

III. SCHEDULES OF SERVICES

Schedule of Service

A. Merchant Agreement (Card Payment Service) (“Card Payment Service” or “Schedule”)

1. Application

- 1.1 This Schedule shall apply to every transaction involving payment by the Merchant's customers by means of the debit cards and credit cards.
- 1.2 The term "Card" hereinafter appearing shall mean the credit card or any of the credit cards / debit cards, which including but not limited to any physical, digital or virtual card, electronic wallet, QR Code or other payment device described in Part I of the Merchant Application.

“QR Code” means a quick response code sent by the designated company (i.e. issuing bank) to the device through the QR Code Payment Services as a digital representation of the Card for executing transactions at designated merchant reader.
- 1.3 This Schedule shall commence from the Effective Date and shall continue unless terminated in accordance with clause 15.
- 1.4 The heading of each clause is inserted for convenience only and shall not be taken into account when construing this Schedule of Card Payment Service.

2. Acceptance of Card

- 2.1 Subject to clause 2.2, the Merchant shall promptly accept without discrimination any Card presented by its customers for payment of the Merchant's merchandise or services.
- 2.2 The Merchant shall only accept a Card for payment after it has confirmed all of the followings (if applicable):-
 - (i) the Card has not been defaced, tampered with or altered in any manner or is not reasonably suspected of being a counterfeit;
 - (ii) the Card has not expired (if there is an expiry date printed on the card face);
 - (iii) in respect of a Credit Card, it bears the corresponding hologram and the same has not been damaged or blurred;
 - (iv) in respect of a Credit Card, the first four digits of the card number embossed on the card face are the same as the four-digit number printed immediately above or below;
 - (v) in respect of a Credit Card, it bears the specimen signature of its cardholder at the back and the same has not or is not reasonably suspected of having been tampered with or altered in any manner;
 - (vi) the DCT Terminal (as defined in clause 13.1) shows that the Card is valid, has not expired or been cancelled;
 - (vii) the DCT Terminal displays a card number which is the same as the card number embossed on the card face (in case of discrepancies in respect of a Debit Card, the Merchant shall report to the Company immediately);
 - (viii) in respect of a Credit Card, the signature of the customer on the sale-slip is the same as the specimen signature at the back of the Credit Card;
 - (ix) in respect of a Credit Card, its card number and/or its account number is not listed on any current warning, card recovery, hot card, stop or similar list or notice supplied to the Merchant by the Company from time to time; and
 - (x) such other instructions from time to time issued by the Company have been fulfilled or otherwise complied with.
- 2.3 Notwithstanding anything in this Schedule to the contrary, the Merchant shall not use an imprinter to effect a payment transaction involving the use of UnionPay Cards. In respect of a payment

transaction involving the use of a Debit Card, the Merchant shall require the customer to enter a personal identification number (“PIN”) for the purpose of authentication. The Merchant shall indemnify the Company for any loss or damage suffered as a result of the breach of this clause by the Merchant.

3. Authorisation

Under the following circumstances, the Merchant shall obtain prior authorisation from the authorisation centre designated from time to time by the Company and record legibly on the sales slip(s) the authorisation code before accepting a Card:-

- (i) the transaction amount is in excess of the applicable floor limit as set out in Part I of Annexure;
- (ii) the Merchant has reasonable cause to believe that the Card may be counterfeit, forged, lost or stolen;
- (iii) there are suspicious circumstances surrounding the presentation of the Card or the proposed transaction; or
- (iv) if the amount prescribed for a single transaction exceeds the Merchant’s floor limit as set out in Part I of the Annexure unless otherwise notified by the Company to the Merchant in writing.

4. Completing the Sales Slip

4.1 The Merchant shall complete a separate sales slip for each transaction. The Merchant shall only engage the processing and settlement service offered by the Company in respect of all payment transactions effected with the Card.

4.2 All sales slips to be used by the Merchant shall be in a form approved by the Company and shall consist of the Merchant copy, Company copy or Bank copy (as appropriate) and Cardholder copy. Each Merchant copy shall be retained by the Merchant for a period of not less than eighteen (18) months from the date of the transaction and shall be submitted to the Company within three (3) business days upon request. The Company copy or Bank Copy (as appropriate) shall be sent to the Company upon presentation for payment. The Cardholder copy shall be given to the customer immediately after the transaction and in the case where a Credit Card is used, after signing the sales slips.

4.3 The following provisions shall apply where a Card is presented by a customer for payment :-

- (i) If an imprinter is used to effect a payment transaction involving a Credit Card (except UnionPay Cards), the Merchant shall imprint legibly the embossed data from the customer's Card and the Merchant's name and number on each sales slip; and
- (ii) The Merchant shall compare the signature on the sales slip(s) with the signature on the Card to ascertain that they appear the same; and
- (iii) The Merchant shall enter an adequate description and the price of all merchandise or services sold or rendered in Hong Kong dollars and the date of each transaction on the sales slip.

5. Presentation of Sales Slip

5.1 The Merchant shall present all sales slips to the Company for payment within three (3) calendar days from the date of each transaction and in this respect time is of the essence. When presenting the sales slips, a summary report in respect of all such sales slips shall also be submitted to the Company which report shall contain the following information and such other information as the Company may from time to time request:

- (i) Merchant number;
- (ii) total sales amount;
- (iii) date of report;
- (iv) number of sales slip(s);
- (v) total amount of the deduction calculated at the rate described in Part I of the Annexure hereto; and
- (vi) amount payable by the Company calculated in accordance with clause 6.1.

5.2 Notwithstanding any provision herein contained, the Company shall have the right to decide, without giving any reason, not to process the sales slips, or any part or parts thereof presented by the Merchant from time to time.

