MERCHANT TERMS AND CONDITIONS

Card Acceptance Devices and Services

Version reference #: **2023011301**

1. Introduction

These Merchant Terms and Conditions – Card Acceptance Devices and Services ("the Terms and Conditions") , together with any document that is attached to or incorporated by reference into these Merchant Terms and Conditions (collectively the "Conditions") establish the terms of service as set out below, under which the Merchant uses Bank's Card Acceptance Devices, Services and infrastructure for business purposes in order to provide customers with electronic means for payment with cards against purchase of goods and services within the Merchant's establishment, pursuant to the Merchant Agreement Card Acceptance Devices and Services (the "Agreement") between the Bank and the Merchant. The Merchant acknowledges and agrees that these Terms and Conditions form an integral part of the Agreement.

In summary these Terms and Conditions cover:

1. Introduction
2. Services and card types selected
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2. Services and card types

The Merchant agrees that only the selected services and card types in Appendices A and B of the Agreement, are valid for these Terms and Conditions. The Merchant agrees once approved by the Bank, the selected services are made available to the Merchant upon activation of the Card Acceptance Devices and Services.

Possible service options available to the Merchant under the Agreement are:

Type of Card Acceptance Devices and Services[1]:
Retail/Restaurant stand alone
Retail/Restaurant with ECR (Electronic Cash Register) interface
Vending Machines (Food and Supplies)
Kiosks (Fuel, Parking)

Type of Card Acceptance brands:
Maestro (until discontinuation of this brand by Mastercard)
Mastercard
Visa
Diners/Discover
American Express Foreign
Kompa Leon/The Florin Card

In connection with the Agreement each party will share sensitive business information and each party will instruct its employees, officers and directors etc. to whom the other party's information is disclosed, of the obligations of keeping each other's information confidential. This restriction applies during the life of the Agreement, and will continue after termination of the Agreement.

As security for all claims that the Bank has or shall acquire against the Merchant pursuant to the Agreement, or on any grounds whatsoever (whether these claims are immediately due and payable or subject to conditions), the Merchant herewith transfers to the Bank and the Bank accepts from the Merchant in fiduciary ownership, all property, securities and valuable papers the Bank - or a third party for the Bank - has or shall receive in its possession on any grounds whatsoever or which the Bank (shall) owe(s) the Merchant.

The afore-mentioned includes all claims the Merchant has or shall acquire against the Bank in regards to any one or more of the account(s) operated in connection with or pursuant to the Agreement and/or the execution of these Terms and Conditions (hereinafter jointly or severally called the 'Merchant Bank Account Number(s)' as furthermore specified in these Terms and Conditions). These Terms and Conditions, together with the Agreement, operate as a security agreement for the security herewith granted and no other instrument or agreement is required to be executed.

3. Definitions and interpretations

The following terms used in these Terms and Conditions and its addendum shall have, except where inconsistent with the context, the following meaning:

[1] Refer to Appendix C for the Card Acceptance Devices and Services transaction flow.

a) **"Bank"** Maduro & Curiel's Bank N.V., a company incorporated under the laws of Curaçao, whose registered office is situated at P.O. Box 305 with Chamber of commerce 36 (herein after referred to as "the Bank")
b) **"Merchant"** the entity
c) **"Cardholder**" shall mean the person whose name appears on the card.
d) **"Credit card"** means an unexpired any physical card or digital card: VISA Card, MasterCard, Diners/Discover Card, Kompa Leon/The Florin Card, American Express or any other card indicated by the Bank to the Merchant as such.
e) **"Cryptography"** is a method to protect data. See definition of "Encryption".
f) **"Debit card"** a plastic or digital card that draws funds from a savings or checking account and which bears the-Brand mark as licensed by e.g. Maestro, MasterCard, Visa or American Express.
g) **"ECR"** stands for Electronic Cash Register. The Bank's Card Acceptance Devices and Services have the ability to interface with an Electronic Cash Register, in order to facilitate the reconciliation process of the Merchant.
h) **"Electronic Services"** means any system or application that provides card authorization and/or settlement transactions, or that allows collection of such data electronically.
i) **"Encryption**" is the process of converting information into an unintelligible form except to holders of a specific cryptographic key. Use of encryption protects information process against unauthorized disclosure when in transit between systems.
j) **"FuelUp Transaction"** means a transaction conducted on the Bank's Point of Sale equipment for the purpose of acquiring gasoline and/or gasoil from the gas station.
k) **"Internet"** means any system, program, application or service that makes use of the global communication network known as the "world wide web".
l) **"Key Enter"** means manually entered transaction by the Merchant, where the physical card is not present.
m) **"Kiosk"** means the self-service unit, which consists of stand and/or box the Bank's Point of Sale equipment is attached to.
n) **"Kompa Leon/The Florin Card"** means the Bank's private label credit and prepaid card. **"The Florin Card"** means the private label credit card issued by the bank's subsidiary Caribbean Mercantile Bank in Aruba.
o) **"Maestro debit card"** a payment card that draws funds from a checking or savings account, which bears the Maestro mark as licensed by MasterCard International.
p) **"Merchant website"** means an Internet based web site representing an on-line virtual storefront or outlet for the selling of merchandise or services.
q) Any reference to **"sales receipt"** in these Terms and Conditions shall mean a transaction processed through the Card Acceptance Devices and Services.
r) **"Payment Brands"** means Visa, MasterCard, Amex, JCB, Discover and others having proprietary rights to processing, clearing and oversight responsibilities with respect to any payment instrument licensed by these entities for payment-related transactions.
s) **"PAN"** means "primary account number", also referred to as "card number" that can be used to make purchases and cash withdrawals and where it identifies the issuer and the particular cardholder account.
t) **"PCI DSS"** is the Payment Card Industry Data Security Standards. The website for these standards is www.pcisecuritystandards.org.
u) **"PIN Block"** means a block of data used to encapsulate a PIN during transaction processing. The PIN block format defines the content of the PIN block and how it is processed to retrieve the PIN. The PIN block is composed of the PIN, the PIN length, and may contain subset of the PAN.
v) **"POS Equipment"** means Point of Sale terminal components to perform secure card based transactions such as: Card Reader, PIN Pad, Printer, Power pack and Power cables.
w) **"Receipt"** means Point of Sale terminal printed thermal receipt as transaction evidence or for terminal settlement.
x) "**Sensitive Authentication Data"** or "SAD" is Sensitive Cardholder Information and includes: 1. Full track data from the magnetic stripe, equivalent data on the chip, or elsewhere, 2. PIN (Personal Identification number) entered by Cardholder during card-present transaction, and/or encrypted PIN block present with

the transaction message. 3. Three- or 4-digit value on the front or back of a payment card. The SAD needs to be encrypted when stored or in transit.

y) **"Settlement Account"** A current or checking account used by the bank for posting of the merchant's sales, reversals and charge backs, as per Bank's discretion.

z) **"Vending machine"** this is a self-service unit supplied by the Merchant that interfaces with the Bank supplied Card Acceptance Devices and Services.

aa) **"Vendor"** this is a third party the Merchant partners with, to facilitate the interfacing with the Bank's Card Acceptance Devices and Services.

