

POS Terminal Service Terms And Conditions

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1. Preamble

1.1. These Terms and Conditions set out the standard terms of **POS terminal service** (hereinafter – **Terms and Conditions**”), which defines the description of payment operations through the **POS terminal** and the rights and obligations of the **Parties** with regard to such **Services**.

1.2. The entire relationship between the Bank and the **Client** is governed by the agreement (“**Agreement**”) which consists of:

1.2.1. **Terminal Application**;

1.2.2. **POS Terminal Service Agreement** signed by the **Parties** (if any);

1.2.3. **Tariffs** set by the **Bank** which is an annex to the **POS Terminal Service Agreement** (if any)/**Application**;

1.2.4. **POS Terminal** user manual, which is an annex to the **Agreement** and is available on the **Bank's** official website - www.libertybank.ge and/or is delivered to the **Client** with the **Act of Delivery and Acceptance** of the **POS Terminal** (hereinafter “**POS terminal user manual**”);

1.2.5. This **Terms and Conditions** and its annex(es);

1.2.6. Any and all additional appendice(s) and/or application(s) which pertain to the existing and/or future services offered by the **Bank** to **Client** and which is necessary for the **Client** to use banking services provided for in this or any additional agreement;

1.2.7. **Bank's** Data Protection Policy which is available on the **Bank's** official website - www.libertybank.ge

1.3. In order to receive the **Services** set out in the **Agreement**, the **Client** shall:

1.3.1. Read these **Terms and Conditions** for the use of all kinds of services;

1.3.2. Sign the **POS Terminal Service Agreement** and/or the relevant **Application** and confirm and guarantee that (a) the information provided is complete and accurate; (b) he/she/it has carefully read and examined present **Terms and Conditions** prior to signing the **POS Terminal Service Agreement/Application**;

1.3.3. Present to the **Bank** all the necessary documents and/or information specified by the **Law** and/or the **Bank** for identification purposes.

1.4. The **Bank** may refuse to provide any of the **Service(s)** to the **Client** if the **Client** fails or delays to duly complete, sign/consent or submit any of the documents requested by the **Bank** in accordance with the rules established by the **Bank**.

1.5. The **Bank** will start providing banking service after the **Client** signs the **POS Terminal Service Agreement/Application** and submits the documentations required by the **Bank** and the **Bank** reviews and approves the **Application**. Furthermore, the **Bank** may, at its sole discretion, decline the **Client's Application** or terminate any part of the **Service(s)** without providing any reason(s) for refusal and/or termination.

1.6. The **Bank** is entitled to verifying the information provided by the **Client** or the information related to the **Client** obtained in any other way, upon which the **Client** declares unequivocal and unconditional consent.

1.7. The **Bank** may, at any time, at its sole discretion, amend these **Terms and Conditions** and/or other parts of the **Agreement**, terms and/or **Tariffs** in order for them (the terms) to comply with the new rules established by the **Bank**, amended market conditions, banking practices and/or regulatory legislation.

1.8. When considering the **Application** submitted by the **Client**, the **Bank** is authorized to review the limits and **Tariffs** requested by the **Client** and to change them at its own discretion before providing the service. The **Bank** shall notify the **Client** of the changed **Tariffs** or limits before the provision of the service, at the contact e-mail address specified by the **Client** in the **Application**.

1.9. The **Client** shall be notified of the renewal/amendment(s) of these **Terms and Conditions** in accordance with the rules established by the **Bank**, if it implements additional **Terms/Services** **Client** can receive these services after completing the necessary **Application** form(s) and/or after delivery the relevant annex(es) to the **Client** and/or in accordance with the rules established by the **Bank** including, without any restrictions, based on the **Client's** electronic consent. In case the **Bank** does not provide the relevant attachment to the **Client** or the **Client** is not aware of the updated terms, but the **Client** implements/continues to use a new or updated product/service, it means that he/she/it agrees with the relevant terms of service in the **Bank** at that time.

2. Definitions

2.1. Unless otherwise defined by these **Terms and Conditions** or/and the context (of the **Terms and Conditions**) otherwise requires, the following terms shall have the meaning given below:

2.1.1. **Authorization** - giving the permission by the **Issuer** to carry out a **Transaction** for the payment of the **Transaction** amount through a **Banking Card**, which is intended to obtain confirmation of operation by the **Issuer**. **Authorization** in no case constitutes confirmation that the person representing the **Card** is the authorized holder of the **Card**. **Authorization** also does not constitute proof that the transaction will in all cases be considered genuine and in no case will it become disputed;

2.1.2. **Statement** – Information on transactions and balances performed on the **Client's** account specified in the form established in the **Bank**;

2.1.3. **Gambling** - games whose outcome fully or partially depends on a chance event. Such games are played by means of cards, dice, roulette wheels (roulette), gaming machines and/or other gaming equipment, and the participation in such games ensures an opportunity to win;

2.1.4. **Gambling Provider** - A **Client** who has the right to arrange gambling and other winning games on the basis of the relevant permit;

2.1.5. **Non-Working Day** - Saturday, Sunday, and also any day that, by law, is or is declared a non-working (holiday) day;

2.1.6. **Unauthorized Operation/Unauthorized Transaction** - Any performed **Transaction** with the **Card** without the consent of the **Cardholder**;

2.1.7. **Bank** - JSC “Liberty Bank” (Identification Code: 203828304), which is a party to this **Agreement**;

2.1.8. **Void Operation/Void Transaction** – **Transactions** made by **Customer** that are considered void by **International Payment Systems** and/or a party to the relevant payment/clearing system;

2.1.9. **Cardholder** – Person, who is authorized to use a **Banking Card** on the basis of a relevant agreement with the **Issuer**;

2.1.10. **Application** - A paper-based or electronic information made by the **Bank** as a result of using tangible document, electronic, optical or similar means, and submitted to the **Client** which is subject to further consent by the **Client** (the consent may be expressed by other actions.) which confirms the **Client's** will and therefore, shall have the same legal power as if the consent was made by using a tangible document. The **Application** is attached to the **Agreement** and forms an integral part thereof. **Service Tariffs**/limits and/or other important information may be regulated by the **Application**. Submitting an **Application** to the **Bank** and the **Bank's** confirmation of the **Application**/providing the service shall be deemed to constitute the conclusion of this **Agreement** between the **Parties**;

2.1.11. **Deal** – Deal between the **Client** and the **Customer** on the purchase of **Goods/Services**, on which payments are made within the services provided by these **Terms and Conditions**;

2.1.12. **Deal Amount** - Amount that must be paid in accordance with the concluded **Transactions** and this **Agreement** to cover the value of the **Goods/Services** purchased by the **Customer** to the **Client**;

2.1.13. **Reversal** – Operation of returning funds to the **Customer** when the **Client** is unable to fulfill his/her order or the **Transaction** was performed by the **Client** by mistake. **Reversal** can be performed at the subsequent **POS Terminal** before the end of the day;

2.1.14. **Refund** – Refund operation initiated by the **Client** in case of return of **Goods** and/or refusal of **Service** by the **Customer**, as well as for the return of a performed operation as a result of a technical defect;

2.1.15. **Order** - **Client's** order to the **Bank** to execute the payment transaction provided by the **Client** to the **Bank** directly and/or through remote banking services, in accordance with the **Agreement**;

2.1.16. **Annex** - any additional annex(es) signed by the **Parties** that specifies, amends and/or terminates the **Agreement** and/or its terms and conditions and is an integral part thereof;

2.1.17. **Day** - Contained 24 (twenty four) astronomical hours and 00 minutes and a calendar day calculated in Georgian time;

2.1.18. **Closing of the day** - Automated process at 23:30 on each calendar day resulting to sending to the processing system the operations performed on the **POS Terminal** during the previous 24 hours;

2.1.19. **E-mail** – Authorized e-mail address(es) of the **Parties**. Communication e-mails specified in the **Agreement** will be used as an authorized e-mail addresses. If the **Parties** did not specify the communication e-mail address by **Agreement**, then for the **Bank** - the e-mail address posted on the **Bank's** website, and for the **Client** - the e-mail address specified in the **Application**.

2.1.20. **Issuer** - A financial organization that issues **Banking Cards** and transfers them to the **Cardholder** under a relevant agreement;

2.1.21. **Token** - International payment system service, which converts 16-digit PAN card data into a unique identifier - token and payment operation is performed using this token without the use of card data;

2.1.22. **Intellectual Property Rights** - Implies any (i) copyright, patent, know-how, domain name rights, trademark rights, trademarks, service marks and designs (whether or not they are registered), (ii) any application for registration of any of the foregoing Or the right to apply for registration and (iii) all other intellectual property rights or any other equivalent or similar form of protection anywhere in the world;

2.1.23. **Incidental Cycle** – The process of exchanging settlement-financial and other transactions between the parties to the settlement in order to clarify the circumstances of the **Card Transaction(s)**;

2.1.24. **Client** - A person using the **POS Terminal** in accordance with these **Terms and Conditions**;

2.1.25. **Law** - the integrity of applicable legislative and regulatory normative acts of Georgia as well as the international agreements and covenants of Georgia incorporated in the system of normative acts of Georgia.

2.1.26. **Confidential Information** - unless otherwise specified in the **Agreement**, any information/documentation received, processed, created and / or sent by one of the **Parties** about the other **Party** as a result of the signing and/or executing of the **Agreement** (including the information/documentation about the performed **Transactions**, personal, equity, financial data of the **Party**, owner/manager/related person(s) of the **Party**, transaction(s) with a third party, movable and/or immovable object(s) held in possession, business process/procedures, marketing strategy, project (s) and / or other data) and / or other important information / documentation;

2.1.27. **Loyalty Program** - Discount offered by the **Bank** for **Card** payment transactions and / or Cashback.

2.1.28. **Local Card** - A local payment system **Card** issued by a **Bank**, partner banks and / or partner payment service providers, which is a means of payment for the performance of contractual transactions;

2.1.29. **Third Party(ies)** - Any person who is not a party to the **Agreement**;

2.1.30. **Act of Delivery and Acceptance** - A written document between the parties, which is an annex and an integral part of the **POS Terminal Service Agreement/Application** and which establishes the fact of transfer, installation, dismantling and/or return of the **POS Terminal** (including terminal accessories) to the **Client**;

2.1.31. **Mobile Phone or Telephone** - a telephone connected to a cellular network;

2.1.32. **Customer** - any person, who uses **Clients** and/or **Banks** services/products based on the agreement concluded with the **Client** and/or the **Bank**;

2.1.33. **Party or Parties** - The **Bank** and/or the **Client** (as the case may be) independently or jointly;

2.1.34. **Object** - the area / address of the **Client** defined by the **POS-Terminal Service Agreement** and/or **Application(s)**, where the **POS Terminal** will be located and the **POS Terminal** will be used;

2.1.35. **Partner Bank/Partner Payment Service Provider** - Commercial Bank(s) and/or Payment Service Provider(s) related to the **Bank** through a memorandum, a list of which is posted on the website - www.libertybank.ge;

2.1.36. **Person/Persons** - legal entity(ies) (including legal entity(s) under the public law), non-profit (non-commercial) legal entity(ies) and/or other organizational/unregistered entity(ies) established under the law;

2.1.37. **POS Terminal or Terminal** - a device provided by the **Bank** to the **Client** for temporary use, which transfers the amount of the **Transaction** and the information on the **Card** to the processing system for the execution of the **Transaction**;

2.1.38. **POS Terminal Service Agreement** - **POS Terminal Service Agreement** signed by the **Parties**. Following **Terms and Conditions** are annex(es) to the **POS Terminal Service Agreement**. If the **Parties** have not signed a **POS-terminal service agreement**, the **Client's Application** to the **Bank** and the **Bank's** provision of the corresponding service implies the signing of the **Agreement** between the **Parties**;

2.1.39. **Reserve/Deposit** - The amount(s) set by the **Bank** to secure a claim(s) against a **Client**. The **Client** will be restricted to use **Deposit** amount for a limited period of time. The amount of **Deposit** is determined by the **Tariffs**. The amount of the **Deposit** and the term of limitation of use may be changed at any time by the sole decision of the **Bank**;

2.1.40. **Banking Card or Card** - international/worldwide **Banking Card** or token issued by the **Bank**, which is a means of settlement for the implementation of the operations stipulated in the **Agreement**;

2.1.41. **Banking Day** - Day (except Saturday or Sunday), which is considered a **Working Day** for commercial banks operating in Georgia under the **Law**;

2.1.42. **Card Account** - Personal bank account of the user opened by the issuer, which reflects the **Transactions** performed with debit and credit **Cards**;

2.1.43. **Payment Order** - An instruction from a **Client** or **Customer** to the **Bank** which is the basis for **Transactions** on the relevant accounts of the settlement participants

2.1.44. **Disputed Operation/Disputed Transaction** - the **Transaction**, which is appealed according to the procedure defined by the agreement between the **Issuer** and the **Cardholder**, in particular, the **Issuer** appeals the transaction in accordance with the rules of the **International Payment System** and demands a full or partial amount of the transaction from the acquirer bank. In case of a local operation, the procedure for conducting a disputed transaction shall be determined by the **Law** and/or by mutual agreement between the **Issuer** and the acquirer bank.