6. Payment and Discount

6.1 Subject to clauses 5.2 and 17, the Company shall pay to the Merchant the amount of sales slips from time to time presented by the Merchant pursuant to clause 5.1 less a discount fee calculated at the rate described in Part I of the Annexure hereto.

6.2 The discount fee rate may be varied from time to time by the Company upon giving written notice to the Merchant.

6.3 If the transaction is denominated in a currency other than Hong Kong dollars, the Company shall have the right to pay the Merchant in Hong Kong dollars and determine the applicable exchange rate therefore.

7. Recovery of Card

7.1 The Merchant shall use its best efforts and is hereby authorised to recover and retain, by reasonable and peaceful means, any Card purportedly presented for payment (i) if the Card or the applicable account number is listed on a current warning, card recovery, hot card, stop or similar list or notice supplied by the Company from time to time and/or (ii) if advice or instruction is given by the authorisation centre of the Company to the Merchant to recover or retain the Card.

7.2 The Company shall not be liable to the Merchant, its agent, employees or any other person claiming through or under or in trust for the Merchant under any circumstances whatsoever for the death, injury, loss, damage, costs, expenses, liabilities, actions, claims or proceedings which the Merchant or any such person may suffer, sustain or incur as a result of, or in connection with or arising out of the recovery or retention of the Card.

8. Split Sales, Multiple Sales Slips and Partial Consideration

8.1 The Merchant shall not use two or more sales slips in a single transaction and shall include all items of merchandise or services sold or rendered in a single transaction in one total amount on a single sales slip except in a situation involving partial payment or delayed delivery described in this clause.

8.2 In respect of a Credit Card, the Merchant shall not effect a transaction when only a part of the amount due is included in a single sales slip except :-

- (i) when the balance of the amount due is paid by the customer at the time of sale in cash or by cheque; or
- (ii) when the customer shall have executed two or more separate slips in a delayed delivery sale where a deposit is required to be paid by the customer and the balance of the sales price is required to be paid on delivery of merchandise or performance of services. Authorisation is required if the total amount of the two sales slips exceeds the applicable floor limit and such sales slips shall be assigned separate authorisation codes. The Merchant shall record legibly on the sales slips the word "deposit" or "balance" as the case may be.

8.3 For the purpose of clause 8.1, the Merchant shall be deemed to have used two or more sales slips in a single transaction if two or more sales slips are presented indicating that the transactions are entered into between the same customer on the same day.

9. Return Merchandise and Adjustments

9.1 If, with respect to any transaction involving the use of the Card, any merchandise is accepted for return or any service is terminated or cancelled, or any price adjustment is allowed, the Merchant shall not make any cash refund to the customer but shall promptly deliver to the Company a credit note in a prescribed form supplied by the Company from time to time and present the same

together with other sales slips evidencing such refund or adjustments.

- 9.2 The Merchant shall sign and date each credit note and send the true and completed copy thereof to the customer.
- 9.3 If the amount of the credit notes to be presented exceeds the amount of the sales slips to be presented, the Merchant shall within seven (7) business day's effect payment to the Company in an amount equal to such excess.

10. Cash Payment

The Merchant shall not receive any payment in whatever form from a customer with respect to charges for merchandise or services included in a sales slip resulting from the use of the Card. Cash advanced by the Merchant to a Cardholder is not allowed in all circumstances.

11. Surcharge to Cardholders

The Merchant shall not impose any surcharge or additional charge or payment on a transaction for which a customer intends to use the Card.

12. Refund of Amount of Sales Slip

- 12.1 The Merchant shall forthwith on demand of the Company repay or refund to the Company a sum equal to the total amount of the sales slip(s) credited by the Company to the Merchant's bank account with such bank as may from time to time be mutually agreed ("the Account") or paid to the Merchant upon the happening of any one or more of the following events:-
- (i) the Company, at its absolute discretion, considers or suspects that the Merchant is in breach of any of the provisions of this Schedule in respect of the transaction(s) to which the sales slip(s) relate(s) and the Company has exercised its right under clause 17; or
 - (ii) the sales slip(s) have been completed improperly or without actual authority of the Cardholder; or
 - (iii) the Cardholder disputes the sale, quantity, quality or delivery of the merchandise or the performance or quality of the services covered by the sales slip(s); or
 - (iv) the sale of the merchandise or performance of the services to which the sales slip(s) relate(s) involves a violation of law or the rules or regulations of any governmental agencies, local or otherwise.
- 12.2 In addition to the authority given to the Company as stated in clause 12.3, the Company shall be entitled to deduct the total amount of such sales slip(s) from subsequent credit(s) to the Account or payment to the Merchant.
- 12.3 To secure the obligations, debts and liabilities of the Merchant under this Schedule generally and clause 12.1, the Merchant hereby irrevocably authorises and instructs the bank with which the Account shall be maintained ("the Bank") to debit the Account with the amount due from the Merchant to the Company as the Bank may at any time and from time to time be informed or notified by the Company (which shall be conclusive against the Merchant and as far as the Bank is concerned) and to pay the same to the Company forthwith without any prior notice to or further consent from the Merchant. The Bank in so acting shall not be liable for any loss to the Merchant.

13. Imprinters and Data Capture Terminal System Terminals

- 13.1 The Company will from time to time provide to the Merchant imprinter(s) and/or terminal(s) for data capture terminal system ("DCT Terminal") and the Merchant shall use such imprinter and/or DCT Terminal for the purposes and subject to the provisions of this Schedule. The Merchant shall not use any other devices to effect any payment transaction involving the use of the Card and shall indemnify the Company for any loss or damage suffered as a result of breach of this clause.
- 13.2 The Company will engage third party terminal vendor to install the DCT Terminal and such other accessories, devices, enhancements and/or additions relating thereto (collectively the "DCT

Equipment") at the Merchant's place(s) of business as the Company may approve for accepting the Card ("Designated Locations"). The Merchant shall afford the terminal vendor reasonable access to the Designated Locations and such other assistance as may be necessary for installation and maintenance of the DCT Equipment from time to time.