4. Merchant obligations

The Merchant agrees to sell the merchandise to or perform services for the customer at prices that do not exceed the ticketed or posted prices for such merchandise or services, when using the Card Acceptance Devices and Services under the Agreement. In addition:

a) The Merchant must comply with the operating guidelines issued by the Bank which can be adjusted from time to time. The Merchant also agrees to follow operating guidelines published by the Payment Brands[2].

b) The Merchant must not impose any fees or other charges for the use of a physical or digital debit or credit card as payment; The Merchant agrees to pay the Bank for its services hereunder a commission as per Appendices A and B of the Agreement, which may be revised in accordance with Article 7e.

c) The Merchant must not set a minimum purchase limit on card transactions and must not disclose or use data which is visible on a card or which is encoded on a card's magnetic stripe/chip for purposes other than completing a card transaction. The Merchant will not sell, purchase or provide cardholder information obtained from Card Acceptance Devices and Services transaction arising from the Agreement or other Bank services, including cardholder's email address.

d) The Merchant agrees to display the acceptance mark of cards on its store front, self-service device display, website or social media, by means of logos, decals and signs provided by the Bank and/or Payment Networks. The Merchant also agrees to submit to the Bank for its approval any advertising by the Merchant, which uses Bank's name, design or logo of its cards. The Merchant must not alter the trademarks, trade names, design marks, or logos in any manner.

e) The Merchant must provide at its own expense all internet/data communication, including secure Wi-Fi and related equipment where applicable, necessary for operation of the Bank's equipment. Ownership and conditions of use of the Bank's equipment is governed by these Terms and Conditions. All equipment furnished by the Bank shall remain the property of the Bank.

f) The Merchant must not remove any labels that the Bank specifies should remain attached to the Bank supplied equipment. The title to the Bank supplied equipment is, and shall remain, with the Bank. The Merchant will provide the required suitable electrical power and a suitable place to operate, the Bank supplied equipment. The Merchant agrees not to remove or relocate the Bank supplied equipment from the agreed upon location, without having obtained the Bank's consent. Moreover the Merchant is

[2] For details on operational guidelines or card acceptance guidelines refer to card association websites e.g. www.visa.com , www.mastercard.com, www.americanexpress.com, www.dinersclub.com , www.pulsenetwork.com and www.discoverglobalnetwork.com.

responsible for all expenses of relocation. The Merchant must not sublet, assign, or transfer the Bank supplied equipment unless the Merchant has obtained the Bank's prior written consent.

g) The Merchant agrees that the Bank and its identified representatives have full and free access to the Bank supplied equipment installed at the Merchant's location, during business hours of the Bank and for maintenance purposes. The Merchant must not permit persons other than authorized Bank employees to adjust, repair, or otherwise maintain the Bank supplied equipment. The Bank makes no representations or warranties to the Merchant with respect to the supplied equipment.

h) The Merchant agrees to make key staff available for training by the Bank and will ensure this/these Merchant team member(s) are the trainers for future employees on the Card Acceptance Devices and Services.

i) The Merchant shall submit transactions through the Card Acceptance Devices and Services provided by the Bank and shall do so only for its company's and customers performing purchases in-store or at agreed upon public self-service devices location. If not stipulated in these Terms and Conditions and/or the Agreement, the Merchant shall not process through the Card Acceptance Devices and Services, any transaction involving a third party, or any transaction entered into via telephone or mail order. The Merchant shall not process through the Card Acceptance Devices or Services any transactions resulting from merchandise sold or services performed (or alleged to have been sold or performed) by parties other than the Merchant. The Merchant shall not share terminals amongst companies with the same shareholders.

j) The Merchant will automatically charge the Cardholder by completing a sales transaction using the Card Acceptance Devices and Services provided by the Bank. Such sales transaction shall be authorized by use of a signature or PIN by the Cardholder, to whom the Merchant will hand one copy of the receipt. No attempt should be made to divide the amount by the completion of more than one such sales transaction. The Merchant will retain the Merchant copy of each completed sales receipt, and the records relating to the transactions evidenced thereby for a minimum of one (1) year from the date of the transaction evidenced by the sales receipt.

k) The Merchant agrees to follow the industry best practices to identify their customer (e.g. verify signature on the back of the card against signed receipt, if the terminal receipt[3] request the customer to sign the receipt. If no signature on the signature panel, a second card or identification can facilitate this process), including internal screening before conducting any transaction and the Merchant agrees that this is a critical step in the process to prevent chargebacks for which the Bank is unable to recover funds from the Payment Brands.

l) The Merchant agrees to perform internal screening for questionable transactions or potential warning signs e.g. suspicious cardholder behavior, multiple cards, multiple declines, split amounts on same card, unusual high amount and to contact the Bank before processing these transactions.

m) All claims by any Cardholder and all disputes respecting any transaction evidenced by a sales receipt shall be settled directly between the Merchant and the Cardholder, provided however that if any refund or other monetary adjustment is payable by the Merchant to the Cardholder, such refund or adjustment shall be made (unless the amount of such transaction has not been credited to the Merchant's account by the Bank

[3] For Chip & PIN and contactless transaction this signature verification is not required.

or has been charged back to the Merchant) by means of the Merchant issuing a store credit voucher or electronic refund using the Card Acceptance Devices and Services.

n) The Merchant agrees to be solely responsible for the accuracy and completeness of information furnished to the Bank. The Merchant will indemnify and hold the Bank harmless from all loss/liability to which the Bank may be subjected in connection with any claim arising out of the inaccuracy/incompleteness of such information.