2.1.45. **Disputed Transaction Document** - supporting document or information for the disputed process established by the regulations of the **International Payment System** (such as trade receipt, customer data, additional description of the **Transaction**, **Customer** invoice/account, record of any document, customer letter, etc.);

2.1.46. **International Card** - **International Payment System** card and/or any other type of **Banking Card** issued by the **Bank**, partner banks, and/or partner payment service providers and / or other international issuers, which is a means of settlement for the implementation of the transactions stipulated in the agreement.

2.1.47. **International Payment System** - "Visa International", "Mastercard", "Union Pay International" and / or other alternative payment system, which provides a combination of common rules and standard procedures for authorization, cash transfer operations and relevant settlement - clearing;

2.1.48. **Suspicious Operation/Transaction** - **Authorization** or **Transaction** whose legality is reasonably in doubt as a result of the **Bank's** security policy and/or is being carried out by a person on an international or local stop list for money laundering and/or an authorization or transaction contrary to international law on legalization of illicit income and/or the requirements and procedures established by the **Bank** and / or the **Client**. The transaction may be considered suspicious in the monitoring system in accordance with the rules set by the **Bank** in cases such as unnatural activity, several attempts at a single card transaction, etc.

2.1.49. **Regulation Of The International Payment System** - The necessary norms developed by the **International Payment System** and established for participation in the **International Payment System**, in which changes are made periodically based on the sole decision of the International Payment System;

2.1.50. **International Transaction** - A **Transaction** performed with a **Banking Card**, whose **Issuer** is not a resident financial institution of Georgia;

2.1.51. **Trade Receipt or Receipt** - a document confirming payment by **Card**, which is printed by the **POS-Terminal** in two identical copies;

2.1.52. **Fee** - Amounts payable by the **Client** to the **Bank** for the services provided in accordance with the **Tariffs**;

2.1.53. **Working Day** - time period from 9:00 to 18:00 (Excluding **Non-Working Days**).

2.1.54. **Processing System** - **Bank's** payment system, which, in combination with general rules and standard procedures, ensures the processing of cash transfer operations or transfer orders and the corresponding settlement - clearing;

2.1.55. **Reserve Account** - **Client's** account in the **Bank** on which the **Reserve** will be placed;

2.1.56. **Goods/Services** - **Goods/Services** of the **Client**, delivered by the **Client** on or without a contract;

2.1.57. **Terms and Conditions** - Standard Terms of **POS Terminal Service**, which is an integral part of the Unified **Agreement** and is available on the **Bank's** website: www.libertybank.ge;

2.1.58. **Tariff(s)** - Tariff(s) specified by the **Bank** as defined by the **Agreement/Application** and/or the relevant Annex to the **Agreement**;

2.1.59. **Transaction** - A set of **Authorization** and further settlement transactions, which provides initiation/implementation of **Transactions** through the **Banks POS Terminals**;

2.1.60. **Archive of Transactions** - The electronic database of the **Bank's** processing system, which records all **Transactions** registered in the register of electronic transactions, **Refund** and **Reversal** operations performed by the **Bank** at the request of the **Client**, **Disputed Transaction** amounts declared in **International Payment System Incidental Cycles**, as well as the International Cash Register system. The provision of information on **Transactions** made by the **Bank** to the **Client** from the Transaction Archive to the **Client** prior to one year is subject to the **Tariffs** specified in the **Annex**;

2.1.61. **Rejected Operations** - Operations made by the **Customers** that have not been authorized by any of the participating **Parties**;

2.1.62. **Discount** - The amount of benefits provided to the **Customer** by the **Client**, which is determined within the framework of the **Bank's** loyalty program, according to the additional agreement;

2.1.63. **Comparison Act** - the relevant document sent to the **Client** by the **Bank** at the request of the **Client**, to compare the payments made during the past month, cash withdrawals from the **Client's** balance, received commissions and transactions made through electronic channels;

2.1.64. **Agreement/Contract** - (a) **Application** of the **Terminal** service; (b) the **POS Terminal Service Agreement** (if any) and its **Annex(es)** signed by the **Parties** (c) these **Terms and Conditions** and its **Annex(es)**, as well as any additional **Application(s)**, **Annex(s)** that has been/will be entered into in connection with this **Agreement** and form an integral part thereof. An **Agreement** between the **Parties** may be concluded without signing a **Pos-terminal service agreement**, by the **Client** submitting an **Application** to the **Bank**;

2.1.65. **Cashback** - The amount to be paid by the **Client** to the **Bank**, which is determined within the framework of the **Bank's** loyalty program, according to the additional agreement(es);

2.1.66. **PCI DSS (Payment Card Industry Data Security Standard)** or **PA DSS (Payment Application Data Security Standard)** or **Pin Security** - **Card** security standards, which contain requirements for the secure storage, transmission, and/or disposal of **Card** data, and are intended to assist organizations in the process of protecting consumer data;

2.1.67. **TerminAPP-mobile terminal** - an application- mobile terminal provided by the **Bank** to the **Client** for temporary use, which transfers the **Deal Amount** and card information to the processing system in order to complete the transaction;

2.2. Terms and/or words used in the **Agreement** in singular shall be understood in the plural (and vice versa), unless otherwise provided by the context of the relevant condition of the **Agreement**.

2.3. Where "termination" of this **Agreement** is indicated, this word also includes the meaning of the expiration of the **Agreement**.

3. Client Representations and Warranties

3.1. By signing the **Agreement** and using the services as set out herein the **Client** represents and warrants that:

3.1.1. Has the full authority (or will receive the appropriate authority) to sign the **Contract** and fulfill the obligations under this **Contract**;

3.1.2. The information submitted to the **Bank** by the **Client** in the **Application**, or in any other form is true, accurate and complete in all respects and the **Client** is fully responsible for the information contained in it.

3.1.3. Performing any action(s) under the current **Agreement** shall not violate any provision of other agreement(s) or commitment(s), if any, undertaken by the **Client**, nor any statute, regulation, rule, injunction, judgment, order, decree, ruling, or other restriction of any state, state agency or other regulatory body, or any court or arbitrary body, to which the **Client** is subject, or conflict with, result in breach of, constitute a

default under any agreement, contract, license, instrument or other arrangement to which the **Client** is a party;

3.1.4. The **Client** is not involved, directly or indirectly, in any illegal activity (including, without limitation, money laundering, weapons trade, drug trafficking, and terrorism) under the laws of any jurisdiction.

3.1.5. The **Client** has obtained and will retain all licenses and permits required for the performance of any and all obligations under this **Agreement** throughout the term of this **Agreement**;

3.1.6. Any and all services offered by **Client** to **Customers** fully comply with the requirements of applicable law in any jurisdiction that applies to the **Customer**, the **Bank** and/or their related persons and/or the product and service provided or supplied by the **Customer**.

3.1.7. The **Client** has and will maintain the relevant equipment, hardware or other means (including staff training, internal control mechanisms and other technical equipment) throughout the term of this **Agreement** in order to be in full compliance with the terms of security and confidentiality of the information under this **Agreement**;

3.1.8. Is fully aware of, will protect and will be in accordance with the **Law** and international regulations of facilitating the prevention of money laundering and the financing of terrorism.

3.2. The **Client** understands that the services specified in this **Agreement** are provided within the regulations of the **International Payment System** and, accordingly, at the request of the **Bank**, the **Client** is obliged to comply with the regulations of the International Payment System.

3.3. These representations are valid both during the whole term of this **Agreement** and after its termination;

3.4. The **Client** shall disclose to the **Bank** in writing any matter which may arise or become known to him/her/it after the effective date of this **Agreement**, which is or could be a breach of or inconsistent with or may render inaccurate or misleading any of the Representations and Warranties as stipulated in this **Agreement**;

3.5. In the event of breach of any of the Representations and Warranties (and without restricting the rights or ability of the **Bank** to claim damages on any basis available to it in respect of such breach) and the **Client's** failure to remedy such breach within 10 (ten) business days of receipt of notification of the breach by the **Bank**, the **Client** hereby agrees to indemnify the **Bank** and hold it harmless against any losses (including, without limitation, consequential losses), claims, expenses, costs (including without limitation, the costs incurred by the **Bank** in taking any action to enforce its rights hereunder), court proceedings and any other liability that may arise as a result of such breach.

3.6. The **Client** confirms that the **Client**/its employee(s) are informed that for the purpose of enhancing the service, as well as for the security reasons and in order to protect **Bank's** other legitimate interests, phone calls made to/from the **Bank's** contact number(s) are being recorded and stored by the **Bank** for the period of time consistent with the **Bank's** purposes and interests, regulatory/supervisory authority request and/or legislation. This notice serves and is intended to inform the **Client**/its employees and the **Client** confirms that the **Bank** is not obliged to give an additional warning to the **Client**/its employee in each case of audio recording.

4. Payment through POS Terminals

4.1. **General terms of service.** The **Bank** will serve cards specified in the **POS Terminal Service Agreement/Application** and other cards permitted by the **Bank** through the **POS Terminal** and the **Bank** will provide settlement between the **Bank** and the **Client** for **Transaction** performed by the **Clients** in accordance with the terms and conditions set forth by the **Agreement**.

4.2. Under the **Agreement** the **Client** shall ensure to:

4.2.1. Process **Operations** according to the terms described in the Annex #1 (Security Norms and Card Acceptance Instructions) to the present **Terms and Conditions**.

4.2.2. Grant uninterrupted access to the **Bank** and/or its authorized representatives to all the resources that the **Client** uses to provide the **Goods/Services**.

4.2.3. Process the **Transaction** within 7 (seven) calendar days.

4.2.4. Keep the electronic document confirming the **Operations** performed by the **Customer** in compliance with the term for storing information established by the legislation of Georgia for banking institutions, but in no case less than 13 (thirteen) months, provided that the **Client** shall ensure the delivery of the said documents within 5 (five) working days at the request of the **Bank**.

4.3. Under the **Agreement** the **Bank** shall ensure to:

4.3.1. Deliver **Terminal(s)** to the **Client** upon the **Client's** request. The **Terminal** will be deemed transferred after the signing of **Act of Delivery and Acceptance** by the **Parties**.