- 13.3 The imprinter(s) and the DCT Equipment shall remain the property of the Company and the Merchant shall forthwith upon request return the imprinter(s) and DCT Equipment to the Company. The Merchant shall not make or permit to be made any alteration, attachment, addition or modification to the imprinter(s) and/or the DCT Equipment without the prior written consent of the Company.
- 13.4 The Merchant shall:
- (i) only use the imprinter(s) and the DCT Equipment in accordance with the on-site demonstration performed by the terminal vendor, the terms of this Schedule and such other instructions from time to time given by the Company;
 - (ii) use its best endeavors to keep the imprinter(s) and/or the DCT Equipment in a safe place and maintain them in good working order; and
 - (iii) not remove any imprinter(s) and/or the DCT Equipment from its/their respective Designated Locations.

If, as a result of breach of the above sub-clauses by the Merchant, the Company incurs cost and expense for repairing or replacing any damaged or lost imprinter(s) and/or the DCT Equipment or suffers other loss and damage, the Merchant shall forthwith indemnify the Company against all such cost, expense, loss and damage.

- 13.5 The Merchant shall not at any time use an imprinter to effect any payment transaction unless the Merchant is unable to effect any payment transaction with the DCT Equipment installed at the relevant place of business due to malfunction of or other technical problems with the DCT Equipment. The Merchant shall as soon as practicable report such malfunction or technical problems to the authorisation centre of the Company.
- 13.6 The Merchant may from time to time be required to pay a subscription fee and/or a deposit for the use of the DCT Equipment which may be set out in Part II of the Annexure. The Company reserves right to revise the existing and/or impose additional subscription fee and/or deposit in respect of any DCT Equipment supplied to the Merchant and any such change shall become effective and binding on the Merchant after the Company has notified the Merchant of the same in writing. Any subscription fee and/or deposit received by the Company under this clause 13.6 may be used to set off any sums which the Merchant is liable to pay to the Company pursuant to any indemnities given under this Schedule. Upon termination of this Schedule, the Company shall as soon as reasonably practicable refund such subscription fee and/or deposit after any set off.

14. Card Information

The Merchant shall not, without the prior written consent of the Company, disclose to any person the identity of any Cardholder and/or his or her Card number or any information whatsoever relating to any transaction involving the use of the Card.

15. Termination

- 15.1 The Company shall have the right to terminate, without giving any reason, this Schedule at any time forthwith with or without notice given to the Merchant. The Merchant shall only be entitled to terminate this Schedule by giving to the Company not less than seven (7) business days' prior notice in writing.
- 15.2 If for any reason this Schedule is terminated within three (3) years from the date hereof, the Merchant shall on demand pay to the Company an administration fee in respect of services rendered by the Company to the Merchant throughout the duration of this Schedule at such rate as prescribed by the Company.

15.3 Upon termination of this Schedule for whatsoever reason, the Merchant shall, if applicable, cease to use or refer in any manner to the service marks, trademarks and/or trade name of the Company and/or the Card and shall return at its own expense to the Company all publications, promotional materials or other items relating to the Company and/or the Cards which are delivered to the Merchant for the purpose of this Schedule and which are in the Merchant's possession.

16. Charging Back and Set-off

16.1 If there shall at any time be discovered by the Company a breach of any provision herein on the part of the Merchant, the Company shall (without prejudice to any other right it may have) be entitled to charge back from the Merchant any payment made by the Company hereunder prior to the discovery of such breach.

16.2 The Company shall be entitled to set off any sum which the Company in good faith considers to be reasonable as remedy for such breach against the amount payable to the Merchant under clause 6.1 which is attributable to transactions involving the Cards. In addition, the Merchant agrees and acknowledges that damages may not be adequate compensation and the Company shall be entitled to seek injunctive relief and/or any other form of equitable relief.

17. Suspension of Payment

17.1 If the Company, at its absolute discretion, suspects that the Merchant has committed or may have committed a breach of this Schedule or an act of dishonesty or fraud against the Company or any Cardholder, the Company shall be entitled to (a) suspend all payment under this Schedule to the Merchant for a period not exceeding twenty four (24) months from the date of receipt by the Company of the relevant sales slip(s) and (b) commence investigation on any transaction or the Merchant or any other person or persons as the Company may think fit. No interest shall be payable by the Company on any payment suspended in accordance with this clause 17.1.

17.2 The Merchant shall not be entitled to payment of the relevant transaction(s) if it is found by the Company before or upon expiry of such period of twenty four (24) months that:-

- (i) the Merchant is in breach of any of the provisions of this Schedule in respect of the transaction(s) to which the sales slip(s) relate(s); or
- (ii) the sales slip(s) have been completed improperly or without actual authority of the Cardholder; or
- (iii) the Cardholder disputes the sale, quantity, quality or delivery of the merchandise or the performance or quality of the services covered by the sales slip(s); or
- (iv) the sale of the merchandise or performance of the services to which the sales slip(s) relate(s) involves a violation of law or the rules or regulations of any governmental agencies, local or otherwise;

18. Indemnity

18.1 In consideration of the Company's provision of the credit card services to the Merchant hereunder, the Merchant hereby undertakes to indemnify and hold the Company harmless from and against all claims, liabilities, losses, damages, costs and expenses incurred or suffered by the Company as a result of the Company entering into or performing any of its obligations under this Schedule, including without limitation, any transactions (including manual imprint transactions, notwithstanding the requirements of clause 4.3 and other related clauses have been fulfilled) being charged back by the card issuing bank for whatever reason.

18.2 Any sum due from the Merchant under clause 18.1 are immediately payable upon demand. The obligation of the Merchant under clause 18.1 shall survive the termination of this Schedule and shall continue until the expiration of one (1) year after the termination of this Schedule.

