



**GENERAL TERMS AND CONDITIONS
FOR THE PROVISION OF ACQUIRING SERVICES BY RYVYL (EU) EAD, ADOPTED BY THE
BOARD OF DIRECTORS ON 07.05.2024, EFFECTIVE FROM THE SAME DATE**

1. DEFINITIONS: For the purposes of the General Terms and Conditions and the Schedules referred to herein (the “GTC”), the following definitions apply unless the context explicitly requires otherwise:

- a. Acquirer** shall mean **RYVYL (EU) EAD**, UIC 121554961, with its registered office located in Bulgaria, Sofia, P.O. Box 1000, Triaditsa District, 2 Pozitano Square, “Perform Business Center”, fl. 3, operating as an electronic money company with license issued by BNB Management Board Resolution N° 73 dd. 21.07.2011, e-mail: office@ryvyl.eu, web page: www.ryvyl.eu
- b. Acquiring Services** means the processing, clearing and settlement of card transactions between the Card Schemes, the Merchants and the issuers.
- c. Address Verification** shall mean a service that allows Merchant to verify the home address of Cardholders with the relevant Issuer.
- d. Agreement/Merchant Agreement** shall mean the negotiated and legally binding arrangement between the Acquirer and the Merchant.
- e. Authorization** shall mean an affirmative response, by or on behalf of an Issuer to a request to effect a Transaction, that a Transaction is within the Cardholder’s available credit limit and that the Cardholder has not yet reported the Card lost or stolen. All Transactions require Authorization.
- f. Business Day** shall mean any day other than (i) Saturday or Sunday, or (ii) a holiday in Bulgaria and/or in the state where the Merchant has its establishment (iii) a day on which banking institutions in Bulgaria are authorized by law or by a regulatory order to be closed.
- g. Card(s)** shall mean payment card which can complete a payment transaction and has a logo of any of the Card Associations.
- h. Card Association(s)/Card Scheme(s)** shall mean a worldwide incorporated body regulating and processing specific brands of payment cards.
- i. Cardholder** shall mean (i) the person to whom the Card is issued and whose name is embossed or imprinted on the face of the Card, and (ii) is the authorised user of a Card.
- j. Chargeback** shall mean a transaction that is disputed by a Cardholder or Card Issuer and is returned to Ryvyl (EU) EAD under the Card Schemes` Standards.
- k. Confidential Information** shall mean information that is designated as "confidential" or which by its nature is clearly confidential including any information relating to a Cardholder or a Cardholder's use of a Card or information concerning any one of the Card Schemes or information



concerning the Acquirer or Merchant technology, technical processes, procedures, business affairs, finance, security procedures and premises and may take the form of (but is not limited to) documents, technical specifications, unpublished patent specifications, data, drawings, plans, processes, photographs, databases, computer software in disk, cassette, tape or electronic form and items of computer hardware or oral descriptions or demonstrations.

l. Customer shall mean any individual, body corporate, association, partnership or any other entity or organization authorized to obtain and use a Card.

m. Effective Date shall mean the date as defined in Section 4.1.1.

n. Forced Sale shall mean a sales Transaction processed without an approved electronic Authorization number being obtained for the full amount of the sales Transaction at the time the Transaction is processed.

o. ISO (Independent Sales Organization) means an organization that sells business products or services to merchants and/or acquires merchants on behalf of various types of merchant service providers.

p. Issuer shall mean a member of a Card Association that enters into a contractual relationship with a Cardholder for the issuance of one or more Cards.

q. Low Value Transaction shall mean a Transaction where

(a) the amount of the Transaction does not exceed EUR 30; and

(b) the cumulative amount of Transactions with the same customer do not exceed EUR 100 for the previous 60 days.

r. Merchant Discount Rate means a pricing model applied to the merchant and Acquirer: **Interchange ++ Pricing Model** – a dynamic pricing model which is based on real cost of the processing of a transaction. The fee paid by merchant will consist of: Interchange, Card Scheme Fee and Processing Service Fee; **Blended Pricing Model** – the merchant discount rate is a fixed percentage of the transaction value. The applied discount rate may depend on the Region of the Issuer. Pursuant to art. 9, para 1 of Regulation (EU) 2015/751 and upon concluding the Agreement, Merchant selects which Pricing Model shall apply to its business by checking the relevant option within the designated section of the Agreement.

s. Merchant means any legal entity registered within the territory of the European Union including Iceland, Liechtenstein and Norway, which has entered into Agreement with the Acquirer for the Acquiring services.

t. Merchant Statement shall mean an itemized statement of all charges and credits to the Settlement Account (as defined in Section 15.1 of these General Terms & Conditions).

u. Payment Service Provider (PSP) means an entity that offers sales, technical and risk management services for the e-Commerce merchant.

v. PCI DSS means Payment Card Industry Data Security Standard, as set by the Payment Card Industry Security Standards Council.

w. PSPSA means the Bulgarian Payment Services and Payment Systems Act, transposing Directive 2015/2366/EU of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market (“PSD2”).



- x. Sensitive Payment Data** means data, including personalised security credentials which can be used to carry out fraud.
- y. Settlement Account** means an account at a settlement agent used to hold funds and to settle transactions between participants in the system.
- z. Settlement Funds** shall mean the funds received by Acquirer as cleared by the Card Associations for processing the underlying Transaction.
- aa. Net Settlement Funds** shall mean the Settlement Funds after deduction of the Member Services Fees, reserves and any applicable taxes.
- bb. Refund** shall mean the return of funds to a Cardholder of an earlier Transaction between the merchant and the Cardholder.
- cc. Services** shall mean the transaction processing services provided by Acquirer under the Agreement.
- dd. Transaction** shall mean the acceptance of a Card or information embossed on the Card, for payment for goods sold and/or leased and/or services provided to Cardholders by Merchant, and receipt of payment from Acquirer, whether the Transaction is approved, declined, or processed as a forced sale. The term “Transaction” also includes credits, errors, returns and adjustments:
 - a. Card Non-Present Transaction or CNP Transaction** shall mean a transaction between a merchant and a Cardholder which is completed when neither the Cardholder nor the Cardholder’s card are present at your location at the time of the Transaction, e.g. mail order/telephone order (MO/TO) Transactions, E-commerce (internet) Transactions or pre-authorized recurring order transactions;
 - b. E-commerce Transaction** shall mean a Card Not Present Transaction carried out over the internet via a fixed or mobile device in which Card details are transmitted by the Cardholder to the merchant via the Internet, or any other public or private network;
 - c. MO/TO Transaction** shall mean a Card Not Present Transaction in which Card details are provided to the merchant via mail or telephone;
 - d. Recurring Transactions** shall mean a Transaction which a Cardholder has agreed can be debited to their Card at agreed intervals or on agreed dates. The Transaction can be for a specific amount or for an amount due to merchant for the on-going provision of products and/or services;
 - ee. Regulatory or Card Schemes Requirements** shall refer to all binding provisions of applicable legislation relevant to the provision of the Services, and all related requirements set by the transaction processing rules included in the standards prepared and published by the Card Schemes.
 - ff. Strong Customer Authentication/SCA** shall mean an authentication based on the use of two or more elements categorised as knowledge (something only the user knows), possession (something only the user possesses) and inherence (something the user is) that are independent, in that the breach of one does not compromise the reliability of the others, and is designed in such a way as to protect the confidentiality of the authentication data.

2. SCOPE OF AGREEMENT

2.1. Ryvyl (EU) EAD Tariff for fees and commissions for providing acquiring services shall constitute an integral part of the present General Terms and Conditions and the Merchant Agreement. By signing the Merchant Agreement, the holder irrevocably and unconditionally declares being familiar with the General Terms and Conditions and further agrees that they, along with all their amendments and supplements, shall be applied to the relationship between him/her and Ryvyl (EU) EAD with regard to the respective acquiring service.

2.2. Ryvyl (EU) EAD and the Merchant shall agree that in their relations, subject matter of these GTC, the following electronic means for signing electronic statements/documents shall be equivalent to a personally affixed signature: (a) Qualified Electronic Signature (QES); (b) Server certificate, which constitutes an advanced electronic signature, within the meaning of Regulation (EU) 910/914; c) “Electronic Transaction Authorization Number” (eTAN) sent through SMS to the mobile device owned by Customer/User, which constitutes an advanced electronic signature, within the meaning of Regulation (EU) 910/914; d) other electronic means, introduced by the Acquirer – for signing electronic documents, such as: marking a “check-box” and/or clicking on the respective virtual button, which constitute electronic signatures, within the meaning of Regulation (EU) 910/914.

2.3. The Merchant agrees to participate in the card processing services program established by Acquirer.

2.4. During the term of the Agreement, subject to the terms and conditions of these General Terms and Conditions /GTC/ISO/PSP agrees to perform certain services, on behalf of the Merchant in order to allow Merchant to accept and process Transactions. ISO/PSP shall provide Merchant with Acquiring Services according to the Agreement, as amended from time to time by Acquirer.

