

Merchant Transactions Agreement

This **Merchant Transactions Agreement** (the “**Agreement**”) is made and entered into by and between:

RIZAL COMMERCIAL BANKING CORPORATION (RCBC), a banking corporation organized under the laws of the Republic of the Philippines with principal address at RCBC Plaza, 6819 Ayala Avenue, Makati City,

and

(Merchant Name), a company organized under Philippine laws with principal address at (Merchant Address) (the “**MERCHANT**”).

RCBC and MERCHANT are each referred to as a “**Party**” and collectively as the “**Parties**”.

WHEREAS, RCBC offers various financial services including ATM Go mobile point-of-sale services and credit/debit card and QRPh payment acceptance services;

WHEREAS, the MERCHANT is engaged in the business of processing the Transactions and can render the same for RCBC;

NOW, THEREFORE, for and in consideration of the foregoing premises and the mutual covenants herein, the Parties hereby agree as follows:

I. Definitions

For purposes of this Agreement, the following terms shall have the meaning set forth below, unless the context otherwise requires. (Additional defined terms specific to a product or service are set forth in the respective Addendum.)

- a. **3-D Secure** refers to an authentication protocol (e.g., Visa Secure, Mastercard Identity Check) designed to provide an additional security layer for the Transactions by requiring Cardholder authentication directly with the Issuer.
- b. **Acceptance Marks** refers to the decal sticker or other representation composed of the Scheme’s Symbol indicating Card acceptance at the POI.
- c. **Account Data Compromise (ADC) Event** refers to an occurrence resulting in unauthorized access, disclosure, or manipulation of Card account data.
- d. **Addendum** or **Addenda** means a document attached to this Agreement that provides the detailed terms and conditions applicable to a specific Transaction, including the nature of the service and the respective rights and responsibilities of the Parties.
- e. **Authorization Code** refers to the approval code obtained from RCBC or the Issuer via RCBC, authorizing a specific Card Transaction.
- f. **Bancnet** refers to the Philippine ATM switch operator enabling interbank transactions.
- g. **Branch** refers to the MERCHANT’s own establishment/s authorized to conduct MPOS and QR PH Transactions.
- h. **BSP** refers to the Bangko Sentral ng Pilipinas.
- i. **Business Day** means any day on which commercial banks in Metro Manila are open and not required or authorized by law to close. Unless otherwise specified, any reference to days in this

Agreement means calendar days, and if a due date falls on a non-Business Day, it shall be due on the next Business Day.

- j. **"Card" or "Payment Card"** means any valid, unexpired credit card, debit card, prepaid card or ATM card issued by a bank or financial institution (including RCBC or other institutions) that is acceptable for the Transaction.
- k. **Cardholder** means the person to whom a Card is issued and who is authorized to use that Card.
- l. **Card Schemes or Schemes** refers to the card networks and associations such as *Mastercard, Visa, JCB, UnionPay, Bancnet* and any other card payment network applicable to relevant Transactions. The Schemes establish rules and standards for card transactions which the Parties must comply with.
- m. **"Client/s"** means individuals or entities who avail of the Services and/or Transactions processed by the Parties, as further detailed in the relevant Addendum.
- n. **Chargeback** refers to RCBC's reversal of a previously credited Transaction amount to the MERCHANT (or refusal to pay a Transaction amount), arising from a disputed Transaction or other circumstances outlined herein or in a relevant Addendum. RCBC may debit the Chargeback amount from the MERCHANT's Settlement Account or any other amounts due to the MERCHANT.
- o. **Confidential Information** means all non-public information disclosed by one Party (the **"Disclosing Party"**) to the other Party (the **"Receiving Party"**) in connection with this Agreement. This includes, but is not limited to, business plans, financial information, customer or Cardholder data, technical information, system designs, software, trade secrets, and any information marked or identified as confidential or which by its nature should reasonably be understood to be confidential. Information is not **"Confidential Information"** if it becomes publicly available without breach of this Agreement, or was independently developed or obtained by the Receiving Party free from any confidentiality obligation. In case of doubt, any information shall be treated as confidential.
- p. **CVC2 / CVV2 / Card Security Code** refers to the three or four-digit security code typically printed on a Card, primarily used for non-face-to-face transactions but relevant to data security standards.
- q. **Intellectual Property Right** shall mean, collectively, the software and hardware programs and the related terminal provider and/or RCBC standard user documentation (**"Documentation"**), the object code and the source code for said programs, the visual expressions, screen formats, report formats and other design features of such programs, all ideas, methods, algorithms, business processes, formulae, patents, industrial rights and concepts used in developing and/or incorporated into the programs or Documentation, all future modifications, revisions, updates, releases, refinements, improvements and enhancements of the programs or Documentation, all adaptations or derivative works based upon any of the foregoing and all copies of the foregoing. Intellectual Property Rights further includes any of RCBC and/or the terminal provider's generic application programming interfaces to the programs.
- r. **Issuer** refers to the bank or financial institution that issued the Card to the Cardholder.
- s. **Mark(s)** refers to the names, logos, symbols, trade names, trademarks, service marks, and other designations owned or controlled by the Card Schemes and made available for use.
- t. **Master Merchant** refers to the MERCHANT entity under this Addendum, responsible for managing a network of Sub-Branches offering ATMGo and QRPh Services.
- u. **Member Bank/s** are the Banks participating in the Bancnet network.
- v. **Merchant** means the Party under this Agreement accredited by RCBC to process the Transaction pursuant to the terms of the relevant Addendum signed by the Parties. **"Merchant"**

