

Special Terms and Conditions of the Merchant acquiring as of 16 November 2016

1 Scope of application

These Special Terms and Conditions of the Merchant Acquiring (**'Special Terms and Conditions'**) constitute an integral part of the Merchant Agreement between the Merchant and Nets (**'Agreement'**). The rights and obligations to be complied with between the Merchant and Nets that are set on Nets and the Merchant by the International Card Organisations are agreed in these Special Terms and Conditions and the Merchant Instructions.

2 Definitions

In the Merchant Agreement and its terms and conditions:

'Authentication Service' means a function in which the cardholder is identified by the issuer of the payment card in connection with an Internet-based online payment by means of a separate set of IDs and/or passwords (e.g. the Verified by Visa and MasterCard SecureCode authentication services).

'Authorisation' refers to the automatic authorisation enquiry made by the POS Terminal (or, if the prerequisites set in the Merchant Instructions are fulfilled, by a representative of the Merchant by telephone) to Nets in order to verify from the payment card issuer that the payment card is valid and that the balance of the account is sufficient. However, authorisation cannot ensure that the payment card is in the possession of its rightful holder.

'Authorisation Limit' refers to the limit specified by Nets in euro for a Sales Point or Trading Site, above which (including the threshold value) the Sales Point or Trading Site in question must always authorise transactions.

'Card Data' means the number, expiry date, and Verification Code of the cardholder's payment card.

'Card Verification Code/Value' means a three- or four-digit number series printed in the payment card's signature field, such as CVV, CVC, CVV2, CVC2, iCVV or PVV.

'Distance Selling' means sales in which the Merchant receives the cardholder's payment card data by telephone, post, fax, the Internet, or other electronic connection in a situation in which the cardholder and payment card are not physically present. In-home selling is not considered distance selling.

'International Card Organisations' means the Visa and MasterCard organisations and their card schemes, as well as other card schemes the parties may agree from time to time.

'Merchant Category Code (MCC)' means field-specific codes determined by the International Card Organisations from time to time.

'Merchant ID' means the identification code given by Nets to the Merchant, which specifies the Sales Point, Trading Site and/or the main point-of-sale.

'Merchant Instructions' refers to instructions issued by Nets that are binding on the Merchant and concern, e.g. payment card handling, data security, distance selling, and functions of payment terminals, as well as special requirements of certain sectors, such as hotels and car rental services.

'Merchant Processor' means a transaction router or other party acting as the processor to which the Merchant sends the card transactions acquired by it.

'Merchant's Subcontractor' means the Merchant's representatives, subcontractors and other parties acquiring and/or processing the Merchant's payment transactions and/or Card Data, such as Merchant Processors. The Merchant is liable for the activities of its subcontractors as for its own activities.

'Point of Sale (POS) Sales' means sales in which both the cardholder and the payment card are physically present at the payment transaction and the data of the payment card chip or the magnetic stripe is read electronically in the POS terminal in the presence of the Merchant's representative.

'Point of Sale (POS) Terminal' means a device and/or system used by the Merchant that reads and verifies the payment card data.

'Point of Sale (POS) Terminal Specification' refers to the EMV POS terminal system specification maintained by the Federation of Finnish Financial Services, defining a POS terminal system based on EMV specifications (Europay, MasterCard and Visa), and/or a POS terminal specification determined by Nets from time to time.

'Sales Point' means the Merchant's place of business, store, or sales point with a Merchant ID.

'Self-Service Sales' means sales in which the payment transaction has been completed using the Merchant's unattended self-service payment terminal, such as a parking meter or automatic fuel dispenser, at which the Merchant's representative is not present to receive the cardholder's payment card data.

'Trading Site' means a site with a Merchant ID used by the Merchant for Distance Selling.

3 Right to use the VISA and MASTERCARD marks

As regards the payment cards agreed in the Agreement and in accordance with the said Agreement, the Merchant is entitled to accept such payment cards of International Card Organisations for the payment of its products and services. As regards the payment cards selected by the Merchant, the Merchant also has an obligation to accept payments made with such payment cards and to use the trademarks of the International Card Organisations to indicate acceptance of the payment cards of the card scheme in question.

All trademark rights and all other intellectual property rights to the VISA and MASTERCARD marks and to other marks of the International Card Organisations belong to the International Card Organisations. The Merchant will not be granted any other rights to them, except for those expressly set out below in this Section 3.

For the term of this Agreement and solely for the territory of Finland, Nets grants the Merchant a non-exclusive, limited right to use the trademarks of the International Card Organisations available from Nets, and in accordance with the instructions issued by Nets. The Merchant is not entitled to assign or transfer the right to use the trademarks to any third party, or to use them for any other purpose than those set out in the Merchant Agreement. The Merchant shall remove all trademarks and other symbols and identifiers of the International Card Organisations from all of its materials and its main point-of-sale and all Sales Points and Trading Sites immediately after the termination of the Agreement.

All intellectual property rights concerning the merchant services and their descriptions are the property of Nets and/or third parties, and no such rights will be transferred to the Merchant under the Agreement.