4.3.2. Authorize the **Cards** on a continues basis in case the rules defined by the present **Agreement**, as well as regulations on using and servicing **Cards** established by **International Payment Systems** and the **Law** are followed.

4.3.3. Provide payments for **Transactions** performed using **POS Terminal** and **Cards** at intervals specified in the **Tariffs**. While making a payment, the **Bank** will deduct commission fee and/or any other payables arising out of the present **Agreement** and transfer the amount to the **Client's** account specified in the **Agreement** or in the absence

thereof, to the account specified by the **Bank**. In case the **Parties** have an agreement on **Cashback** or **Discount**, the **Bank** is authorized to withhold the corresponding amount from the **Client's** account at the moment of payment or deduct the amount from the **Client's** account. In case the **Client** does not have an account in the **Bank**, the **Bank** is entitled to suspend settlement with the **Client** until opening of the account and renew the process only after the account is opened.

4.4. **Rights of the Client.** Under the **Agreement** the **Client** is entitled to:

4.4.1. Receive from the **Bank** additional consultations and explanations on conducting **Bank Card Transactions**, at no charge.

4.4.2. Receive the information about **Client's Transaction(s)** for the last 1 (one) year from the **Bank's Transaction** archive free of charge upon the **Client's** request and on the details specified in the **Agreement**.

4.4.3. Apply to the **Bank** for performing **Reversal** and **Refund Operations** for which it (the **Client**) must provide the **Bank** with any information and documents necessary for the **Transaction; Reversal** and **Refund Operation(s)** must be carried out in accordance with the relevant rule/form specified by the **Bank**. In addition, the **Client** is entitled to request a refund **Operation** to the **Bank** via e-mail.

4.4.4. Request an appeal against the dispute in accordance with the rules established by the **Bank** and on the basis of the submission of relevant documents, if the dispute is subject to appeal in accordance with the regulations of the **International Payment Systems** and reimburse the **Bank** for all costs related to the procedure.

4.4.5. Receive **Transaction** amount according to the rules established by the present **Agreement**.

4.5. **Rights of the Bank.** Under the **Agreement** the **Bank** is entitled to:

4.5.1. Periodically, at its discretion, check the compliance of the **Client** with the rules of operating and safety and obligations under the present **Agreement**. For that purpose, the **Client's** responsibilities include but is not limited with the obligation to: (a) allow the access of the **Bank** representative to its place of business; (b) allow inspecting of the **POS Terminal**; (c) provide the **Bank** with the information/documentation requested by the latter; (d) provide the **Bank** with a written explanation in relation to the **Customer's** claim;

4.5.2. To monitor the measures taken by the **Merchant** to detect illegal/illegal/fraudulent operations, as well as violations of the rules and requirements of **International Payment Systems**, and if necessary, issue instructions/recommendations, which are mandatory for the **Merchant**.

4.5.3. Deduct the following amounts from the **Transaction** amounts to be transferred to the **Client** and/or from any of the **Client's** accounts:

4.5.3.1. Amounts of **Reversal** and **Refund** made by the **Client**, as well as **Void Transactions**;

4.5.3.2. Amounts deducted by the **International Payment Systems** from the **Bank** as a result of the clarification of the circumstances of **Operations** in **Incidental Cycles**, as well as other losses and expenses incurred by the **Bank** in connection with the conduct of **Incidental Cycles**;

4.5.3.3. Fines of the **International Payment Systems** in the amount defined by the relevant annex to the **Agreement**;

4.5.3.4. Service fee of the **Bank** in accordance with the **Tariffs**;

4.5.3.5. Fines;

4.5.3.6. Erroneously transferred funds;

4.5.3.7. Any other amount to be reimbursed to the **Bank** by the **Client** pursuant to this **Agreement**, including, without limitation, any penalty imposed on the **Bank** by the relevant authority for violation of the Georgian anti money laundering legislation by the **Client**;

4.5.4. Suspend the possibility of authorizing **Operations** for the period necessary for the investigation; In addition, request any additional information from the **Client** regarding any **Transactions** performed using **Bank Cards** if, based on electronic **Transaction** log data and information from **International Payment Systems**, it is revealed: (a) a sharp increase in the number of unauthorized **Transactions** by costumers and/or (b) a situation where a total amount of dispute cases related to the present **Agreement** is equal to or greater than 1% of the total amount of **Transactions** made during the previous calendar month or 100 (one hundred) units and/or (c) the number and/or amount of **Transactions** is increased sharply until the cause is determined (based on inspection) and/or (d) the **Bank** had reasonable doubts about the authorisation of the **Transactions**;

4.5.5. Restrict or suspend the ability to authorize **Transactions** if: (a) the **Client** is involved in any **International Payment System** Fraud Prevention Program that includes, without limitation, a Global Dispute or Fraud Monitoring Program; (b) for any reason, there is a threat that the **Bank** will be involved to any fraud prevention program of the **International Payment System** that includes, without limitation, a global dispute or fraud monitoring program;

4.5.6. Do not settle with the **Client** in case the **Transaction** is performed in violation of the rules given in the Annex #1 (Security Norms and Card Acceptance Instructions) to these **Terms and Conditions** or with forged or invalid trade receipts. Furthermore, in case of the above-mentioned violation, the **Bank** is entitled to deduct the amount transferred to the **Client** from its **Bank** account, without the **Client's** consent and/or acceptance if the **Bank** has already made a payment;

4.5.7. Suspend the possibility of authorizing **Transactions** in case the **Client** fails to fulfill obligations under this **Agreement**, if in the previous month the **Client** exceeds the limits set forth for card payments through **POS Terminal** set by the **Tariffs**, the Bank is entitled to suspend or limit the possibility of authorizing **Operations** in the current month;

4.5.8. Terminate **POS-Terminal** services and authorizing **Transactions**, or suspend settlement **Operations** with the **Client** at any time if the **Bank** considers that the **Client** is performing risky activities for the **Bank** and/or its activities are contrary to any of the following: (a) Georgian legislation; (b) the **International Payment System**; rules and requirements (c) internal regulations and requirements of the **Bank**;

4.5.9. Analyze (monitor) the information contained in the authorized requirements in order to detect unauthorized **Transactions**;

4.5.10. Impose restrictions and prohibitions on the acceptance of **Banking Cards** as a means of payment for the **Cards** of a certain type and/or issued by certain **Issuers**, unilaterally, at its own discretion;

4.5.11. Suspend and block the amount payable to the **Client** before the final settlement of the dispute in case of violation of the terms of the **Agreement**, for the purposes of compensating the expected fine and/or loss of disputed **Transactions**;

4.5.12. Do not make settlements on **Void** and **Suspicious Transactions** until the relevant disputed issues are clarified;

4.5.13. Refuse the **Operation** if the **Operation** is rejected by the **Issuer**, the processing center or the **International Payment System**, and in turn the **Client** is obliged not to provide the service if the **Operation** is not authorized;

4.5.14. Not to make settlement on the basis of **Transactions** received after 7 (seven) calendar days from the **Deal**;

4.5.15. Request all necessary information and documentation from the **Client**, both in case of a disputed **Transaction** and in case of any reasonable doubt. The **Bank** is not obliged to provide the grounds and motivation for requesting information/documentation;

4.5.16. Debit any of the **Client's** accounts and/or block the funds in any of the **Client's** accounts to what the **Client** agrees in advance if the **Client** according to the terms of the **Agreement** holds a reserve account in the **Bank** and the reserve amount do not cover the **Client's** debts to the **Bank**. Furthermore, if the amount to be paid and the amount available on the **Client's** account are in different currencies, the **Bank** is authorized to convert the funds at the commercial exchange rate set forth by the **Bank**;

4.6. **Client Representations and Warranties**

4.7. The **Client** declares that it will:

4.7.1. Not debit the **Cardholder's** account until the **Goods/Services** are fully delivered or rendered;

4.7.2. Not transfer **POS Terminal** and will not allow its use to the **Third Parties**;

4.7.3. Not transfer **POS Terminal** to another facility or branch without **Bank's** consent.

4.7.4. Not accept a **Card** for services not specified in the **POS Terminal Service Agreement/Application**;

4.7.5. Not request a **Card** number for services not specified in the **POS Terminal Service Agreement/Application**;

4.7.6. Inform the **Bank** in case of using a third party representative who will have access to the Card data. The said third party representative must meet the security requirements of **International Payment Systems**;

4.7.7. In case the **Client** uses a third party **Card** data processing service, the **Client** will: (a) ensure that the third party involved in the system complies with the requirements of **International Payment Systems**, such as **Transaction** information, its storage and protection; (b) will be fully aware of and comply with **PCI-DSS**, **PA DSS** and **Pin Security** programs of **International Payment System** regarding **Card** data security and will undertake to comply with their requirements;

4.7.8. Provide full compliance with the following requirements regarding **POS Terminals**:

4.7.8.1. Trade only the agreed **Goods** and/or **Services** specified in the **POS Terminal Service Agreement/Application**;

4.7.8.2. For the execution of any such **Transaction** by the **Client**, which without limitation includes **Transactions** related to telecommunications, gambling, medicines, tobacco and/or appointment services, the prior consent of the **Bank** is required and in case the **International Payment System** regulation requires **Client's** registration in the payment system, the relevant commission fee must be covered by the **Client**.

4.7.8.3. Protect the full confidentiality and security of **Customer(s)** and their **Card** data in accordance with the User(s) Privacy and Security Policy. In case the **Client** does not have a Privacy and Security Policy, and/or the **Client's** Privacy and Security Policy sets lower standards for the protection of the rights and interests of the **Customer**, the **Client** is obliged to act in full compliance with the **Bank's** Privacy Policy. The mentioned document is available on the official website of the **Bank** www.libertybank.ge;

4.7.8.4. In case of significant changes in the **Client's** business activities, which without limitation include a change in the type of **Goods/Services**, agree in advance with the **Bank**, on the basis of which the relevant change in the **Agreement** will be made;

4.7.8.5. Immediately notify the **Bank** in case of detecting any default in **Operation** of the **POS Terminal**.

4.7.8.6. Follow the limits set forth by the present **Agreement** for **Transactions** carried out through **POS Terminal**.

4.8. The **Client** acknowledges and undertakes to:

4.8.1. Comply with the terms of **Card** service through the **POS-Terminal** at the premises in accordance with the rules set out in **Annex #1** (Security Norms and Card Acceptance Instructions) to these **Terms and Conditions**;

4.8.2. Allow working with the **POS-Terminals** only employees that are instructed by the **Bank** and request in writing from the **Bank** to instruct new staff;

4.8.3. Open and remain active the bank account through which the settlements according to this **Agreement** will be made;

4.8.4. Not return the money to the **Customer** in cash in case the **Goods/Services** provided to the **Customer** deriving from any **Transaction** are subject to return to the **Customer** and/or the **Goods/Services** are refunded, or the price is adjusted.

