

## **PROCEDURE**

### **For customer service via E-POS terminal of UZCARD EMV plastic card holders**

#### **I. SUPPLEMENTARY TERMS AND DEFINITIONS:**

**1.1.** For the purposes of this Procedure the following terms and definitions shall be used:

**Card** - soum microprocessor plastic card of "UZCARD EMV" system, issued by the Bank or other commercial bank of the Republic of Uzbekistan, providing an opportunity for the Cardholder to repeatedly conduct transactions on the Card Account. Current information on the Card status is reflected in the UZCARD EMV;

**UZCARD EMV** - a local system of cashless settlements, the basic element of which are Cards on the technological platform "EMV". The main difference of the UZCARD EMV system is the realization of transactions in real time mode;

**Card Account** - a bank account of the Card, the disposition of funds of which may be carried out with or without the use of the Card;

**Cardholder** - the owner or a person authorized by the owner, who uses the Card on the basis of a contract with the issuer and presents the Card as a means of payment for purchased goods, received services and works;

**URPC** – the Unified all-republican processing center, which ensures primary issuance of banks' cards, authorization, processing and clearing of transactions, information interaction between banks within the framework of IPS "UZCARD" and transfer of information on interbank transactions made on banks' cards to them for their confirmation;

**IPS «UZCARD» (Interbank payment system)** – a geographically distributed payment system based on a set of legal norms, regulatory documents, software and hardware solutions and relevant organizational and technical infrastructure, designed for non-cash payments in electronic form and uniting card-issuing banks, banks servicing sellers of goods/works/services, settlement bank and SNPC into a single system;

**Procedure** - this procedure for servicing clients via E-POS terminal of UZCARD EMV plastic cardholders. This Procedure is posted on the Bank's Website;

**Issuer** - a bank issuing cards, possessing the right of ownership of the cards issued by it and bearing on its behalf the obligation to the Cardholder and Acquirer to exercise their rights on settlements with the use of cards;

**Acquirer** - a bank that settles transactions with the Client;

**Transaction/Payment** - a payment made on the card to pay for goods/works/services. Confirmation of the transaction is carried out by the Cardholder using a dynamic password, bank card number and other security attributes of Internet payments;

**Specialized software product (System)** - an intellectual property product developed by the Right holder of the system, designed to provide Internet acquiring services, in particular, to organize the reception and processing of information on payments made from the Card for the Client's goods/works/services;

**System Owner** - a legal entity that has the right to provide the Bank and the Client with access to the System;

**Payment acceptance point (PAP)** - remote workplaces that accept Payments using Payment instruments integrated into the System;

**E-POS terminal** - a virtual terminal designed to accept card payments for goods/works/services in the Client's online store or PAP and to generate electronic receipts for completed transactions in real time with the SNPC;

**Payment instrument** - a hardware and software complex connected to the System, allowing the bank's customers - individuals to manage their Card account, make payments for goods/works/services to the Client by means of mobile application, web-application, USSD request or QR code;

**USSD (Unstructured Supplementary Services Data) request** - data exchange between the Cardholder and the Payment Instrument/System via cell phone in real time. With the help of USSD request the Cardholder can make a transaction from the card in favor of the Client;

**QR code** - a matrix code (two-dimensional barcode), representing black and white elements or elements of several different degrees of brightness, usually in the form of a square, placed in a rectangular or square group. This code encodes the Client's data and/or web-link for transactions on the Client's E-POS terminal;

**Transaction files** - files with information on transactions performed on the E-POS terminal received from the SNPC;

**E-check** - a receipt displayed in a web-application, mobile application or as an SMS message after a transaction, confirming the online transaction with the card. It contains general information about the payment made, the amount of the transaction, the date of the transaction, as well as other data allowing to uniquely identify the card, E-POS terminal that generated the electronic receipt;

**Reversal** – cancellation of the transaction on the E-POS terminal on the card in case of refusal of the Cardholder or communication error (communication failure);

**Internet store** - a program interface that allows the Client to accept payments from Cardholders for goods/works/services sold to them using the Payment tool or web-application;

