

Legal Agreement for PremioCard Acquiring Service

Last Update: 09th of July 2024

These General Terms and Conditions ("GTC") are the Legal Agreement, concluded between iCard AD, www.premiocard.com, with seat and registered office at: Bulgaria, Varna 9009, Business Park Varna B1, UIN: 175325806 (hereinafter referred to as "iCard"), authorized and regulated by the Bulgarian National Bank as an Electronic Money Institution under the Payment Services and Payment System Act which transposes Directive (EU) 2015/2366 (the "PSD2") and Directive 2009/110/EC (the "E-money Directive") with license No. 4703-5081/25.07.2011 and the Merchant who has requested accepting payments with payment cards with the logo of Card Organizations. iCard AD is entitled to provide payment services on the territory of Italy pursuant to Art. 28 of Directive (EU) 2015/2366 (the "PSD2") as implemented in Italy by art 114 - decries of Legislative Decree n. 395 dated 1 September 1993, Principal Member of MasterCard, VISA and JCB.

1. DEFINITIONS

1.1. Unless otherwise provided, the following terms used in the Agreement and the General Terms have the following meaning:

1.1.1. **"Authorization"**: Approval of a Card Transaction by the issuer or by the relevant Card Scheme, transmitted through the payment gateway which is utilized by iCard for acquiring of Card Transactions.

1.1.2. **"Business Day"**: the official working days of banks in Sofia, excluding non-working days of Card Schemes. When a Merchant finalizes its accounts, any Transactions after that time will appear on the next business day.

1.1.3. **"Cardholder"**: a person to whom a payment service provider has issued a payment card and is authorized to use such payment card for payment of goods and services.

1.1.4. **"Card Schemes"** or **"Card Organizations"**: MasterCard International ("MasterCard"), VISA Europe (VISA), JCB Europe ("JCB"), UnionPay or any other domestic or international organization franchising the issuing and acceptance of Payment Cards and the settlement of Card Transactions, that may be designated by iCard and with whom iCard may have an agreement.

1.1.5. **"Card Transaction(s)"** or **"Transaction(s)"**: A Transaction between the Merchant and a Cardholder for the sale, rental, licensing or other supply of or use and/or access to, or, as the case may require, settlement of any good or service evidenced by Merchant's authorized card transactions as submitted to iCard, which is presented by the Merchant for processing by iCard.

1.1.6. **"Business PremioCard Account"**, **"Business Account"** or **"Merchant**

Account": An electronic money payment account held by the Merchant to which all funds resulting from Card Transaction accepted by the Merchant are settled by iCard. The Merchant hereby irrevocably grants iCard with right to directly debit its account for any amounts due for fees, chargeback or other compensation. The use of the Business PremioCard Account is regulated by the terms and conditions of a separate legal agreement for Business PremioCard Account.

1.1.7. **"Payment"**: the funds subject to the Merchant Transaction that will be forwarded to the Merchant from iCard, excluding the amounts withheld by iCard in accordance to the present Agreement, chargebacks, refunds, returns and any other relevant amounts as mentioned in the Schedules and present Agreement.

1.1.8. **"Payment Card"** or **"Card"**: Credit, debit, charge or pre-paid card in either physical or virtual form, bearing the logos of one of the Card Organizations.

1.1.9. **"MID"**: Merchant ID, a special number that will be assigned to the Merchant by iCard for each device or web payment server.

1.1.10. **"Top-Up User"**: is an end user that wishes to load money into vouchers or prepaid mobile number via POS terminal of the Merchant;

1.1.11. **"Service"** means the Service, subject to this Agreement, called "Premiocard", representing acquiring of payments on Merchants' POS terminal by Cardholders with Cards with the logo of Card Organizations. The Service consists of requiring authorization from Card Organization of the Transaction, receipt of funds from the authorized Transactions and payout to the Merchant. iCard may introduce innovations, improvements, development, put or remove limits or amend the Service unilaterally and without the consent of Merchant, to the extent permissible by law.

1.11.12. **"Website for the Service"** means the iCard website for the Service or any other website for the Service, notified by iCard.

1.11.13. **"POS terminal"** or **"POS"** means the POS terminal, certified by the Card organization, enabled to acquire card payments.

1.2. All reference herein to the "Agreement" shall include the present General Terms, all Schedules and any other documents that maybe replaced and/or amended from time to time.

2. iCard's Service

2.1. The Merchant is entering into contractual relations for the provision of e-money and payment services only after successful fulfilment of all below stated conditions precedents ("Effective Date"):

- The Merchant agrees with this Legal Agreement for PremioCard Acquiring Service.

- The Merchant has passed through all due diligence measures for identification and verification.

- There is an approval of the request of the Merchant for e-money account opening.

The Merchant may be required to sign Delivery Protocol for receipt of POS and other documents requested by iCard.

2.2. After entry into force of the Agreement iCard shall in accordance with the terms of this Agreement, acquire the Merchant's Authorized Card Transactions via the PremioCard POS Terminal and shall pay to the Merchant the due amounts of the accepted Card Transactions by crediting the Business PremioCard Account with a sum of electronic money that is equal to the amount of the Card Transaction, where necessary converted into the currency of the Merchant's Account, deducted with all applicable fees due by the Merchant under the Tariff. In case the Transaction is executed with a currency different from the currency of the Merchant's Account, the conversion under the previous sentence is made on the basis of the applicable exchange rate for the Card, as determined by the respective Card Scheme.

2.3. iCard shall be responsible for the customer service.

2.4. iCard undertakes to inform the Merchant regularly and in timely manner on the following topics:

2.4.1. Further developments in and extensions to the Service;

2.4.2. Changes in the Tariff;

2.4.3. Material changes in iCard's field of activity provided that said changes have an effect on the terms of the Agreement with the Merchant.