THE ANNEXURE ABOVE REFERRED TO

PART I

<u>Name Of Card *</u>	<u>Discount Fee Rate</u>	<u>Floor Limit</u>
Mastercard Card	%	HKD0.00
Visa Card	%	HKD0.00
UnionPay Card	%	HKD0.00
JCB Card	%	HKD0.00

PART II

<u>Description Of DCT Equipment</u>	<u>Subscription Fee</u>	<u>Deposit</u>
(As per actual deliver record)	HKD0.00	HKD0.00

Supplement to Merchant Agreement (Card Payment Service)

A. (a) Mail Order and Telephone Order Services (“MO & TO Supplement” or “Supplement”)

These Terms and Conditions, together with the Merchant Agreement (Card Payment Service) Schedule and the General Terms and Conditions, apply to the extent applicable to the Mail Order and Telephone Order Services endorsed by the Merchant:-

Mail Order and Telephone Order Services

1. A Mastercard/VISA/UnionPay Card sales draft will be issued by the Merchant for each transaction. The Card detail will be printed onto the sales draft and the letters “MO” and/or “TO” (as the case may be) will be typed on the signature line of the sales draft for Mail Order and/or Telephone Order transactions respectively. The Merchant will retain the Mail Order and Telephone Order form with the customer’s signature for eighteen months and send/fax to the Company all Mail Order and Telephone Order form copies and any form upon request.
2. All Mail Orders and/or Telephone Order in excess of HKD _____ against any one Mastercard/VISA/UnionPay Card must receive authorization from the Company prior to despatch of goods ordered.
3. The Company will receive a discount rate of _____% from all Mastercard/VISA/UnionPay Card sales drafts of Mail Order and/or Telephone Order transactions sent to the Company.
4. The Merchant will undertake to refund any amount paid by the Company in exchange for a Mastercard/VISA/UnionPay Card sales draft where a chargeback is received from the cardholder or the card issuing bank.
5. In the event of any breach of this Supplement by the Merchant, the Company shall withhold payment in respect of such invoice(s) or if payment shall already have been made, the Company shall recover the same amount from the Merchant, and the Company shall be entitled to terminate this Supplement at any time without any reason and notice.
6. All the settlement currency between the Merchant and the Company should be in Hong Kong Dollar. If transactions occur in currency other than Hong Kong Dollar, the Company reserves the right to quote the exchange rate.

Indemnity

1. The Merchant understand that Mail Order and/or Telephone Order transactions are card not present (“CNP”) transactions which have substantially higher risk of chargeback, since there is no electronic/imprinted card presentment record or signed transaction record, and the Merchant assume all risk associated with accepting CNP transactions.
2. In consideration of the Company processing and reimbursing the Merchant the proceeds of Mastercard/VISA/UnionPay Card Mail Order and/or Telephone Order transactions (as the case may be), the Merchant hereby indemnifies and holds harmless the Company, from and against all claims, liabilities,

losses, damages, costs and expenses resulting from or arising out of any or all Mastercard/VISA/UnionPay Mail Order and/or Telephone Order transactions (as the case may be) being charged back by the card issuer for reason of (A) non-possession of card: supported by the card issuer's written certification that the card was not in the purchaser's possession at the time of the Mail Order and/or Telephone Order transactions (as the case may be) or a fictitious account number was used or by written certification from the cardholder which states he/she neither participated in nor authorised the Mail Order and/or Telephone Order transactions (as the case may be) or (B) non-receipt of merchandise: supported by a copy of the cardholder's written statement that the merchandise was ordered and never received or the original paper or photocopy of Mail Order and/or Telephone Order (as the case may be) showing no cardholder signature.

3. This is a continuing indemnity and will expire one year after termination of the Master Agreement between the Company and the Merchant.

Supplement to Merchant Agreement (Card Payment Service)

(A). (b) Recurring Transactions Supplement (“RT Supplement” or “Supplement”)

These Terms and Conditions, together with the Merchant Agreement (Card Payment Service) Schedule and the General Terms and Conditions, apply to the extent applicable to the Recurring Transaction Supplement service endorsed by the Merchant:-

Recurring Transaction

1. A Recurring Transaction is a transaction for which a cardholder grants written permission to the Merchant to periodically charge his/her Credit Card Account for recurring goods or services.
2. The Merchant will retain the Recurring Transaction written permission form with the customer’s signature for eighteen months and send/fax to the Company all written permission form copies upon request.
3. All Recurring Transaction in excess of HKD 0.00 against any one Mastercard/VISA/UnionPay Card must receive authorization from the Company prior to despatch of goods ordered.
4. The Company will receive a discount rate of _____% from all Mastercard/VISA/UnionPay Card Recurring Transaction with authorization code successfully obtained.
5. The Merchant will undertake to refund any amount paid by the Company in exchange for a Mastercard/VISA/UnionPay Card authorization where a chargeback is received from the cardholder or the card issuing bank.
6. In the event of any breach of this Supplement by the Merchant, the Company shall withhold payment in respect of such invoice(s) or if payment shall already have been made, the Company shall recover the same amount from the Merchant, and the Company shall be entitled to terminate this Supplement at any time without any reason and notice.
7. All the settlement currency between the Merchant and the Company should be in Hong Kong Dollar. If transactions occur in currency other than Hong Kong Dollar, the Company reserves the right to quote the exchange rate.