2.5. The Acquirer shall provide Acquiring Services as set out in the Agreement and Acquirer is not obliged to provide any other services, unless expressly agreed between parties in writing. Acquirer is not responsible for the provision of any advices, such as legal, accounting, or taxation matters, or services not specified in the Agreement.

2.6. In the performance of its duties hereunder, ISO/PSP shall be an independent contractor, and not an employee or agent of the Acquirer.

2.7. The parties hereby agree that with every merchant account, the Acquirer shall open a payment account for the Merchant with no opening or monthly fees. The settlements of each Merchant shall be paid to the payment account with the Acquirer and after that the Merchant will be entitled to transfer the funds to another account of its choice.

3. SUSPENSION OF ACQUIRING SERVICES



3.1. The Acquirer may suspend or limit the Services at any time and at its sole discretion due to merchant's:

3.1.1. Financial Liabilities - pending full payment of any outstanding Financial Liabilities by merchant;

3.1.2. Material Changes - any changes to: (i) merchant's business, including any change of control or constitution; (ii) business model; (iii) the products and/or services merchant provide; (iv) merchant's Payment Account, including when it ceases to be acceptable to the financial institutions Acquirer works with; (v) Regulatory or Card Schemes Requirements and/or Standards which the merchant is subject to, including but not limited to, changes to or the revocation of the licenses required for your business; (vi) merchant credit and/or financial standing, including insolvency, liquidation, winding up, bankruptcy, administration, receivership or dissolution, or where Acquirer reasonably consider that there is a threat of the same in relation to merchant; or (vii) where anything occurs which in Acquirer's opinion suggests that the merchant will be unable to provide products and/or services and/or otherwise fulfil the contracts that the merchant has with its Customers or with Acquirer, such as significant volume drop or cease of processing;

3.1.3. Breach of the Agreement, including non-compliance with the Security requirements;

3.1.4. Non-compliance with the Regulatory or Card Schemes Requirements, including without limitation: (i) breach of financial crime prevention measures, fraud or other illegal activities; (ii) excessive levels of Chargebacks or Refunds; (iii) reasonable suspicion of non-compliance with the Regulatory or Card Schemes Requirements.

4. TERM AND TERMINATION

4.1. Term

4.1.1. The Agreement is effective as of the date on which the signature of Acquirer's authorized representative is laid (hereinafter referred to as "Effective Date") on the Agreement.

4.1.2. The Agreement enters into force on the Effective Date and will remain in force an indefinite period until terminated by either Party in accordance with 4.2, 4.3. and 4.4 of these GTCs.

4.2. Termination by the merchant

4.2.1. The merchant may terminate the Agreement at any time by providing the Acquirer with two months written notice.

4.3. Termination by the Acquirer

4.3.1. The Acquirer may unilaterally terminate the Agreement with the Merchant by giving one month written notice.

4.3.2. The Acquirer may unilaterally terminate the Agreement with the Merchant immediately and without giving notice if Ryvyl (EU) EAD reasonably believes that the Merchant:

a. fails to comply with Regulatory or Card Schemes Requirements, including breach or attempt to breach, or Acquirer reasonably believes that the merchant has breached or is attempting to breach any provisions set forth in the Regulatory or Card Schemes Requirements regarding:

i. fraud rates are high in the opinion of the Acquirer and fraud reduction plan is not successful;

ii. the Acquirer considers (in its absolute discretion) that the total chargebacks or refunds are excessive and/ or unreasonably high;

iii. deposition of illegal or prohibited transactions;

iv. participation in fraudulent activities or other prohibited activities, such as transaction laundering;

v. any act of fraud or dishonesty is committed by the Merchant, its employees and/or agents, or the Acquirer believes in good faith that Merchant, its employees and/or agents have committed, are committing, or are planning to commit any acts of fraud or misrepresentation;

vi. participation in any other activities that may result in undue economic hardship or damage to the goodwill of the Payment System(s);

vii. fails to validate compliance with PCI DSS;

viii. the Acquirer, in its absolute discretion, determine that the Acquirer relationship with the Merchant business represents increased risk of loss or liability to the Acquirer;

ix. the Merchant's percentage of error transactions or retrieval requests is excessive in the opinion of the Acquirer.

x. any insurance policy obtained by the Acquirer or the Merchant relating to transactions and/or chargebacks is cancelled or terminated for any reason.

b. has seriously or persistently breached any terms of the Agreement, including but not limited to:

i. any information concerning the Merchant obtained by the Acquirer is unsatisfactory to the Acquirer in Acquirer's sole discretion;

ii. giving the Acquirer information that is inaccurate, imprecise or incomplete;

iii. there is any change to the person, group of persons acting together pursuant to an agreement or understanding (whether formal or informal), which controls/ owns the Merchant, and this is not disclosed to the Acquirer during the application process. The Acquirer discovers that the



Merchant has provided false or misleading information in documents or data submitted to the Acquirer in connection with the Agreement including, but not limited to, the application.

- iv. any representation or warranty made by Merchant in this Agreement is not true and correct;
 - v. the Merchant fails to maintain sufficient funds in the Merchant Account to cover the amounts due to the Acquirer hereunder;
 - vi. using, or allowing anyone else to use the Acquirer's services illegally or for criminal activity;
 - vii. the Merchant fails to pay any amount due under the Agreement within 30 (thirty) days of Acquirer providing notice to the Merchant that payment is due.
 - viii. the Merchant fails to provide upon the Acquirer's request information about his business's financial statements that represent the business's good financial standing; or;
 - ix. the Acquirer determines that it is not feasible to provide to the Merchant the Services contemplated by the Merchant Agreement and these Terms and Conditions.
- c. behaving in a manner that makes it inappropriate for the Acquirer to provide merchant with the Services, including:
- i. operating in an improper, unsound, unsafe manner;
 - ii. failing to take corrective action, when instructed by the Acquirer;
 - iii. putting the Acquirer in a position where the Acquirer might jeopardise itself including, but not limited to, violate any Regulatory or Card Schemes Requirements or other duty which applies to the Acquirer if the Acquirer continue to provide the merchant Acquiring Services;
 - iv. exposing the Acquirer to action or censure from any government, regulator or law enforcement agency;
 - v. the Merchant files a petition under any bankruptcy or insolvency law.

4.3.3. the Acquirer may unilaterally terminate the Agreement with the Merchant immediately and without giving notice if the Acquirer is required to do so in order to comply with changes in the Regulatory or Card Schemes' Requirements.

4.3.4. the Acquirer may selectively terminate one or more of Merchant's approved locations without terminating the entire Agreement. In the event of termination, all obligations of the Merchant incurred or existing under this Agreement prior to termination shall survive the termination. The Merchant's obligations with respect to any Transaction shall be deemed incurred and existing on the transaction date of such Transaction.

4.4. Termination upon Card Scheme's request



4.4.1. Upon Card Scheme`s request, immediately and without giving the merchant any notice, the Merchant Agreement will be terminated for activity performed by the merchant that may result in undue economic hardship or damage of the goodwill of the Payment Systems.

4.5. Consequences of termination

4.5.1. When the Agreement terminates, the merchant will:

- i. cease using the Acquirer`s Services;
- ii. cease all use of the Card Schemes` systems through the Acquirer;
- iii. cease any use or display Acquirer`s mark and the marks of the Card Schemes;
- iv. continue to be responsible for any financial or other obligations incurred as a result of merchant`s actions or omissions before the termination of the Agreement;
- v. promptly pay any outstanding and unpaid invoices, if any, due for Acquirer`s Services whether the invoice was submitted before or after the termination of the Agreement;
- vi. not be entitled to a refund of any fees previously paid to the Acquirer;
- vii. continue to comply with all confidentiality provisions as specified in the Agreement.
- viii. the Merchant shall continue to present Refunds to the Acquirer in respect of Transactions that occurred prior to termination. The amount of any such Refunds will remain due and owing by the Merchant to the Acquirer notwithstanding the termination of the Agreement.

4.6. In case of termination due to bankruptcy, insolvency, or other suspension of business operations, the merchant undertakes not to sell, transfer, or disclose any materials that contain Sensitive Payment Data to any other entity. The merchant must return this information to Acquirer or to provide acceptable proof of secure destruction of this information.

4.7. Termination of the Merchant Agreement leads to termination of the Card Payment Services Agreement. If the Agreement is terminated before the expiration of the term of the Card Payment Services Agreement, the implications arising out of the surrender start to occur, including the merchant will be liable to pay all charges set out in it.

4.8. If the Merchant Agreement is terminated by Acquirer, the latter may notify the Card Schemes and/or credit references agencies of the termination and the reasons for such termination.

4.9. If the Agreement is terminated by the Acquirer or upon Card Scheme`s request, the merchant may be listed on VMAS and/or MATCH.

4.10. When the Agreement terminates the parties will return or destroy (at the option and request of the disclosing Party) any Confidential Information belonging to the other Party in its possession or control.