2.5. iCard has the right to amend the scope and manner of the Service without the consent of the Merchant, in particular, without limitation, in the event that the regulations of the Card Organizations or statutory provisions, regulating the payment services applicable to the activity of iCard, are amended. The Merchant shall be notified of any such forthcoming amendments according to the terms and conditions set forth Under clause 9 hereof in writing and to the earliest opportunity before the amendment.

2.6. iCard is entitled to refuse to execute Card Transaction due to compliance with iCard's obligations under applicable AML legislation, including if iCard suspects that the transaction involves fraud or illegal or non-acceptable activities. iCard reserves the right to withhold funds representing proceeds of transactions carried out pursuant to the Agreement if fraudulent activity is identified. These funds are to be used to offset future chargeback liability or fraud loss and will be released in the eventuality that no chargebacks arise.

3. RIGHTS AND OBLIGATIONS OF iCard

3.1. In addition to any other rights given to iCard by the Agreement, during the term of the Agreement and subsequently during such period as any Card Transaction or Chargeback or other issue arising from the operation of the Agreement shall remain unresolved iCard may: (i) re-investigate any information provided by the Merchant at any time, and in so doing iCard may

require additional information to be provided by the Merchant; (ii) inspect all or any of the premises used by the Merchant in connection with its business (whether or not declared to iCard as premises within which the Merchant conducts Card Transactions), including financial and accounting records therein at any time during the Merchant 's business hours and the Merchant hereby agrees to cooperate with any such inspection.

3.2. iCard may at any time verify that the Merchant is selling goods or services as stipulated in the Merchant Agreement. Where appropriate and required by iCard the Merchant shall procure that iCard and/or its advisers or agents may similarly inspect the premises of the Merchant's contractors. The Merchant hereby agrees not to block iCard from visiting or obtaining details about its premises.

3.3. iCard may maintain the POS Terminal to the Merchant directly or via sub-contractor of iCard.

4. THE MERCHANT'S OBLIGATIONS and PAYMENT REQUIREMENTS

4.1. The Merchants shall comply at all times with the terms and conditions in the Agreement.

4.2. The Merchants shall permit iCard to inspect its premises to ensure that the Merchant Agreement has not been breached which includes in particular, but without limitation, as regards:

- branding with iCard or card scheme logos have not been tampered;
- the type of goods and/or services is as per the Agreement;
- the Merchant location has not changed;
- the contact details of the Merchant have not changed;
- the currency of the goods or services is as per the Agreement;
- card related surcharges have not been added to the payment for goods or services.

4.3. The Merchant shall at any time comply with (a) the relevant rules, regulations and policies of iCard; and (b) iCard access security, data privacy and information security and confidentiality requirements; and (c) the applicable rules and regulations or any other laws, regulations and directives whatsoever applicable; and (d) the relevant rules and regulations as may be required from time to time by a Card Scheme organization and/or any other relevant rules or regulations of any other domestic or international organization franchising the issuing and acceptance of payment cards and the settlement of Card Transactions.

Transaction Related

4.4. The Merchant shall promptly honor, without discrimination, all valid consumer card-based payment instruments of all and any Organization where the card-based instrument is categorized as prepaid card, debit card or credit card subject to regulations under the Regulation (EU) 2015/751. In case where the Merchant decides to refuse particular categories/brands of payment

instruments, linked to a payment card, issued within the framework of a payment card scheme which do not fall into the category described above, the Merchant shall inform cardholders of this, in a clear and unequivocal manner, at the same time as they inform cardholders of the acceptance of other cards and payment instruments of the payment card scheme. Such information shall be displayed prominently in the Merchant store.

4.5. The Merchant has the obligation to accept Transactions with Cards under not less favorable conditions than those specified for payment in cash and is not entitled to increase the price for the goods and services, to impose additional fees for Cardholders, to perform actions, which may put Cardholders in a less favorable position than the clients paying in cash or via other means.

The Merchant shall not submit for payment any Transaction for goods or services:

4.5.1. that represent the refinancing or transfer of an existing Cardholder obligation that is deemed to be uncollectible: or

4.5.1.1. when the behavior of Cardholder raises reasonable suspicion for fraudulent or illegal actions or for any other reason.

4.5.1.2. where the card was not valid at the time of the Transaction; or

4.5.1.3. where the Payment Record had been modified; or

4.5.1.4. if the Merchant breached the terms of the Merchant Agreement; or

4.5.1.5. if the cardholder disputes liability of the Transaction for any reason; or

4.5.1.6. the Transaction is performed on behalf of another Cardholder; or

4.5.2. for the avoidance of doubt and for the purposes of this Agreement the following activities shall be deemed illegal at the point of sale. The provision or offer of a Provided Item:

4.5.2.1. other than in full compliance with the law when applicable to the Merchant or Cardholder at the place at which the Transaction takes place or is deemed to take place or the place from which the Cardholder is present at the release time.

4.5.2.2. which is offensive and which cannot be justified as having serious artistic value (such as, by way of example and not limitation, images of nonconsensual sexual behavior, sexual exploitation of a minor, nonconsensual mutilation of a person or body part, and bestiality), or any other material that according to Compliance and other relevant rules and regulations that may apply is deemed unacceptable for sale.

4.6. The Merchant shall process all Transactions in the currencies that are supported by PremioCard Acquiring Service, as visible in the Website for the Service.

4.7. The Merchant shall not complete a Transaction if:

4.7.1. Cardholder behavior gives rise to suspicion of fraudulent activity; or

4.7.2. The Merchant is for any reason suspicious of an illegal or fraudulent

Transaction.