includes all of its authorized locations, offices, branches, and any sub-representatives that are permitted to perform services on its behalf.

- w. **Merchant Discount Rate (MDR)** refers to the amount chargeable by RCBC to the Merchant, typically a percentage of the transaction value, in any transaction type as specified in an Addendum.
- x. **Merchant ID (MID)** refers to the unique identifier assigned by RCBC to each branch or outlet of the MERCHANT.
- y. **MPOS Terminal** is RCBC's integrated mobile Point-of-Sale unit provided to the MASTER MERCHANT for deployment at Sub-Branches for ATMGo Services, comprising the terminal device, mobile phone, SIM card, software/applications, PIN Pad, printer, and accessories.
- z. **MPOS Transaction** refers to the ATMGo Service processed through the MPOS Terminal at a Sub-Branch.
- aa. **NFC** means Near Field Communication which enables contactless payments.
- bb. **Non-Card Clients** refers to Clients availing ATMGo Services that do not require a Card.
- cc. **Payment Card Industry Data Security Standards (PCI-DSS)** refers to the set of guidelines set by the PCI Security Standards Council to protect payment data.
- dd. **Personal Identification Number (PIN)** refers to the secret numeric code used by a Cardholder to authenticate certain Card Transactions, especially for debit cards.
- ee. **Point-of-Interaction (POI)** means the physical point where a Customer interacts with the MERCHANT to initiate a transaction (e.g., the payment counter).
- ff. **POS Terminal** is the Point-of-Sale terminal provided by RCBC.
- gg. **POS Equipment** refers to the POS terminal(s) and related accessories (e.g., PIN Pad, printer, imprinter if applicable) and software provided by RCBC for processing Card Transactions.
- hh. **Prohibited Transaction** shall mean any of the following transactions:
 - i. Illegal political audio/video products, publications.
 - ii. Items/services with illegal reactionary content.
 - iii. National confidential documents.
 - iv. Pornography (all related).
 - v. Gambling (all related).
 - vi. Drugs (all related).
 - vii. Tobacco (all related, unless specifically permitted and licensed).
 - viii. Weapons, military items, police equipment.
 - ix. Criminal items.
 - x. Toxic items, hazardous chemicals, dangerous goods.
 - xi. Narcotic/psychotropic drugs, prescription drugs (unless a licensed pharmacy with proper controls).
 - xii. Fetal sex identification.
 - xiii. Adult medicine (aphrodisiacs).
 - xiv. Credit card cash service/cash advances.
 - xv. Foreign dating services.
 - xvi. Hacker-related products/services, malicious software.
 - xvii. Identity card information, violations of personal privacy.
 - xviii. Spy equipment or items harming personal privacy.
 - xix. Multi-level marketing (MLM) or pyramid schemes.
 - xx. Spot Trading.
 - xxi. Counterfeit money.
 - xxii. Trading bank accounts/cards.
 - xxiii. Illegal fundraising.
 - xxiv. Foreign exchange services (unless licensed).

