card Schemes.

18.7. These Terms for the Participation in Card Schemes and the Agreement form the entire and only Agreement between the Merchant and JCC and supersedes any prior Agreement or written or oral communication.

18.8. Unless otherwise stated, the singular form in the text may have a plural reference.

18.9. Any delay by JCC to seek any right or remedy shall not be deemed a waiver of such a right unless given in writing and signed by JCC.

18.10. Any notice required by these Terms for the Participation in Card Schemes or given in connection with them, shall be in writing and shall be given to the other Party by personal delivery or by certified mail at the address indicated in the Agreement.

19. INDEMNIFICATION

19.1. The Merchant shall indemnify and hold JCC harmless from any liability, loss, claim or complaint, including attorneys' fees arising out of: (a) the Merchant's failure to comply with or to enforce any provision of these Terms for the Participation in Card Schemes, in relation to the participation in Card Schemes; (b) fraud due to the Merchant's negligence; (c) Card not presented during the Transaction; (d) non-compliance to or violation of Card Schemes regulations or of the Law; (e) any action and/or omission on behalf of the Merchant and/or the Merchant's employees and/or agents.

19.2. The Merchant agrees that he/she shall be solely responsible for his/her actions in the event of retaining any Card and the Merchant shall indemnify JCC for any claim arising as a result of retaining any Card.

19.3. In no event shall JCC be held responsible for any damage or loss caused to the Merchant or any of the Merchant's customers linked to the fact that JCC is part of the Agreement for the participation in Card Schemes.

19.4. These obligations remain in force even after the termination of the Agreement.

20. CONFIDENTIALITY

20.1. JCC and the Merchant each acknowledge that they may acquire information about the business, customers, operations, and financial condition of the other and that this information is confidential ("Confidential Information").

20.2. JCC and the Merchant each agree that they will not disclose Confidential Information about the other party to any third party without obtaining prior written consent. Confidential Information does not include purchase Transaction information or information in the public domain or information otherwise rightfully publicly disseminated.

20.3. Confidential Information may be disclosed by JCC or the Merchant pursuant to the request of Card Schemes, a government agency, pursuant to a court order or other such legal process or requirement of law, or in defense of any claims or causes of action asserted against it.

20.4. The Merchant acknowledges the sensitivity of a customer's data including, but not limited to, a customer's name, address, e-mail address, demographic, medical, and other personal information. The Merchant agrees to maintain any such personal information in a secure location in a manner which is generally considered by professionals in the computer industry who deal with similarly sensitive personal information as providing a level of security which is reasonable and customary to protect information of that kind from unauthorised disclosure, theft, or misuse. The Merchant will only use such information for proper purposes under the Agreement and in accordance with applicable law.

20.5. The Merchant will indemnify and hold harmless JCC for any losses or claims arising out of the Merchant's breach of this section.

20.6. The Merchant grants the right to JCC to inspect the Merchant's systems and procedures in order to establish compliance with data security procedures.

21. FORCE MAJEURE

If due performance of the Agreement by either party is affected in whole or in part by reason of any event, omission, accident or explosion, fire, storm, earthquake, flood, drought, riots, civil disobedience, sabotage, terrorist acts, labor strikes, civil war, government action or other matter beyond the reasonable control of such party, the party will be considered to be under "Force Majeure". In such an event, neither party shall have any liability under or be deemed to be in breach of the Agreement which results from the Force Majeure. In the event that a Force Majeure continues for a continuous period of more than three months, either party may terminate the Agreement by written notice to the other party and shall be under no liability for any loss, damage, injury, or expense (whether direct or consequential) suffered by the other party due to the affected performance. Such party will use all reasonable efforts to avoid or overcome the causes affecting performance as soon as it becomes practicable to do so.

22. CONSENT TO INVESTIGATE

The Merchant authorises JCC at any time to obtain investigative reports or consumer reports about the personal and/or commercial finances and activities, credit worthiness, credibility and reputation of the Merchant and/or any principles or primary shareholders of the Merchant.

23. SIGNATURE RIGHT

The Merchant warrants that the person who signs the Agreement is an authorised person acting on behalf of the Merchant and shall sign and bind the Merchant with these Terms for the Participation in Card Schemes.

24. DURATION

The duration of the Agreement shall be for one (1) year with automatic renewal for each further year unless terminated in accordance with term 15.

25. APPLICABLE LAW

25.1. The Agreement and these Terms for the Participation in Card Schemes are governed by the laws of the Cyprus Republic and any disputes under thereunder may not be brought in any court other than a Cypriot Court.

25.2. If every possible effort has been made to solve any dispute between JCC and the Merchant to no avail, the Merchant may lodge a complaint to the Financial Ombudsman of the Republic of Cyprus or to Central Bank of Cyprus, if the complaint does not fall within the responsibilities of the Financial Ombudsman.