Indemnity

1. In consideration of the Company processing and reimbursing the Merchant the proceeds of Mastercard/VISA/UnionPay Card Recurring Transactions, the Merchant hereby indemnifies and holds harmless the Company, from and against all claims, liabilities, losses, damages, costs and expenses resulting from or arising out of any or all Mastercard/VISA/UnionPay Card Recurring Transactions being charged back by the card issuer for reason of (A) non-possession of card: supported by the card issuer’s written certification that the card was not in the purchaser’s possession at the time of the Recurring Transaction or a fictitious account number was used or by written certification from the cardholder which states he/she neither participated in nor authorised the Recurring Transaction; or (B) non-receipt of merchandise: supported by a copy of the cardholder’s written statement that the merchandise was ordered and never received or the original paper or photocopy of Recurring Transaction written permission form showing no cardholder signature.

2. This is a continuing indemnity and will expire one year after termination of the Master Agreement between the Company and the Merchant.

Supplement to Merchant Agreement (Card Payment Service)

A. (c) Dynamic Currency Conversion Acquiring Services (“DCC Supplement” or “Supplement”)

These Terms and Conditions, together with the Merchant Agreement (Card Payment Service) Schedule and the General Terms and Conditions, apply to the extent applicable to the Dynamic Currency Conversion Acquiring Services endorsed by the Merchant:-

Application and Acceptance of this DCC Supplement

1. This Supplement governs the Dynamic Currency Conversion Acquiring Service (the "**Service**") provided by the Company to the Merchant and applies to every payment transaction ("**DCC Transaction**") effected by the customers of the Merchant by means of any one of the cards (the "**Card**") specified in the Annexure hereto which billing currency is not Hong Kong Dollar and which the customers have chosen to perform using dynamic currency conversion ("**DCC**"). The Company may from time to time in its sole discretion designate the billing currency or currencies to which the Service may apply without further notice to the Merchant. The provisions of the Merchant Agreement shall continue to apply to the Service and every DCC Transaction to the extent that they are not inconsistent with this DCC Supplement. The Service is not available to any payment transaction effected by the use of an imprinter.
2. By signing the Master Agreement and endorsing to the Company the DCC Supplement in the Merchant Application or otherwise by using the Service, the Merchant is regarded as having accepted and agreed to be bound by this DCC Supplement.

Operational

3. The Company will assign one or more merchant number(s) to the Merchant for the purpose of the Service. DCC Transaction and non-DCC Transaction will be identified by different merchant numbers.

Processing of DCC Transaction

4. The Merchant shall strictly follow the instructions and procedures from time to time published and communicated to it by the Company for the purpose of the Service.
5. Without prejudice to clause 4 above, prior to completing a DCC Transaction, the Merchant shall ensure that its customers are informed of the price of the good or service in Hong Kong Dollar, the exchange rate between Hong Kong Dollar and the billing currency of the Card (the "**Home Currency**") and the transaction amount in the Home Currency. In addition, the Merchant shall inform its customers that DCC is only optional but any decision on the part of the customers shall be final and irrevocable.
6. The Merchant shall not require its customers to agree in advance to effect any payment transaction using DCC unless any such payment transaction is designated by the Company as an "express check-out transaction". In respect of any such express check-out transaction, the Merchant may by written

agreement obtain the prior consent of its customers to effect a payment transaction using DCC at an exchange rate to be determined by the Merchant without further notice to the customers. The written agreement shall incorporate such provisions and include such information as the Company may from time to time require.

Payment and Discount

7. In respect of any DCC Transaction, the amount which the Company shall pay to the Merchant pursuant to clause 6.1 of the Merchant Agreement (Card Payment Service) Schedule shall be the unconverted Hong Kong Dollar amount shown on the relevant sales slips after deduction of a discount fee calculated at the rate specified in the Annexure hereto and any such amount shall be paid in Hong Kong Dollar.

Return of Amount of Sales Slip

8. In respect of any DCC Transaction, the amount which the Merchant shall repay or refund to the Company pursuant to clause 12.1 of the Merchant Agreement (Card Payment Service) Schedule shall be the relevant unconverted Hong Kong Dollar amount credited to the Merchant by the Company and any such amount shall be paid in Hong Kong Dollar.
9. The Company reserves the right to request the Merchant to fully indemnify it against any exchange loss which the Company may suffer or incur as a result of any DCC Transaction being charged back by the relevant card issuing bank.

Miscellaneous

10. The Company will exercise reasonable care in providing the Service to the Merchant but no guarantee is hereby given in respect of the availability of the Service. The Company shall not be responsible for any loss or damage suffered or incurred by the Merchant as a result of the Service not being available. In addition, the Company shall not be responsible for any acts or omission by any sub-contractor or any other third party service provider appointed or engaged by the Company in connection with the provision of the Service.
11. The Company reserves the right to amend or vary this Supplement or change the scope of the Service by giving not less than 7 days' prior notice to the Merchant. Any such amendment or variation shall become effective and binding on the Merchant if the Merchant continues to use the Service on or after the date when such amendment or variation takes effect.
12. Notwithstanding the suspension or termination of the Service for any reason, the Merchant shall continue to be bound by this Supplement to the extent that it relates to any obligations or liabilities of the Merchant which remain to be performed or discharged by the Merchant.

13. No act, delay to act, or omission by the Company shall affect its rights, powers or remedies under this Supplement or any further or other exercise of such rights, powers or remedies by the Company.