- xxv. Virtual currency in offshore accounts, specific virtual currency transactions (e.g., Bit currency, Leite currency, ingot, unless specifically approved and regulated).
 - xxvi. Futures trading.
 - xxvii. Using QR Pay for POS payment services of other merchants.
 - xxviii. Transactions related to Agricultural Co-Operatives (unless specifically approved).
 - xxix. Wire Transfer Money Orders (unless a licensed MSB and specifically approved).
 - xxx. Financial Institutions - Merchandise and Services (unless specifically approved).
 - xxxi. Quasi Cash - Member Financial Institution.
 - xxxii. Non-Financial Institutions - Foreign Currency, Money Orders (Not Wire Transfer), Scrip and Traveler's Checks (unless licensed and specifically approved).
 - xxxiii. Securities - Brokers and Dealers (unless licensed and specifically approved).
 - xxxiv. Payment Transactions - Member Financial Institution/Merchant (acting as a payment intermediary without approval).
 - xxxv. Money Transfer - Member Financial Institution (unless a licensed MSB and specifically approved).
 - xxxvi. Value Purchase - Member Financial Institution.
 - xxxvii. Any other transaction deemed high-risk by RCBC or prohibited by law or applicable regulations.
- ii. **QRPh/ QR Pay** refers to the QR-based payment acceptance service that enables merchants to receive customer payments by scanning a QRPh-compliant code, in accordance with the standards set by the BSP.
 - jj. **RCBC** means Rizal Commercial Banking Corporation, and its successors and assigns, including **RCBC Bankard Services Corporation (RBSC)** for certain services including card acquiring and QR PH Transactions. Where the context requires, "RCBC" includes any third-party provider of terminals or services on behalf of RCBC.
 - kk. **Service/s** refers to the specific services as defined and described in the Addendum duly executed by both RCBC and the MERCHANT. Each Addendum details the nature of the Service and the respective rights and responsibilities of the Parties.
 - ll. **Security Incident** shall include, but is not limited to:
 - Any actual or potential Account Data Compromise (ADC) Event.
 - Any suspected or known security breach involving unauthorized access, use, disclosure, modification, or destruction of Cardholder data, Transaction data, Client Personal Data, or RCBC's Confidential Information processed, stored, or transmitted by the MERCHANT or its systems.
 - Any malware infection or other cybersecurity event (e.g., ransomware attack, denial-of-service attack against Merchant systems involved in the Services) that has compromised or has the potential to compromise the security or integrity of the Services, RCBC systems or data accessible by the MERCHANT, or data related to Transactions processed under this Agreement.
 - Any significant security vulnerability identified in the MERCHANT's systems or processes that could reasonably be exploited to cause an incident described above.
 - mm. **Settlement** refers to the process by which the proceeds of Transactions are credited to the Merchant's Settlement Account by RCBC. This typically follows different schemes depending on the Transaction type, such as real-time crediting for debit/ATM card withdrawals and T+1 (Transaction Day plus one business day) for credit card Transactions, as further detailed in the applicable Addendum.
 - nn. **Settlement Account** means the deposit account maintained by the MERCHANT with RCBC for the crediting of proceeds from transactions, such as cash withdrawal amounts or card sales, and

the debiting of fees, chargebacks, charges, and other amounts due to RCBC under this Agreement. The Settlement Account shall be maintained in good standing for the duration of this Agreement.

- oo. **Sub-Branch** refers to the payment centers, sites, branches, or outlets within the MASTER MERCHANT's network where MPOS terminals are installed and Services are offered to Clients pursuant to the relevant Addendum.
- pp. **Suspicious Circumstances/Purchases/Transactions** refer to Transaction/s with doubtful motive or characteristics suggesting potential fraud (e.g., unusual amounts/volumes, mismatched signatures, multiple attempts, alerted Cards).
- qq. **System** refers to RCBC's Authorization Processing System accessed via the POS Terminal.
- rr. **Terminal ID or TID** is the unique identifier assigned to each POS Terminal.
- ss. **Terminal Provider** refers to a third-party vendor authorized by RCBC related to the M/POS Terminal.
- tt. **Terminal/Transaction Receipt**: The paper receipt printed by the M/POS Terminal upon Transaction completion.
- uu. **Transaction** means payment and/or financial transactions of the Client processed by the MERCHANT and RCBC as defined and described in the relevant Addendum signed by RCBC and the MERCHANT. Each Addendum details the nature of the Transaction and the respective rights and responsibilities of the Parties for said Transaction.
- vv. **Valid Card** refers to a Card that is unexpired, activated, issued by an authorized Issuer, bears required security features (including signature), and is presented by the authorized Cardholder.