4 Rights and obligations of the Merchant

4.1 POS Terminals and Systems

In order to process Card Data, the Merchant must have a POS Terminal and/or system approved by Nets with a chip and magnetic stripe reader and a PIN pad. A list of the POS Terminals and systems certified in Finland and approved by Nets is available at Nets' website (www.nets.fi).

The Merchant will comply with international and domestic specifications related to EMV payments and undertakes to update the POS Terminal and system in accordance with the POS Terminal Specifications and Merchant Instructions in force from time to time. In accordance with the Merchant Instructions, the Merchant will also update its POS Terminal and system with information received from Nets, such as the Merchant ID, the Merchant Category Code (MCC) and the Authorisation Limit.

4.2 Payment Transaction Acquiring

The Merchant shall deliver the payment transactions to Nets without delay and no later than within three (3) banking days from the purchase transaction. Nets is not obligated to acquire or pay transactions that the Merchant has delivered to Nets after the due date.

The Merchant must ensure that the payment transaction data sent by the POS Terminal and/or POS Terminal system are free from errors. Nets is entitled to refuse to acquire or send to the card issuer payment transactions that have been found to be erroneous as well as to apply an extended settlement period. Nets will notify the Merchant or the Merchant Processor of the refusal without undue delay.

Errors in an assembled data set comprising payment transactions of several Merchants and sent by the Merchant Processor will result in an extended settlement period with respect to all payment transactions within the same assembled data set, even if the error only concerns a part of the assembled data set. Nets is not liable if errors in the payment transaction data or assembled data set or payment transactions delivered after the due date result in an extended settlement period.

4.3 Authorisation of Payment Transactions

The Merchant undertakes to always perform authorisation of a payment transaction if its amount is equal to or exceeds the Authorisation Limit set by Nets for the Sales Point or Trading Site in question or the Authorisation Limit set by the card issuer for a certain payment card. In Distance Selling, payment transactions must always be authorised. In addition, the Merchant shall always perform authorisation of payment transactions in the situations and in the manner set forth in the Merchant Instructions. Unless otherwise agreed in the Agreement, an unauthorised transaction always falls under the Merchant's liability in cases of misuse and dispute.

4.4 Cardholder's Authentication Services

The Merchant shall always use the Authentication Service in connection with online payments made by the cardholder on the Internet.

4.5 Refunding of Transactions

Nets is not liable for any claims related to the Merchant's products or services. If the cardholder makes a claim for not having purchased or received the purchased goods or service or the goods or service do not correspond to what has been agreed, the Merchant shall refund the charged amount to the same card number as from which the payment was charged without delay. Refunds may not be performed in any other way. If the Merchant does not perform the refund, Nets is entitled to deduct the disputed amount from the settlements of the Merchant or any of its Sales Points or Trading Sites or to otherwise charge it to the Merchant.

4.6 Merchant's Liability in the Event of Misuse

The Merchant is not liable for payment transactions made using stolen or counterfeit payment cards or payment cards without funds except when the Merchant:

- 1) has not properly verified the payer's right to use the payment card in a manner required by the Finnish Payment Services Act and the Finnish Consumer Protection Act; or
- 2) acts contrary to the Merchant Agreement, such as the Merchant Instructions concerning card acceptance and processing; or
- 3) has not used a certified chip payment terminal or chip payment system when accepting payment card data of a payment transaction made using a chip card that is later found to have been misused or made using a payment card from a chip card; or
- 4) has not successfully identified the cardholder using the Distance Selling Authentication Service.

In such cases, Nets is entitled to deduct the payment transactions reclaimed by the payment card issuer from Nets from subsequent settlements of the Merchant or any of its Sales Points or Trading Sites or to otherwise charge them to the Merchant.

5 Security obligations

5.1 Compliance with PCI DSS Standard

The Merchant shall comply with, and is responsible for its subcontractors complying with, the Payment Card Industry Data Security Standard (PCI DSS) issued by the International Card Organisations and the binding standards which may replace the PCI DSS standard as well as the reporting and auditing obligations required by the data security standards. The Merchant Processor must be a certified service provider in accordance with the PCI standard.

5.2 Data Breaches and Prevention of Misuse

The Merchant undertakes to notify Nets immediately and no later than within 24 hours of any data breach or attempts thereof known or suspected by the Merchant that are targeted at the Merchant's or the Merchant's subcontractors' services, systems or electronic or physical records containing Card Data, and of any misuse of services, payment cards or Card Data or attempts thereof known or suspected by the Merchant that have caused or may cause damage to the cardholders or Nets.

The Merchant shall investigate the above-described data breaches and attempted data breaches and maintain its system in a manner that will prevent the recurrence of such situations and to submit a report on the matter to Nets. In order to prevent misuse, the Merchant is obligated to monitor purchase transactions in Distance Selling.

The Merchant shall, at the request of Nets, assist Nets, at its own cost, in the investigation of misuse and suspected misuse of payment cards and/or Card Data. The Merchant shall also have sufficient liability insurance.