4.8. Without prejudice to the foregoing and to iCard's right to amend any one or more of these rules according to the terms and conditions set forth in section 8 hereof. iCard shall be entitled to withhold from the Merchant any payment due to the Merchant under the Agreement or any other agreement the Merchant may have with iCard, or take any other action deemed appropriate, if in iCard's reasonably exercised judgment, there is a risk that the Merchant will be unable or unwilling to perform his contractual obligations under the Agreement or Merchant's actions may lead to penalties and sanctions for iCard imposed by Card Organizations for not observing their rules. Not limited to the described below iCard has the right to (i) cancel or stop payments to Merchant; (ii) to impose additional requirements for accepting payments, (iii) to stop the access to the service temporarily or to impose limit on the number/amount of the accepted Transactions. In all cases iCard shall immediately notify the Merchant in writing of the action iCard has taken.

4.9. The Merchant undertakes not make any cash refund to the Cardholder for return of any merchandise or services previously purchased with his Card. In such case, the refund shall be made by crediting the Cardholder's Account. Refund Transactions can only be made to reverse previously processed Transactions.

4.10. Chargeback ratio.

The Merchant must maintain a chargeback ratio up to 0.9% either calculated as count-to-sales or USD dollar-to-sales and/or 100 chargebacks presented in total per month for VISA/UPI/JCB Cards. With MasterCard the Merchant is considered noncompliant when both of the following are true: (1) the total number of chargebacks is greater than 100, and (2) the chargeback ratio is greater than 1.5 %. . The Merchant acknowledges the importance of operating within the allowable chargeback ratio. The Merchant acknowledges and accepts that iCard shall also monitor the allowed chargeback ratio and can at any moment decide to cease the Service without prior notice to the Merchant in case the Merchant is in breach of chargeback ratio. In case that the chargeback ratio of the Merchant exceeds the allowable chargeback ratio and as a result iCard is imposed with penalties from the Card Schemes due to excessive chargeback rates the Merchant shall indemnify iCard and hold iCard harmless from such Penalties. Notwithstanding any other rights under this Agreement, iCard is entitled to suspend to terminate the Agreement with immediate effect, in case the chargeback ratio is not maintained.

4.11 Fraud ratio.

4.11.1. The Merchant must not exceed for VISA transactions of 75 000 USD volume or equivalence in other currency of reported fraud and/or 0.9 % fraud-dollar-to sales-dollar or fraud count-to-sales count ratio of on a monthly basis.

4.11.2. The Merchant must not achieve for MasterCard transactions the

following thresholds: 1) the total dollar amount (or local currency equivalent) of fraud transactions exceeds USD 50.000; 2) Fraud ratio is greater than 0.5% the following conditions when accepting MasterCard payments on its POS terminal: The total dollar amount (or local currency equivalent) of fraud transactions exceeds USD 50.000; 2) Fraud ratio is greater than 0.5%; 3) The percentage of monthly clearing volume processed using 3DS (including Data Only transactions) is less than 10 percent in nonregulated countries, or less than 50 percent in regulated countries.

In case the Merchant fails to perform the specified targets for both Card Organizations above this shall be considered a material breach of the present agreement by the Merchant.

Security Related

4.12. In case the Cardholders' data are collected and processed by the Merchant, this latter shall operate according to the provisions set forth by Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data or by the applicable data protection laws in the country where the Merchant is established. The Merchant shall store or transfer all media containing cardholder account information in a secured area, or as secured data, as defined in the applicable payment card industry.

4.13. The Merchant must store as little as possible data about the Cardholder, must develop a Data Storage Policy and must keep the volume and time for storing data to limits that corresponds to the normal commercial, legal or regulative purposes.

4.14. The Merchant must not collect, store, copy or read information from the card for purposes other than payment with card. Information means at least: PAN, validity date and CVC2, written at the back of the Card. The Merchant shall never request or store a Cardholder's PIN.

4.15. The Merchant shall not share, sell, trade or otherwise exchange the Cardholder information it receives from the Cardholder with Third Parties for any other purpose except as described in the Agreement. The Merchant shall not sell, purchase, provide, exchange or in any manner disclose Card account number information to anyone other than iCard, or in response to a government request. This prohibition applies to card imprints, Transaction receipts, carbon copies, mailing lists, tapes, or other media obtained as a result of a card Transaction.

4.16. The Merchant must provide multiple measures to protect Cardholder databases in a way that if a failure of any security control will not result in unauthorized disclosure of account and Transaction information.

4.17. The Merchant shall in all respects be responsible for the actions of its employees as regards any breach of this Agreement.

Merchant / Premises related

4.18. The Merchant shall display advertising and promotional materials that iCard may provide for the purpose of advising the public that the designated Cards will be honored by the Merchant.

4.19. The Merchant shall notify iCard immediately in the event of any changes in the Merchant's information.

4.20. The Merchant shall keep its premises secure at all times.

4.21. The Merchant shall unless otherwise specified, retain and provide, at iCard's request, copies of all Payment Records or evidence of authorization and all Card Transactions' records.

4.22. All Payment Records presented to iCard should be legible.

4.21. The Merchant shall at all times and in respect of all Transactions offered to it by the Merchants or which he offers for acquisition by iCard, act in the utmost good faith in the interests of iCard.

4.23. The Merchant guarantees that the Cardholder understands that the Merchant is responsible for the Transaction, including the goods or services that are the subject of the Transaction, and for related customer service, dispute resolution, and performance of the terms and conditions of the Transaction.

4.24. Upon iCard request the Merchant shall present Paper Records of valid Transactions no later than three (3) Business Days after the date of the Transaction.

4.25. The Merchant shall not request or use Card account number information for any purpose that it knows or should have known to be fraudulent or in violation of the card scheme standards, or for any purpose that the Cardholder did not authorize.

4.27. The Merchant shall ensure in case it wishes to implement a "No Refunds" policy the knowledge of iCard thereof and contact it for stipulation of special conditions.

4.28. The Merchant shall ensure to inform the customer about the Merchant cancellation or return policy at the time of the Transaction.