**Merchant ID** - Client's identification number in the UZCARD EMV system, received during Client's registration in URPC;

**Terminal ID** - identification number of the E-POS terminal in the UZCARD EMV system, received when the Client registers in URPC;

**Authorization** - a procedure of obtaining the card issuer's permission to perform a transaction with its use by means of telephone, electronic or other communication according to the technology of the UZCARD EMV system;

1.2 Other terms and definitions used in this Procedure have the same meaning as in the Agreement.

## **II. GENERAL PROVISIONS**

**2.1.** This Procedure becomes binding on the Parties (comes into force) after all necessary technical works on integration of telecommunication means of the Parties on the basis of the Application, according to which the Client orders and the Bank assumes obligations to provide the possibility of servicing of Cardholders, namely:

- in order to organize the reception and processing of information on transactions carried out with the use of cards, connects the Customer to the System and/or to the Payment Instrument;

- registers and maintains the E-POS terminal assigned to the Client to connect it to the System and/or to the Payment instrument;

- ensures timely and full crediting of funds to the Client's current account.

**2.2** This Procedure, the Agreement, the Tariffs, as well as the Application together constitute the Agreement between the Client and the Bank for servicing the Client via E-POS terminal of UZCARD EMV plastic card holders (hereinafter referred to as the "Agreement").

**2.3** All settlements under the Contract shall be made in the national currency of the Republic of Uzbekistan "Soum".

**2.4.** The Bank shall provide the Client with the opportunity to service Cardholders only on condition that the Client's Internet store, if any, complies with the information security requirements of the System and IPS "UZCARD".

**2.5.** Technical connection of the Client to the System and/or to the Payment instrument is carried out with the assistance of technical specialists of the Right holder of the system.

**2.6.** Transmission of information on transactions is made in electronic form (in real time mode) in accordance with acceptable formats and using authorized networks and means of communication in accordance with the requirements of IPS "UZCARD" and the System and/or Payment instrument.

## **III. OBLIGATIONS OF THE PARTIES**

### **3.1. Client is obliged:**

**3.1.1.** to maintain on his/her demand bank account (primary/secondary account), in case the Client does not have a primary/secondary account - on account 22896\_\_\_\_\_, the amount of funds sufficient to pay the Bank the commission fee under the Contract, as well as to pay fines/faults and reimbursement of damages caused to the Bank;

**3.1.2.** within 2 (two) banking days to replenish the demand (primary/secondary) account, if the Client is serviced by the Bank according to clause 5.2. account 22896 \_\_\_\_\_, in case of insufficient funds to pay the Bank the commission fee under this Contract, as well as in payment of fines/penalty and compensation of damage caused to the Bank;

**3.1.3.** to use the E-POS terminal only for its intended purpose;

**3.1.4.** within 1 (one) business day from the moment of submission of the Application to provide the Bank and/or the System Owner with personal identification data (login and password) of the Client's account system, as well as all necessary technical information for integration with the System and/or Payment Instrument. The Client hereby confirms its consent to the Bank's transfer of personal identification data to the System Owner for the purposes of the Contract;

**3.1.5.** to ensure information security and the possibility of technical interaction of its equipment and the Online Store/PAP involved in the exchange of information with the System and/or with the Payment Instrument under the Agreement;

**3.1.6.** to act in strict compliance with the technical requirements for receiving, checking and sending of the Trade Information Parameters, as well as the rules of work with the System;

**3.1.7.** to provide the Bank and/or the System Owner with all necessary documents and information to connect the Client to the System and/or the Payment Instrument;

**3.1.8.** to provide the Bank and/or the Right holder with the list of goods/works/services sold through the Online store or PAP;

**3.1.9.** in case of change of the type of activity immediately to notify the Bank thereof;

**3.1.10.** to appoint an employee responsible for interaction with the Bank and document management (hereinafter referred to as the responsible employee): \_\_\_\_\_, phone: \_\_\_\_\_, e-mail: \_\_\_\_\_. In case of change of the person responsible for interaction with the Bank, the Client must notify the Bank in writing within 3 days, specifying the person and contact information;

**3.1.11.** to independently resolve conflict situations with Cardholders and other banks, which have arisen when conducting transactions through the E-POS terminal;

**3.1.12.** in case of change of Internet site, address and/or change of bank details, the Client shall notify the Bank in written form within 2 calendar days after such change.