4.8.5. Fully reimburse the amount withdrawn by the **International Payment System** and other related costs before the end of the litigation process in the event of a disputed **Transaction**;

4.8.6. Submit to the **Bank** the documents related to the disputed **Transaction** upon request, otherwise, the **Client** will be obliged to fully reimburse the amount of disputed **Transaction** and other related costs;

4.8.7. Compensate the damage the **Bank** suffered due to negligent actions of the facility's staff and/or violation of the terms of this **Agreement**;

4.8.8. Notify the **Bank** at least 5 (five) days in advance in case of opening a new service point for timely installation of **POS Terminal**;

4.8.9. Take care and do not damage **POS Terminal** and its accessories handed over for use. Not make any technical or software changes to the **POS Terminal**, and in case of **POS-Terminal** malfunctions and/or defects, immediately notify the **Bank** to the contact number specified in the **Agreement**;

4.8.10. Check the compliance of the information on the cheque of the delivered **POS-Terminal** with the application. By accepting the **POS Terminal**, the **Client** agrees that the **POS Terminal** is programmed according to its request;

4.8.11. Return to the **Bank** the **POS Terminal** and the **POS Terminal** accessories specified in the **Act of Delivery and Acceptance** in the original conditions with normal depreciation in case of termination of the **Agreement**, within no more than 10 (ten) calendar days after the termination;

4.8.12. Reimburse the **Bank** for the cost of repairing the **POS Terminal** in case of its physical damage, based on the relevant invoice, and if the **POS-Terminal** is not repaired, reimburse the value of the **POS Terminal** in the amount specified in the **Tariffs**, at the request of the **Bank**.

4.8.13. Reimburse the **Bank** for the **POS Terminal** value determined by the **Tariffs** on the basis of the relevant invoice in case of non-return of the **POS Terminal**. In case of non-return of the **POS-Terminal** accessories specified in the **Act of Delivery and Acceptance**, the **Client** will reimburse the **Bank** for their value, which is determined by the **Tariffs**;

4.8.14. Pay the **Bank** the cost of **Reversal** operations, **Refund Operations**, **Void Transaction** service fee, the amounts payable as a result of clarifying circumstances in the **Incident Cycle** by the **International Payment Systems**, as well as other losses and expenses incurred by the **Bank** in relation to conducting the **Incident Cycle**, amount of dispute and other amounts retained by the **International Payment System**, fines and other expenses incurred by the **Bank** no later than the 3rd (third) business day from the date of receipt of the written notice from the **Bank** in accordance with this **Agreement**.

4.8.15. The **Client** is entitled to request an appeal in accordance with the rules established by the **Bank** and on the basis of the relevant documentation, if the dispute is subject to appeal in accordance with the regulations of **International Payment Systems** and reimburse the **Bank** for all costs related to the procedure.

4.9. In cases specified in paragraph 4.8.14 of the **Terms and Conditions**, if funds on the **Client's** accounts are insufficient, overdraft (overlimit) will be generated on the **Client's** accounts, the **Client** shall replenish the overdraft (overlimit) immediately and the **Client** is obliged to pay the **Bank** overlimit fee at the maximum amount of the annual effective interest rate for loans defined by legislation for each day of the overlimit (including incomplete days) unless **POS Terminal Service Agreement/Application** established different rate. Furthermore, if the **Client** does not have an account with the **Bank**, the **Client** must repay the overdraft amounts upon delivery of the invoice by the **Bank**, and in case of non-compliance, pay a penalty to the **Bank** in the amount provided for in this paragraph.

4.10. **Financial and other information**

4.10.1. The **Client** is obliged to provide the **Bank** with full annual financial information related to the **Client** within 10 (ten) calendar days after the request of the **Bank**.

4.10.2. The **Client** authorizes the **Bank** to conduct on-site inspections of the **Client's** activities and/or to seek, request and obtain financial and/or business-related information of the **Client** from any **Third Party**.

4.10.3. The **Client** authorizes the **Bank** to use for any purpose the information received about the **Client** in accordance with this **Agreement**, which includes without limitation the right of the **Bank** to provide the **International Payment System** with information about **Client's** details (legal and postal address, telephone number, fax number, bank details, e-mail address) upon its request.

4.10.4. The **Client** is obliged to make an advance written notification to the **Bank** in cases of any change in the data indicated in the application and/or change in the scope of the Company's activities.

4.11. **Other conditions**

4.11.1. Delivery, installation, dismantling and full service of **POS-Terminals** for the **Client** are provided by the authorized representatives of the **Bank**, based on the relevant **Act of Delivery and Acceptance**.

4.11.2. Upon receipt, the **Client** will be given a temporary possession of the **POS-Terminal**, as a result of which the **Client** will be responsible for the maintenance of the **POS-Terminal** and will be materially responsible for the **POS-Terminal**.

5. **Additional Requirements for a Client Who Is a Gambling Provider**

5.1. The **Client** is obliged to fully identify the **Customer** taking into account the means of user identification specified in this article. The **Bank** is entitled to check the process of **Customer** identification by the **Client** at any time and in case of non-fulfillment or improper performance of **Customer** identification by the **Client** to impose a fine of 1000 (thousand) GEL on each such violation.

5.2. The **Client** is obliged not to provide services to Georgian citizens under 25 (twenty-five) years of age, foreign citizens/stateless persons under 18 (eighteen) years of age, persons included in the list of addicted persons and the in list of prohibited persons and/or other persons prohibited by **Law**.

5.3. In the event of a **Transaction** or any attempt by the **Customer**, the **Client** is required to ensure full identification of the **Customer** in accordance with the necessary rules of **Customer** identification established by the **International Payment System** and in case the **Client** is a **Gambling Provider**, he/she/it is additionally obliged to identify the **Customer** by means of the relevant ID card and/or passport and information on the **Customer's** payment **Card**.

5.4. In case the **Client** is a **Gambling Provider**, he/she/it is obliged not to accept for using in the gambling arranged by him/her/it the payment **Cards** issued in the country where the use of the mentioned and/or similar gambling games is prohibited.

6. **Activation of the Pre-Authorization Functionality**

6.1. With the consent of the **Bank**, the **Client** is entitled to apply to the **Bank** and use the pre-authorization functionality on the **POS Terminals** after the **Bank** activates the mentioned function.

6.2. The pre-authorization function allows the **Client** to make a **Transaction** at the **POS Terminal** without fully or partially physically handling the **Banking Card**, by manually typing the **Card** data on the **POS Terminal** (hereinafter referred to as the **Pre-Authorization**) subject to the following conditions:

6.2.1. The **Transaction** at the **POS Terminal** is initiated by the **Client**, with the prior consent of the **Customer**, without physically handling the **Banking Card**, by indicating the **Card** data and the **Transaction** amount;

6.2.2. Following the initiation of a **Transaction** at the **POS Terminal** under the **Pre-Authorization**, the **Issuer** blocks the amount of the **Transaction** on the relevant **Card** account of the **Customer** until the completion of the **Transaction**, but not more than the period specified in the regulation of the **International Payment System**. If the **Client** fails to ensure the completion of the **Transaction** within the period specified in the **International Payment System** regulations, the **Pre-Authorization** will be considered canceled and the **Issuer** will remove the block on the **Transaction** amount.

6.2.3. In order to complete the pre-authorization, it is obligatory to physically use the **Card** at the **POS Terminal**, unless otherwise agreed by the **Bank**.

6.3. **Pre-Authorization** can be done only with the written consent of the **Cardholder**.

6.4. Technical details of **Pre-Authorization** are available on the **Bank's** website - <http://libertybank.ge>

6.5. During the whole period of using the **Pre-Authorization** functionality, the **Client** is obliged to:

6.5.1. Place a reserve in the **Bank** of not less than 10% of the total volume of operations carried out through the **POS Terminal**.

6.5.2. At the request of the **Bank**, during the period defined by the **Law** and the regulations of the **International Payment System**, but not less than 13 (thirteen) months period, at any time, to provide the following information / documentation to the **Bank**:

6.5.2.1. Name, surname and copy of the **Client's** **Customers** identity document in favour of which the transaction was carried out;

6.5.2.2. **Cardholder's** signed consent to use his card and ID card.

6.5.2.3. Details and conditions of purchase of the **Service** within the **Transaction** and correspondence with the recipient of the **Service**, conditions of cancellation of the purchased **Service**.

6.5.2.4. Any information/documents related to **Pre-Authorization**;

6.6. Due to the specificity of the **Pre-Authorization** process, the **Client** is aware of the risks associated with the **Transaction** and undertakes to fully compensate the **Bank**, **Cardholder** and/or any third party for any damage (loss) caused by the **Pre-Authorization**, if any.

7. **Gratitude amount – „Tip“**

7.1. The function of payment of a **Gratitude Amount** (hereinafter-**Tip**) is a function of payment of an additional amount along with the **Deal Amount** through the **Pos-terminal** by the **Customer** in favor of the service staff working in the **Merchant's** facility

7.2. In the case of the **Bank's** approval, the **Client** is entitled to apply to the **Bank** with the appropriate **Application** and, in case the **Bank** activates the Gratitude Amount functionality, use the said functionality at the **Pos-terminal**.

7.3. Receiving of the **Gratitude Amount** payment and further settlement through the **Pos-terminal** is possible by crediting the **Tip** to the **Client** or by crediting it to the **Client's** respective service staff member's pre-defined **Account Number**.

7.3.1. In the event that the **Client** receives the **Tip** on his own **Account** and then makes the settlement itself, the **Bank** ensures that the **Gratitude Amount** is credited to the **Client's** **Account** in the form of a separate **Transaction**, independently of the **Transaction Amount**.

7.3.2. In the event that the **Parties** agree to transfer the **Tip** to the **Client's** respective service staff member's private account, **Client** is obliged to provide the **Bank** with the **Bank Account** details and personal data of the payment receiver in advance.

7.3.3. The **Client** himself is obliged to obtain the consent, in the appropriate form regarding the sharing of their personal data and confidential (including **Banking Secrecy**) information to the **Bank** and processing it by the **Bank**, of the service staff, to whose account should the **Tip** be transferred.

7.3.4. When the **Client** transfers the personal data and other **Confidential Information** of the **Client's** service staff (one or more persons) to the **Bank**, it is assumed that it (the **Client**) has obtained all necessary permissions/consent to the processing of personal data about the above-mentioned persons by the **Bank** for the purposes of the terms of this **Agreement** and the protection of the legal interests of the **Bank**, and the **Client** himself is responsible for all kinds of damages/losses caused by the absence of said consent(s), permission(s). Accordingly, the **Bank** is not responsible, no claim can be submitted to it regarding the acquisition/processing of personal data or other confidential information of the **Client's** service personnel, and any claim arising from the violation of the rules and/or the requirements of the legislation specified in the present data processing conditions shall be submitted directly to the **Client**.

7.3.5. At the request of the **Bank**, in no later than 3 (three) **Calendar Days**, the **Client** is obliged to provide the **Bank** with the consent of the relevant receiver (**Client** service staff) defined in 7.3.4. clause.

7.4. The **Client** initiates the **Transaction** at the **Pos-terminal**, with the prior consent of the **Customer**, by selecting the appropriate payment functionality at the **Pos-terminal**, with the amount indicated by the **Customer**.

7.5. The **Client** is obliged not to accept the payment of a **Gratitude amount** at the **Pos-terminal** or to receive payment in a different amount, if there is no prior request/consent of the **Customer**.

7.6. Regardless of whether the payment of the **Tip** is made to the **Client's** account or to the personal account(s) of the **Client's** service staff, the **Client** is responsible for each **Transaction** performed at the **Pos-terminal**, including the payment made in the form of **Tip**. And all the **Client's** obligations and responsibilities defined by the **Agreement** and these **Terms and Conditions**, including compensation for damages, returns, cancellations, voided operations, incident cycles, etc., are fully applicable to the said **Transactions**.