4.11. The termination of the Agreement neither affects the accrued rights, remedies and obligations or liabilities of the Parties existing at termination, nor will it affect the continuation in force of any provision of the Agreement that is expressly or by implication intended to continue in force after termination. All existing obligations, warranties, indemnities, and agreements with respect to the Transactions entered into before such termination shall remain in full force and effect, and the Merchant shall remain liable for all obligations to the Cardholders and the Acquirer incurred while this Agreement was in effect.

4.12. Although the Acquirer does not charge the Merchant any Application or set up fee when the Merchant applies for the Acquiring Services, if, however, for any reason the Merchant decides to close their account before it has been opened for 6 (six) months, or if the Acquirer closes it during the same period because the Merchant has breached the terms of the Agreement, then the Acquirer may charge the Merchant a fee to cover the Acquirer's costs in approving the Merchant application. Such costs shall reasonably correspond to the actual cost to the Acquirer in processing the Merchant application and ending the Agreement.

4.13. Where fees for the Services are levied on a regular basis, such fees will be apportioned up until the time of the termination of the Agreement and any fees paid in advance will be reimbursed proportionally.

Upon termination, Acquirer may withhold up to 100 % of the residual positive net balance in the Merchant Account for a period of 180 days. In accordance with Card Scheme Dispute Process, this period may be extended up to 18 months (540 days) from the date of the last Transaction. The Risk Committee of the Acquirer may decide to extend this period.

4.14. In case of termination of the Agreement by either party, all receivables of the Merchant shall be considered extinguished by statute of limitations in the course of 5 (five) years as of the termination date of the Agreement as per the provisions of the Bulgarian Obligations and Contracts Act. The latter shall mean that the Acquirer shall have the full right to write off all balances of the Merchant from the respective account books if the requirements as set up in the previous sentence are duly met.

5. COMPLIANCE. RULES REGARDING THE PROVISION OF SERVICES FALLING UNDER THE SCOPE OF PSPSA

5.1. The Merchant agrees to comply with the bylaws, rules, regulations, policy statements and guidelines of the Card Associations.

5.2. The Merchant must display appropriate Card Schemes` marks at the Merchant Location where payment methods are listed to indicate which Cards are accepted for payments. At the Website and/or application, the preferred way to communicate acceptance is to display the mark



at the point of payment choice in full color. The Merchant shall not use the Acquirer's trademark for any purpose other than as agreed in writing between the parties.

5.3. The Merchant undertakes to send all information and documents the Acquirer requests within the time limit given by the Acquirer when information and documents are requested by the Card Schemes.

5.4. The Merchant represents and warrants that it has obtained all necessary regulatory approvals, certificates and licenses to sell any product or provide any service it intends to offer. The Merchant shall comply with all European, national and local laws and regulations and operate in accordance with all relevant laws in the countries in which the Merchant operates, including but not limited to Anti-Money Laundering and Know Your Customer requirements.

5.5. The Merchant warrants that shall not process any Transaction which is connected to any person or country that is affected by economic sanctions imposed by the United Kingdom, the European Economic Area, the United States of America, or the United Nations.

5.6. Where merchant is found non-compliant and has not amended his activity to become compliant within in the timeframe given by the Acquirer, then the Acquirer can either terminate the Agreement or to temporary suspend all or part of the acquiring services.

5.7. The Merchant shall be solely responsible for ensuring that all goods or services offered to Cardholders comply with all applicable Laws in both the Merchant's and the Acquirer 's jurisdictions.

5.8. On the grounds of Art. 46, Para 5 of PSPSA, the Parties hereby agree that the provisions of Chapter 4 of PSPSA do not apply to the Services falling within the scope of PSPSA.

5.9. On the grounds of Art. 67, Para 4 of PSPSA, the Parties hereby agree that the provisions of Art. 68, Para. 1, Art. 70, Para. 4 and 5, Art. 78, Art. 80, Art. 82, Para. 2 and 3, Art. 85, Art. 91, Art. 92 and Art. 93, Para. 1 of PSPSA do not apply to the Services falling within the scope of PSPSA.

6. REPRESENTATIONS AND WARRANTIES

6.1. Each party represents and warrants to the other party that:

6.1.1. it is duly organised, validly existing and in good standing under the laws of its country of incorporation;

6.1.2. it has and will maintain all required rights, powers and authorizations to enter into the Agreement and to fulfil its obligations;

6.1.3. it will perform its obligations with reasonable skill and care;

6.1.4. it has in place and will maintain adequate facilities to comply with its obligations under the applicable Regulatory and Card Schemes Requirements, Standards and the Agreement, including data protection and confidentiality obligations;

6.2. The Merchant represents and warrants that he will:

6.2.1. maintain its legal entity active and solvent within the duration of the Merchant Agreement and at least 6 months after its termination;

6.2.2. comply with the Agreement;

6.2.3. there are no pending actions by third parties, legal suits or proceeding at law or in equity against the Merchant which would substantially impair the Merchant's right to carry on its business as contemplated herein or adversely affect its financial condition or operations;

6.2.4. have at all times all required licenses and authorizations in place to engage in the advertising and conduct of your business;

6.2.5. have and maintain at least one (1) Director;

6.2.6. respond to Customers' disputes and handle chargebacks in accordance with the Visa's and/or MasterCard's Chargeback regulations;

6.2.7. comply with the Merchant Location Rules as follows: The Merchant has a permanent location at which the merchant's employees or agents conduct business activity directly related to providing the cardholder with the goods or services purchased in the specific transaction; The Merchant assesses sales taxes on the transaction activity; The location is the legal jurisdiction, for the transaction, that governs the contract of sale for the transaction;

6.2.8. operate its business in compliance with the applicable Regulatory or Card Schemes Requirements, including:

- use the Services to process only Transactions that are legal, valid, genuine (non-fraudulent) and duly authorised by its Customers;
- use the Services to receive payments for products and/or services offered by the merchant and not by third parties;
- use the Services to receive only the total sale price of the products and/or services offered by merchant and not to collect from its Customers any fines, penalties, damages, non-disclosed fees, etc.;
- not be engaged in sale or exchange of information (Account Data, Transaction Data, Personal Data).

6.3. The Merchant represents and warrants that all information provided in connection with the Agreement is true, accurate and complete.



6.4. The Merchant represents and warrants that he has not been advised, dissuaded or incentivized in any way by the Acquirer to use a particular Card, Issuer or Card Scheme from those made available by the Acquirer under the Services.

6.5. Regarding any Transaction the Merchant shall refrain from any of the following:

- Extend credit for or defer the time of payment of the total cash price in any Transaction;
- Transmit or accept for payment any Transaction that was not originated directly between the Merchant and a Customer for the sale or lease of goods or performance of services of the type indicated in Merchant's application for card processing services initially submitted to and approved by the Acquirer;
- Accept a Card as payment method for any legal services or expenses arising out of or related to: (i) defense of any crime other than a traffic violation; (ii) any domestic relations matter where such services or expenses are furnished to a person whose name is not embossed on a Card; or (iii) any bankruptcy, insolvency, compromise, composition or other process affecting Cardholder's creditors;
- Use the Merchant's own Card, or one to which the Merchant has access, to process a Transaction for the purpose of obtaining credit for Merchant's own benefit;
- Redeposit a previously charged Transaction, regardless of whether the Customer's consent;
- Initiate a Transaction credit without a balance in the Merchant Account equal to the credit;
- Use the Acquirer's software or any data received thereon for any other purpose other than for determining whether or not the Merchant should accept checks or Cards in connection with a current sale or lease of goods or services;
- Use the Acquirer's software or any data received thereon for credit inquiry purposes or any other purpose not authorized by this Agreement;
- Draw or convey any inference concerning a person's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics or mode of living when any Card or check is processed as non-accepted;
- Add any tax to Transactions unless applicable local law expressly requires that the Merchant be permitted to impose a tax. Any tax, if allowed, must be included in the Transaction amount and not collected separately;
- Disburse funds in the form of travelers checks, if the sole purpose is to allow the Customer to make a cash purchase of goods or services from Merchant;
- Disburse funds in the form of cash or cash equivalents or other negotiable instruments;



- Accept a Card to collect or refinance any debt fine or penalty of any kind, losses, damages or any other costs that are beyond the total sale price;
- Issue a transaction credit for returned goods or services acquired in a cash transaction;
- Make any refund to a Customer who has made a purchase with a Card. All transaction credits will be issued to the same Card account number as the sale; or
- Process a Transaction under a different trade name or business affiliation than indicated on the Agreement or otherwise approved by Acquirer in writing;
- Process a Transaction that violates any law, ordinance, or regulation applicable to its business;
- Process a Transaction which does not represent a bona fide sale of goods or services;
- Sell, purchase, provide or exchange Card account number information in the form of Transaction documents, carbon copies of imprinted Transaction documents, mailing lists, tapes, journal rolls or other media obtained by the Merchant to any third parties without the Cardholder's explicit prior consent;
- Create multiple purchase transactions in respect of a single purchase with the same Card.