o) The Merchant agrees that the Bank can immediately terminate the Agreement, at its sole discretion, if the Merchant engages in illegal activities or has acted in a manner which engages the Bank in illegal activities, if there is a change of control/ownership of the Merchant which the Bank considers detrimental to its interests, if the Merchant is involved in an investigation, or is convicted or fined, or if the Merchant fails to comply with applicable legal and/or regulatory requirements and/or breaches any of these Terms and Conditions and/or the Agreement.

p) The Merchant agrees to allow the Bank to inspect the Merchant's physical store site, office, mobile business, self-service device locations or online presence (website, social media pages) and agrees to immediately refrain from offering products unacceptable or offensive to the Bank, when such unacceptability is presented in writing to the Merchant by the Bank. The Merchant agrees that the Bank may have access to, examine and verify at any reasonable time all records pertaining to sales receipt processed hereunder.

q) The Merchant must provide to the Bank upon request evidence of transactions, transport, courier or shipping records, or other data as may be required by the Bank relating to amongst others, disputed transaction covered by the Agreement.

r) The Merchant agrees that the Bank may obtain whatever commercial and credit information the Bank deems appropriate with respect to the Merchant. The Merchant agrees to furnish the Bank with financial statements and information concerning the Merchant, the Merchant's business, or the Merchant's affiliates as the Bank may occasionally request. The Merchant will also permit the Bank to provide information about the Merchant to third parties such as credit bureaus and other financial institutions or Payment Brands if so requested.

s) The Merchant agrees that change of: (i) Type of Business, (ii) Ownership, (iii) Name, (iv) Store physical address, (v) Self-service device location and/or (vi) Mobile device territory must to be communicated to the Bank in writing before implementing the change.

t) The Merchant shall not assign any rights or benefits under the Agreement in any way. Without limiting the aforementioned, the Merchant may not, except with the prior approval in writing of the Bank, subcontract the whole or any part of its obligations under the Agreement. These Terms and Conditions and the Agreement shall ensure to the benefit of and be binding upon the parties and their respective successors.

u) The Bank urges the Merchants to settle their terminals' open batches daily to prevent delay in receipt of their funds. The Bank also urges the Merchant to immediately report unsettled batches to the Bank. Recurring late settlement by the Merchant, may oblige the Bank to issue a late settlement fee to the Merchant for non-compliance. Merchant agrees to ensure within (10) Business days, settled batches are processed to its Bank Account and transactions submitted are all processed. In the event of a discrepancy the Merchant will immediately alert the Bank.

v) Applicable for Kiosk and/or Vending Machine Merchant. The Merchant agrees:

i. to invest in, and install the equipment required as stipulated to interface with the Bank Supplied equipment, where applicable. The Merchant accepts total responsibility for the implementation, installation and maintenance of the equipment used to accommodate Merchant's Kiosk and/or Vending machine and interface with the Bank's Point of Sale equipment that is used to process transactions under the Agreement, including but not limited to, internet and power lines, the power supply, and all the other facility and infrastructure costs for the Kiosk and/or Vending machine service.

ii. to hold the Bank harmless of all damages, to persons or infrastructure that may result from problems with any items related to the installation of the Kiosk and/or Vending Machine and related equipment.

iii. that all equipment is being monitored constantly by the Merchant, during and after business hours to minimize the risk of unauthorized use or abuse of this equipment.

i. to upgrade its systems, to prevent unnecessary down time and/or reputational damage for both the Merchant and the Bank. The Merchant understands the bank may be obliged to remove its devices, if systems are not kept up-to-date by the Merchant.

ii. to successfully validate life end-to-end transactions with its software and/or Vendor according to payment industry standards, before allowing usage by its customers.

w) Where applicable for ECR (Electronic Cash Register) Interface Merchants, the Merchant agrees:

i. to invest in, and install the stipulated requirements to interface with the Bank Supplied equipment. In doing so, the Merchant accepts total responsibility for the implementation, installation and maintenance of the ECR interface used to accommodate the Bank's Point of Sale equipment that is used to process transactions under the Agreement, including but not limited to, internet and power lines, the power supply, and infrastructure costs to support the ECR interface.

ii. to hold the Bank harmless of all damages, to persons or infrastructure that may result from problems with any items related to the installation of the ECR interface and related equipment.

iii. to upgrade its systems, to prevent unnecessary down time and/or reputational damage for both the Merchant and the Bank. The Merchant understands the bank may be obliged to remove its devices, if systems are not kept up-to-date by the Merchant.

iv. to successfully validate life end-to-end transactions with its software and/or Vendor according to payment industry standards, before allowing usage by its customers.

5. Bank obligations

This section summarizes the Bank obligations which are also mentioned in other sections of these Terms and Conditions:

a) The Bank agrees to supply the Card Acceptance Devices and Services as stipulated in these Terms and Conditions. In addition, the Bank agrees to handle inquiries and service requests within forty-eight (48) hours.

b) The Bank agrees to provide training and share best practices to key Merchant staff. This Merchant's key staff will in turn provide guidance and training to the Merchant team and new employees. These training sessions, can be provided by Bank in person, through virtual calls, videos (e-Learning) or by way of a simple user guide.

c) The Bank knows the importance of transaction settlement and commits to processing these settlement transactions received, within one (1) business day provided the terminal is settled before 4pm on a Bank business day.

d) Fees, charges and Charge backs applied as per operation regulation of the Payment Brands, are handled by the Bank on behalf of the Merchant as per these Terms and Conditions.

e) The Card Acceptance Devices and Services are electronic services of which the Bank agrees to minimize its unscheduled down time within its control. Regular system maintenance, impacting Merchants will be communicated in advance through media channels.

f) The Bank will replace defective terminal with a maximum of three (3) per year, at no additional costs.

g) The Bank acknowledges that during office hours the Bank's team can be reached by phone or WhatsApp at 4660788, including after business hours till 10pm.

6. Use of the services provided

The purpose of this section of these Terms and Conditions, is to provide the Merchant with a high-level overview of how these services will work once activated for physical in-store presence or at self-service location.