8. **„TerminAPP“ – Mobile Terminal**

8.1. In case of agreement between the parties, the **Bank** will provide the **Client** with a special application (“**TerminAPP**”) for temporary use, through which the **Client** will be able to make payments from **Customers** with the help of his own device (mobile phone, tablet...) without a physical **POS terminal**;

8.2. **TerminAPP** transfers the **Deal Amount** and **Card** information to the **Processing System** in order to complete the **Transaction**;

8.3. Through **TerminAPP**, with contactless technology, payments are accepted only in national currency – GEL;

8.4. The **Mobile Terminal** is a digital alternative of the physical **POS Terminal**, accordingly, while **Client** uses **TerminAPP**, all the conditions of the present **Terms and Conditions** will be fully applied to **Client**, to exclude any doubt, including representations and warranties, general terms of service, requirements of **International Payment Systems**, rights of the **Bank**, **Clients** representations and obligations, confidentiality and personal information protection, liability establishing norms and all the other terms of the standard **Terms and Conditions**, for the realization of which it is not necessary to have and transfer a physical **POS Terminal** to the **Client**.

8.5. Any entrepreneurial entity with an account in the **Bank** can use the **TerminAPP Mobile Terminal** by applying to the **Bank** with an appropriate **Application**, in case of successful completion of the procedures established by the **Bank**, the process of registration of the **Client** in the **TerminAPP** application will be carried out;

8.6. After going through the complete process of **Client** registration and authorization, the **Client** will be able to use the following services:

(i) contactless transactions;

- (ii) generate and send an electronic check by SMS message, via e-mail;
- (iii) view/send transaction history to the e-mail address registered in the **Bank**;
- (iv) closure of day;
- (v) execution of cancellation operations (Reversal) and return operations (refund);
- (vi) use of HELPDESK/SUPPORT;

8.7. The **Client** is obliged to:

- 8.7.1. to protect and not transfer to third parties the authorization/access codes given by the **Bank** to the **Client** during the activation of the **TerminAPP** application (if any) and to follow the security rules defined by the **Bank**, otherwise the **Bank** will not be responsible for the damage/loss caused by the violation of security norms;
- 8.7.2. take care of the security of the devices in his possession, considering the best practices of smartphone security, available on the **Bank's** website: <https://libertybank.ge/en/informatsiuli-usaprtkheba>
- 8.7.3. to regularly and timely install security updates (both of the operating system and individual applications) on the devices in his possession;
- 8.7.4. not to install software on such devices on which the user gains privileged (administrator) access to the system, bypassing the manufacturer's security mechanisms, which is a compromise of a security system;
- 8.7.5. not to install the Software on a device whose software and/or hardware is no longer supported by the manufacturer;
- 8.7.6. Update the **TerminAPP** software in parallel with the release of relevant updates. The **Client** will receive a notification about the mentioned updates through the application;
- 8.7.7. to inform the **Bank** about any suspicious cases related to the use of the **Mobile Terminal** at the following e-mail address of the **Bank**: info@lb.ge;

8.8. The **Client** is fully responsible for any kind of damage/loss caused by the **Client's** violation of the obligations and/or other safety norms stipulated in clause 8.7 of the present standard **Terms and Conditions**.

9. Fiscal Terminal

9.1. In case of agreement between the **Parties**, the **Bank** will provide the **Client** with a special device (**Fiscal Terminal**) for temporary use, which transfers the **Deal Amount** and **Card** information to the **Processing System** in order to complete the **Transaction** and at the same time gives the **Client** the opportunity to receive payments made with cash and generate the corresponding cashier's receipt;

9.2. Through **Fiscal Terminal** payments are accepted only in national currency – GEL;

9.3. **Fiscal Terminal** is a combined alternative of physical **POS terminal** and the cash register, accordingly, while **Client** uses **Fiscal Terminal**, all the conditions of the present **Terms and Conditions** will be fully applied to **Client**, to exclude any doubt, including representations and warranties, general terms of service for making payments through a **POS terminal**, requirements of **International Payment Systems**, rights of the **Bank**, **Clients** representations and obligations, confidentiality and personal information protection, liability establishing norms and all the other terms of the standard **Terms and Conditions**, which is not excluded by different/more specific clauses of this article;

9.4. Any entrepreneurial entity with an account in the **Bank** can use the **Fiscal Terminal** by applying to the **Bank** with an appropriate **Application**, in case of successful completion of the procedures established by the **Bank**, the process of transferring the **Fiscal Terminal** to the **Client** will be carried out;

9.5. The **Fiscal Terminal** has the function of a cash register, which means that through it the **Client** can receive cash payments simultaneously with card payments, therefore, as a result of transferring the **Fiscal Terminal** to the **Client**, the **Client** will be able to:

- 9.5.1. transfer the **Deal Amount** and **Card** information to the **Processing System** in order to complete the **Transaction**;
- 9.5.2. receive **Deal Amounts** in case of payments made with cash and provide relevant information to the **LEPL Revenue Service**;
- 9.5.3. generate a receipt for the **Customer**;
- 9.6. The **Client** is obliged to perform the actions specified by the **Bank** for using the **Fiscal Terminal**, including:
 - 9.6.1. In case of cash payment by the **Customer**, select "Cash payment" on the terminal;
 - 9.6.2. To indicate the **Deal Amount** to be paid by the **Customer** and in case of incorrect indication, to correct it;
 - 9.6.3. After entering the **Deal Amount**, confirm the operation and give the printed receipt to the **Customer**;
- 9.7. In case of receiving payments (made with cash and/or card payments) using **Fiscal Terminal**, the **Bank** is authorized to transfer **Client's** personal data and/or bank secrecy (including, any information about the transactions made by the **Fiscal Terminal**) to the **LEPL Revenue Service** and to the third parties being in the contractual relationship with the **Bank** for the purposes of providing present service.
- 9.8. The **Client** is obliged to correctly indicate the **Deal Amount** on the terminal, therefore, in connection with any transaction performed on the **Fiscal Terminal**, the **Client** is fully responsible to the **LEPL Revenue Service** and no claim of any kind will be submitted to the **Bank** in this regard.

10. Fake and Invalid Trade Receipts

10.1. The **Parties** agree that the **Trade Receipt** is considered to be fake and the **Bank** will not transfer funds to the **Client** if:

- 10.1.1. The **Trade Receipt** submitted by the **Client** to the **Bank** or its copy does not correspond to the **Authorization** data;
- 10.1.2. The **Trade Receipt** is not filled in according to the security norms and the rules given in the **Card** acceptance instructions;
- 10.1.3. Corrections have been made to the **Trade Receipt** or the identity of their copies has been violated;
- 10.2. The **Parties** agree and recognize as official documents: (a) the data recorded in the processing system; (b) authorization data; (c) automatic trade receipts; (d) **Bank Statements** and (e) disputed transaction documents;

11. Reserve Account

11.1. To ensure the financial obligations prescribed in the **Agreement**, the **Bank** will open a reserve account for the **Client**.

11.2. The reserve account will be filled by transferring the funds from the **Transaction** value made by the **Client** (in the amount provided by the tariffs) to the reserve account and/or by placing the fixed amount each time the amount is deducted from the reserve account in accordance with the **Bank Tariffs**.

11.3. Upon request of the **Bank**, the **Client** is obliged to place additional funds in his/her/it account to cover the risks of unforeseen increased demand for return and cancellation operations and disputes by the **Customer(s)**, if the funds in the **Client's** account are not sufficient for this.

11.4. Without **Client's** consent, the **Bank** is entitled to debit funds from the reserve account and apply it to reimburse any damages, fees and expenses, which has been or will be rendered to the **Bank** by the **Client** in breach of any of the obligations under this **Agreement**. If the **Reserve** is defined as a fixed amount each time the amount is deducted from the reserve account, the **Client** is obliged to fill the reserve up to the amount specified in the **Agreement** no later than 5 (five) working days after deducting the amount.

11.5. In case of termination of the **Agreement** the **Client** will be allowed to dispose of the funds in the **Client's** reserve account within the period determined individually by the **Bank** at its own discretion, but no more than 13 (thirteen) months after the last authorized **Transaction**. If the **Bank** deems that the amount in the **Client's** reserve account is insufficient to cover the risks incurred, the **Bank** will additionally block the funds in the respective accounts for a period defined by the **Bank**.

12. Bank Service fee. Comparision Act

12.1. The **Client** pays a service fee to the **Bank** for using the services provided by the **Agreement**, in the amount specified in the **Agreement**;

12.2. The **Bank** is entitled to deduct the service fee for services under this **Agreement**, erroneously credit amounts, fines, other tariffs and/or any and all amounts payable to the **Banks** under this **Agreement** from the **Client's** account maintained in the **Bank**. In case of insufficient balance on the **Client's** account, the **Bank** reserves the right to request the relevant payment from the **Client** and send the relevant invoice indicating the existing debt to the **Bank**. Non-payment of commission by the **Client** and/or any payment to the **Bank** entitles the **Bank** to suspend or terminate any and all services specified in this **Agreement**.

12.3. If the payment day of the service fee matches with a **Non-Banking Day**, deduct the service fee on a **Banking Day**.

12.4. If the payment date for the service or **tariff package fee(s)** falls on the last day of a month, the fee shall be paid on the last working day of that month.

12.5. In case of non-payment of the service fee by the **Client**, the **Bank** is entitled to accumulate the commission in the form of debt, which will be repaid by debiting the amount from the **Client's** account as soon as the balance available to him appears.

12.6. In case of non-payment of the service fee(s) by the **Client** within one year, the **Bank** is entitled to stop the accumulation of debt.

12.7. In case of debt to the **Bank** by the **Client**, the **Bank** first writes off the amount from the **Client's** account(s) to repay the debt. Only then does the **Client** have the right to dispose of the remaining amount at his own discretion.

12.8. The **Bank** is authorized to determine the order of repayment of the debt owed to the **Bank** by the **Client** in any specific case.

12.9. The commission/expenses added by the **Client** to the cost of goods and/or services for the **Customer** should not exceed the amount of the **Client's** commission charged by the **Bank**.

12.10. If for any reason it is impossible to automatically write off any fees or other charges payable to the **Bank** from any of the **Client's** bank accounts under this **Agreement**, the **Bank** may request that the **Client** pay the relevant fee and send the appropriate invoice indicating the debt owed to the **Bank**.

12.11. The **Parties** agree that upon request, the **Bank** will send a comparison act to the **Client** in the form specified by the **Bank**.

13. Liabilities of the Parties

13.1. The **Client** understands that the **Bank** provides payment services and is not the seller, buyer, dealer, intermediary, supplier, distributor, manufacturer, broker, agent or otherwise related to the product ordered through the system and therefore do not guarantee any service quality, quantity, safety and/or legality. The **Client** declares unconditional consent that the **Bank** or any person related to it is not liable to the **Customer** for the obligations assumed by the **Client**. The **Bank** or any person related to it is not a party of the disputes related to the non-fulfillment or improper fulfillment of the obligation(s) owed by the **Client** before customer. Any damage caused to the **Bank** or its related person as a result of the dispute provided in this article (including the costs of legal dispute) shall be fully reimbursed by the **Client** to the injured party

13.2. The **Client** is responsible for all unauthorized transactions.

13.3. The **Client** shall be liable for any consequences caused by the granting of intellectual property rights to the **Bank** in accordance with the terms of this **Agreement** and guarantees that it will protect the **Bank** from any claims, including from any third party and will reimburse any damages and costs.

13.4. The **Bank** is not liable for any losses incurred to the **Client** as a result of a third party financial claim and also incurred to the **Client** as a result of a breach of the rules and regulations of international payment systems.

13.5. The **Bank** shall not be liable for any damages incurred to the customers or third **Parties** resulting from a breach of its obligations under any transaction by the **Client**.

13.6. The **Client** takes full responsibility for the quality of the **Goods/Services**, the content of any information provided by the **Client** to **Customers**, as well as the content of the information that the **Client** places on the internet in connection with the sale of **Goods/Services**. In addition, at the first request of the **Bank** (upon relevant request through any communication channel), **Client** is obliged to delete any information about the **Bank**, which is posted by the **Client** on the Internet.