7. ROLLING MERCHANT RESERVE ACCOUNT. TITLE TRANSFER FINANCIAL COLLATERAL AND ADDITIONAL SECURITY

7.1. Upon, or at any time after, execution of the Merchant Agreement, Acquirer may establish a Rolling Merchant Reserve Account at any financial institution designated by Acquirer ("Rolling Merchant Reserve Account"), for all future indebtedness of Merchant to Acquirer that may arise out of or relate to the obligations of Merchant under the Agreement or the present General Terms and Conditions, including, but not limited to, chargebacks and fees, in such amount as Acquirer from time to time may determine in its sole discretion. Acquirer may fund the Rolling Merchant Reserve Account by deduction from payments due to Merchant or a charge against Settlement Account or against any other accounts of the Merchant and/or any payment accounts, maintained/held at Ryvyl (EU) EAD. The calculation of the Rolling Merchant Reserve Account shall be as described in Section "**Pricing Schedule**" of the Merchant Agreement. Merchant may not make changes in Rolling Merchant Reserve Account without Acquirer's consent.

7.2. By virtue of the Agreement, the Merchant establishes a title transfer financial collateral over the amounts held in the Rolling Merchant Reserve Account (the "Financial Collateral"), for the purposes of Art. 2, Para. 3 of the Bulgarian Financial Collateral Agreements Act ("FCAA") in favor of Ryvyl (EU) EAD. Title, possession and control over the amounts held in the Rolling Merchant Reserve Account shall be deemed transferred to Acquirer once the relevant amounts have been transferred to the Rolling Merchant Reserve Account. The Financial Collateral shall cover any existing, future or conditional liabilities owed by the Merchant, including any fees, holdbacks, refunds, or chargebacks incurred by Acquirer with respect to processing undertaken by Acquirer



for the Merchant. Ryvyl (EU) EAD has the right to appropriate the Financial Collateral as well as to use, as may be applicable, the close-out netting mechanism under Art. 10, Para. 2 of the FCAA in any event of breach by the Merchant under the Agreement, as well as in the event of bankruptcy, winding-up or other voluntary or involuntary termination of the Merchant. The Financial Collateral shall remain in place regardless of any termination of the Agreement for as long as there are residual or contingent liabilities of the Merchant to Ryvyl (EU) EAD.

7.3. Upon Acquirer's discretion, the latter is entitled to request from the Merchant provision of additional security such as establishing of special pledge over Merchant's receivables deriving from the opened Reserve account to replace the Financial Collateral under p. 7.2. or a Bank Guarantee in which case the Merchant shall, upon request, procure a bank guarantee in favor of the Acquirer by a bank and in a form acceptable to the Acquirer and in an amount determined by the Acquirer. Any additional security shall remain in place regardless of any termination of the Agreement for as long as there are residual or contingent liabilities of the Merchant to Acquirer. In case Merchant refuses to provide such additional security as requested by the Acquirer, the latter shall be entitled to terminate the Agreement with immediate effect according to Section 4.3.2. herein below. In addition, from time to time. The Acquirer may establish a Security Deposit for the purpose of providing a source of funds to pay us for any and all, actual and reasonably anticipated Financial Liabilities. Such Security will be agreed in additional deed to the merchant agreement and held in a manner to be readily identified by merchant and controlled by the Acquirer.

7.4. The Rolling Merchant Reserve Account will be maintained for such time as Acquirer determines that the release of the funds to the Merchant is prudent, in the best interest of Acquirer, and commercially reasonable, and that Merchant's account with Acquirer is fully resolved. The Acquirer's decision will be based on its risk calculation. Any balance remaining in the Rolling Reserve Account will be paid into Merchant's Settlement Account.

7.5. In case the Acquirer reasonably believe that Transactions or related activities may be fraudulent or involve other criminal activity, the latter may defer any amount due to the merchant until the satisfactory completion of Acquirer's investigation and/or that of any other financial institution, regulatory authority or Card Scheme.

8. FEES

8.1. The Merchant Discount Rate and all applicable Fees are set forth in Section "Pricing Schedule" of the Agreement.

8.2. The Merchant Discount Rate is based on gross sales.

8.3. The Merchant shall pay the Acquirer all fees specified in Section "Pricing Schedule" of the Agreement, as amended by the Acquirer, from time to time. For each transaction, the Acquirer will charge the Merchant as:



- a. an amount equal to a specified percentage of the total cash price of each transaction (the “Merchant Discount Rate”);
- b. a specified amount per Transaction fee (Charged on both Approved and Declined transactions).

8.4. The Acquirer shall not prevent the Merchant from requiring the payer to pay charges, offering the payer a discount or otherwise directing the payer to the use of a specific payment instrument.

8.5. The Merchant agrees that the Acquirer will deduct Merchant Discount Fees from the Settlement Account, Rolling Merchant Reserve Account or Security Deposit on a daily basis.

8.6. The Merchant also agrees to pay the Acquirer the amount of any fees, legal charges, fines or penalties assessed against the Acquirer by any Regulatory authority, Card Association or Issuer for Merchant’s violation of the by-laws, rules, regulations, guidelines, policy statements or Programs threshold requirements of such parties.

8.7. The Acquirer has the right to impose, and the Merchant agrees to pay fee for incurred reputational damage assessed against Acquirer at the amount of up to 100% of the fee appointed against the Acquirer or EUR 200 000.00 upon Ryvyl (EU) EAD` s sole reasonable discretion.

In any case, if the Merchant and/or any of its sub-merchants shall perform an activity which in non-compliant with the requirements of the Card Schemes as the same is specified in Master Card Core Rules, Master Card Security Rules, Visa Core Rules and Visa Product and Service Rules and Visa Integrity Risk Program (please note that, all those documents could be subsequently amended from time to time by the Card Schemes) and the Acquirer shall establish this non-compliance by means of its own monitoring tools even in the absence of a non-compliance case arising from the card Schemes, the Acquirer shall reserve full right to impose fines and penalties at its own discretion in an amount at least equal to the amount of the relevant fine as it may be specified by the Card Schemes in the above cited documents.

Notwithstanding the above, the Acquirer, in case of non-compliance of the Merchant and/or any of its sub-merchants as the case may be, as described in the preceding paragraphs, is entitled to impose penalty to the Merchant and/or to its sub - merchants up to 100% (hundred percent) of the volume processed since the initial date of the identification of the issue/non-complaint behavior but in any case not less than EUR 15 000 (fifteen thousand euro) per single case of non-compliance.

All documents cited in the preceding paragraph could be found on the following web pages:

- [MasterCard Rules](#)
- [MasterCard Security Rules and Procedures](#)
- [Visa Core Rules and Visa Product and Service Rules](#)



8.8. In those cases where the merchant requires settlement in a currency other than the transacting currency, Ryvyl (EU) EAD directly or indirectly through its affiliate banking relationships and or Card Scheme networks will conduct the currency conversion for the Merchant. The foreign exchange rates utilized will be determined by the various financial institutions involved in the process and may contain market adjustments to publicly available interbank or Card Scheme rates.

8.9. An inactivity fee will be applied to the Merchant`s account following a period of 6 consecutive months of inactivity regardless. For the purpose of the Agreement “inactivity” is defined as a period where there is no change to the Merchant account balance, excluding balance changes as a result of any fees or adjustments applied by Ryvyl (EU) EAD. The inactivity fee is due monthly and will be in the amount of 5% of the Merchant account balance at the time of entering the “inactivity” status. The inactivity fee will be deducted from the 7th month onwards until such time as either activity resumes on the account, the balance reaches zero or the Merchant gives Acquirer notification of termination of the Agreement and an instruction regarding transfer remaining funds. The inactivity fee is non-refundable and Acquirer will not accept any claims for reimbursement.

8.10. If the Acquirer is prevented from remitting the due amount to merchant’s designated Payment Account for reasons beyond the Acquirer’s control (the Payment Account is closed; the merchant does not have appointed Directors that are authorized to give payment instruction, etc.) then, from the time these conditions exist, a Merchant Account with Acquirer will be deemed to be inactive and the inactivity fee will apply. Such inactivity fee shall apply to all terminated merchant which funds are held by Acquirer for reasons beyond Acquirer’s control as abovementioned. The due fee will be deducted from the Merchant Account balance.

9. GATEWAY SERVICES

9.1. The Merchant is required to connect directly or through third party processing platform to the payment gateway. If the Merchant use or intend to use Service Providers (gateway or point-of-sale system integration, a webhost or any other person appointed to process or store any Sensitive Payment Data on merchant’s behalf or to provide a related service) for these purposes, he must notify the Acquirer in advance.

9.2. The Acquirer must register with the Card Schemes all merchant’s Service Providers that will have access to Sensitive Payment Data.

9.3. The Merchant is allowed to start using the services of Service Providers after the Acquirer successfully registers them with the Card Schemes.

9.4. The Merchant is responsible to validate that the Service Providers he uses are certified as compliant with the PCI DSS or a similarly established data security standard.