THE ANNEXURE ABOVE REFERRED TO

Name of Card

Discount Fee Rate

Supplement to Merchant Agreement (Card Payment Service)

A. (d) Interest-free Purchase Instalment Program (“Instalment Supplement” or “Supplement”)

These Terms and Conditions, together with the Merchant Agreement (Card Payment Service) Schedule and the General Terms and Conditions, apply to the extent applicable to the Interest-free Purchase Instalment Program endorsed by the Merchant:-

1. Definition and Interpretation

1.1 Unless the context otherwise requires, the following terms and expressions shall have the following meanings wherever used in this Supplement:

"**Card**" means any BOC Visa credit card, BOC Mastercard credit card or BOC UnionPay card issued by the Company, or such other credit cards from time to time approved by the Company, excluding Visa Business Card, Mastercard Corporate Card, BOC Express Cash Card and such other credit card from time to time designated by the Company as non-applicable;

"**Cardholder**" means the holder of a valid Card;

"**DDA Form**" means the Direct Debit Authorisation Form prescribed by the Company for the purpose of authorising the Company to charge any and all Instalments to the Card of the Cardholder, subject to the terms and conditions of the Program (defined below) set out therein;

"**Instalment**" means, in relation to an Instalment Transaction, each instalment charged to the Card of a Cardholder on a monthly basis during the Instalment Period, as calculated in accordance with Clause 3;

"**Instalment Period**" means in relation to an Instalment Transaction the relevant period as set out in Part 3 of the Annexure or such other period determined by the Company from time to time for payment by Instalments of the Instalment Transaction Price;

"**Instalment Transaction**" means any purchase of goods and/or services to be paid for by Instalments subject to the terms and conditions of this Supplement;

"**Instalment Transaction Price**" means the total amount of an Instalment Transaction payable by Instalments;

"**Product**" means the goods and/or services or the categories of goods and/or services (which are more particularly set out in Part 1 of the Annexure) to be sold by the Merchant to the Cardholder under an Instalment Transaction;

"**Program**" means the Company's Interest-free Purchase Instalment Program made available by the Company to

the Merchant and the Cardholder;

"Program Offer Period" means the period as set out in Part 2 of the Annexure during which the Program is offered to the Cardholders through the Merchant; and

2. The Program

- 2.1 Subject to Clauses 2.3 and 2.4, the Cardholder shall be entitled to purchase one or more of the Products through Instalment Transactions.
- 2.2 When applying for the Company's approval of a proposed Instalment Transaction, the Cardholder shall provide such information as required by the Company for verification of his status as a Cardholder.
- 2.3 Each Instalment Transaction shall require the prior approval of the Company.
- 2.4 The amount of each Instalment Transaction shall not be less than the minimum amount and shall not be more than the maximum amount as set out in Part 3 of the Annexure, and shall not exceed the maximum limit approved by the Company for such Cardholder for the purposes of Instalment Transactions regardless of the number of Cards such Cardholder may have, and shall be further subject to the maximum credit limit imposed on the Card(s) by the Company.

3. Instalment

- 3.1 The amount of each Instalment in relation to an Instalment Transaction shall be calculated by dividing the Instalment Purchase Price by the number of the months constituting the Instalment Period.
- 3.2 Each Instalment shall be charged to the Card of the Cardholder and treated as if it had arisen from an ordinary purchase of goods and/or services effected by that Card.

4. Program Offer Period

With respect to the Merchant, the Program shall only be valid during the Program Offer Period and the Merchant shall not offer the Program to its customers after the expiry of the Program Offer Period or after this Supplement has been terminated unless otherwise extended by both parties by mutual agreement in writing.

5. Participation in the Program

- 5.1 The Merchant shall during the Program Offer Period use its reasonable endeavours to promote the Program to the Cardholders including encouraging the Cardholders to read carefully the terms and conditions of the Program, displaying the relevant marketing materials of the Program at conspicuous places of all branches and/or business premises of the Merchant and making available the same to the Cardholders. The Merchant shall ensure that its staff members are conversant with the details and the terms and conditions of the Program and shall serve the Cardholder properly and courteously.
- 5.2 The Company shall at its own costs and expenses design and produce the DDA Form and all related

marketing materials (including without limitation posters, tent cards and newsletters) and deliver reasonable quantity of them to the business premises of the Merchant. The Company reserves the right to charge the Merchant an administration fee in this regard.

- 5.3 The Merchant shall at its own costs and expenses provide the descriptions, explanatory notes and films, photographic or other illustrations of the Products to the Company for inclusion in the relevant marketing materials of the Program. The Merchant shall be solely responsible for the contents and accuracy of the materials so provided. The Merchant shall grant and/or procure the grant (in a form acceptable to the Company) by the proprietor (to the extent that the Merchant is not itself the proprietor) of the materials provided by the Merchant to the Company of the right to use such materials for the purposes of this Supplement. The Merchant hereby undertakes to indemnify the Company against any suits, claims, proceedings, fines, penalties, losses, costs, expenses and liabilities whatsoever suffered or incurred by the Company in connection with or arising out of the Company's use of such materials.
- 5.4 The Merchant shall not impose on any Cardholder any surcharge or additional charge or payment on any sale of the Product under the Program save and except for reasonable charges for delivery nor shall the Merchant impose any minimum amount save and except mentioned in Clause 2.4 or any surcharge or additional charge on the use of a Card, or otherwise impose any disincentive for the use of a Card or any incentive for the use of any other means of payment.
- 5.5 If during the Program Offer Period the Merchant is at the same time offering and/or participating in other program(s) similar to the Program, the Merchant shall act fairly in promoting the Program and such other program(s) and shall not in any way discriminate the Company and/or the Cardholders, and shall not discourage any customers and/or prospective customers to participate in the Program or encourage any of them to participate in such other program(s) in place of the Program.

6. Product Price and Quality

- 6.1 The Merchant shall use its best endeavours to ensure that the Products are available for purchase by the Cardholders at all time during the Program Offer Period.
- 6.2 The Merchant shall ensure that any and all Products sold to the Cardholder are of merchantable quality and the Cardholder shall enjoy all services commonly available to purchasers of the Products. The Cardholder shall have the right to return any defective Product to the Merchant for replacement or refund.