II. Scope of Services and Transactions and Incorporation of Product Addendum

Services and Transactions Covered – The Scope of the Services and Transactions shall be covered and described in the relevant Addendum duly executed by the MERCHANT and RCBC. The MERCHANT shall immediately inform RCBC of any changes that may affect the Services and/or Transactions such as, but not limited to, name of the merchant, change of its place of business, nature of business etc. The MERCHANT shall immediately notify RCBC in writing and at least sixty (60) days before the effectivity of any material change in its status or what and how goods are sold. Changes may not be implemented without prior written approval of RCBC. The MERCHANT hereby agrees to hold RCBC free and harmless for any loss that may result due to its failure to inform RCBC of any changes affecting the Services and/or Transaction hereunder.

- a. Product Addendum as Part of Agreement – The general terms and conditions of this Agreement apply to all Services and shall form an integral part of the Addendum for the availed Services duly executed by the Parties.
- b. Interpretation in Case of Conflict – In case of any conflict between the general provisions of this Agreement and the specific provisions of an Addendum, the provisions of the Addendum shall prevail for the matters relating to that Service.

III. RCBC's General Obligations for Service and Equipment Provision

- a. RCBC shall make available and maintain the necessary systems and platforms to facilitate the authorization (where applicable), processing, and settlement of Transactions for the Services availed by the MERCHANT. This includes providing the MERCHANT with necessary access credentials for any RCBC-provided or designated online platform, software, or application (e.g.,

mobile app) required for the operation or management of the availed Service. The specifics of transaction processing and settlement for each Service are detailed in the corresponding Addendum and Section VII (Fees, Settlement, and Taxes) of this Agreement.

- b. Where a Service availed by the MERCHANT requires the use of specific equipment (such as Point-of-Sale (POS) terminals, Mobile Point-of-Sale (MPOS) terminals, or other devices), software, or specific materials for service initiation or transaction processing, RCBC (or its authorized third-party provider) shall, subject to the terms of the relevant Addendum:
 - i. Provide and facilitate the installation or delivery of such RCBC-designated Equipment, software, and/or service-specific materials (e.g., Static QR Code collaterals, access to systems for generating Dynamic QR Codes) at the MERCHANT's approved premises or for its approved use, as indicated in the merchant enrollment form or service activation process. Each distinct piece of physical equipment enabling a unique transaction point will typically be assigned a unique Terminal ID (TID). The terms of such provision, including any initial costs or conditions, will be further detailed in the specific Service Addendum or associated onboarding documents if they deviate from RCBC's standard no-initial-cost deployment for basic setup.
 - ii. For specific equipment requiring dedicated communication lines (e.g., SIM cards for mobile terminals) to connect to RCBC's systems, RCBC may provide such communication facilities as detailed in the relevant Addendum. The MERCHANT shall be responsible for ensuring a suitable operating environment, including any necessary power supply or other connectivity (e.g., internet connection for certain devices) not explicitly stated as RCBC's responsibility in an Addendum.
 - iii. Undertake or arrange for the maintenance and repair of RCBC-provided equipment necessitated by ordinary wear and tear. Maintenance or repair due to the MERCHANT's fault, negligence, misuse, or loss of the equipment shall be the MERCHANT's responsibility and cost, as further detailed in this Agreement (including the MERCHANT's obligations regarding equipment care as may be specified in relevant Addenda) or the relevant Addendum. The MERCHANT shall promptly report any equipment malfunction to RCBC or its designated contact.
- c. RCBC shall provide reasonable initial training to the MERCHANT's designated personnel on the general operation of any RCBC-provided Equipment, software, designated platforms or applications, and the core procedures for the availed Services. The scope, method, and any costs associated with initial or subsequent training may be further detailed in the relevant Addendum or as mutually agreed upon by the Parties. The MERCHANT is responsible for cascading such training to all relevant staff and for ongoing internal training.
- d. RCBC shall provide the MERCHANT with standard Acceptance Marks, signage, and other relevant promotional or operational materials as determined by RCBC for the availed Services. The MERCHANT's obligations regarding the display and use of such materials are set forth in this Agreement.