9.5. The Merchant acknowledges and accepts that occasionally, the Acquirer may be required to:

- i. change the technical specification for operational reasons, however, Acquirer will ensure that any change to the technical specification does not materially reduce or detrimentally impact the performance of the connection;
- ii. give the Merchant instructions which the Acquirer reasonably believe are necessary for reasons of health, safety or the quality of connectivity provided, and the merchant will comply with such instructions; and
- iii. suspend the connectivity for operational reasons such as repair, maintenance or improvement or because of an emergency, in which case the Acquirer will give a merchant as much on-line, written or oral notice as possible and the Acquirer will ensure that the connectivity is restored as soon as possible following suspension.

9.6. The Merchant will be responsible for:

- i. ensuring that he has system administrator(s) who is/are familiar with Payment System integration(s) and can act as first point of contact;
- ii. informing the Acquirer of any changes to his system administrator's contact details without undue delay;
- iii. providing the telecommunications and network services and correctly configured hardware and other equipment needed for the integration;
- iv. the configuration and management of access to the Acquirer's processing platform; and
- v. obtaining the Acquirer's prior written consent to any integration of payment gateway(s) which merchant may wish to undertake; and
- vi. any work required for any integration approved by Ryvyl (EU) EAD.

10. TRANSACTIONS PROCESSING

10.1. The Merchant shall submit the following information to the Acquirer in connection with Transaction processing:

10.1.1. The DBA ("Doing Business As") name of Merchant, name of Merchant and Merchant's address;

10.1.2. The Merchant's customer service telephone number if the Transaction is a mail, telephone or Internet Transaction;

10.1.3. The Merchant's Internet address and e-commerce indicator;

10.1.4. UCAF and CAVV received during 3DS authentication process to be included in the authorisation process;



10.1.5. The Card account number, validation date and/or expiration date of the Card, if one appears on the Card;

10.1.6. Visa CVV2 or MasterCard CVC2 number if the Transaction is a mail, telephone or Internet Transaction;

10.1.7. The Name, birth date, address and postal code of Cardholder if required by the Card Scheme

10.1.8. Any additional information required by the Acquirer and/or the Card Schemes.

10.2. The Merchant shall not submit a Transaction to the Acquirer (electronically or otherwise) until Merchant has performed its obligations to the Cardholder in connection with the Transaction or obtained Cardholder's consent for a Pre-Authorized Recurring Order Transaction. The Merchant shall not transmit any Transaction to the Acquirer that the Merchant knows or should have known to be fraudulent or not authorized by the Cardholder.

10.3. The Merchant is responsible for its employees' actions. The Merchant may transmit a Transaction that effects a prepayment of services or full prepayment of custom-ordered merchandise, manufactured to a Cardholder's specifications, if Merchant advises Cardholder of the immediate billing at the time of the Transaction and within time limits established by the Card Associations.

10.4. Where Authorization is refused, the Acquirer shall notify the Merchant about the reasons for the refusal unless this is prohibited under applicable law. Where the refusal is due to a factual error or omission in the information provided under Art.10.1, the Acquirer shall provide the Merchant with guidance on how to rectify them.

10.5. Where the Acquirer has made SCA channels for Transaction processing available to the Merchant, he shall request Authentication from the Issuer/Cardholder for all Transactions which are not considered exempted by the Regulatory Technical Standards. If the Merchant opts not to use an SCA channel in such cases, he shall compensate Ryvyl (EU) EAD for any liability arising out of that omission and Ryvyl (EU) EAD shall have the right to deduct the relevant amount in accordance with Art. 13.1.

11. AUTHORISATION

11.1. The Merchant is required to obtain through the Acquirer an Authorization from the relevant Card Issuer before completing a Transaction.

11.2. Authorization is required for all CNP transactions

11.3. The Merchant must cancel any Authorization for a transaction if either he, or the Cardholder decides not to finalize the payment.



11.4. As a general rule, the Authorization request must be submitted for the final transaction amount.

11.5. If Authorization is declined, the Transaction must not proceed and the merchant must not reattempt Authorization for a different amount other than the agreed upon checkout.

11.6. The Merchant must not offer or undertake Pre-Authorization and/or Final Authorization unless both sides have agreed this in writing. If Pre-Authorization and/or Final Authorization is refused, the merchant must not proceed with any Transaction, and he must not seek Pre-Authorization and/or Final Authorization for any different amount.

11.7. Authorization of a Transaction is not a guarantee of payment and it does not prevent the Acquirer from recovering a Chargeback or other amount in relation to the card payment, as per the terms of the Agreement.

11.8. The Merchant must not impose, as a condition of Card acceptance, a requirement that the Cardholder waive a right to dispute a Transaction.

11.9. The Issuer cannot request a withdraw of the Authorization after the relevant Card Issuer has granted it and the funds have been credited to the Merchant.

12. REFUNDS AND ADJUSTMENTS

12.1. The Merchant must process a Refund only for the purpose of crediting funds to a Cardholder for returned products, cancelled services, or a price adjustment related to a prior purchase. The Acquirer shall be entitled to limit/restrict the Refunds at its sole reasonable discretion.

12.2. The Refund must not exceed the authorized amount of the related Payment Transaction.

12.3. The Merchant must provide a Refund in connection with a Transaction only on the same Card as was used for the original Payment Transaction.

12.4. The Merchant must not:

- i. accept payment from a Cardholder for the purpose of processing a Refund;
- ii. process a Refund without having completed a previous Payment Transaction with the same Cardholder.

12.5. The Merchant must clearly communicate any additional charge to the Cardholder, that is applied by the Merchant and the Cardholder must agree to the additional charge, before the Merchant initiate the Transaction.

12.6. The Merchant must not submit any Transaction that represents the refinancing or transfer of an existing Cardholder obligation that is deemed to be uncollectible or arises from the dishonour of a Cardholder's personal check.



12.7. The Merchant must not accept a Card for the purchase of scrip.

12.8. In presenting or submitting Transaction Data to Ryvyl (EU) EAD, the merchant confirms that:

- i. the submitted Transaction Data is complete and accurate;
- ii. all statements contained in the transaction data are correct and complete to the best of merchant's knowledge;
- iii. the Merchant has supplied (or, for a prepayment or deposit, has agreed to supply) the product and/or services to which the transaction data relates and to the value stated in the transaction data;
- iv. the Merchant has fulfilled the conditions of its agreement with the cardholder for a recurring transaction, or an unscheduled credential on-file transaction;
- v. the Merchant hasn't split a transaction into 2 or more transactions.

13. RECONCILIATION OF TRANSACTIONS

13.1. Electronically Transmitted Transactions: Transactions will be settled in accordance with Section "Pricing Schedule" of the Agreement. The Pricing Schedule and this Art. 13 shall be considered an explicit arrangement between the Merchant and the Acquirer. The Acquirer shall deliver payment to the Merchant as soon and per agreed payments schedule thereafter as practicable by a credit to the Settlement Account equal to the reconciled summary Transaction total of all of Merchant's total summary Transactions since the previous credit. This credit will be reduced, if necessary, by: (i) the sum of all Cardholder charges denied, refused or charged back; (ii) all refunds processed on account of Cardholders during said time period; (iii) the fees and charges, including Chargebacks, Merchant owes Acquirer or ISO/PSP hereunder; (iv) all taxes, penalties, fines, charges and other items incurred by Acquirer that are reimbursable pursuant to the Agreement; and (v) all rates, fees and charges described in Section "**Pricing Schedule**" of the Agreement.

13.2. Reconciliation of Transactions: the Merchant shall reconcile each settled Transaction within fifteen (15) days after the date on which such Transaction is submitted to Acquirer for payment and shall notify the Acquirer and ISO/PSP immediately of any discrepancies or errors Merchant notes as a result of such reconciliation. Neither the Acquirer nor ISO/PSP shall have any responsibility or liability for Transaction-related errors or omissions that are brought to their attention more than thirty (30) days after the date on which the Transaction to which such error or omission relates is first presented to the Acquirer for settlement.

13.3. Provisional Credit: Any credits to the Settlement Account are provisional only and subject to revocation by Acquirer until such time that the Transaction is final and no longer subject to Chargeback by the Issuer. The Acquirer may withhold payment for a Transaction to the Merchant,



for any reason, for a period of time not to exceed 7 /seven/ Business Days from the processing date of a Transaction.

14. CHARGEBACKS

14.1. The Merchant has full liability and responsibility for all Chargebacks. Some of the most common reasons for a Chargeback are:

- i. the Transaction Data was submitted incorrectly or fraudulently;
- ii. the Merchant did not obtain proper authorization, or did not provide a correct and legible authorization code on the Transaction Data;
- iii. the Cardholder disputes participating in or approving the Transaction;
- iv. the Cardholder alleges that return of goods was improperly refused or that a refund was not processed for the Cardholder;
- v. the Cardholder has asserted what the Cardholder believes is a good faith claim or defense against the Transaction, or others.

14.2. Where a Chargeback occurs, the Acquirer shall immediately be entitled to debit Merchant Account and/or make a deduction from any Remittance in accordance with clause 13.1 to recover:

- i. the full amount of the relevant Chargeback; and
- ii. any other costs, expenses, liabilities, or fines which the Acquirer may incur as a result of or in connection with such Chargeback.