Nets shall deduct from the Merchant or its Sales Points or Trading Sites any costs resulting from disputed payment transactions, data errors and tracking of data, including investigations costs in accordance with the price list.

6 Merchant instructions

Nets is entitled to provide the Merchant with Merchant Instructions in order to comply with, among other things, the regulations and instructions of the International Card Organisations, and the Merchant undertakes to comply with such regulations and instructions. The Merchant Instructions are available at Nets' website (www.nets.fi), the reporting service and/or if so agreed, they may be otherwise delivered to the Merchant.

7 Liability for costs and limitations of liability

If the Merchant or any of the Merchant's Subcontractors has failed to comply with safety or data security requirements, requirements concerning misuse risks, requirements set for

data or the terms and conditions or instructions of the International Card Organisations on the use of trademarks or any other instructions based on requirements set by the International Card Organisations, the Merchant undertakes to indemnify in full and without delay any sanctions imposed by the International Card Organisations on Nets as a result of such failure and any other expenses and other damage incurred by Nets, the cardholder or any third party in accordance with the claims presented by Nets ('**Cost Liability**').

Nets is entitled to deduct from or charge to the Merchant or its Sales Points or Trading Sites any costs resulting from disputed payment transactions, data errors, tracking of data and any other corresponding actions, including investigations costs in accordance with the price list. Nets' right to deduct from or charge to the Merchant the disputed payment transactions will remain valid after the termination of the Agreement, but for a maximum of 120 days from the termination of the Agreement. If a fee is charged to the Merchant, the term of payment is fourteen (14) days net from the invoice date. Interest for late payment shall be the interest set forth in the Finnish Interest Act.

Nets is not liable to the Merchant for any defects or delays in the services or for any indirect or direct damage on the basis of these Special Terms and Conditions or otherwise on the basis of the Agreement.

The limitations of liability set out in Section 6 of the General Terms and Conditions are not applicable to Section 3 (Trademark Rights) of these Special Terms and Conditions or to the Cost Liability under this Section 7.

8 Settlement-Blocking and suspension of service

In situations referred to in Section 4.2 (Payment Transaction Acquiring) and Section 4.6 (Merchant's Liability in Cases of Misuse) and in situations where the cardholders' complaints over the payment transactions of a Merchant or any of its Sales Points or Trading Sites exceed the average level, upon the demand of the International Card Organisations and instead off or in addition to the right of termination set out in Section 7 of the General Terms and Conditions and Section 10 of these Special Terms and Conditions, Nets is entitled, on its own initiative to

- 1) refrain from making settlements to and/or acquiring transactions from the Merchant or its Sales Points or Trading Sites, either entirely or partly;
- 2) extend the agreed settlement period with respect to settlements to the Merchant or its Sales Points or Trading Sites;
- 3) suspend or close all services provided to the Merchant or its Sales Points or Trading Sites; and
- 4) deduct any already settled purchase transactions that are suspected of misuse or subject to the cardholders' complaint or contested by the card issuer and any other expenses incurred by Nets from subsequent settlements to the Merchant or its Sales Points or Trading Sites, or to otherwise charge these to the Merchant.

Nets is also entitled to refuse to acquire payment transactions that entail a specific risk of credit loss or misuse or for any other justified cause for refusal, or to apply an extended settlement period with respect to such payment transactions.

Nets will notify the Merchant of actions taken under this Section 8 without undue delay.

If the Agreement is terminated due to misuse as defined by the International Card Organisations (e.g. a misuse of Card Data or suspected money laundering) or any other breach of contract by the Merchant or by any of the Merchant's Subcontractors, Nets is entitled to register the reason for terminating the agreement in the data systems maintained by the International Card Organisations, where the data will be stored for five (5) years from the registration.

9 Collateral

Nets is entitled to require the Merchant to issue collateral or additional collateral by a date set by Nets and in the form of, e.g. a bank deposit or a bank guarantee, if the Merchant's business operations or its field of business are deemed by Nets to entail a specific risk for credit loss or if this is appropriate due to some other justified cause. The Merchant undertakes to ensure the validity of the collateral. Nets will release the collateral no sooner than 120 days from the termination of the Merchant Agreement. If the Merchant does not provide collateral or additional collateral within the time limit stated by Nets the Party that requested collateral or additional collateral is entitled to terminate the Agreement with immediate effect.

10 Termination of the merchant agreement

In addition to the provisions of Section 7 of the General Terms and Conditions, Nets is entitled to cancel the Agreement with immediate effect if:

1) The hardware, software or communication connections used by the Merchant may pose a risk to the security of the service, or the Merchant's operations otherwise entail a data security risk, and the Merchant has not rectified the situation despite a written notification by Nets; or

2) Nets has justified cause to suspect that the Merchant is acting in violation of the law, the Merchant is using payment cards or Card Data for illegal activities, in an illegal manner or in any other manner that may cause damage to Nets, the cardholders or third parties.

11 Validity of the agreement terms and conditions

These Special Terms and Conditions will enter into force on 16 November 2016 and will be in force until further notice.