Use of Card Acceptance Devices and Services

- The Merchant agrees to use Card Acceptance Devices and Services selected within these Terms and Conditions to process card payments of their customers.
- The Merchant agrees that depending on services selected, either Self-Service or not, the merchant may have more direct involvement with the operation of the Card Acceptance Devices and Services transactions. The Self –Service choices are: Kiosks (e.g. Fuel-up, parking) and Vending Machine (e.g. food, supplies). Other services are: Standalone Point of sales terminals and Semi-integrated Point of sale terminals interfacing with ECRs (electronic cash registers).
- The Merchant is aware that customers at payment time have several payment and validation options: 1) tap to pay with Card or mobile device, 2) insert the Card with chip and PIN, 3) insert the Card with chip and signature, 4) swipe the Card and signature, and 5) swipe the Card and enter PIN.
- The Merchant agrees to communicate to the Bank within twenty-four (24) hours, devices that are malfunctioning by sending an e-mail to merchant@mcb-bank.com or by phone or WhatsApp at 4660788.
- The Merchant agrees to communicate within five (5) business days to the Bank any claims/corrections involving transactions by sending an e-mail to merchantclaim@mcb-bank.com.

Use of debit and credit cards

- The customer decides which goods or service to purchase from the Merchant.

- The Merchant ensure prices are visible and are not confusing to the customer.
- The Merchant provides the service for payment of the goods to be purchased.
- The Merchant ensures sensitive authentication data[4] are not stored or captured.
- For debit and credit card processing, the Merchant refers to procedure guide provided with the devices during installation.
- The Merchant settles the Card Acceptance Devices and Services, on the Bank agreed upon time daily, if auto-settlement is not active.
- The Merchant ensures the sales receipts (physical or electronic) are stored and handled as per agreement with the Bank. These documents are the Merchant's critical evidence, if claims for debit card transactions or chargeback for credit card transactions are received by the Merchant.

For Kiosk and Vending machine use

- The Kiosk and/or Vending machine units have easily written instructions to follow.
- The customer selects the product of interest.
- The customer selects payment type and concludes payment by use of such payment type and pressing "ok" or giving a confirmation.
- Kiosk or Vending machines in use at the Merchant's location will dispense the goods requested and paid for by the customer.
- Automated settlement will ensure the Merchant transactions are credited to the Merchant's Bank account.
- The Merchant ensures the electronic sales receipts are stored/handled as per agreement with the Bank. These documents are the Merchant's critical evidence, if claims for debit card transactions or chargeback for credit card transactions are received by the Merchant.

7. Fees, charges, refund and others

The use of the Card Acceptance Devices and Services is subject to fees/charges as agreed with the Merchant in writing. These fees are calculated based on Payment Brands' fees[5] and operational costs to maintain the payment system and are subject to increase by the Payment Brands.

a) The Bank agrees to supply the Merchant with Card Acceptance Devices and Services related equipment needed to process transactions electronically, at a rental rate as agreed upon between the parties. If the Card Acceptance Devices and Services related equipment requires repair, maintenance or replacement because of conditions beyond the Bank's control, such as unreasonable wear and tear or negligence or willful misconduct on the Merchant's part, such repair, maintenance, or replacement will be at the Merchant's expense. If the Card Acceptance Devices and Services related equipment is damaged beyond repair or lost/stolen, the Merchant agrees to purchase such equipment for the residual value that the Bank will determine from time to time.

b) The Merchant agrees to pay a monthly rental fee to be agreed upon with the Bank for each authorization terminal and/or PIN pad device required, which rental may be debited automatically by the Bank to the

[4] Sensitive Authentication Data includes: 1. Full track data from the magnetic stripe, equivalent data on the chip, or elsewhere, 2. PIN (Personal Identification number) entered by Cardholder during card-present transaction, and/or encrypted PIN block present with the transaction message. 3. Three- or 4-digit value on the front or back of a payment card. In addition the card number, if stored must be unreadable. Also refer to www.pcisecuritystandards.org for more details.

[5] For details on Payment Brands related fees please refer to Payment Brands websites e.g. www.visa.com , www.mastercard.com, www.americanexpress.com, www.dinersclub.com , www.pulsenetwork.com and www.discoverglobalnetwork.com

Merchant's account, and for which the Merchant agrees that these Bank provided equipment will remain the exclusive property of the Bank.

c) The Merchant also agrees to pay the Bank for its services by means of a MDR (Merchant Discount Rate)[6] and applicable fees, which are subject to annual review and/or change of which the Merchant shall be advised in writing. The MDR and applicable fees are deducted from the sales transaction electronically at settlement. The Payment Brand fees charged to the Bank, could be passed through to the Merchant as a separate fee if so stipulated in Appendices A and B of the Agreement.

d) All fees, including, but not limited to charges, non-qualifying electronically captured transactions adjustments payable by the Merchant and the amount of any charge back to the Merchant shall constitute a debt payable on demand to the Bank for which the Bank may debit the Merchant's account, without prior notice. In the event that any such debit results in an overdraft in the Merchant's account, the Merchant will, on demand, pay the Bank the amount of such overdraft. All communication/data related expenses originated by the electronic processing of cards are for the account of the Merchant.

e) The Bank has the right to adjust fee schedule(s)/charges stipulated within the Agreement at its own discretion and will advise the Merchant at least thirty (30) days in advance, in writing. Except in those cases arising out of the Bank's control, where either the Payment Brands raised their acceptance fees or where market condition require such adjustment, in which case those extra charges will become effective immediately.

f) The Bank also has the right to reject the Merchant's request(s) to reverse transactions, which were incorrectly processed by the Merchant's agents or self-service or electronic cash register interfacing systems.

8. Settlement

As a result of the Bank's Settlement process the Merchant's Bank account is credited accordingly.
The Bank commits to processing these batch transactions received on the next Bank's business day, provided the terminal is settled before 4pm on a Bank's business day. The Bank urges the Merchants to settle their devices daily and prevent delay in receiving their funds. Recurring late settlement by the Merchant, may oblige the Bank to issue a late settlement fee to the Merchant for non-compliance. The Bank cannot guarantee 100% settlement of authorized transactions, if presented later than seven (7) days. The Merchant agrees that merchandise or services shipping or fulfillment date respectively, is agreed upon during the authorization process before submitting transaction for settlement to the Bank and that Merchant agrees to transmit data on all electronic transactions per established Bank procedures and guidelines.

9. Bank account and payments

The Merchant shall maintain an account with the Bank subject to the Bank's usual charges and conditions. This Merchant Bank account will facilitate the settlement of card based transaction between the Bank and the Merchant. Depending on the Merchant's business industry, separate reserve accounts may be required as stipulated hereunder:

A. Applicable for Merchants in the Airline industry and/or with Higher Risk for Chargeback transactions:

[6] For the Bank's applicable rates and fees please refer to the appendices supplied by the Bank.