4.29. The Merchant must notify iCard 5 (five) business days in advance about closing or opening of authorized Merchant Store as well as to notify in three days from the moment the change has occurred about all changes in its status including but not only its address and representation. When closing an Authorized Merchant Store, the installed POS devices are returned in 3 (three) business days term. In case of change of location iCard must be notified in 5 (five) business days term before the date of opening the new Store and only after receiving an acceptance by iCard the devices may be moved.

Merchant Obligations related to POS terminal

4.30. The Merchant shall be obliged to use the POS with the care of a good Merchant and only for executing of Transactions for payment with cards with

the logo of Card Organizations and in compliance with the instructions of iCard on use of the POS, which shall be provided to Merchant during the term of this Agreement. The Merchant shall be liable for all damages to the POS as a result of actions of the Merchant, his employees or sub-contractors or third parties, including but not limited, willful actions, negligent actions, wrong use, steel, theft, lost POS and similar or damages caused by force major events.

4.31. The Merchant shall be obliged to provide access to iCard or persons authorized by iCard for inspection of Merchant premises and POS.

4.32. The Merchant may not lease or provide in order way the POS for use by third parties or by different stores of the Merchant, without the explicit written agreement of iCard.

4.33. The Merchant shall be obliged to determine employees who shall be trained by iCard or subcontractor of iCard to use and maintain the POS.

Top-Up Service

4.34. Top-Up Service offers possibility for top-up (loading of money) by Top-Up Users into vouchers and prepaid mobile numbers ("Top-Up") via special functionality of the POS terminal of the Merchant. The Merchant understands that this functionality is set for the POS terminal by default and in case the Merchant does not wish to offer it to customers the Merchant must explicitly specify this when registering the POS terminal.

4.35. The Service is using sub-contractors or third parties, who are acting as top-up resellers for the mobile or other services operators, who provide the vouchers or prepaid mobile numbers. The Merchants understands that iCard is not providing the vouchers or prepaid mobile numbers but is only facilitating the money transfer specified for loading of money into vouchers and prepaid mobile numbers from the Top-Up User to the agent or sub-contractor of the Mobile Operator. iCARD is not responsible for the delivery, timely delivery or quality of the vouchers or prepaid time from the Mobile Operators or their agents or sub-contractors and is not liable for whatsoever compensation before the Top-Up User or the Merchant.

4.36. The Merchant undertakes to initiate a top-up operation after a request by the Top-Up user. The Merchant understands and agrees that iCARD shall debit the Business PremioCard Account with the amount of money specified for loading into vouchers and prepaid mobile numbers when the Merchant complete the Top-Up operation. The Merchant understands and accepts that in order to successfully process a request for Top-Up operation the available balance in the Business PremioCard Account must be sufficient to cover the amount which the Top-Up User wishes to load.

4.37. The Merchant understands and agrees that upon its explicit request addressed to iCARD during the registration process or during use of the Service the Merchant may be provided with a specially assigned PIN code for additional security of authorization of Top-Up operation which code must be

entered in the POS terminal by the Merchant before every Top-Up operation.
4.38. The Merchant is entitled to a Top-Up Commission for each successful Top-Up operation performed on the POS terminal of the Merchant. The Top-Up Commission may vary depending on the mobile operator and the Merchants understands that iCard does not determine this commission. The Top-Up Commission is credited to the Business PremioCard Account immediately after each Top-Up operation.

4.39. The Merchant shall be obliged to determine employees who shall be trained by iCard or sub-contractor of iCard to use and maintain the POS.

Reserves and other Protective Actions

4.40. iCard shall be entitled to withhold and keep in its own account a sum equal to an amount as set in the applicable Tariff. Such sum may be reserved for a period of 26 weeks after transaction clearing. All such reserved sums will be registered in the system of iCard as Reserve Fund.

4.41. The Reserve is to ensure that iCard is protected against claims, reversals, refunds, chargebacks and direct debit reversal and other occasions where the Merchant becomes liable to iCard under this Agreement or other Agreements. iCard is entitled to withhold for compensation sums from Reserve for any amounts that are due by Merchant to iCard as well as for any other sums that has become due by iCard to Card Organizations or any other third party in relation to a breach by Merchant of the present Agreement. The liability of the Merchant is not limited to the amount of Reserve.

4.42. If in iCard's sole discretion the amount of the retention exceeds a reasonable amount given foreseeable security or assurance needs, then iCard shall release the excess amount and cease to record it as Reserved. If in iCard's discretion the amount of the Reserve or retention does not reply to the security or assurance needs of iCard, then iCard shall be entitled to increase unilaterally the Reserve percentage or amount to be kept as Reserve for the same period of time.

4.43. After termination of this Agreement all reserved amounts can be retained by iCard for six (6) months in order to satisfy obligations of Merchant to iCard or third parties, following which the remaining balance shall be paid to Merchant. In case of investigation initiated by a Regulator or a claim brought against iCard or sub-contractor of iCard or need of indemnification of damages incurred by iCard, the period of withholding of reserved amounts shall automatically be prolonged with the time necessary to complete the investigation, claim or check and assess the actual damages incurred by iCard.

5. FEES AND CHARGES - CALCULATION AND COLLECTION

5.1. iCard will display the Fees for the Service in the Tariff available in the Website for the Service. The Fees may be changed unilaterally with 2-month notice sent to Merchant.