14.3. A Chargeback represents an immediate liability from the Merchant to the Acquirer and where the amount of any chargeback and/or any chargeback cost is not debited by the Acquirer from Settlement Account or deducted from any Remittance, then the Acquirer shall be entitled to otherwise recover from the merchant by any means the full amount of such chargeback and chargeback cost (or the balance thereof, as the case may be).

14.4. If the Merchant has a reason to dispute or respond to a Chargeback, then the Merchant must do so by the date provided on the applicable Chargeback Notice. The Acquirer and/or ISO/PSP will not investigate or attempt to obtain a reversal or other adjustment to any Chargeback if the Merchant has not timely responded to the notice. The Merchant bears the full burden of proof when challenging a Chargeback.

14.5. In case a dispute is escalated to the Arbitration Committee of either Card Scheme, the Merchant is obliged to pay all related fees to the Acquirer.

14.6. Without limiting the generality of any other provision of the Agreement, if the Acquirer or ISO/PSP, take legal actions against the Merchant for any Chargebacks or any amounts due to the



Acquirer or ISO/PSP hereunder, the Merchant shall pay the costs and attorneys' fees incurred by the Acquirer and/or ISO/PSP, whether suit is commenced or not.

15. MERCHANT STATEMENT

15.1. At least once per month, Ryvyl (EU) EAD, or ISO under the Acquirer's direction, shall provide the Merchant with a Merchant Statement. All information appearing on the Merchant Statement shall be deemed accurate and affirmed by the Merchant unless the Merchant objects by written notice specifying the particular item in dispute within 30 days of the date of the Merchant Statement.

16. RETENTION OF TRANSACTIONS INFORMATION

16.1. The Merchant shall retain the information required by **Section "Transactions Processing" and by 10.1.** for five years from the date of the Transaction. At the request of, the Merchant shall provide such information to the Acquirer or ISO, as directed by the Acquirer, within five (5) days of receipt of a request from the Acquirer. Failure to meet such time frame or non-delivery of any item or delivery of an illegible copy of an item requested by an Issuer shall constitute a waiver by the Merchant of any claims and may result in an irrevocable Chargeback for the full amount of the Transaction.

17. CUSTOMER COMPLAINTS

17.1. The Merchant shall respond promptly to inquiries from Cardholders and shall resolve any disputes amicably.

17.2. If unresolved disputes occur with a frequency unacceptable to the Acquirer, the Acquirer may terminate the Agreement. The Acquirer reserves the right to charge the Merchant reasonable fees and reimbursement on account of excessive Cardholder inquiries, refunds, or Chargebacks.

18. CONFIDENTIALITY

18.1. Each party shall treat as confidential all Confidential Information and will not, without the prior written consent of the other, disclose or use such Confidential Information except for the purposes of the Agreement. **18.2.** Each party may disclose the Confidential Information to its professional advisers, employees, officers, sub-contractors, and agents ("Personnel") who need to know it for the purpose of performing its obligations under the Contract and only where such Personnel agree to act in compliance with the confidentiality requirements of this clause.

18.2. For the avoidance of doubt, the obligation set in this clause shall not apply if and to the extent that any Confidential Information is required to be disclosed to any governmental or other regulatory authority, by any order of any court of competent jurisdiction or any regulatory, judicial, governmental or similar body or taxation authority of competent jurisdiction, by the rules of a recognized stock exchange on which a party's shares are listed or by law.

18.3. On termination of the Agreement for whatever reason, each party shall forthwith cease to use any Confidential Information of the other and shall return on demand, or at the request of the other, destroy or permanently erase all copies of that Confidential Information in its possession or control, save that either party will be permitted to retain one copy of such part of the Confidential Information for the purposes of and for so long as required by any law or by judicial or administrative process or its legitimate internal compliance issues.

19. LIABILITY & LIMITATION OF LIABILITY

19.1. The Merchant shall be liable for all acts, omissions, Cardholder disputes, and other Cardholder customer service-related issues caused by the Merchant's activities.

19.2. The Merchant shall be liable against the Customer for all defects and deviations in the quality, condition, and performance of sold goods and services. Such defects and/or deviations, as well as the non-delivery or deficient delivery of goods/services to a Customer or any other party designated by the Customer, shall always be deemed to constitute a breach of the Merchant's obligations under this Agreement.

19.3. The Merchant shall be obligated, upon request by the Acquirer, to reimburse the Acquirer for all amounts, plus interest and charges, which the Acquirer has paid/refunded to a card Issuer, Customer or any other party (e.g. Visa or MasterCard) as a consequence of:

- Issuer's final debiting of the Acquirer in respect of a Transaction which is the subject of a complaint in accordance with Visa's and/or MasterCard's chargeback regulations.
- The fact that the Merchant, without exercising normal care, has accepted an invalid or forged Card or a Card which has been used in an unauthorized manner.
- The fact that the Merchant has in any respect breached its obligations pursuant to, or otherwise acted in contravention of the Agreement or the applicable law, applicable Merchant's local law or public authority regulations.

19.4. For all outstanding amounts that the Merchant owes to the Acquirer, the latter shall be entitled to charge from the Settlement Account or Rolling Merchant Reserve Account, recouped by adjustment to any credits due to the Merchant, or set off against any other accounts of the Merchant and/or any payment accounts, maintained/held by the Acquirer for, or on behalf of the Merchant.

19.5. Ryvyl (EU) EAD shall not be liable (including for negligence) to the Merchant:

- i. for any losses due unavailability of Acquirer's Service arising out of any action or omission of third parties; or
- ii. for any losses due to settlement delays caused by third parties; or



iii. for any losses arising out of any cause beyond the Acquirer's reasonable control and the effect of which is beyond the Acquirer's reasonable control to avoid; or for

iv. Any losses or liability resulting from the denial of credit to any person or Merchant's retention of any Card or any attempt to do so;

v. Any losses caused by a Transaction downgrade resulting from defective or faulty Software regardless of if owned by the Acquirer or the Merchant;

vi. any losses that the Acquirer could not reasonably have anticipated when the Merchant gave the Acquirer an instruction; or

vii. if a hardware, software or internet connection is not functioning properly or the unavailability of services caused by the termination of contracts with vendors, processors or installers, whether terminated by the Acquirer or any other person for any reason; or;

viii. loss of or corruption of data or information;

ix. costs relating to wasted managerial, operational or other time;

x. loss of business, of production, of goodwill, of reputation, of opportunity, of bargain, of profit, of revenue, of anticipated savings or loss of margin;

xi. costs of procurement of substitute products and/or services,

xii. claims made against the merchant by third parties;

xiii. any indirect, incidental, consequential, punitive, or special damages arising out of the Agreement.

xiv. any delay or failure to carry out any of the Acquirer's obligations under the Agreement if and to the extent that such failure is due to a force majeure event or the Acquirer obligations under the applicable law.

19.6. The Acquirer shall not be liable to the merchant if Acquirer fails to take any action which in its opinion would breach any Regulatory or Card Schemes Requirements. To the extent there is any conflict between the Agreement and Acquirer's duties under any Regulatory or Card Schemes Requirements, Acquirer will act in a way we reasonably consider necessary to comply with such Regulatory or Card Schemes Requirements. The Acquirer will not be treated as having breached the Agreement as a result.

19.7. The Merchant acknowledges that the Acquirer has provided no warranties, either expressed or implied, written or oral, including, but not limited to, any implied warranty of merchantability, non-infringement or fitness for a particular purpose, with respect to any software installed or provided by ISO/PSP and that the Acquirer has no liability with respect to any software.

19.8. The Acquirer makes no representations or warranties, express or implied, regarding the services it provides hereunder. Should there be errors, omissions, interruptions or delays resulting from the Acquirer's or ISO's/PSP's performance or failure to perform of any kind, the Acquirer's and ISO's/PSP's liability shall be limited to correcting such errors if commercially reasonable or supplying such omissions in the work product in which they have occurred.

19.9. The Merchant shall inform the Acquirer in writing (including via e-mail) for all changes in its company structure, directors, address change, changes on its website which shall affect or may affect its processing and the initially agreed terms not later than 5 (five) business days as of the change thereof.

19.10. If the Merchant shall not meet the above requirement, and the Acquirer has discovered the above changes during its regular review, the latter may impose a fine in the amount specified in its tariff.

19.11. The Merchant shall maintain a minimum monthly spent amount for its account as specified in the tariff of the Acquirer.

20. LIMITATION ON DAMAGES

20.1. In no case shall the Merchant be entitled to recover damages from ISO or the Acquirer that exceed the fees retained by the Acquirer and ISO/PSP pursuant to these GTC and the Agreement during the one-month period immediately prior to the event giving rise to the claim for damages.