13.7. The **Bank** is not responsible for the content of the notification sent by it and or other third parties to the **Client** and/or other third parties for marketing and/or other purposes, as well as for the products and services offered by the third parties to the **Customer**.

13.8. The **Bank** shall not be liable for any loss or damage which is not under its control and is caused by a technical defect, electronic transmission defect, illegal access to the **Bank's** electronic channels, and other electronic means.

13.9. The **Bank** shall not be liable for any loss or damage which is not subject to its control and which is caused by delays in the service of the **International Payment System** and/or overload of services that affect the operation of the electronic channel system.

13.10. The **Bank** will not be liable to the **Client** if: the **Bank** has not received the payment and/or other **Transaction** order(s) sent by the **Client**; The **Customer** provided incorrect or incomplete information to the **Bank**.

13.11. The **Bank** will not be liable to the **Client** if the funds in the **Client's** current account are subject to legal restrictions.

13.12. The **Bank** shall not be liable for the fulfillment of the obligations under this **Agreement**, if the above is caused by:

- (i) By the **Client's** breach of any of the obligations under this **Agreement**.
- (ii) By imposing requirements and/ or restrictions on the **Client** or his/her/its property by the court, the executive and/or the tax authorities.

13.13. The **Bank** is not responsible for any delayed, incorrect or non-performed operations caused by payment or other system technical reasons.

13.14. The **Client** agrees that the **Bank** is not responsible for the use of electronic channels under these **Terms and Conditions** and is therefore not obliged to return the disputed and/or cancelled **Transaction** amounts to the **Client** in any case, except as provided in the **Agreement**.

13.15. In no event will the **Bank** be liable for any of the **Client** transactions that have not been completed due to the **Bank** blocking the **Client's** current account (s). For the purposes of this paragraph, blocking refers to cases where the blocking is carried out on the basis of non-fulfillment of obligations by the **Client**, improper performance and/or restrictions imposed by law by third parties (collection, seizure, court restriction, etc.).

13.16. The **Bank** shall not be liable for the delay in the provision of the service, if it is not caused by **Bank**, or is caused as a result of the **Client** providing the **Bank** with incorrect information and/or a document containing incorrect information.

13.17. Notwithstanding the terms of this **Agreement**, the **Bank** shall not be liable to the **Client** for any loss or damage incurred indirectly in connection with the services under this **Agreement**. Also, the **Bank** is not liable for loss of profit, business, income or planned savings related to the banking services specified in the **Agreement**.

13.18. The **Bank** is not responsible for the outcome resulted from the **Transaction** carried out on behalf of the **Client**.

13.19. The **Client** is responsible for information and documents for opening the account and conducting operations on it.

13.20. The **Client** is responsible for all operations performed on the account before or after its closure.

13.21. If the **Client** does not return the **POS Terminal** to the **Bank** and/or compensate the damage in case of closure of the **Client's** business or termination of the **Agreement**, the **Bank** will be entitled to charge and the **Client** will be obliged to pay the **Bank** a penalty in the amount of 0.05% of the total cost of the **POS Terminal** to be returned/damaged **POS Terminals** for each overdue calendar day;

13.22. Except for reasons caused by technical delays, if the **Client** refuses to let the **Customer** pay with the **Card**, the **Bank** will be authorized to charge, and the **Client** will be obliged to pay a fine of 100 (one hundred) GEL to the **Bank** in each such case.

13.23. Considering that the **Bank** acts on the instructions of the **Client** in providing banking services under this **Agreement**, the **Client** agrees to reimburse and protect the **Bank** from damages, losses, court costs, the **Client's** and/or third parties' (including without restriction additional cardholders) claims, actions or the claims/applications submitted to the court, the **Client** shall also indemnify and protect the **Bank** against any damages arising out of the use of the services under this **Agreement** or any damages incurred as a result of an operation carried out through such a service; The **Client** acknowledges that such **Transactions** will be carried out in accordance with the instructions and authorization received by the **Bank** in accordance with these **Terms and Conditions** and other relevant special terms, agreements, contracts or similar instruments. The **Client** also consents and confirms that the terms of reimbursement will remain in force and will have binding legal force on the **Client** even if the banking services are partially or completely canceled.

13.24. The **Client** declares and agrees that he/she/it may have to sign and execute additional contracts, statements or other similar documents for damages, especially in connection with **Transactions** that have been performed using the access code(s). Such additional contracts, statements and similar means will be added and do not exclude the terms of the indemnity set forth herein.

14. Intellectual Property and Marketing Collaboration

14.1. Every **Intellectual Property Right** of the **Bank** remain only **Bank's** property and the **Client** should not make any claims against them at any time, including after the termination of this **Agreement**. The **Client** uses the **Intellectual Property Rights** of the **Bank** only to the extent permitted by this **Agreement** and only during the term of the **Contract**. The **Client** shall not take any action or act in a manner incompatible with the **Intellectual Property Rights** of the **Bank** and shall exercise reasonable care to protect those rights against infringement or damage.

14.2. Unless the **Parties** agree otherwise, all **Intellectual Property Rights** of the **Client** remain the sole property of the **Client** and the **Bank** shall not make any claim against them at any time, including after the termination of this **Agreement**. Pursuant to this **Agreement** and for the period of validity of the **Agreement**, the **Client** transfers to the **Bank** a non-exclusive, royalty-exempt right under this **Agreement** and to use its intellectual property under it, including any **Client** logo, trademark, trade name and/or other intellectual property worldwide.

14.3. Any use, adaptation and/or modification of intellectual property requires the written consent of the relevant Intellectual Property Right holder.

14.4. The **Client** is obliged to follow the terms and conditions of using the **Intellectual Property Rights** transferred to him by the **Bank** and in case of usage intellectual property of **International Payment Systems** (Visa international, Mastercard, UnionPay international, etc.) as well as the terms and conditions established by **International Payment Systems**. The **Client** is obliged not to use the intellectual property of the **International Payment Systems**, if it may cause any damage to the **International Payment Systems**.

14.5. The **Parties** acknowledge that they have the proper right to transfer the **Intellectual Property Rights** in their possession or otherwise licensed.

14.6. The **Bank** has the right to request from the **Client** at any time to stop and/or otherwise restrict publishing and/or distributing the intellectual property of the **Bank** and/or its affiliates.

14.7. The right to advertise. The **Client** and/or the **Bank** will advertise and offer services at their own expense.

14.8. Approval and disapproval. The **Client** is obliged to submit all advertising and offer materials created by him/her/it and his representatives in connection with the subject of this **Agreement** to the **Bank** for its approval before use. The **Bank** reserves the right to approve or disapprove of any material, as well as to revoke its approval at any time. If the **Bank** revokes its approval, the **Client** is obliged to stop using such materials as soon as possible.

14.9. Prohibition of making public statements without prior consent. The **Client** is obliged not to make public statements to the press and other media about the relationship, activities and services of the **Parties** under this **Agreement** and shall not allow his employees or representatives to give interviews or otherwise disclose such information without the prior written consent of the **Bank** in each case.

14.10. Transfer of marketing materials. At the request of the **Bank**, the **Client** is obliged to place various signs (stickers and stands), advertising items and materials provided by the **Bank** to the **Client** under a pre-determined period on equal conditions with other marketing and promotional materials, which includes various brochures and various printed or electronic advertising materials.

14.11. By signing the **Agreement**, the **Client** declares its unconditional consent, to receive for any marketing and/or other purposes (which includes any kind of advertising campaign and/or promo promotion) a notice, letter, sms or any other notification, e-mail and/or any information provided in any form from the **Bank** and/or other persons at any time, without further notice by the **Bank**, on the contact requisites indicated in the **Agreement**. However, in case of change of the above requisites, the **Bank** will be entitled to use the authority granted to it under this paragraph without any further consent of the **Client** in relation to the changed requisites.

14.12. The **Bank** is entitled to use promo campaigns, raffles and promotions with respect to the products specified in this **Agreement** with the consent of the **Client**, by imposing temporary or permanent preferential terms on the terms of service or **Tariffs**. The use of the mentioned products by the **Client** during such promotions implies his consent to the terms of such promotions.

15. The Term of the Agreement and Termination Thereof

15.1. This **Agreement** shall enter into force upon signing the **POS Terminal Service Agreement/Application** and is valid for a period of 12 (twelve) months. The validity of the **Agreement**, each time it expires, will be automatically extended for the same period (12 months) and conditions, unless either **Party** expresses a desire to terminate the **Agreement** upon written notice sent 1 (one) month prior to the expiration of the **Agreement**.

15.2. The **Agreement** can be terminated:

15.2.1. At any time upon the **Parties'** agreement;

15.2.2. The **Client** may terminate this **Agreement** at any time upon sending a written notice to the **Bank** no later than 45 (fortyfive) days before termination.

15.2.3. The **Client** may terminate this **Agreement** at any time in the case provided for in paragraph 19.3 of the **Terms and Conditions**, from the period of receiving notice of the **Bank**, till the change of the amount of the fee, on the basis of a written notice sent to the **Bank**;

15.2.4. Immediately upon closing the bank account(s) by the **Client**;

15.2.5. By the **Bank** on the basis of a written notice sent to the **Client**, 5 (five) calendar days prior to the termination of the **Agreement**.

15.2.6. The **Client** may repudiate the **Agreement** within 14 (fourteen) calendar days from the date of activation of this **Agreement** through the remote banking service channel, by applying to the **Bank's** branches with a corresponding application and/or by applying to other channels determined later by the **Bank**.

15.3. Except for the circumstances set forth in paragraph 15.2. of the **Terms and Conditions**, the **Bank** may at any time immediately terminate the **Agreement** and/or suspend the services provided to the **Client** under the **Agreement** and/or refuse to perform the **Client's** order/payment order and/or request the return of one and/or several **Pos-Terminals**.

15.3.1. The data indicated in the **Application** and/or the **Agreement** by the **Client** is not accurate or incomplete.

15.3.2. There is a suspicion of fraud on the part of the **Client** and/or he/she/it does not/did not provide the **Customer** with relevant **Service/Goods** based on the existing information in **Transaction** and/or there is a possibility that the **Transaction** may be disputed by the **Parties** to the **Transaction** and/or the other interested **Party** on any other grounds.

15.3.3. The **Client** is involved in any program of the **International Payment System** for fraud prevention, including, without limitation, a global dispute or fraud monitoring program;

15.3.4. For any reason, there is a threat for the **Bank** to get in to any anti-fraud program in the **International Payment System**, including, without limitation, a global dispute or fraud monitoring program;

15.4. Within 30 (thirty) calendar days after receiving the **Client's** application about repudiation the **Agreement**, the **Bank** will review the **Client's** application and inform the **Client** about the decision through **Client's** contact data recorded in the **Bank** or, if possible, during a visit to the branch, on the spot.

15.5. When the **Client** applies with the application of the repudiation, the **Bank** is entitled to request the **Client** to take additional actions in order to cancel the Banking Product.

15.6. In case of repudiation of the **Agreement**, the **Client** is obliged to pay, and the **Bank** is authorized to charge the **Client** any fee for using the Product (including the Product commission) in accordance with the **Agreement**, any and all expenses incurred by the **Bank** during the delivery of the Product to the **Client**, in proportion to the service actually provided by the **Bank** and the period. In addition, the **Bank** is entitled to charge the **Client** with the obligation to reimburse the expenses incurred/to be incurred by the **Bank** to the third party.