5.2. The fee for the acquiring services, which depends on the interchange fees

and other similar fee of the Card Organizations, may be changed by iCard with shorter notice in case of Regulatory change. Updates in the Fees will be indicated on the Website for the Services and/or in Merchant online account for the Service. In addition to the fees, the Merchant agrees to pay to iCard the extraordinary costs for any tests, registration, accreditation, web crawling, special API developments or similar unusual or unpredicted costs incurred by iCard. iCard may also charge the Merchant with administrative fees for providing paper statements, if requested by the Merchant, or other information, which is different from the information provided in the Merchant online account for the Service:

5.3. Currency conversion: If transaction involves a currency conversion, it will be completed at a foreign exchange rate determined by iCard plus a Currency exchange fee expressed as a certain percentage above the exchange rate and as specified in the Tariff. Foreign exchange rate is adjusted regularly based on market conditions (the wholesale exchange rate at which we obtain foreign currency). The exchange rate may be applied immediately and could be viewed by the Merchant in the online account. The Currency exchange fee is retained by iCard and will be applied whenever we perform a currency conversion according to Merchant payment instruction. The Merchant may calculate via its online account what foreign exchange rate apply for a certain transaction, involving currency exchange, as well as what is the amount of the Currency exchange fee if there is such specified as per Tariff

5.4. Processing currency and settlement currency: Processing currency is the currency in which the Merchant will charge its customers. The transactions will be processed in EUR or other currency, supported by iCard and explicitly agreed on with the Merchant. The settlement currency is the currency in which we shall credit the Merchant's Business PremioCard Account with amounts due by iCard to the Merchant. The amounts due from iCard to the Merchant shall be settled in EUR, USD, GBP or other currency, supported by iCard and explicitly agreed on with the Merchant. In case the processing and settlement currencies differ, iCard shall apply its own currency exchange rate and that of our correspondent banks for the date of the settlement to Merchant

5.5. Where a currency conversion is offered at the point of sale by iCard, Payer may choose to authorize the payment transaction based on our exchange rates and charges.

5.6. The Merchant acknowledges and agrees that iCard is authorized to satisfy immediately as they become due any obligations of the Merchant towards iCard under this Agreement or other, by debiting or withdrawing directly funds from Business Account or from the Reserve, or withdrawn amounts kept by iCard, or any outstanding sums owed by iCard to the Merchant.

5.7. In case the Merchant has not, for the duration of 10 (ten) months accepted any valid Transactions (as defined in the Definitions) will be charged a monthly

No-acquiring Fee as defined in the Tariff. The Service Fee shall start to be applied after a 2-month notification is sent to the Merchant. The notification may also be sent before or after the expiry of the Acquiring Inactivity Period.

6. CHARGEBACKS

6.1. When iCard receives a payment in favor of Merchant but is later invalidated for any reason, Merchant becomes liable to iCard for the full or amount of any payment and any fees.

6.2. iCard is entitled to withhold or block amounts to be paid to Merchant as a result of a chargeback, reversal, refund or claim, together with any expenses due to currency fluctuations as well as the statutory value or other losses that may apply.

6.3. The Merchant acknowledges that the validity of a chargeback, refund, reversal or claim will be determined by the relevant Card Organization or other third-party payment service provider and iCard will have no discretion on the matter. iCard will have no liability to Merchant in respect of any reimbursement to cardholder or Card Organization or their payment service provider or other appropriate third party as a result of a chargeback, refund, reversal or claim.

6.4. Depending on the outcome of the chargeback or similar procedure, iCard is entitled to:

6.4.1. In case of successful chargeback, collaboration request, reversal, refund or claim, to reimburse the funds to the Cardholder (or Card Organization) or other appropriate third party and charge the merchant for these amounts, including applicable fee, by deducting them from the amounts due by iCard to Merchant or by debiting Merchant's Account; or

6.4.2. In case of chargeback, reversal, refund or claim, which have been decided in a non-appealable way as not successful, to release the withheld or blocked amounts to the Merchant.

6.5. The fact that Authorization has been granted does not affect the rights of iCard to revoke payment or otherwise require repayment of the Transaction under this Agreement other than the issuer. In no event shall the fact that Authorization was obtained by the Merchant be deemed to be representation by iCard that the particular Card Transaction is in fact a valid, authorized or undisputed Transaction entered into by the cardholder or an authorized user of the Card.

6.6. iCard is absolutely entitled, in its sole discretion and when it considers appropriate, to not accept a Transaction and thus refuse to execute any acquiring or other service if iCard has reasonable grounds to suspect fraud, a breach of the applicable Agreement by the Merchant, or a violation of law or regulation of Card Organization or other Organization

6.7. The Merchant acknowledges and accepts that iCard may restrict at its reasonable discretion and with immediate effect the payment methods accepted as a payment source for the Merchant's Offers (for example a type of

payment card) and/or terminate this Agreement immediately and without advance notice in the event that the levels of chargeback, refund, reversal, fraud or claims occurring through that payment method in connection with the Merchant are, in iCard's sole opinion, excessive.

6.8. In case of reasonable doubts of iCard or receipt by iCard of information from Card Organizations or other Regulators for payments with stolen cards, false cards, or unauthorized payments with cards or other irregularities in connection with Merchant Stores, iCard has the right to withhold or block all due amounts to Merchant, including in Business PremioCard Account and to start an investigation without prior notice to Merchant. Merchant is obliged to cooperate to iCard and present to iCard all requested information related to the alleged fraud or unauthorized payments. iCard has to complete its internal investigation within a reasonable period and to inform Merchant on its outcome. Merchant acknowledges and agrees that in some cases of violations iCard may be obliged to report Merchant Websites and Mobile Apps in registers of Card Organizations or other Regulators and terminate the Service for the Merchant, for which iCard shall not be liable. The merchant should cover all the costs and fees related to the investigation performed by iCard including the third-parties' charges involved in to investigation.

7. MERCHANT'S WARRANTIES AND PRESENTATIONS

7.1. The Merchant warrants that each record of a payment is a true and correct record of a Transaction between the Merchant and the cardholder and in presenting payment, the Merchant warrants to iCard that all goods were delivered and/or all services were duly performed.