**3.1.12.** to fill in the Client's Application with true data according to Appendix No. 1 hereto.

**3.2** The Bank is obliged:

**3.2.1.** within 10 (ten) banking days from the date of submission of the Application by the Client to register the Customer in the Bank's automated system, to register the Client in the UZCARD EMV system to receive Merchant ID and Terminal ID from URPC, to transfer Merchant ID and Terminal ID to the Customer under the Acceptance Certificate. The form of the Acceptance Certificate is given in Appendix No. 2 to this Procedure;

**3.2.2.** not later than the next banking day after the Bank receives the Transaction Files from URPC, transfer funds to the Client's primary/secondary demand account specified in the Client's Application in the amount of all processed transactions;

**3.2.3.** to notify the Client of scheduled technological works (emergencies) on the Bank's side, which may lead to disruption of normal service provision, by means of facsimile communication, e-mail, message on the Bank's official website or any other method chosen at the Bank's discretion;

**3.2.4.** to appoint a person responsible for operation of the System and document management (hereinafter referred to as the responsible employee of the Bank)

**3.2.5.** to provide a statement on processed Transactions upon the Customer's written request;

**3.3.** The Parties are obliged to maintain confidentiality and not to disseminate information without written consent of the other Party, except in cases provided for by the legislation of the Republic of Uzbekistan.

**3.4.** The Parties may have other obligations stipulated by the legislation of the Republic of Uzbekistan and the Agreement.

#### **IV. RIGHTS OF THE PARTIES**

##### **4.1. Client is entitled:**

**4.1.1.** to apply to the Bank for consulting assistance on the System operation or directly to the System Owner. To this end, the following channels will be available for contacting the System Owner: (1) hotline phones: \_\_\_\_\_;

**4.1.2.** to request in writing from the Bank a statement of Transactions made or to generate it through the Remote Banking System.

##### **4.2 The Client is not entitled:**

**4.2.1.** to issue cash in case of Reversal transaction, or in case of rejection of goods/work/service by the Cardholder. In this case the Client shall, on the basis of the Cardholder's application, transfer funds to the Cardholder's card account;

**4.2.2.** to transfer to the Third Parties the information on fulfillment of Transactions and the way of their realization except for the persons having control functions according to the current legislation of the Republic of Uzbekistan;

**4.2.3.** to introduce additional instructions for calling E-POS terminal, not agreed with the Right holder of the system and the Bank, allowing to intercept the control of the process of making Transaction.

##### **4.3. Bank is entitled:**

**4.3.1.** to give recommendations to the Client on the issues of work in the System;

**4.3.2.** to engage Third Parties to provide services under the Agreement, including for ensuring transactions with the use of Cards, connection of the Client's online store to the System and/or to the Payment Instrument;

**4.3.3.** to verify the data provided by the Client, as well as to verify the fact of disputable transactions and misuse of Cards;

**4.3.4.** unilaterally to change/add to the requirements for information transfer and call instructions of E-POS terminal of the System and/or Payment instrument and IPS "UZCARD";

**4.3.5.** on the basis of Article 783 of the Civil Code of RU. to write off funds from the Client's demand (primary/secondary) bank account without the Client's order (without acceptance) according to the Bank's Tariffs on the basis of a memorial order, to which the Client gives his irrevocable and undisputable right;

**4.3.6.** to temporarily suspend the Contract without any notification:

- in case of detection by the Bank of suspicious (doubtful) transactions through E-POS terminal until the moment of receiving a written explanation by the Client about the legality of the conducted transactions;

- in case of freezing and/or suspension of transactions with funds or other property of the Client;
- in case of arrest of funds on the account or suspension of transactions on the account in cases stipulated by the legislation of the Republic of Uzbekistan;
- when performing urgent emergency and routine works related to the maintenance of the System and/or Payment instrument;

**4.3.8.** unilaterally refuse to fulfill its obligations under the Contract in full or in part on the day the Bank discovers:

- reasonable suspicions of using the E-POS terminal for conducting transactions for the purpose of legalization of proceeds of crime and terrorism financing;
- repeated performance of suspicious (doubtful) transactions or reasonable suspicions of using the Bank's E-POS terminal for conducting transactions for the purpose of legalization of proceeds of crime and terrorism financing.