As security for the charge backs (i) a minimum reserve amount or % of actual card sales will be required to be deposited into Merchant's Account (the 'Account') with the Bank. This special reserve amount will be held by the Bank on the Merchant's Bank Account or a special reserve Bank Account (the 'Reserve'), where (ii) all rights present and future of the Merchant to receive payment in respect of the Reserve and all of its other rights, title with regard to the Reserve, are herewith pledged first in rank by the Merchant to the Bank and (iii) additionally the Merchant herewith in advance grants such right of pledge to the Bank insofar the same cannot be fully granted on the date hereof, which rights of pledge are here all accepted by the Bank (the 'Pledge'). The Pledge is without prejudice to the fiduciary transfer of ownership to the Bank pursuant to its General Conditions, of all rights present and future of the Merchant to receive payment in respect of the Account and all of its other rights, title and interest in regard to the Account as additional security for the charge backs referred to above, insofar not already covered by the Pledge.

The reserve account percentage will be reviewed on a bi-annual basis or, at the Bank's discretion, after which appropriate adjustments will be made. The reserve amount will be calculated based on six (6) months' rolling sales volume where the reserve amount held to cover losses will be adjusted on a monthly basis. Volume processed prior to the six (6) months' reserve period will no longer be subject to the reserve. It is agreed that this reserve funds must remain on deposit as security for the Bank, in any event for a period of two (2) years following the termination of the Agreement or at the discretion of the Bank, for a period of two (2) years following the last ticket sold date. The above-mentioned periods of time can be extended by the Bank for another period of two (2) years if, in the opinion of the Bank, the amount and/or the pattern of the charge backs received indicates that such extension is needed. The minimum required reserve amount is subject to change, based on risk evaluation.

10. Risk management

It is critical for Merchants to follow the latest developments with regards to devices and services used:

a) The Merchant agrees to upgrade its knowledge, following the latest developments published by PCI DSS[7] and Payment Brands merchant operating requirements.
b) The Merchant agrees to: (i) comply with all applicable Privacy Laws; (ii) comply with all Standards that relate to Privacy Laws and the privacy and security of Personal Information; (iii) refrain from any action/inaction that could cause the Bank or the Merchant to breach any Privacy Laws.
c) The Merchant agrees that passwords granted by the Bank for use with Card Acceptance Devices and Services are confidential and should be handled confidentially. Passwords should be changed, if employee of the Merchant is no longer using the Card Acceptance Devices and Services.
d) The Merchant is aware that software changes/upgrades by its Vendors or Third Parties, need to be reported to the Bank as these changes may impact communication with the Card Acceptance Devices and Services.
e) The Bank can conduct a site inspection during Merchant's regular office hours to ensure the Merchant is still adhering to these Terms and Conditions and/or the Agreement.
f) The Bank agrees to offer training to the Merchant to ensure the Card Acceptance Devices and Procedures used are understood by the Merchant. These Terms and Conditions also provides a high-level overview for the Merchant under the section "Use of the services provided".
g) The Merchant is aware that manually entered (key entered) transaction in the Card Acceptance Devices and Services are more prone to fraud charge back as the physical card is not present. As the security review requirements are not the same as card present and fully chip read transaction. The customer purchase agreement and evidence is critical for the Merchant to successfully conclude a charge back.
h) The Merchant must not use a public internet connection for processing of card transactions and to protect their internet access with the latest industry standard security logic.
i) The Merchant is aware of the PCI DSS storage requirements for handling for card numbers and will ensure its Agents and Third Party Providers follow these requirements.

[7] PCI DSS = Payment and Card Industry Data Security Standards (www.pcisecuritystandards.org).

j) The Merchant agrees to complete a PCI DSS[8] Self-Assessment Questionnaire on an annual basis and to store this assessment, in case the Bank may request to review this from time to time.
k) As security for the obligations of the Merchant under the Agreement, the Bank may request for a reserve account to be put in place or a reserve amount to be placed on hold on an existing bank account in name of the Merchant. The initial amount of the reserve account will be determined based on the following: the Merchant's Business Industry processing history, the expected sales volume and a risk assessment to be performed by the Bank.
l) The Bank will be solely authorized to manage the rolling Reserve (as per section 9A).
m) Notwithstanding the afore-mentioned, should the Merchant default in its obligations under these Terms and Conditions and/or the Agreement or in the event of termination of the Agreement by either party, an immediate reserve account/amount may be put in place without any prior notice being required. The chargeback liability of the Bank (with regards to card transactions processed by the Merchant) will determine this reserve. The reserve will be held by the Bank for as long as it deems this necessary in connection with the performance of the obligations of the Merchant under these Terms and Conditions and/or the Agreement, in any case, these will be held by the Bank in accordance with the Payment Brand Rules.
n) The Merchant agrees to immediately pay the Bank upon its first request for chargebacks, adjustments, fees and other charges due from the Merchant, in the event that the reserve is not sufficient to cover the afore-mentioned.
o) The funds held in the reserve account or any security deposit will not bear interest.
p) Any specifications, data, software drawings, sketches, blueprints and other information provided by the Bank (or any third party at the request of the Bank) to the Merchant for the purposes of or in the course of complying with these Terms and Conditions or produced by the Merchant specifically for the purposes of or in the course of complying with these Terms and Conditions belong to the Bank and are confidential and thus the Merchant shall:
    a. not use or copy them for any purpose other than the fulfilment of the Agreement,
    b. not disclose them to any other person without the prior written consent of the Bank, and
    c. Return or hand the same (including if so demanded by the Bank all copies) to the Bank for completion of the delivery of the goods and/or performance of the services.
    d. Not advertise, announce or allow advertising or announcing, without the prior written consent of the Bank that the services have been supplied to the Bank pursuant to an agreement.
    e. Return all confidential material (including if so demanded by the Bank) to the Bank upon request made by the Bank at any time during the duration of the Agreement.
    f. Advice its directors, employees, (sub) contractors or agents of the importance of keeping any such information confidential and if requested by the bank to have them sign a confidentiality agreement.
    g. Indemnify the Bank from any loss or damage suffered by the Bank as a result of the Merchant disclosing to a third party any confidential information obtained as a result of the Agreement.
q) The Merchant agrees with regards to Incidents reporting:
    a. An incident is defined as any action or event (whether accidental or deliberate) that forms a danger and/or a violation of the ethical business conduct of the Bank, regardless of whether the event was system, people or process based, and whether the event did or did not result in a financial loss, is considered an incident. This includes actions or events that have not been detected and avoided (timely and properly) by existing procedures and internal controls. An incident constitutes a serious risk for the integrity of the Bank and is understood to be an act as well as an omission.
    b. It is required to report incidents to the Bank immediately, before reporting the incident to other parties, including the Merchant's regulator.
    c. In case of an incident, the Merchant is required to complete and forward the Incident Escalation Report for Third Parties to the Bank, along with all other relevant documentation. Aforementioned document can be requested by sending an email to: VendorContracts@mcb-bank.com.