20.2. The total liability of the Acquirer under the Merchant Agreement towards the Merchant for breach of the Agreement, tort or under any other legal theory in any calendar year is limited to an amount equal to the total processing fees paid by the Merchant to the Acquirer during the previous full calendar year (or if no services were provided in the previous calendar year, the total processing fees paid in the initial 12 months of the term of the Merchant Agreement).

21. INDEMNIFICATION

21.1. The Merchant agrees to indemnify and hold the Acquirer and ISO/PSP harmless from any and all losses, claims, damages, liabilities and expenses, including attorneys' fees and costs (whether or not an attorney is an employee of the Acquirer or Acquirer's affiliates, ISO/PSP or affiliates of ISO/PSP) arising out of any of the following:

21.1.1. The Merchant's failure to comply with these General Terms and Conditions and the Merchant Agreement;

21.1.2. Any act or omission of the Merchant;

21.1.3. Incorrectly or fraudulently submitted Transaction Data;

21.1.4. The Merchant's failure to comply with the applicable APIs;



21.1.5. The Merchant's failure to comply with any bylaw, rule, regulation, guideline or policy of any Card Association or Issuer;

21.1.6. The Merchant's failure to comply with any applicable law, rule or regulation;

21.1.7. The Merchant's failure to use SCA channel in accordance with Art. 10.5;

21.1.8. The Fees and fines levied against the Acquirer or ISO as the result of the Merchant exceeding one or more Association thresholds or standards. If any such fee or fine is imposed on the Acquirer or ISO as a result of the activities of more than one merchant, such fee or fine will be assessed to merchant proportionately, as determined by the Acquirer;

21.1.9. Any dispute concerning the quality, condition or delivery of any merchandise or the quality of performance of any service;

21.1.10. Any investigation against the merchant in which the Acquirer participate at any manner;

21.1.11. The fraud or dishonesty of the Merchant or the Merchant's employees, licensees, successors, agents and/or assigns;

21.1.12. The Merchant's selection of an Internet, telecommunications or other service providers;

21.1.13. The Acquirer shall be entitled to offset any amounts incurred according to this Section with amounts in Merchant's Reserve Account. Furthermore, the Acquirer shall be entitled to seek payment and execute any established by the Merchant additional security in Acquirer's favor.

21.1.14. Each party hereto shall report its income and pay its own taxes to any applicable jurisdiction, according to the requirements under the applicable laws, rules, and regulations, including withholding taxes at source unless the Merchant presents the Acquirer a valid exemption from such withholding. Furthermore, the Merchant agrees to indemnify and hold the Acquirer harmless against and from any and all liability for any such tax or interest or penalty thereon, including without limitation, liabilities relating to the necessity to withhold, or to have withheld, any such tax from any payment made to the Merchant. If the Acquirer is required to pay any taxes, interests, fines, or penalties owed by the Merchant, said amount shall become immediately due and payable by the Merchant to the Acquirer. If excise, sale or use taxes are imposed on the Transactions, the Merchant shall be responsible for the collection and payment thereof. The Acquirer shall be entitled to recover any of the said taxes paid by it on behalf of Merchant from Merchant immediately after payment.

22. CREDIT INVESTIGATION AND RYVYL (EU) EAD AUDITING

22.1. The Acquirer may audit, from time to time, Merchant's compliance with the terms of these GTC and the Agreement. The Merchant shall provide all information requested by the Acquirer to complete the Acquirer's audit.

22.2. The Merchant authorizes parties contacted by the Acquirer to release the credit information requested by the Acquirer, and the Merchant agrees to provide the Acquirer a separate authorization for release of credit information, if requested.

22.3. The Merchant shall deliver to the Acquirer such information as the Acquirer may reasonably request from time to time, including without limitation, financial statements and information pertaining to Merchant's financial condition. Such information shall be true, complete and accurate.

22.4. Upon request by the Acquirer or ISO/PSP, the Merchant shall provide to the Acquirer and ISO/PSP its balance sheet and income statements not less frequently than every three calendar months during the term of the Agreement.

22.5. Upon request by the Acquirer, the Merchant shall provide to the Acquirer a certificate for lack of insolvency and/or liquidation procedure regarding Merchant Company. In case such procedure has started, the Acquirer shall assume the reserve available amounts.

23. PERSONAL DATA PROCESSING

23.1. This "Personal Data Processing" section is intended to outline the terms and conditions governing the processing of Merchant's Personal Data as defined in Art. 23.2.i) by the Acquirer as a data controller in the meaning of Regulation (EU) 2016/679 of the European Union and the Council ("GDPR"). When processing Personal Data Acquirer undertakes to abide by the provisions of the Bulgarian data protection laws, including the GDPR.

Types of Personal Data processed by Acquirer in its capacity of a data controller.

23.2. In its capacity of a data controller under the GDPR, the Acquirer processes Personal Data of the following categories of data subjects in the course of provision of the Services:

- i. Merchant's Directors and other authorized representatives, shareholders and beneficial owners ("Merchant's Personal Data");
- ii. Individuals who are Merchant's Customers ("Personal Data of Merchant's Customers") – unless expressly specified otherwise in this Personal Data Protection Section, it does not extend to the Acquirer's processing of Personal Data of Merchant's Customers. When such processing occurs, Acquirer is an independent data controller in the meaning of the GDPR of the Personal Data of Merchant's Customers.

23.3. The Acquirer may obtain Merchant's Personal Data from the following sources:

- i. from the concerned Merchant's director, authorized representative, shareholder or beneficial owner directly for the establishment of contractual relations between Acquirer and the Merchant;
- ii. from employees of the Merchant in the process of establishing contractual relations between Acquirer and the Merchant;



iii. during networking events that the Acquirer or its employees have either hosted, or sponsored, or attended for Acquirer's legitimate interest to further grow its business; and

iv. from service providers that manage databases of personal data, e.g. credit reference agencies.

23.4. The Acquirer collects and processes the following categories of Merchant's Personal Data:

i. Name;

ii. date of birth;

iii. residential address;

iv. information from utility bills;

v. copies of passports;

vi. nationality;

vii. bank details (account numbers, sort codes);

viii. police contact certificate where required under the applicable anti-money laundering regulations;

ix. information from service providers which manage databases of personal data (such as PEP lists, lists of sanctions, etc.).

Use of the Merchant's Personal Data

23.5. The Acquirer uses the collected Merchant's Personal Data for the following purposes:

i. to comply with the Acquirer's statutory obligations, including for due diligence purposes, to conduct sanctions screening;

ii. as reasonably necessary to provide Acquirer's Services under the Agreement, including to carry out risk analysis, for fraud prevention and risk management, for the purpose of monitoring and evaluating merchant's financial and credit status, to defend any claim made against us by any Cardholder, to obtain authentication and Authorization of the Card Issuer for the Payment Transaction acquired from the Merchant;

iii. for the Acquirer's legitimate interests to develop its business operations, including to pursue new business opportunities and to improve the Acquirer's products and services.

Data sharing

23.6. The Acquirer may transfer Merchant's Personal Data to third parties for the following reasons:



- i. To Acquirer's providers of accounting services – for billing purposes for the services delivered by Acquirer to the Merchant;
- ii. To Acquirer's IT services providers – for Acquirer's product enablement and build; testing or product improvement purposes;
- iii. To competent public authorities in order to reply to requests made by them in compliance with Acquirer's statutory obligations.

23.7. Performing Acquiring Services, the Acquirer will disclose Personal Data to:

- i. Visa, its employees, and its third-party subcontractors and their employees;
- ii. MasterCard, its employees, and its third-party subcontractors and their employees.

23.8. The Merchant entitles the Acquirer to provide its Personal Data to the Card Schemes.

23.9. The Acquirer may disclose Merchant's Personal Data to entities to which it may be reasonably necessary such data to be disclosed for Acquirer's compliance with its statutory obligations and legitimate interests, namely:

- i. credit reference agencies;
- ii. law enforcement agencies;
- iii. antiterrorism or organized crime agencies;
- iv. fraud monitoring agencies;
- v. central banks.

23.10. When the Acquirer carry out identity verification checks, Merchant's Personal Data may be disclosed to providers of due diligence software as a service, credit reference agencies, fraud prevention agencies. These checks are identity checks only and therefore will have no adverse effect on the respective data subject. However, these service providers/agencies may keep a record of the information and a footprint may be left that an identity verifications check was carried out.

23.11. As the need may be, the processing of Merchant's Personal Data may take place worldwide, including in third countries where the level of personal data protection does not meet the standards set in countries in the European Economic Area. The Acquirer will always make any transfers of Merchant's Personal Data to third countries on the basis of appropriate safeguards under Chapter V of the GDPR.

Security of Personal Data

23.12. The Acquirer is committed to ensuring that the processing of the Merchant's Personal Data complies at all times with applicable Regulatory or Card Schemes Requirements and data

protection law requirements. Therefore, Acquirer implements and maintains appropriate physical, technical and administrative safeguards for the protection of the Merchant's Personal Data against its unauthorized or unlawful processing or accidental loss, destruction or damage.