7.2. The Merchant warrants that each Card Transaction submitted to iCard for processing shall be presented to iCard if requested.

7.3. The Merchant warrants that all goods and services being the subject of an acquired Card Transaction shall be delivered or otherwise made available to the Cardholder within such times and in compliance with all the terms and conditions, as shall be designated in the relevant Merchant Agreement with the Cardholder.

7.4. Merchant hereby represents and warrants to iCard that it:

7.4.1. does not use the Service provided by iCard described in the Agreement (i) in connection with any illegal or fraudulent business activities which may damage the goodwill of iCard and/or (ii) in connection with any activities which are against the law;

7.4.2. as of the date of execution of the Agreement and the Merchant Agreement it is duly organized validly existing and good standing under the laws of jurisdiction of incorporation, registered with all relevant registration bodies in jurisdiction of incorporation or the jurisdiction where its service takes place or the jurisdiction from which the consumer/buyer/ user of the Merchant site is present at the relevant time;

7.4.3. has the power to execute the Agreement and to exercise its rights and perform its obligations thereunder, and all corporate and other action required to authorize the execution of this Agreement and its performance of its obligations thereunder have been duly taken;

7.4.4. the execution of the Agreement and the exercise of its rights and performance of obligations thereunder will not result: (i) in any violation of any law to which it is subject; or (ii) any breach of any of the Memorandum and Articles of Association or other constitutional documents of the Merchant; or (iii) any breach of any deed, agreement of the Merchant made with any other person;

7.4.5. to the best of its knowledge, there is no action, suit or proceeding at law or in equity now pending or threatened by or against or affecting the Merchant which would substantially impair its right to carry on its business as now conducted or adversely affect its financial condition or operations;

7.4.6. has all consents, acts, conditions required to be obtained, done, fulfilled and performed as at the date of this Agreement in order: (i) to enable it to lawfully enter into and exercise its rights and perform the obligations assumed by it under the Agreement; and (ii) to ensure that its obligations hereunder are legal, valid and enforceable; and (iii) to make the Agreement admissible in evidence; have been obtained, done, fulfilled and performed;

7.4.7. all factual information relating to it and provided to iCard was, at the date it was provided and remains, true and accurate in all material respects and is not misleading and there are no other facts the omission of which would make any fact or statement therein misleading and there has been no Material Adverse Change;

7.4.8. knows and understands the business activities of iCard and any restrictions on those activities that may be imposed by any regulatory authority to which iCard may be subject to at any given time, or by the applicable laws, rules and regulations of any of these jurisdictions.

7.5. The Merchant shall provide iCard with prompt notice of its intent to (a) assign transfer or sell in any form or manner any substantial part of its total assets, or liquidate; (b) change the basic nature of its business, including selling any products or services not related to its current business; (c) change ownership or transfer control of its business; or (d) enter into any joint venture, partnership or similar business arrangement whereby any person or entity not a party to the Agreement assumes any interest in Merchant's business. Such notice shall include all relevant details regarding such change and/or transfer, including but not limited to, a complete update of all documents, related to the Agreement (hereinafter in this Section, the "Documents"). iCard shall have a period of 20 Business Days from the date it received the Documents from Merchant, to examine the Documents and determine whether such changes affect iCard's decision to provide services to the Merchant, and to notify

Merchant either: (1) iCard approves such change and/or transfer; or (2) iCard terminates the Agreement, effective immediately upon mailing (by fax and e-mail) such notice.

8. CHANGE IN TERMS, POLICY, PROCEDURES OR FORMS

8.1. The Merchant agrees that iCard may make changes to the Agreement, iCard Policies, Instructions and procedures and forms from time to time. When these changes are not related to the preliminary information, which iCard is obliged by law to present to Merchant prior to entry into Agreement, iCard may introduce the changes with shorter notice. When these changes are related to the preliminary information, which iCard is obliged to present to Merchant prior to entry into Agreement, such as for example changes in Tariff, changes in the Payment Services provided by iCard, changes in the applicable languages, or other preliminary information required by law, iCard shall give Merchant two (2) months' notice of such changes by email sent to Merchant email address and/or by notifying Merchant in Merchant Personalized Page for the Service or on the website for the Service before their proposed date of entry into force.

8.2. The Merchant understands and agrees that the Merchant will be deemed to have accepted the changes unless Merchant notifies iCard to the contrary by written notice, as provided in this Agreement, prior to the date on which the changes are to come into effect, in which case the Agreement will terminate without charge for termination immediately before the effective date of the changes.

9. TERMINATION

9.1. This Agreement is concluded for indefinite term and may be terminated as agreed on between the Parties.

9.2. The Agreement may be terminated by iCard with immediate effect and without need of prior notice to the Merchant in case of default of the Merchant, such as, but not limited to:

9.2.1. the Merchant misrepresents any data or information required by or provided to iCard;

9.2.2. the Merchant ceases to carry on the business or businesses disclosed to iCard, commences a new business which involves activities which are unacceptable to iCard, or all or substantially all of the assets of the Merchant's business are sold, transferred or pledged;

9.2.3. a bankruptcy petition is filed by or against the Merchant or is insolvent or has applied for any other insolvency procedure.

9.2.4. there is a substantial change in the Merchant's current credit standing or for any other reason based upon iCard's policy or business decision;

9.2.5. more than 1% of Transactions of the Merchant in any one week are subject to chargeback requests;

9.2.6. If the Merchant violates the terms and conditions of this Agreement or other Agreements with the Merchant, including but not limited Merchant is in delay of payment of due amounts to iCard for 7 (seven) days.

9.2.7. If the Merchant is in any way or is found to be participating in fraudulent activity.

9.2.8. Merchant 's representatives or officers or ultimate beneficiaries or successors in title or assignees commit or are accused of committing or having committed an act of grave misconduct and/or illegal act and or unacceptable behavior and or fraudulent act in the course of business;

9.2.9. Merchant' representatives and/or officers and/or ultimate beneficiaries and/or successors in title and/or assignees are prosecuted for or convicted of a criminal offence or professional misconduct.