[8] Please also refer to Section 12 of these Terms and Conditions.

11. Chargeback and assessments

Notwithstanding any approval of a transaction which may be given by, or on behalf of the issuer of a Card, the Bank may refuse to credit the account of the Merchant with, or may charge back to the Merchant the total amount of any sales receipt in any of the following circumstances, all of which will be considered events of default:

a) The Merchandise referred to in the sales receipt has been returned to the Merchant, or has not been received, or has been claimed by the Cardholder to have been returned to the Merchant, or not to have been received.
b) The Merchandise referred to in the sales receipt has been returned to the Merchant, or attempted to return and the merchant does not have a proper return policy. An effective return/refund and cancellation policy must be reflected on the front of the transaction receipt or in a separate contract.
c) The Merchandise or services have not been received, or has been claimed by the Cardholder and no proof of receipt received from the Merchant.
d) The Merchandise or services referred to on the sales receipt are claimed by the Cardholder to have been unsatisfactory, or not as described.
e) A sales receipt is illegible or the merchant failed to submit a copy of the sales receipt upon request.
f) A sales receipt refers to a card of which the Bank has notified electronically to the Merchant not to honor.
g) The transaction evidenced by a sales receipt or any other credit extended in respect thereof includes a cash advance made by the Merchant to the Cardholder or Authorized User.
h) The transaction evidenced by a sales receipt or any other credit extended in respect thereof is for any reason illegal, null or invalid.
i) The Merchant can be shown to have attempted to reduce or disguise the amount of any one transaction by the use of multiple sales receipts (known as split-ticketing using the same card).
j) The same sales transaction has been processed more than once, or the Bank has credited the account of the Merchant more than once with the same sales transaction.
k) The Merchant has processed or attempted to process through the Card Acceptance Devices and Services of the Bank, sales in respect of fictitious transactions, or has otherwise defrauded or attempted to defraud the Bank.
l) The Merchant has accepted a Card or processed through the Bank's Card Acceptance Devices and Services, including without limitation of sales transaction, which relate to merchandise sold or services performed (or alleged to have been sold or performed) by parties other than the Merchant.
m) Any other circumstance which the Bank based on operation regulation and best practices of the Payment Brands, in good faith deems it appropriate to refuse such credit or make such charge back.
n) The Merchant has failed to obtain an electronic authorization and not withstanding this, proceeded with offline electronic transaction.

The Bank will provide the Merchant with details of any sales transaction which it has refused to pay or has Charged-back to the Merchant.

12. Security and information security

The Merchant is now responsible for breaches in both physical security and information security, which makes it more critical for the Merchant to ensure a safer electronic, store and self- service location presence.

a) The Merchant agrees that passwords established by the Bank on behalf of the Merchant, for the use with the Card Acceptance Devices and Services, are required to be kept confidential, as mishandling of the passwords may enable fraud resulting in losses for the Merchant and reputational damage.

b) The Merchant agrees to adhere to all applicable operating rules/regulations of Payment Brands that are applicable to the Agreement. This also includes, but is not limited to the Payment Card Industry Data Security Standards[9] (PCI DSS) as well as any other Payment Brands, network, or government agency rules related to the protection of consumer and transaction information security. As per PCI DSS standards, the Merchant will conduct relevant Security Self-Assessment[10].

c) The Merchant agrees that it shall, at its own expense, maintain, operate a secure physical or electronic storage of data pertaining to Card Acceptance Devices and Services transactions and receipts, and secure the privacy and confidentiality of all cardholder and authorization information. The Merchant also agrees to provide the Bank, upon demand, with copies of documentation relating to cardholder transaction. The Merchant must keep Card Acceptance Devices and Services related information secure and only allow its authorized agents have access to such data.

13. Terms , suspension and termination

The Agreement shall remain continuously in full force and effect unless terminated:

I. by either party at any time upon ninety (90) days' notice in writing to the other party, or
II. by the Bank, without notice to the Merchant, in the event of any failure by the Merchant to comply with these Terms and Conditions and/or the Agreement, or
III. by the Bank upon five (5) business day notice to the Merchant in the event
    i. the Merchant ceases to operate its business or transfers its business, or
    ii. the ownership of the Merchant changes, either by transfer of shares or otherwise, whereby in the event of holding of shares, the shareholder(s) existing at the time of execution of the Agreement cease(s) to be shareholders or cease(s) to own (either jointly or several) the majority of the shares in the Merchant, or
    iii. circumstances surrounding the Merchant and/or its shareholders dictate that continuation of the Agreement is deemed to be unreasonable.
    iv. the Merchant continuously surcharges customers, where the Agreement prohibits such actions.
IV. by the Bank at its discretion with immediate effect in the event of a bankruptcy or insolvency of the Merchant or in the event the Merchant is granted a suspension of payments, either conditional or definitively or in the event the Merchant will be liquidated or wound up.
V. by the Bank which may immediately suspend its services here under at any time without notice, notwithstanding this section item or any other paragraph of these Terms and Conditions, and put a hold on Merchant's Bank account if the Merchant becomes insolvent, bankrupt, in state of moratorium or in breach of the Agreement and/or these Terms and Conditions, or if the Bank deems itself to be insecure with respect to merchant's business, or for any other reason deemed necessary by the Bank.
VI. by the Bank, at its sole discretion, at any time if an unacceptable number of chargebacks and/or claims are received or fraudulent trials are attempted.