15.7. The **Bank** will return the costs incurred by the **Client** for using Banking Products. In addition, the **Bank** is entitled to deduct the expenses incurred by the **Bank** for the delivery of the Banking Product to the **Client** (including in accordance with Section 15.6 of this article) from the amount to be returned to the **Client** and if such expenses incurred by the **Bank** exceed the expenses incurred by the **Client**, the **Bank** is entitled to deduct the corresponding amount from any of the **Client's** Account without acceptance, at the same time if the amount to be paid and the amount on the Account

are in different currencies, the **Bank** shall carry out the conversion itself at the commercial rate valid in the **Bank** on the date of payment, and the cost of the conversion service shall also be debited from the **Client's** Account without acceptance.

15.8. If, in accordance with this article, the **Client** does not reimburse the amounts to be returned/reimbursed by **Client** to the **Bank**, and/or does not carry out the relevant procedures required by the **Bank** in accordance with these Conditions within the established period, it will be considered that the **Client** did not use the right of refusal granted by the regulation and, accordingly, will continue using the Product as standard, in the manner established by these **Agreement**.

15.9. The **Client** understands that applying to the **Bank** with an application about repudiation the **Agreement** does not automatically lead to the realization of the mentioned right and the cancellation of the use of the Product. The **Client's** right to repudiate the **Agreement** will be considered realized, and the use of the Product cancelled, after the Parties have fully reimbursed each other's expenses and the **Client** has followed all the procedures established by the **Bank**.

15.10. In case of termination of the **Agreement** on any grounds, the final settlement must be made between the **Parties** and the **POS Terminal** (as well as the **POS Terminal** accessories) has to be returned to the **Bank** within 10 (ten) **Banking Days** from the date of termination. In addition, if the **Agreement** is terminated by the **Client** upon closure of the bank account(s), the balance on the **Client's** account (if any), excluding service fees and other charges under this **Agreement**, shall be refunded to the **Client** within 10 (ten) banking days from the date of termination.

15.11. The provisions of the **Agreement** that regulate the issues of compensation for damages/losses and the **Client's** liability shall not be terminated from the date of termination of the **Agreement** by the **Client** for any reason until the expiration of the period established by the legislation/international payment systems for appealing the operation performed by the **Client's** user(s) from the date of the last transaction(s).

15.12. Damage to the **Bank** caused by loss of the **POS Terminal** as well as its accessories, shall be paid in accordance with the rules established by this **Agreement**, within 10 (ten) **Banking Days** after the termination of the **Agreement**.

16. Taxes

16.1. The **Client** shall be fully and solely responsible for filing any and all necessary forms to the relevant tax authorities. The **Client** is also solely liable for the payment of all unpaid taxes (including, without limitation, any value added taxes), levies, or customs duties imposed on any liabilities in connection with the operation of **Bank** accounts or any Banking Services determined under the **Agreement** (collectively, the "**Tax Liabilities**"). The **Bank** shall be solely liable for the payment of any taxes applicable to the receipt of any fees from the **Client**. If the Georgian Law anticipates the payment of any Tax Liabilities by means of withholding the funds from the accounts, the **Bank** and/or any of its subsidiaries/affiliates shall make such payments at the **Client's** expense and/or withhold the relevant amounts from the **Client's** accounts and inform the **Client** accordingly. If the applicable Law imposes any taxes, duties, charges and penalties on the **Bank** for any Tax Liabilities of the **Client**, the **Client** shall immediately reimburse the **Bank** for all such expenses, unless the imposition of such Tax Liabilities is a result of negligence or wilful misconduct of the **Bank** or any of its division.

16.2. The **Bank** shall be in compliance with the Laws of Georgia and the tax code requirements. The **Client** shall ensure full compliance with Georgian Laws, and the laws of any other state if they apply in any way or may be applied to it.

17. Governing Law and Dispute Resolution

17.1. The **Agreement** set out herein are regulated in accordance with the **Law**.

17.2. Any dispute, controversy or claim arising in relation to this **Agreement** or due to the violation of the terms of this **Agreement** shall be resolved with amicable negotiations between the **Parties**.

17.3. Should the **Parties** be unable to reach an agreement through negotiations, the dispute shall be settled by the Georgian court according to the place of performance of the **Agreement**.

18. Confidentiality and Personal Data

18.1. The **Parties** are obliged to protect each other's reputation, to keep the information (terms) about each other confidential, except in cases provided by this **Agreement** or the **Law**.

18.2. The **Parties** undertake not to disclose to the **Third Party**, without the written permission of the other **Party**, any information or data which constitutes a trade secret of each **Party** and/or is directly or indirectly related to the **Agreement**, except from the cases prescribed by the law or required by the **International Payment System** in writing.

18.3. The **Parties** undertake to unconditionally comply with all rules and regulations of the **International Payment Systems** for the confidentiality, storage and transmission of information.

18.4. If the violation of confidentiality by one **Party** causes damage to the other **Party**, the responsible **Party** shall reimburse for damages.

18.5. In the event of termination of this **Agreement**, the **Parties** undertake not to disclose the information received without the written consent of the information provider **Party** or not to use the information for the benefit of itself and/or a **Third Party**.

18.6. The following shall not be considered a violation of the obligation of confidentiality: (a) providing information to state/public agencies in cases provided for by the **Law** or disclosing such information that is public based on the **Law**; (b) there is a prior written consent of the owner of the confidential information and/or the data subject and/or an agreement between the **Parties**; (c) disclosure of information will be carried out in the cases provided for by **Law**, including as a result of satisfying the legal request of the third party(ies); For the avoidance of doubt, the **Parties** agree that the **Client** authorizes the bank to transfer to **Third Party(ies)** and/or receive from **Third Party(ies)** confidential information about the **Client** in order to monitor the fulfillment of the obligations assumed by the **Client** under the **Agreement**.

18.7. The **Client** is obliged not to disclose information about **Cardholder**, **Card** or account without prior written consent of the **Cardholder** except from the cases prescribed by the **Law**.

18.8. The **Client** is obliged not to keep the **Card** data, which without limitation includes the **Bank Card** number, CVV2 / CVC2, and the expiry date of the **Card**, otherwise the **Client** shall ensure full compliance with the requirements of PCI DSS and/or PA DSS and/or Pin security.

18.9. The **Client** is not authorized to use the title and and/or trademark of the **Bank**, Partner bank(s) and/or **International Payment System** without the prior written consent of the **Bank** except from the cases prescribed by the **Law**.

18.10. The **Client** undertakes to agree any information about the **Bank** on its (the **Client's**) web site with the **Bank** through the relevant communication sources.

18.11. **Personal Data Protection**

18.11.1. The **Parties** are aware that in the case of personal data processing, taking into account the specificity and context of the processing, each of them may, for the purposes of the Law of Georgia on Personal Data Protection (hereinafter - the **Law**), be a person responsible for the processing of the **Customer's** personal data, as well as an Authorized Person or both, and in some cases may represent **Third Parties**/sub-contractors for each other. Accordingly, each **Party** undertakes to comply with the requirements of the abovementioned law and strictly adhere to the following conditions:

18.11.1.1. Process personal data in accordance with the principles established by Law, and if the **Law** requires the consent of the **Customer** for data processing obtain such consent (in writing or electronically).

18.11.1.2. The processing of data provided by the data receiving party may be carried out only for lawful purposes, included without limitation:

- i. To ensure the proper performance of activities (services) specified in this **Agreement**;
- ii. To make information accessible for audit firms, potential assignees or assignees, regulators, controllers or other authorized person according to the requirements of the **Law**;
- iii. To ensure security, as well as to detect and/or prevent fraud, money laundering or other crimes;
- iv. To protect the lawful/legitimate interests of either **Party**, unless there is an overriding interest in protecting the rights and freedoms of the data subject (the **Customer**);

18.11.1.3. The **Parties** are obliged to support each other and facilitate the realization of the data subject's rights (blocking, deleting, correcting, updating, etc.) provided by the Law of Georgia "On Personal Data Protection" within the terms and in the manner established by the legislation;

18.11.2. If during the data processing one of the **Parties** is the person responsible for the processing and the other **Party** is an Authorized Person, the Authorized Person will be obliged to:

- a) Process the data provided by the Data Processor to the extent and within the scope necessary to comply with the conditions set out in this **Agreement** or provided for by the **Law**;
- b) ensure the protection of data privacy by individuals involved in data processing;
- c) Introduce all technical or organizational measures and take all necessary steps to prevent unauthorized or unlawful processing, loss, destruction, damage, unauthorized alteration or disclosure of personal data;
- d) provide appropriate information and facilitate the monitoring of data processing upon the request of the person responsible for data processing;
- e) Notify the person responsible for data processing within 2 (two) business days if it receives:
 - The request of the data subject on obtaining information on his/her personal data;
 - A complaint or statement related to the fulfillment of the obligations under the law by the person responsible for data processing;
- f) Cooperate with and assist the person responsible for data processing in examining complaints or statements regarding the information provided by the Data Processor, including:
 - Provide with full information on the details of the complaint or statement;
 - Provide the person responsible for data processing with access to the data (including electronic data) available to the Authorized Person within a reasonable time;

- Provide any other information to the person responsible for data processing within a reasonable time.

g) Not transfer the personal data to **Third Parties** (except for those **Third Parties** for whom the data transfer is necessary to perform the activities specified in this **Agreement**) without the consent of the person responsible for data processing. In addition, in case of transferring data to the **Third Parties** on any basis, the Authorized Person is obliged to transfer data under an written agreement, according to which, the sub-contractor and **Third Parties** will be obliged to take all necessary technical and organizational measures and conduct all activities to prevent unauthorized and illegal processing of personal data, its loss, destruction, damage, unauthorized alteration or disclosure;

h) Report any unauthorized access to personal data or other breach of confidentiality (incident) immediately or within 24 (twenty-four) hours in writing/electronically to the person responsible for data processing;

i) In the event of a dispute related to data processing between the person responsible for data processing and the person authorized for data processing, the person authorized for processing is obliged to immediately stop data processing and fully hand over the data in his possession to the person responsible for processing;

j) At the request of the person responsible for data processing, as well as in the case of termination of the relevant agreement for any reason, the person authorized to data process the data is obliged to stop the data processing and immediately or no later than 10 (ten) calendar days (if the said information is of significant volume and/or needs to be searched/collected) must be transferred to the person responsible for data processing delete/destroy the personal data of the person and without the possibility of recovery the personal data transferred/shared to him and the information/documentation containing this data stored in electronic or physical form, if the obligation to keep them is not established by law;

k) For the avoidance of doubt, the parties agree that the conditions specified in subsections "i-j" shall not apply to personal data processed by one of the parties in its capacity as a data controller;

l) The person authorized to data processing is obliged to compensate the person responsible for processing the losses, including any kind of monetary sanction imposed on him, which occurred to the latter as a result of the violation of the requirements stipulated by this agreement and/or legislation on personal data protection on the part of the authorized person.

18.11.3. Any matter related to the protection of personal data, which is not covered by this agreement, is regulated in accordance with the applicable legislation.

19. Amendment to the Agreement

19.1. The **Bank** may at its sole discretion (without the **Client's** further consent) change the terms and conditions of the **Agreement** (including **tariffs**) upon sending to the **Client** written notification 15 (fifteen) calendar days in advance. Furthermore, 15 days written notification rule shall not apply in the following circumstances:

19.1.1. The fees for the **Services** determined under the **Agreement** are changed in favour of the **Client**;

19.1.2. A new service and/or banking product is added to the **Agreement**, that does not substitute or significantly change the services provided under the **Agreement**.

19.1.3. The amendment is caused by such changes and/or additions to the regulations of the **International Payment System(s)** and/or **Legislation**, which lead to the need to clarify the terms of this **Agreement**.