Data breach

23.13. In the event the Merchant becomes aware of a data breach in connection with the processing of Merchant's Personal Data or Personal Data of Merchant's Customers under the Agreement, it will:

- i. notify the Acquirer without undue delay; and
- ii. take reasonable steps to mitigate the effects and minimize any damage.

23.14. Notifications made hereunder shall describe, to the maximum extent possible, the details of the incident, including steps taken to mitigate potential risks. Notifications of a data breach shall in no case be construed as acknowledgement of fault or liability for said data breach.

Data subject rights

23.15. The Merchant's Directors and other authorized representatives, shareholders and beneficial owners („data subjects“) have the following rights:

- i. right to be informed about the processing (such as collection and use) of their personal data;
- ii. right of access which gives data subjects the right to obtain a copy of their personal data being processed by the data controller Acquirer;
- iii. right to rectification - the right to have the inaccurate personal data rectified and incomplete personal data completed;
- iv. right to lodge a complaint with a competent supervisory authority and to seek to enforce their rights through a judicial remedy;
- v. right to erasure of their personal data;
- vi. right to data portability of their personal data;
- vii. right not to be subject to automated decision-making; and
- viii. right to object to the processing of their personal data.

23.16. The data subject's rights are not absolute and the Acquirer may refuse the data subject to exercise his rights pursuant to the limitations and requirements set by the GDPR and the Bulgarian data protection law as the case may be.

Data storage period

23.17. Collected Merchant' s Personal Data will be stored for a period of 10 years after the termination of the agreement between the Acquirer and the Merchant.

Provision of information to Merchant's Customers

23.18. The Merchant shall include in its privacy notice to the Merchant's Customers information that their personal data will be transferred to Acquirer and processed by the Acquirer for the purposes of execution of payments. The Merchant shall be liable for any damages suffered by the Acquirer as a result from the Merchant's failure to comply with this obligation.

Data protection officer

23.19. For the purpose of handling of data subjects` requests and ensuring Acquirer's compliance with the GDPR, we have designated a data protection officer. The latter should be addressed to dpo@ryvyl.eu.

23.20. The competent supervisory authority in Bulgaria under the GDPR is the Commission on Personal Data Protection (www.cpdp.bg).

24. AMENDMENTS TO THE MERCHANT AGREEMENT

24.1. The Acquirer may update or amend the Agreement at any time for any reason. Any changes will be communicated to the merchant via e-mail sent to its e-mail address.

24.2. Any proposed changes to the existing terms of the Agreement will be communicated to the merchant no later than two months before the date on which they are to take effect.

24.3. Changes of the Agreement that do not require prior notice and shall come into effect immediately, if so, stated in Acquirer's change notice to the merchant, are:

- i.** changes that make the Agreement more favourable to merchant or that have no effect on its rights;
- ii.** changes that are necessary in order for the Acquirer to comply with Regulatory or Card Schemes Requirements;
- iii.** changes to the Acquirer's charges;
- iv.** changes to the currency exchange rates.

24.4. The Acquirer may change the Agreement to make it more favorable to the merchant by upgrading or enhancing the Services the Acquirer provides if there are no increased costs to the merchant.

24.5. The Acquirer may also change any of the other terms of the Agreement if the change will have no effect on merchant's rights for any of the following reasons:

24.5.1. where the Acquirer reasonably consider that: (i) the change would make the terms easier to understand or fairer to merchant; or (ii) the change would not be to merchant's disadvantage;

24.5.2. to cover: (i) the improvement of any Service or facility the Acquirer supply; (ii) the introduction of a new Service or facility; (iii) the replacement of an existing Service or facility with a new one; or (iv) the withdrawal of a Service or facility which has become obsolete, or has not been used by the Merchant at any time;

24.5.3. to enable the Acquirer to make reasonable changes to the way the Acquirer provide services as a result of changes in: (i) the banking, investment or financial system; (ii) technology; or (iii) the systems the Acquirer use to run its business; or

24.5.4. as a result of a Regulatory Requirement (or where we reasonably expect that there will be a change in a Regulatory Requirement).

24.6. The Acquirer may change its charges or introduce a new charge:

24.6.1. If the Acquirer provide new service or facility in connection with Services;

24.6.2. if there is a change in (or the Acquirer reasonably expect that there will be a change in): (i) the costs the Acquirer incur in carrying out the activity for which the charge is or will be made; (ii) the Card Schemes fees, charges, assessments and the like or (iii) Regulatory Requirements;

24.6.3. for other valid reasons which are not set out in this clause.

25. CHANGES TO THE GENERAL TERMS AND CONDITIONS

In compliance with the Payment Services and Payment Systems Act, the Acquirer may revise the General Terms and Conditions from time to time by giving at least 60 days prior written notice to the Merchant, before the date on which is proposed those changes to come into legal force, via email sent to its e-mail address and/or by posting of its web site i.e. www.ryvyl.eu. If the change has a material adverse impact on Merchant and Merchant does not agree to the change, Merchant may give written notice of its objection to the Acquirer within thirty days after receiving notice of the change. If the Acquirer receives such notice, the Acquirer will contact Merchant to discuss the objections of the Merchant. If the Merchant continues to refuse to accept the change and the Acquirer refuses to withdraw the announced change, Merchant may terminate the Merchant Agreement by giving at least two month written notice to the Acquirer (such termination notice to be sent at the latest 60 (sixty) days after the Merchant received notice of the change). The Merchant is not entitled to object to and shall not have the rights set out in this clause for any change which the Acquirer implements to comply with applicable law or requirements imposed by the relevant authorities and/or Scheme Owners. For such imposed changes shorter notice periods may be applied by the Acquirer as are needed to comply with the relevant requirement.

26. WAIVER



To the extent that the Merchant becomes a debtor under any law regarding liquidation and/or bankruptcy, and such event does not result in the termination of these General Terms and Conditions and the Agreement, the Merchant hereby unconditionally and absolutely waives any right or ability that the Merchant may otherwise have had to oppose, defend against or otherwise challenge any motion filed by the Acquirer for relief from any automatic stay granted by law, to enforce any of Acquirer's rights or claims under the Agreement.

27. NO WAIVER

Any delay, waiver or omission by the Acquirer to exercise any right or power arising from any breach or default of the other party in any of the terms, provisions or covenants of the Agreement or these Terms and Conditions shall not be construed to be a waiver of any subsequent breach or default of the same or any other terms, provisions or covenants on the part of the other party. All remedies afforded by the Agreement and these Terms and Conditions for a breach hereof shall be cumulative.

28. GOVERNING LAW

The Merchant Agreement and these GTCs are solely governed by the law of Republic of Bulgaria. All and any disputes arising from or related to the Agreement and the GTCs which cannot be resolved by the parties amicably shall be settled by the competent Bulgarian court. The above shall not derogate from the Acquirer's right to file third party notice or to take any other legal means in the framework of proceedings between the Acquirer and any third party with regard to the Agreement and these Terms and Conditions in any court such proceedings shall be pending.

29. NULL PROVISIONS

If any provision in the Merchant Agreement (including the Acquirer Terms and Conditions) is declared null and void or inapplicable, said provision shall be deemed non-existent, and all other provisions of the Merchant Agreement (including the Acquirer Terms and Conditions) shall remain applicable. The parties undertake to take all steps to eliminate the provision declared null and void and/or inapplicable and to replace the same with a provision approaching, insofar as possible, the economic objective of the provision declared null and/or inapplicable.

30. INTELLECTUAL PROPERTY

30.1. These GTCs and/or the Merchant Agreement do not transfer, and is not intended to transfer, to the Merchant and the ISO/PSP any of the Intellectual Property rights that the Acquirer owns at the date of the commencement of the GTCs or any Intellectual Property rights that the Acquirer creates, acquires or develops during the term of the Agreement.

30.2. The Merchant must obtain the Acquirer's written consent prior to using or referring to any of the Acquirer's trademarks, logos, copyrighted materials, business names or other similar protected intellectual property in any of the Merchant promotional materials or literature,



agreements or on any website, except that both parties may use the logo or business name of the other party to advertise the fact that the other party is its customer or supplier without the consent of the other party.

30.3. The Acquirer owns, and will continue to own all rights, title, and interest in Intellectual Property rights, that the Acquirer owned prior to this Agreement.

31. ASSIGNMENT AND SUBCONTRACTING

31.1. The Agreement is personal to the Merchant and the Merchant cannot assign it or transfer it or transfer or pledge any of their rights ensuing from the Agreement.

31.2. The Merchant may only use an agent or subcontractor in relation to the performance of their obligations under the Agreement (including Merchant's obligations relating to the supply of goods and/or services which are the subject of Transactions) with the Acquirer's prior written consent and the Acquirer may withdraw that consent at any time. If the Merchant do use an agent or subcontractor for such purposes, the Merchant shall remain responsible for complying with the Agreement as though the Merchant were not using such agent or sub-contractor.

32. GENERAL

In their dealings with one another, each party agrees to act reasonably and in good faith and to fully cooperate with each other to facilitate and accomplish the transactions contemplated hereby.