9.2.10. Any competent supervisory authority or Card Scheme organization demands or instructs iCard to cease providing the services under the Agreement.

9.3. The Agreement may be terminated at any time by either of the Parties without cause and without incurring in extra costs and expenses for the termination by sending a 2 (two) month notice in writing to the other party.

9.4. Termination by iCard shall not affect iCard's rights under the Agreement as to Transactions presented to iCard prior to termination. If iCard exercises its right to terminate the Agreement, it shall have no duty to pay any Transactions from the time termination is effective. iCard shall also have the right to return without payment any and all Transactions previously presented by the Merchant but not yet irrevocably entered into iCard's processing system.

9.5. The Merchant shall pay to iCard any outstanding commissions, charges and fees and all post-termination charges incurred after termination.

9.6. Upon termination of the Agreement, all provisions regarding indemnification, warranty, liability and limits thereon, and confidentiality and/or protection of proprietary rights and trade secrets, and any provisions which expressly or by their nature are required to survive such termination in order to achieve their purpose, shall so survive until it shall no longer be necessary for them to survive in order to achieve their purpose. Termination of the Agreement shall not relieve Merchant or iCard of their respective obligations to pay amounts accrued or owing, nor affect any legal rights or obligations which may have arisen under the Agreement prior to or at the date of termination.

9.7. Upon termination of the Service by iCard or termination of this Agreement all reserved amounts and all amounts due by iCard to Merchant can be withheld by iCard for a period of six (6) months as of date of termination in order to satisfy obligations of Merchant to iCard or third parties. In case of any risk of Damages, resulting from reversals, chargebacks, claims, fees, fines, penalties, Merchant's non-compliance with AML/FT or other regulations and

other similar liabilities arising from the Merchant's use of the Service, iCard may hold the Merchant's funds for up to 6 months even after Termination of Agreement or shorter or longer period, as required by the law. The Merchant will remain liable for all obligations arising under this Agreement even after Termination of Agreement and/or closing of account.

10. INDEMNIFICATION AND LIMITATION OF LIABILITY

10.1. The Merchant shall indemnify and hold iCard, its directors, officers, employees, agents, independent contractors or Sources harmless from any liability, loss, damage, claim, penalty, demand, costs, expenses, obligations, recoveries, complaint, including reasonable attorneys' fees, arising out of:

10.1.1. the Merchant's negligence;

10.1.2. the Merchant's failure to comply with or to enforce any provision of the Agreement;

10.1.3. the Merchant's failure to take adequate fraud precautions and measures;

10.1.4. any loss caused by the Merchant's violation of Card Schemes' rules or regulations or the applicable laws in the jurisdiction where the Merchant operates or to which items may be delivered or made available; and

10.1.5. any and all actions, claims, chargeback, reversals, refunds, recurring transactions, currency conversions, pre-authorization, offline transactions, fraud, demands, penalties, fines, damages, audit, legal, IT, back office, judicial expenses or other expenses which iCard may incur or become subject as a result of breach by the Merchant or its employees, agents or subcontractors of any provision, warranty or representation in this Agreement, or any inseparable part of this Agreement, or Regulations of Card Organizations, iCard or other Organizations.

10.2. In the event that due to a breach of a material contractual obligation by the Merchant, iCard will be imposed Penalties by one of the Card Schemes, the Merchant shall indemnify iCard and hold iCard harmless from bearing these Penalties. Upon request a table of the current Penalties shall be made available to the Merchant at any time.

10.3. The Merchant agrees that it shall be solely responsible for its actions in retaining Cards' and Cardholders' details and that the Merchant will indemnify, defend and hold iCard and their members harmless from any claim, loss or liability, arising from any injury or persons, property or reputation, or any breach of the peace which occurs as a result of retaining a designated card.

10.4. The Merchant acknowledges the electronic nature of the Services to be supplied hereunder and the inherent risk that communications by electronic means may not reach their intended destination or may do so much later than intended for reasons outside iCard's control. iCard will endeavor to give a complete service at all times, however it shall not be liable to any person if it is unable to perform its obligations under the Agreement due to the failure of

any terminal, machine, computer, telephone line or software, whether belonging to or licensed to iCard or not, any industrial dispute or anything which is outside the control of iCard.

10.5. iCard is entitled to withhold amounts from processed transactions or other amounts in case of risks of claims, Card Organizations penalties, fines or other damages for which Merchant is or shall be liable to iCard under this Agreement or other Agreements, for a period of time, which is reasonably necessary to assess the damages for iCard. The Merchant agrees that iCard is authorized to satisfy immediately as they become due any obligations of the Merchant to iCard under this Agreement or other Agreements from amounts or any outstanding sums owed by iCard to Merchant, or current and future receivables of Merchant from iCard, including by deduction from the amounts due under this Agreement or other Agreements. iCard shall inform the Merchant on the ground, amount and value date of such withdrawals within reasonable period of time.

10.6. In addition to iCard's right of indemnification, in case where Merchant's iCard Account has been blocked by iCard for compliance or security reasons, or under order by a regulator, due to Merchant's breach of this Legal Agreement or use of the Service by Merchant in breach the applicable laws or the Rules of the Card Organizations, iCard shall be entitled to block Merchant's Account and all or part of the Services, without prior notice and iCard shall be entitled to receive as a penalty for each breach by Merchant, equal to 20% of Merchant's turnover for a period not exceeding the last 12 (twelve) months prior to the blocking of the account, and per each breach. iCard reserves the right to withhold amounts and/or seek higher compensation for our actual damages.