Additional considerations for possible termination:

a) All obligations of both parties in respect of any particular transaction entered into prior to the date of such termination, will survive such termination, or any other termination of the Agreement, for the purpose finalizing outstanding matters, if any. Neither party will retain any rights to any of the other party's information, and agrees that all media furnished by the other party shall remain the property of the party providing such information or documentation and shall be returned to that party promptly at its request. Upon such

[9] www.PCISecuritystandards.org
[10] PCI DSS Self-Assessment Questionnaire (SAQ) B or B-IP. Please refer to SAQ Instructions and Guidelines.

termination all receipt printers, authorization terminals, pin pads, kiosks and vending machine payment related equipment, forms and other material bearing the name or trademark of the Bank or either of the cards, shall be returned to the Bank forthwith and the Merchant thereafter shall neither represent nor honor the cards.

b) These Terms and Conditions and/or the Agreement shall be binding upon the parties, their heirs, successors and assigns, provided however that (i) shares held in the capital of the Merchant may not be transferred without the prior written notification to the Bank and that (ii) these Terms and Conditions and/or the Agreement shall not be assigned or transferred by the Merchant without the prior written approval of the Bank.

c) Any conversion, merger or division of the Merchant should be notified to the Bank in advance. In which case the Bank may terminate the Agreement with immediate effect if, in the Bank's opinion, such conversion, merger or division is considered detrimental to the Bank's interests or poses a possible conflict of interest.

d) These Terms and Conditions may be amended by the Bank with thirty (30) days prior written notice to the Merchant.

14. Indemnity by Merchant

The Merchant agrees to indemnify, defend and hold the Bank harmless from losses, damages or claims of any kind arising from or relating to the Card Acceptance Devices and Services under the Agreement.
The aforementioned shall include, but shall not be limited to, the following instances:

I. Any direct, indirect, or consequential damages incurred by the Merchant as a result of the termination of the Agreement.
II. Any direct, indirect, or consequential damages incurred by the Merchant which may arise if the Bank is ever, for reasons beyond the Bank's reasonable control, unable to perform any part of the Card Acceptance Devices and Services, or if due to circumstances beyond the Bank's reasonable controls there are any errors in the performance of the electronic service or errors that arise if the Bank supplied electronic device fails to function or functions improperly.
III. the Bank will, in no event, be responsible for the Merchant's acts or omissions or those of any third party.
IV. the Bank does not represent or warrant that the Card Acceptance Devices and Services will be available to process transactions during specified times for scheduled maintenance and down times.
V. the Merchant shall not make the Bank liable for its own claims or by any third party arising out of Merchant's electronic Transactions (including, without limitation, any claim arising out of the inaccuracy or incompleteness of information furnished to the Bank for the authorization, processing and settlement of Merchant's electronic Transactions) other than as a result of the gross negligence or willful misconduct or fraudulent acts of the Bank.
VI. the Bank shall not be held liable for claims by any Cardholder or Authorized User arising out of any transaction processed by the Merchant ; and

In addition to the aforementioned, the Bank is not to be held liable under these circumstances:

a) The Bank's ability to provide terminal authorization, for Card Acceptance Devices and Services depends on the normal functioning of telecommunication and computer services used by the Bank and other card issuers. The Merchant agrees not to hold the Bank liable for any delay, interruption, or discontinuation of services caused by any event that is beyond the Bank's reasonable control or for any disclosure of confidential information except where caused by the Bank's gross negligence or willful misconduct. This clause shall survive termination of the Agreement.

b) The Merchant agrees it is responsible for reimbursing the Bank for any reasonable legal and other costs necessary to exercise and/or enforce the rights covered in these Terms and Conditions and/or the Agreement. The Merchant also agrees that the Bank may debit these amounts from its Merchant Bank Account without notice. The terms of this Section entitled "Indemnity by Merchant" survives expiration or termination of the Agreement.

15. Representations and warranties

The Parties acknowledge that in entering into the Agreement, they do not do so on the basis of, and do not rely on, representations, warranties or other provisions except as expressly provided in these Terms and Conditions:

a) The Bank makes no representation or warranty, express or implied, that the Card Acceptance Devices and Services will be available to process transactions during specified times;

b) The Bank's ability to provide transactions through the Card Acceptance Devices and Services depends on the normal functioning of data, communication lines and computer services used by the Bank and other card issuers. The Merchant agrees not to hold the Bank liable for any delay, interruption, or cessation of services caused by any event that is beyond the Bank's reasonable control except where caused by the Bank's gross negligence or willful misconduct;

c) The Bank accepts no responsibility for the accuracy or reliability of any data provided to the Bank by the Merchant or other third parties (for example data received through the Merchant or Automated Solutions where applicable);

d) Any reference by the Bank to a Third Party Product (including in any technical specification the Bank provided to the Merchant), or approval by the Bank, shall not constitute any recommendation or endorsement by the Bank of that Third Party Product, or any warranty or representation that such Third Party Product will be or remain compatible, compliant and/or suitable for the Merchant's use and/or with the Card Acceptance Devices and Services, or will deliver any specific result;

e) The Bank makes use of the latest industry security standards for the processing of card payments. Notwithstanding the aforementioned, the Merchant acknowledges that there is always a possibility that data sent by electronic means could be compromised, corrupted, lost, destroyed, delayed or otherwise adversely affected. In such a case, the Merchant agrees to not hold the Bank liable for any losses and/or damages, of any nature whatsoever, incurred in connection with the processing of card payments by the Bank.

f) The Merchant represents and warrants the following:

   a. No Current or Prior Conflict of Interest. That the Merchant has no business, professional, personal, or other interest, including, but not limited to, any relationship with executives, employees (or their relatives) of the Bank or its affiliates, that would conflict in any manner or degree with the performance of its obligations under the Agreement.

   b. Notice of Potential Conflict. If any such actual or potential conflict of interest arises under the Agreement, the Merchant shall immediately inform the Bank in writing of such conflict.

   c. Termination for Material Conflict. If, in the reasonable judgment of the Bank, such conflict poses a material conflict to and with the performance of the Merchant's obligations under the Agreement, then the Bank may terminate the Agreement immediately upon written notice to the Merchant; such termination of the Agreement shall be effective upon the receipt of such notice by the Merchant.

16. Force Majeure

a) In the event of force majeure there is no attributable failure in the performance of the Agreement by the Bank. The Bank nor any of its processors shall be liable for delays or failure in its performance hereunder caused by any act of God, war, strike, labor dispute, work stoppage, fire, act of government, act or attempted act of terrorism, civil strike, unavailability of power, ineffective communications or any other cause, whether similar or dissimilar, beyond the reasonable control of the Bank or its processors. Upon the occurrence of such event, the Bank shall immediately give notice thereof to the Merchant, shall use its best efforts to operate under the Agreement notwithstanding such force majeure condition, and shall be excused from the remainder of its performance obligations for the duration of such force majeure condition;
b) If the Bank can still perform in part at the time of the force majeure, or if it has performed in part, the performed services will be charged separately to the Merchant;
c) If the force majeure lasts at least thirty (30) days, the Parties are entitled to dissolve the Agreement without being obliged to reimburse any damage or to pay any compensation for such dissolution.