**4.3.9.** to unilaterally terminate the Contract (refuse from it completely) in case the Customer has violated the terms and conditions specified in paragraphs 3.1. and 4.2. of this Procedure, as well as in case the Customer has not serviced the Cardholders within a month;

**4.3.10.** unilaterally suspend transfer of the Client's funds under Transactions, if:

- information on Transactions was formed incorrectly due to violation of rules of use of E-POS terminal, UZCARD IPS and the System and/or Payment instrument;

- the Cardholder filed a claim in relation to Transactions, and this claim was satisfied by the competent judicial authorities of the Republic of Uzbekistan;

- there is a process of transformation or liquidation of the Client. In this case the transfer of funds on Transactions is withheld until the relevant decision of the liquidation commission or other authorized bodies;

- the Client fails to fulfill the obligations imposed on it in accordance with paragraphs 3.1. and 4.2. of this Procedure;

**4.3.11.** to monitor the actual activity and activity of the Client on servicing of Cardholders for prevention or detection of suspicious (doubtful) operations in the manner prescribed by the current legislation of the Republic of Uzbekistan;

**4.3.12.** for violation by the Client of terms of payment for rendered services to collect from him a penalty at the rate of 0.4% of the amount of debt for each day of delay, but not more than 20% of the amount of overdue payment.

**4.4** The Parties may have other rights provided by the legislation of the Republic of Uzbekistan and the Agreement.

## **V. AMOUNT AND PROCEDURE OF PAYMENT FOR SERVICES**

**5.1** The Bank shall write off the commission fee from the Client for maintenance of E-POS terminal for acceptance of payments by Cards according to the Bank's Tariff on an acceptance-free basis from the primary/secondary demand account on the basis of a memorial order opened in the national currency in the Bank, when crediting funds for Transactions, to which the Client gives his irrevocable and undisputable right.

**5.2** If the Client does not have a primary / secondary demand account opened with the Bank in the national currency, the Client shall make an advance payment of the commission fee for maintenance of the E-POS terminal by transferring funds to account 22896xxx opened with the Bank within 1 (one) banking day from the moment of conclusion of the Contract. The amount of the advance payment is 500,000 (five hundred thousand) soums. The Client undertakes to maintain an amount of 500,000 (five hundred thousand) UZS on this account.

**5.3.** The amount and procedure for calculation of commission fee for maintenance of E-POS terminal for acceptance of Card payments shall be established by the Bank's Tariffs.

**5.4.** In case of absence or insufficiency of funds on the Client's account to cover the commission fee, the outstanding part of the debt shall be placed in card index No. 2 by the Client by issuing a payment request, which shall be executed in accordance with the established procedure. The said payment request shall be deemed accepted by the Client without any additional confirmation.

## **VI. LIABILITIES OF THE PARTIES**

**6.1.** The Parties shall be liable for non-fulfillment or improper fulfillment of their obligations under the Agreement in accordance with the current legislation of the Republic of Uzbekistan, the Agreement and this Procedure.

**6.2** In case of material or financial damage caused by one of the Parties related to the subject matter of this Procedure, the guilty party shall compensate this damage.

**6.2** The Client shall be fully responsible

- for the accuracy of the information provided to the Bank in accordance with the Contract, including regarding the list of goods/works/services sold through the Online Shop and other Payment Acceptance Points;
- for correctness and legality of transactions on the Holders' cards, carried out through the E-POS terminal.