7. Dispute arising out of the Product

- 7.1 Any claims, complaints and/or disputes arising out of or in connection with any Product sold to the Cardholder under the Program shall be resolved between the Merchant and such Cardholder directly.
- 7.2 If there shall at any time be discovered by the Company that in respect of any Product purchased under any Instalment Transaction, such Product is either not delivered or not performed to the Cardholder (in whole or in part), or not of merchantable quality, the Company may at its sole

discretion:

- (a) withhold payment to the Merchant pursuant to Clause 13 in respect of such Instalment Transaction until the dispute between the Merchant and the Cardholder with respect to the Product is resolved to the satisfaction of the Company; and/or
- (b) deduct any payment already made to the Merchant pursuant to Clause 13 in respect of such Instalment Transaction from subsequent payment (or any part thereof) payable to the Merchant in respect of other Instalment Transactions.

7.3 The Merchant shall upon the request of the Company provide sufficient evidence of the resolution referred to in Clause 7.2(a) to the Company.

7.4 The Merchant shall satisfy all lawful claims or disputes made by the Cardholder or any other person concerning the Products sold under the Program and the Merchant hereby agrees to fully indemnify and hold the Company harmless from and against all claims, liabilities, damages, costs and expenses which the Company may sustain or incur as a result thereof or in connection therewith.

8. Processing Procedure

8.1 Acceptance of Card

- (a) Subject to clause 8.1(b), the Merchant shall promptly accept without discrimination any Card presented by its customers for payment of the Merchant's merchandise and/or services by Instalment Transaction.
- (b) Before accepting a Card for payment, the Merchant shall confirm all of the followings (if applicable):-
 - (i) the Card has not been defaced, tampered with or altered in any manner or is not reasonably suspected of being a counterfeit;
 - (ii) the Card has not expired (if there is an expiry date printed on the card face);
 - (iii) the Card bears the corresponding hologram and the same has not been damaged or blurred;
 - (iv) the first four digits of the card number embossed on the card face are the same as the four-digit number printed immediately above or below;
 - (v) the Card bears the specimen signature of its cardholder at the back and the same has not or is not reasonably suspected of having been tampered with or altered in any manner;
 - (vi) the signature of the Cardholder on the DDA Form is the same as the specimen signature at the back of the Card;
 - (vii) the card number and/or the account number is not listed on any current warning, card recovery, hot card, stop or similar list or notice supplied to the Merchant by the Company from time to time; and
 - (viii) such other instructions from time to time published by the Company have been fulfilled or otherwise complied with.
- (c) The Merchant shall indemnify the Company for any losses or damages suffered as a result of in breach of this clause by the Merchant.

8.2 Authorisation

The Merchant shall obtain prior authorisation from the authorisation centre designated from time to time by the Company and record legibly on the DDA Form the authorisation code before accepting a Card.

8.3 Completing the DDA Form

- (a) The Merchant shall complete the DDA Form for each transaction. The Merchant shall only engage the processing and settlement service offered by the Company in respect of all Instalment Transactions effected with the Card.
- (b) All DDA Form to be used by the Merchant shall be in a prescribed form approved by the Company and shall consist of the Merchant copy, the Company copy or Bank copy (as appropriate) and Cardholder copy. Each Merchant copy shall be retained by the Merchant for a period of not less than eighteen (18) months from the date of the transaction and shall be submitted to the Company within three (3) business days upon request. The Company copy or Bank Copy (as appropriate) shall be sent to the Company upon presentation for payment. The Cardholder copy shall be given to the customer immediately after the transaction and in the case where a Credit Card is used, after signing of the DDA Form.
- (c) The Merchant shall make available the terms and conditions of the Program to the Cardholder at the point of sale and encourage the Cardholder to read carefully and ensure the Cardholder understands the terms and conditions before signing the DDA Form, in particular Clauses 2.1, 2.2, 2.3, 2.4 and 6 of this Supplement. The Merchant shall ensure that the Cardholder shall sign separately in the signature boxes against each of the above mentioned Clauses and at the end of the terms and conditions of the Program to confirm that the Cardholder has read, understood and agreed to these terms and conditions. The Merchant shall then present the DDA Form to the Company for approval.
- (d) The Merchant shall remind the Cardholder that the Cardholder may contact the Company at the telephone number at the DDA Form for an explanation of the terms and conditions of the Program and other payment options and, if the Cardholder is unable to do so immediately, explain that the Cardholder may take the terms and conditions away and defer signing until the Cardholder has been able to speak with the Company.
- (e) The following provisions shall apply where a Card is presented by a Cardholder for payment :-
 - (i) The Merchant shall imprint legibly the embossed data from the customer's Card on each DDA Form;
 - (ii) The Merchant shall compare the signature on the DDA Form with the signature on the Card to ascertain that they appear the same; and
 - (iii) The Merchant shall enter an adequate description and the Instalment Transaction Price of all merchandise or services sold or rendered in Hong Kong dollars and the date of each transaction on the DDA Form.

8.4 Presentation of DDA Form

- (a) The Merchant shall present all DDA Form to the Company for payment within three (3) calendar days from the date of each transaction and in this respect time is of the essence. When presenting the DDA Form, a summary report in respect of all such DDA Form shall also be submitted to the Company which report shall contain the following information and such other information as the Company may from

time to time request:

- (i) Merchant number;
 - (ii) total sales amount;
 - (iii) date of report;
 - (iv) number of DDA Form(s);
 - (v) total amount of the deduction calculated at the rate described in Part 4 of the Annexure hereto; and
 - (vi) amount payable by the Company.
- (b) Notwithstanding any provision herein contained, the Company shall have the right to decide, without giving any reason, not to process the DDA Form, or any part or parts thereof presented by the Merchant from time to time.

9. Discount Fee and Payment

- 9.1 For each Instalment Transaction, the Company shall be entitled to receive from the Merchant by way of a discount fee calculated in accordance with Part 4 of the Annexure ("Discount Fee").
- 9.2 The Company shall pay to the Merchant the Instalment Transaction Price less the Discount Fee.
- 9.3 The Company may at any time and from time to time review and revise the discount rate in Part 4 of the Annexure at its sole discretion by giving a prior written notice to the Merchant specifying therein an effective date for the revisions which shall be not less than fourteen (14) days after the date of the notice. The revised discount rate shall be applicable to all Instalment Transactions made on and after such effective date.