11. GENERAL

11.1. The Agreement may not be assigned by the Merchant without the express written consent of iCard. iCard may assign part or whole of its rights and obligations under this Agreement to a third party without prior notice to Merchant, for which Merchant agrees unconditionally and irrevocably upon entry into this Agreement. iCard shall notify the Merchant on assignment of this Agreement to a third party within reasonable period of time via e-mail or other reasonable means.

11.2. Any notice sent by the Merchant to iCard under this Agreement should be sent by registered post to iCard's address of registered office, stated above in the Agreement, except that:

(i) Notification of loss, theft, unauthorized use or security breach of Merchant Identifying Credentials or POS must be made immediately to the Contact Center of iCard, on numbers notified to Merchant by iCard or has to be sent, as soon as possible via email to iCard;

(ii) Notification by the Merchant that the Merchant does not agree to the

amendment of the Agreement and wishes to terminate the Agreement prior to entry into force of the amendments should be sent via email to iCard by the Legal Representative of the Merchant.

11.3. "iCard", "iCard.com", "iCard.it" and all related URLs, logos, marks or designs, software, interfaces or other related to the Services, including logos and marks of iCard and Card Organizations such as MasterCard Secure Code or Verified by VISA or J/Secure are protected by copyright, trademark registration or Patent or other intellectual property right of iCard or third-party Licensor. The Merchant may not use them without agreeing with this Agreement, in breach of this Agreement or after its termination for whatever reason. Merchant may not copy, imitate, modify, alter or amend, sell, distribute or them in any case.

11.4. Should any provision of the Agreement be determined to be invalid or unenforceable under any law, rule or regulation, that determination shall not affect the validity or enforceability of any other provision of the Agreement.

11.5. The Agreement and those matters expressly incorporated herein by reference, including but not limited to any and all General Terms and materials, are the entire Agreement between iCard and the Merchant and supersede all oral negotiations or prior writings.

11.6. Any claim or dispute arising under the Agreement or as a result of the provision of the Service by Issuer should, in the first instance, be referred to Issuer to the following email: info@premiocard.com. The Merchant has to submit Complaints in writing and clearly stating the reasons for complaint. Issuer shall review the complaint within 15 days from its receipt under the condition that the complaint is presented in a clear and understandable manner and is submitted correctly. In case there is no reply to the complaint due to circumstances that are beyond the control of the Issuer the latter shall be obliged to write back to the Merchant with the reasons for the delay and the reasonable time in which the issue subject of the complaint will be resolved. In any case the rectification of the issue will be provided within 35 days from the receipt of the complaint from the Merchant. The Merchant may refer any complaints not resolved to the Merchant satisfaction to the for examination by the Conciliation Commission for Payment Disputes on the following address: Republic of Bulgaria, Sofia, 1000, 1 Vrabcha Street, fl. 4, which is entitled to offer out-of-court solution, which have to be accepted by both parties. In case the country of your permanent residence is different from Republic of Bulgaria, you may address your complaints related to e-money and payment services, provided by iCard, to the following online platform for out-of-court settlements: National Association for out-of-court settlements (NAOCS): <https://nais.bg/en> -

member of Fin-Net or to the following online platform for out-of-court settlements:

<https://ec.europa.eu/consumers/odr/main/index.cfm?event=main.home2.show&lng=EN>.

In case the country of your permanent residence is different from Republic of Bulgaria and you sent a complaint related to e-money and payment services, provided by iCard, to your local competent authority for out-of-court settlements, such authority is obliged to forward your complaint to the competent authority in Republic of Bulgaria or through the online platform for out-of-court settlements: National Association for out-of-court settlements (NAOCS): <https://nais.bg/en> - member of Fin-Net.

11.7. The Agreement shall be governed by and construed in accordance with the laws of Bulgaria. All disputes, arising from this contract or related to it, including those arising from or concerning its interpretation, invalidity, performance or termination, as well as the disputes for filling gaps in this contract or its adaptation to newly established facts, shall be finally settled by the courts of Bulgaria in Sofia, which shall be exclusively competent to resolve the dispute.

11.8. The language of the Agreement and all documents, connected to it, is English. The provision of the Agreement and other documents in any other language is only for the sake of the convenience of the Merchants and third contractual parties and in the event of contradiction the English version shall prevail in any case. The Merchant is entitled to receive at any time the effective English wording of any document, connected to the Agreement. For each transaction made through the Service iCard shall provide to the Merchant in its online account for the Service information about its execution deadline, the fees to which the Merchant will be subject and, if applicable, a breakdown of the fees, provided such information is requested prior to execution.

Furthermore, once the fees have been debited from the Merchant Account, iCard shall provide the Merchant with the following information: (i) a reference number that enables the Merchant to identify each payment and, if applicable, information about the beneficiary; (ii) the amount involved in each payment; (iii) the amount of any fees charged and, if applicable, the corresponding breakdown; and (iv) the date of debit or receipt of a payment order. The Merchant is entitled to request this information to be provided or made accessible regularly, at least once a month, free of charge, provided that the Merchant is allowed to store this information and reproduce it without changes.

11.9. The information contained herein and related to the activities of the Merchant can be exchanged by iCard with any related company within the

group of companies of iCard, sub-contractor or Agent of iCard, any person providing a payment gateway and with any other member or controlling body of the relative Payment System.

11.10. Subject to the foregoing clause, iCard and the Merchant agree to keep confidential and not disclose to any Third Party any information received from the other that is not publicly available and the terms of the Agreement including, without limitation, the commission and/or Transaction fee. The Merchant shall take all steps necessary to prevent the transfer or disclosure of Cardholder information to any Third Party and will not use or disclose the names, addresses or account numbers of the Cardholders, except as otherwise provided in the Agreement. For the avoidance of doubt the obligations in this clause shall survive the termination or expiry of the Agreement.