**6.3.** The Bank shall not be liable for:

- for failures in the operation of equipment or communication channels of third parties involved in conducting Transactions through the E-POS terminal;
- for the damage caused to the Client as a result of improper protection of information resources, means of telecommunication of the Client from unauthorized actions;
- to the Cardholders for improper fulfillment of the Client's obligations on realization of goods/works/services;
- for reimbursement of funds:
- on Transactions that do not correspond to, or contradict the terms of this Procedure;
- for the reasons specified in clause 4.3.8. of this Procedure;
- in case of possible failures in the interbank electronic payment system;
- in case of the Bank's inability to fulfill its obligations under the Agreement for reasons beyond the Bank's control and in case of force majeure.

**6.4.** The Parties shall not be liable for non-fulfillment of obligations under the Agreement if the non-fulfillment occurred due to the fault of the Third Parties. In this case, the Parties undertake to make maximum efforts to eliminate the causes of the interruption of services using contractual relations with the Third Parties, if any.

## **VII. FINAL CONDITIONS**

**7.1.** The Contract shall come into force upon submission of the Client's Application and shall be valid for 1 (one) year. If 20 (twenty) banking days prior to the expiry date of the Contract neither of the Parties has expressed its intention to terminate it, the Contract shall be deemed prolonged for each subsequent calendar year.

**7.2.** The Contract may be unilaterally terminated in cases stipulated in the Agreement and this Procedure, as well as on the initiative of one of the Parties, provided that the other Party is notified in writing 10 (ten) banking days prior to the expected date of termination, provided that the Client has fulfilled all obligations and has no debt to the Bank under the Agreement.

**7.3** Upon termination or expiration of the Contract, the Parties undertake to bring all mutual settlements of their obligations, if any.

**7.4.** Upon termination or expiration of the Contract, if the Client is serviced by the Bank under the terms and conditions according to clause 5.2 of this Procedure and the unused amount of advance payment remains on the account, a reconciliation act shall be drawn up between the Parties, on the basis of which the Bank shall transfer the balance of funds to the Client's demand deposit account opened with any commercial bank of the Republic of Uzbekistan.

**7.5** Upon termination or expiration of the Contract, commission fee payments according to the Bank's Tariffs shall not be returned to the Client.

**7.6.** Disputes related to the Contract shall be settled by the parties through negotiations between them. If it is impossible to settle disputes through negotiations, the disputes shall be settled according to the procedure stipulated in the Agreement.

**7.7.** Relations between the Bank and the Client, which are not stipulated by this Procedure, shall be regulated by the current legislation of the Republic of Uzbekistan and the Agreement.

**Annex № 1**  
**to the Procedure of customer service via E-POS terminal  
of UZCARD EMV plastic cardholders**

**CLIENT QUESTIONNAIRE**

Name of the Client	_____
Legal address:	_____
Reference point:	_____
Client's internet website (if applicable)	_____
Full name of the manager	_____
Manager's contact phone number	_____
Accountant's full name	_____
Accountant's phone number	_____
Cell phone number for registration in the System and or/ Payment tool	_____
Bank account details	_____
Field of activity (Paid services/trading company):	_____

Manager \_\_\_\_\_  
(Signature)  
(Seal)

I hereby confirm the accuracy of the above information

From JSCB  
«Kapitalbank»

\_\_\_\_\_

Instruction with the Client's personnel was carried out

**Annex № 2**  
**to the Procedure of customer service via E-POS terminal  
of UZCARD EMV plastic cardholders**

**ACT OF ACCEPTANCE AND TRANSFER**

Tashkent city

«\_\_» «\_\_\_\_\_» year of «\_\_\_\_\_»

Representatives of JSCB Kapitalbank consisting of:

Managing Director: \_\_\_\_\_

Head of department/head of plastic cards sector \_\_\_\_\_

and Client's representative:

Manager: \_\_\_\_\_

\_\_\_\_\_

have drawn up this ACT, that the Representatives of JSCB "Kapitalbank" have **TRANSFERED**, and the Client's Representative has

**RECEIVED** the following data:

№	ID of merchant	Terminal ID
1	_____	_____

The parties have been warned about responsibility for signing the act containing data that do not correspond to reality.

**The Bank transferred:**

**The client received:**

**Managing director**

(Seal).

\_\_\_\_\_  
**Full Name**

**Head of department/head of plastic cards  
sector**

\_\_\_\_\_  
**Signature**

(Seal)