RCBC shall provide reasonable operational support to the MERCHANT in relation to the Services. Specific support channels, service levels, and procedures may be detailed in the relevant Addendum or a separate Service Level Agreement.

- e. RCBC shall monitor transaction activities for patterns that may be indicative of fraud, non-compliance with this Agreement or applicable laws and regulations. This includes regular monitoring of transaction volumes, amounts, and dispute/chargeback rates, with frequency and specific metrics appropriate to the Service. RCBC reserves the right to implement risk control measures as deemed necessary and as further provided in this Agreement or any Addendum. Such measures may include, but are not limited to, adjusting transaction limits or counts, delaying settlement, or suspending Services or Transaction processing, pending investigation. RCBC shall, where feasible and appropriate, document the basis for such actions and communicate with the MERCHANT.

RCBC shall use reasonable efforts to inform the MERCHANT of material changes to applicable Card Scheme rules or significant regulatory requirements directly impacting the MERCHANT's obligations for the availed Services.

- f. Service Availability – While RCBC shall use commercially reasonable efforts to ensure the continuous availability and functioning of its systems and the Services, RCBC does not warrant that the Services will be uninterrupted or error-free, as further detailed in Section XII (Liability and Disclaimer of Warranties). Scheduled maintenance and unforeseen disruptions may occur. RCBC will endeavor to provide prior notice for scheduled maintenance where practicable.

IV. Merchant's General Obligations for use of Services and Equipment

- a. Use of Services and Equipment
 - i. Use the Services and any associated Equipment and/or RCBC-provided service-specific materials (such as physical QR Code collaterals) exclusively for processing authorized Transactions and for the legitimate business purposes contemplated under this Agreement and the relevant Addendum, consistent with the MERCHANT's principal business as declared to RCBC. The MERCHANT shall not use the Services, Equipment, or RCBC-provided materials for any Prohibited Transactions (as defined in Section I) or for any purpose not expressly permitted by RCBC or the specific Service Addendum.
 - ii. Operate any Equipment and process Transactions strictly in accordance with RCBC's operating procedures, Product specific user guides, and any instructions issued by RCBC from time to time.
 - iii. Ensure that only duly authorized and adequately trained personnel operate the Equipment, access RCBC platforms/applications, and process Transactions. The MERCHANT is responsible for training its staff on the proper use of the Equipment and/or RCBC-provided materials, security procedures, and relevant terms of this Agreement and applicable Addenda.
 - iv. Provide and maintain, at its own expense, a suitable and secure physical environment for the installation and operation of any Equipment, including adequate space, electrical supply, and any other necessary utilities or connectivity (e.g., telephone lines, internet connection for its own devices). The MERCHANT shall shoulder the costs of electrical consumption for RCBC-provided Equipment and costs related to maintaining its own devices, software (including any RCBC-required application downloaded onto Merchant devices), and connectivity used to access or utilize the Services, unless explicitly stated otherwise in an Addendum.