10. Refund Procedure

- 10.1 If the Merchant accepts any request of the Cardholder for refund of the Product price or any part thereof, the Merchant shall follow the refund procedure in Clauses 10.2 and 10.3.
- 10.2 If the refund request of the Cardholder is accepted by the Merchant before the DDA Form is sent to the Company, the Merchant shall fill in and return to the Company the "Cancellation of the authorisation code" form prescribed by the Company within three (3) Business Days from the day on which the Merchant accepts such refund request.
- 10.3 If the refund request of the Cardholder is accepted by the Merchant after the DDA Form has been sent to the Company, the Merchant shall fill in and return to the Company the "Refund form" prescribed by the Company within three (3) Business Days from the day on which the Merchant accepts such refund request.
- 10.4 Under no circumstance the Merchant shall pay the refund directly to the Cardholder.

11. Set Off

The Merchant hereby irrevocably authorises the Company at any time and from time to time to:

- (a) combine and/or consolidate any of the Merchant's accounts with the Company;
- (b) set off the credit balance in any account(s) of the Merchant with the Company; and/or

- (c) charge on any account(s) of the Merchant with the Company and/or any bank in Hong Kong.

12. Split Sales, Multiple DDA Forms and Partial Consideration

- 12.1 The Merchant shall not use two or more DDA Forms in a single transaction and shall include all items of the Products sold in a single transaction in one total amount on a single DDA Form except in a situation involving partial payment or delayed delivery described in this clause.
- 12.2 The Merchant shall not effect a transaction when only a part of the amount due is included in a single DDA Form except:
 - (a) when the balance of the amount due is paid by the customer at the time of sale in cash or by cheque; or
 - (b) when the customer shall have executed two or more separate DDA Forms in a delayed delivery sale where a deposit is required to be paid by the Cardholder and the balance of the sales price is required to be paid on delivery of merchandise or performance of services. The Merchant shall record legibly on the DDA Form the word "deposit" or "balance" as the case may be.

13. Charging Back and Suspension of Payment

- 13.1 If the Company (in its sole opinion) suspects that the Merchant has committed or may have committed a breach of this Supplement or an act of dishonesty or fraud against the Company or any Cardholder, the Company shall be entitled to suspend all payments under this Supplement to the Merchant for a period not exceeding twenty-four (24) months by giving written notice to the Merchant and commence investigation on any transaction or the Merchant or any other person or persons as the Company may think fit. No interest shall be payable by the Company on any payment suspended in accordance with this Clause 13.1.
- 13.2 The Merchant shall not be entitled to payment of the relevant Instalment Transaction and the Company shall (without prejudice to any other right it may have) be entitled to charge back from the Merchant any payment already made to the Merchant in respect of such relevant Instalment Transaction if it is found by the Company before or upon expiry of such period of twenty-four (24) months that:
 - (a) the Merchant is in breach of any of the provisions of this Supplement;
 - (b) the Merchant has participated or involved in any act of dishonesty or fraud against the Company or any Cardholder;
 - (c) the sale of the Product involves a violation of law or the rules or regulations of any governmental agencies, local authorities or otherwise; or
 - (d) the sale of any Product under any Instalment Transaction is a sham.
- 13.3 Without prejudice to the foregoing rights of the Company, the Company shall be entitled to exercise its charge back rights against the Merchant pursuant to the operating regulations of Visa International, Mastercard International and UnionPay International.

14. Confidentiality

- 14.1 The Merchant shall not disclose any information relating to any Cardholder and/or the Program to any third party, or permit any third party to have access to such information, or otherwise use such information for any purpose other than the Program without the prior written consent of the Company.
- 14.2 The Merchant shall fully indemnify and hold the Company harmless against all claims, liabilities, damages, costs and expenses which the Company may sustain or incur as a result of its breach of Clause 14.1.

15. Termination

- 15.1 Upon the expiry of the Program Offer Period unless otherwise extended by both parties by mutual agreement in accordance with Clause 4.1, this Supplement and the Program shall be terminated automatically without further notice.
- 15.2 During the Program Offer Period, the Company shall have the right to terminate, without giving any reason, this Supplement at any time forthwith with or without notice given to the Merchant while the Merchant shall only be entitled to terminate this Supplement by giving to the Company not less than seven (7) business days' prior notice in writing provided that the rights and remedies of the parties accrued prior to such termination shall not be affected.
- 15.3 If for any reason this Supplement is terminated within three (3) years from the date hereof, the Merchant shall on demand pay to the Company an administration fee in respect of services rendered by the Company to the Merchant throughout the duration of this Supplement at such rate as prescribed by the Company.
- 15.4 Upon termination of this Supplement for whatever reason, the Merchant shall, if applicable, cease to use or refer in any manner to the service marks, trademarks and/or trade name of the Company and/or the Card and shall return at its own expense to the Company all publications, promotional materials or other items relating to the Company and/or the Cards which are delivered to the Merchant for the purpose of this Supplement and which are in the Merchant's possession.

THE ANNEXURE

Part 1

Include Product	
Exclude Product	
Others	

Part 2

The Program shall be valid from the date of this Supplement, and carry onward until further amendment.

Part 3

Instalment Period	Minimum amount for each Instalment Transaction	Maximum amount for each Instalment Transaction
_____ months	HK\$_____	HK\$_____
_____ months	HK\$_____	HK\$_____

Part 4

The Discount Fee payable by the Merchant for each Instalment Transaction shall be as follows:

Instalment Period	Discount Fee
_____ months	_____ % of the Instalment Transaction Price
_____ months	_____ % of the Instalment Transaction Price