19.2. If the **Client** does not agree to the amendments adopted by the **Bank**, he/she/it shall notify the **Bank** in a written form before the effective date of such amendments. The **Client's** failure to send such notification shall be considered as his/her/its consent to the amendments;

19.3. If the **Client** expresses his/her/its refusal to the amendments, he/she/it may require immediate termination of the **Agreement**. Furthermore, if the **Client** has failed to indicate such request in the Application, the **Bank** may itself terminate the **Agreement** as of the effective date of such amendments;

19.4. If the **Agreement** is terminated based on the reasons provided hereunder, the **Bank** may request and the **Client** shall fully pay all outstanding liabilities (if any) before the **Bank**.

19.5. The **Bank** shall inform the **Client** about amendments of the **Agreement** (if necessary) by uploading the text of amendments on the **Bank's** web-site - www.libertybank.ge. Furthermore, the **Bank** may inform the **Client** about adopted or planned amendments through one or more means of communication determined under Paragraph 21 of the present **Terms and Conditions**. The **Client** shall from time to time check the **Bank's** web-site and read uploaded amendments (if any).

20. Force - Majeure

20.1. Neither **Party** shall be liable for the unfulfillment, untimely and/or improper performance of the obligations taken under the **Agreement**, if this unfulfillment, untimely and/or improper performance is caused by the occurrence and/or action of force majeure circumstances (the **Force Majeure Circumstances**). This obligation shall enter into force upon the abolition of the circumstances of force majeure.

20.2. The **Force Major Circumstances** include emergency events that have arisen after the conclusion of this **Agreement**, without the will of the **Parties**, in particular: acts of god and cataclysms, war, civil unrest, decisions of legislative and/or executive bodies, **International Payment Systems** and etc. which makes it impossible to fulfill the contractual obligation of the **Parties**.

20.3. A **Party** affected by the **Force Majeure Circumstances** is obliged to immediately notify the other **Party** in writing about the **Force Majeure Circumstances** and their occurrence no later than 3 (three) **Banking Days** after the occurrence of the mentioned circumstances and take necessary measures to reduce the negative consequences caused by these circumstances. Similar requirements apply to notice of termination of **Force Majeure Circumstances** and their consequences.

20.4. The existence of the **Force Majeure Circumstances** must be confirmed by a notice issued by an official/authorized body. However, well-known **Force Majeure Circumstances** do not require written confirmation from any authority.

20.5. In the event of occurrence of the **Force Majeure Circumstances**, the period of fulfillment of the obligations under this **Agreement** shall be extended in accordance with the period of validity of the **Force Majeure Circumstances**.

21. Communication

21.1. Unless otherwise specified in the details of the banking product and the **Agreement**, any communication between the **Parties** must be in writing, in Georgian, and provided to the **Party** in person, by a courier (including the registered post and/or court courier), digital bank, visit to the branch, via e-mail and/or other means of communication defined by the **Bank** provided that:

21.1.1. A notification sent by the **Parties** to each other in person and/or sent by a courier shall be deemed delivered on the day of registration of the notification with the **Parties** chancellery;

21.1.2. A notification sent by the **Parties** to each other via e-mail shall be deemed delivered on the day of receipt of a confirmation from the **Party's** e-mail server (notification about the registration in the addressee's e-mail) and if such delivery is not confirmed, on the following calendar day;

21.2. If the **Party** fails to notify the other **Party** in advance about any changes in contact data provided under the **Agreement** (including any detail in the **Agreement**) and/or the notification would not be delivered because of the **Party's** absence at his/her/its address for two consecutive times, any such notification sent by the **Party** shall be deemed duly delivered on the following calendar day of sending the notification;

21.3. The **Parties** agree that communication between the **Parties** about the amendment and/or termination of the **Agreement** shall be carried out only in the manner prescribed by this article.

22. Final Provisions

22.1. The **Client** unconditionally agrees that the **Bank** may at any time assign, sell or transfer the rights, duties and benefits specified in this **Agreement** to another **Third Party**.

22.2. The **Client** may not fully or partially assign the rights and obligations under the **Agreement** to Third Person(s) without a prior written consent of the **Bank**. Any attempt to transfer any rights or obligations under this **Agreement** by the **Client** shall be void by the **Bank** and constitute a breach of this **Agreement**. If the **Bank** agrees to the transfer of the rights and obligations under this **Agreement** by the **Client**, the person to whom this **Agreement** is transferred shall be deemed to be a party to this **Agreement** from the date when the transfer enters into force. In addition, the **Client**, at the request of the **Bank**, is obliged to reimburse the **Bank** and protect the **Bank** from all liabilities, costs, expenses and penalties that may arise from the provision of services by this person to the **Bank**. The transfer of this **Agreement** by the **Client** shall not in any case release the **Client** from its obligations unless the **Bank** has agreed to such release.

22.3. If the **Bank** exercises or intends to exercise the right referred to in paragraph 20.1 of this Article, **Client** consents to the **Bank** without any restrictions to transfer information about **Client** and/or his/her/its account to another third party or related person. This will not affect the legal rights of the **Client**.

22.4. The **Client** hereby irrevocably consents that by sub-agency agreement the **Bank** may assign, transfer or sell its rights, benefits and/or obligations under the **Agreement** to any third party, without any notification to the **Client** and ensure the organization of the services provided by them under this **Agreement** or part of it and ensure that the provision of the services provided by the **Bank** under the **Agreement** will continue uninterrupted.

22.5. During the term of the **Agreement** and after its expiry (if it is necessary to comply with the requirements of the regulatory legislation) the **Bank** is entitled to request the **Client** and in this case the **Client** is obliged to provide the **Bank** with any important information related to the **Client's** business which includes, without limitation, information about the **Client's** property, the **Client's** charter, the **Client** founders, the beneficial owners, the directors, the affiliates and the **Client** branches. The **Client** is obliged to notify the **Bank** of any changes (including changes in the corporate structure, the list of **Goods** and/or **Services** implemented and/or to be implemented). The **Client** is obliged to protect the **Bank** from any losses that may result from the non-reporting to the **Bank** of any changes in its corporate structure and/or activities. The **Client** agrees to provide the **Bank** with its (**Client**) financial and operational information, including financial statements, at its own expense upon request by the **Bank**. The **Client** also undertakes to carry out at its own expense any reasonable action that ensures the fulfillment of any and all of its obligations under this **Agreement**, at the request of the **Bank**.

22.6. The **Client** agrees that, based on the appropriate request from the **Bank**, it will provide the **Bank** with its (**Client's**) financial and operational information, including financial statements, information/reports about unlawful/illegal **Operations** at his own expense. The **Client** also undertakes, if requested by the **Bank**, to take any reasonable action at its own expense to ensure the fulfillment of any and all of its obligations under this **Agreement**.

22.7. The **Bank** and the **Client** are independent contracting parties under the **Agreement** and this **Agreement** may not be construed as a joint venture between the **Bank** and the **Client** and/or the establishment of an agency relationship. Neither **Party** has the right to act on behalf of the other **Party** in any legal relationship.

22.8. If any clause of the **Agreement** or part thereof becomes void, null or terminated, such clause or part will no longer be used, which will not affect the legal force of the other clauses of the **Contract**.

22.9. A notification sent by the **Bank** to the **Client** via electronic mail has the equal legal force to a notification received in writing.

22.10. If the **Bank** fails to exercise any of its rights under the **Agreement**, this will not be a waiver of the **Bank's** rights and will not prevent the **Bank** from exercising such right later.

22.11. All appendices attached to the **Agreement** shall constitute an integral part thereof.

22.12. The legal address of the **Bank** is considered to be the place of performance of this **Agreement** by the **Parties**.

22.13. This **Agreement** prevails over all other agreements between the **Parties** on the same and similar services described herein.

22.14. These **Agreement** were prepared in English language and the **Terms and Conditions** are available on the **Bank's** web-site www.libertybank.ge. In case of the **Bank's** consent, the **Agreement** may be executed in any other language. In such case, the Georgian counterpart of the **Agreement** and the **Terms and Conditions** thereof shall prevail over the **Agreement** and the terms and conditions executed in any other language.

POS Terminal Service Terms And Conditions
Annex #1
Security Norms and Instructions of Card Acceptance

1. The **Client** is obliged to:
 - 1.1. Make sure the **Card** is valid before starting the **Card** service;
 - 1.2. In case of any doubt about the **Card** or the **Cardholder**, ask the **Cardholder** for an identity document. The name of the **Cardholder** on the **Card** must match the data of the submitted document, and the appearance of the **Cardholder** must match the photograph in the document, otherwise the **Card** will not be accepted for payment;
 - 1.3. Have effective monitoring systems of performed operations in order to detect unlawful/illegal/fraudulent **Operations**, as well as violations of rules and requirements of **International Payment Systems**. In addition, the **Merchant** must constantly update the monitoring system in such a way that it is possible to recognize and prevent the fraudulent schemes observed in international and/or local practice before the current period.
 - 1.4. Produce and provide the bank with reports on unlawful/illegal operations known to him, as well as violations of the rules and requirements of **International Payment Systems**;
 - 1.5. Make the **Customer** sign on receipt of the **Transaction** made by magnetic stripe without a PIN code;
 - 1.6. In case the amount of the **Transaction** carried out by magnetic stripe exceeds 100 (one hundred) GEL, request an ID card and write the ID number on the printed receipt;
 - 1.7. When handling a magnetic stripe card, check the name, surname and last 4 digits of the **Card** on the receipt, the information on the **Card**;
 - 1.8. Compare the signature on the **Card** receipt by the **Cardholder** with the signature on the **Card**;
 - 1.9. In case the **Card** signing panel is not signed by the **Cardholder**: the **Client** is obliged to write the personal number of the **Cardholder** or passport number on the receipt; ask the **Cardholder** to sign the **Card**. In case of refusal, do not accept the **Card** or ask to pay with another signed card;
 - 1.10. Carry out card services in strict compliance with the rules set forth in this **Agreement**;
 - 1.11. Protect the complete confidentiality of information related to **Card Transactions**;
 - 1.12. In case of attempting to use the **Cards** included in the stop-list, the **Card** should be confiscated and the **Bank** should be notified about this. Do not perform **Transaction** using a magnetic stripe by a **Card** with chip;
 - 1.13. Do not transfer **POS Terminals** and do not allow third parties to use them;
 - 1.14. Do not transfer the **POS terminal** to another object or branch without the permission of the **Bank**;
 - 1.15. Do not accept a **Card** for services not specified in **Annex #1** of the **POS Terminal Service Agreement** (service **Tariffs**)/**Application**;
 - 1.16. Do not request a **Card** number for services that are not specified with **Annex #1** of the **POS Terminal Service Agreement** (service **Tariffs**)/**Application**;
 - 1.17. Take care of the **POS Terminal** and its accessories transferred to his benefit not to damage them. Not make any technical and software changes to the **POS Terminal**, and in case of malfunction and/or defects of the **POS Terminal**, immediately notify the **Bank** to the contact number specified in the **Agreement**;
 - 1.18. Not allow strangers to access the **Terminal** and regularly monitor its security;
 - 1.19. Do not request information about PIN –code from the **Cardholder**;
 - 1.20. Consider payment successful only if on the printed/generated receipt is written - "Confirmed, response code 000 or 001";
 - 1.21. Do not serve/deliver the item to the **Cardholder** if the response code on the printed receipt is different from 000 and 001.
 - 1.22. Always check the amount of the **Transaction** on the printed/generated receipt and make corrections as soon as an error is detected;
 - 1.23. Do not allow payment **Transactions** without the supervision of the **Cardholder**.