17. Liability

a) The Bank's liability for attributable failure to perform its obligations under the Agreement and/or on the basis of an unlawful act, even as a result of gross negligence or willful misconduct, is limited to the reimbursement of direct damages sustained by the Merchant.
b) The Bank accepts no responsibility, and shall not be liable for any Third Party Product used by the Merchant in connection with the Card Acceptance Devices and Services;
c) The Bank shall not be liable in respect of any error or omission arising from or in connection with the electronic transmission of information to the Merchant or for the Merchant's reliance on such data (for example due to an omission by the Internet Service Provider of the Bank and/or Merchant);
d) Any liability of the Bank for anything other than direct damages is expressly **excluded**, including but not limited to, consequential damages, loss and/or damage to data, loss of profits and loss of sales, revenue or savings (including those anticipated or forecasted), loss of goodwill (or any other damage to reputation), loss connected with or arising from business interruption, loss of opportunity, business or contracts and any loss of bargain;
e) Nothing in these Terms and Conditions shall limit or exclude liability for (a) fraud or deceit or (b) damages resulting from willful intent or proven criminal acts or (c) any other liability that cannot be excluded by applicable law;
f) In all cases, the Bank is only liable on account of an attributable failure to perform the Agreement after receiving proper written notice from the Merchant that the Bank is in default, stating a reasonable term in which the attributable failure can be remedied.

18. Right to audit

The Bank will have the right to audit the services and activities under the Agreement. In order to do so the Bank agrees to provide the Merchant with fifteen (15) days prior written notice of its intention to review devices granted and devices related to payment, connectivity, receipts, reports, and other documents related to the services (including storage of customer card data), at the facilities and Self-Service units of the Merchant.

19. Compliance with laws and regulations

The Merchant agrees to comply with all applicable laws, regulations, and other legal requirements including, but not limited to, laws and regulations regarding payment systems, anti-money laundering, anti-terrorist financing,

anti-proliferation financing , privacy and security, consumer protection, and trademarks and copyright. The Laws of Curaçao are applicable to the Agreement and these Terms and Conditions.

20. Notices

The Bank may, from time to time, issue directions in writing regarding the procedure to be followed and prescribe forms to be used in carrying out the present agreement and such directions and the terms of such forms shall be binding upon the Merchant upon receipt thereof unless the Merchant elects to give immediate notice of cancellation of the Agreement.

Any notice by the Merchant given under the Agreement shall be in writing and may be served to:

merchant@mcb-bank.com, Or P.O. Box 305, Willemstad Curaçao

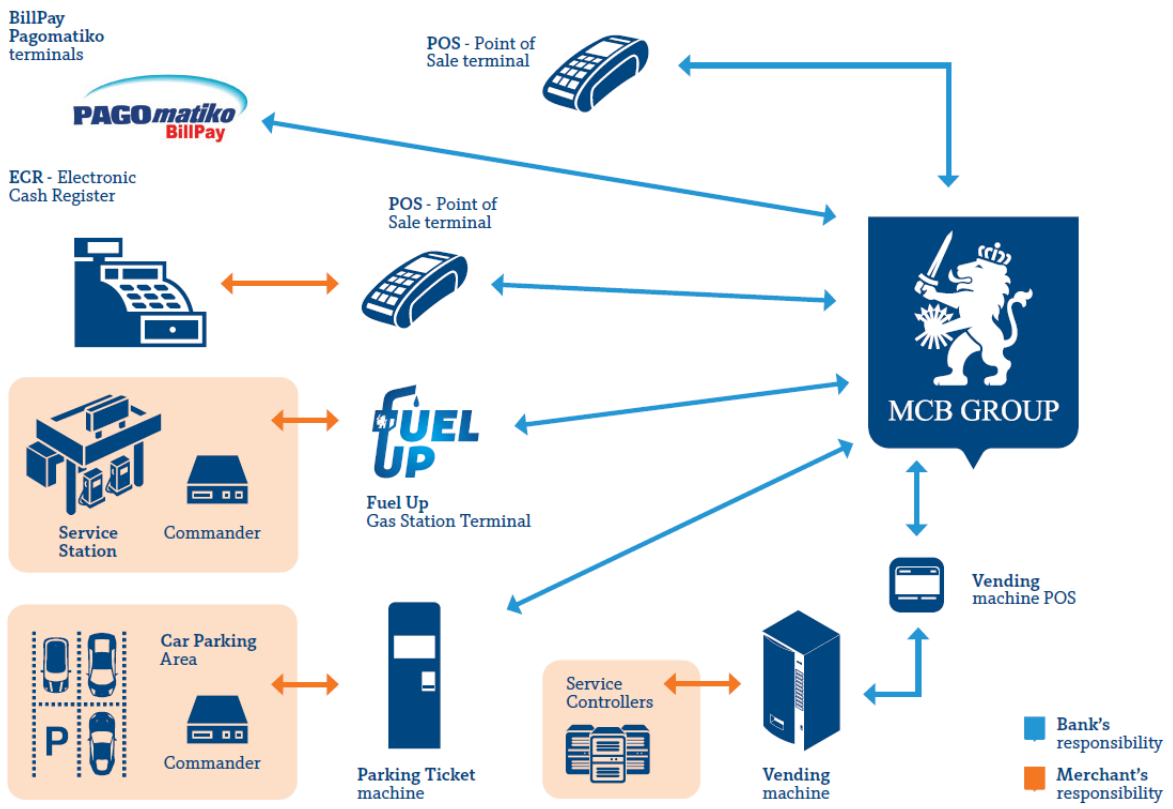
Any notice by the Bank to the Merchant given under these Terms and Conditions shall be in writing and shall be sufficiently given if delivered personally or transmitted by registered mail or electronic mail to the Merchant.

21. Governing Law

These Terms and Conditions, together with the Agreement, shall be governed by and construed in accordance with the laws of Curaçao and the parties shall submit to the jurisdiction of the Curaçao Courts.

The General Conditions of the Bank are applicable to these Terms and Conditions and the Agreement, and the Merchant confirms to have received a copy thereof and declares to have agreed to the contents of these General Conditions.

22. APPENDICES

Appendix A and B are attached to the Merchant Agreement.

Appendix C Card Acceptance Devices and Services transaction flow.