- v. The MERCHANT shall adhere to all technical and operational setup requirements specified by RCBC for each Service. This includes, where applicable, properly linking any required devices to RCBC-designated platforms and installing, maintaining, and promptly updating any RCBC-required application or software on the MERCHANT's own devices according to RCBC's instructions or notifications.
- b. Care, Security, and Integrity of Equipment and Service Materials
 - i. Exercise reasonable care in the handling, operation, and safekeeping of all RCBC-provided Equipment service-specific materials (such as physical QR Code collaterals, or access credentials related to dynamic QR code generation or service platforms). The MERCHANT shall implement appropriate security measures to protect such Equipment and materials from loss, theft, damage, unauthorized access, misuse, or tampering. The MERCHANT shall ensure such items are maintained in good operating condition or, for materials like signage, in presentable condition.
 - ii. The MERCHANT shall be liable for losses incurred if such Equipment or service-specific materials are compromised, lost, stolen, damaged, or tampered with due to its improper retention, security lapses, negligence, or misuse.
 - iii. Not, and not permit others to, modify, alter, tamper with, reconfigure, misuse, repair, service, add to, or remove any markings from the Equipment or its software without RCBC's prior written consent. Maintenance and repair shall only be performed by RCBC or its authorized representatives, except as otherwise agreed.
 - iv. The Equipment is and shall remain the property of RCBC or its licensors/providers. The MERCHANT shall not sell, assign, lease, pledge, encumber, or otherwise dispose of any Equipment.
 - v. Promptly notify RCBC or its designated contact of any Equipment malfunction, defect, loss, theft, damage, or any suspected or actual security breach or unauthorized use related to the Equipment or the Services.
 - vi. Keep confidential all system information related to the Equipment and Services, including any passwords, encryption keys, or operational procedures, and disclose such information only to its authorized and trained personnel on a need-to-know basis.
- c. Liability for Equipment
 - i. Unless otherwise specified in an Addendum, the MERCHANT shall be liable for any loss, theft, or damage to the Equipment while in its custody or control, arising from its fault, negligence, misuse, or failure to exercise reasonable care, excluding ordinary wear and tear.
 - ii. RCBC shall have the right to charge the MERCHANT for the cost of repair or replacement of Equipment due to such loss, theft, or damage. The MERCHANT authorizes RCBC to debit such costs from the Settlement Account or any other account maintained with RCBC, or to invoice the MERCHANT separately for such amounts, which shall be payable upon demand.
- d. Upon termination of this Agreement, the relevant Addendum, or upon RCBC's request, the MERCHANT shall immediately cease using and promptly return to RCBC all Equipment, related software, documentation, unused RCBC-provided supplies, signage, and any other materials belonging to RCBC or its providers, in good working condition, subject to ordinary wear and tear,

and at the MERCHANT's expense unless otherwise agreed. RCBC shall have the right to enter the MERCHANT's premises during business hours to retrieve its Equipment.

V. Merchant's General Obligations for Transaction Handling and Service Management

a. Transaction Acceptance and Processing

- i. For Services involving payment acceptance (e.g., cards, QR codes), the MERCHANT shall accept and process all valid Transactions from Clients using payment methods and instruments (including validly presented QR Codes for QR Pay Services, or other RCBC-supported payment initiation methods) for which it is accredited by RCBC, when properly presented by a Client for a bona fide transaction, subject to the terms of this Agreement and the applicable Addendum, unless there is a legitimate legal or contractual ground for denial explicitly communicated or authorized by RCBC.
- ii. The MERCHANT shall not discriminate against Clients choosing to use an RCBC-supported payment method nor discourage its use. The MERCHANT shall not impose any surcharge on Clients for using a particular payment method unless expressly permitted by RCBC, applicable law, and the relevant Scheme Rules. Any convenience or service fee charged must be applied consistently across all payment methods or as explicitly agreed in an Addendum.
- iii. The MERCHANT shall not set any minimum or maximum transaction amount for the acceptance of any payment method, nor otherwise restrict Clients from using an accredited payment method for bona fide transactions, unless specifically authorized in writing by RCBC or expressly permitted by applicable Scheme Rules or regulations for that specific payment method.
- iv. For all Transactions requiring authorization, the MERCHANT shall obtain prior authorization from RCBC or its designated authorization system in accordance with the procedures outlined in the relevant Addendum. An authorization code only indicates the availability of credit or funds at the time of inquiry and is not a guarantee of payment nor a warranty against fraud, disputes, or chargebacks.
- v. The MERCHANT shall submit to RCBC only data and records pertaining to valid, bona fide Transactions actually entered into with a Client for goods sold or services rendered directly by the MERCHANT in the ordinary course of its declared business. Services shall not be used for purposes outside their intended design as communicated by RCBC or detailed in an Addendum. Unless the specific Service availed is explicitly designated and authorized by RCBC for such purpose, Services primarily intended for payment of goods and services shall not be used for other activities such as, but not limited to, pure funds transfers or cash-out transactions.
- vi. The MERCHANT shall not:
 1. Receive cash or any other consideration from a Client to cover a charge already included in a Transaction record, or process a Transaction for the purpose of providing a cash advance or cash refund (unless the specific Service availed, such as an ATMGo cash withdrawal service, is explicitly designed for such purpose).

2. Use multiple Transaction records or split a single sale into multiple Transactions to circumvent authorization limits or for any other improper purpose, unless expressly permitted for specific scenarios (e.g., deposits and balance payments) under an Addendum.
 3. Process Transactions on behalf of, or redirect payments to, any other undisclosed entity, third-party seller, or business, nor act as a payment facilitator or aggregator for sub-merchants, without prior written consent from RCBC and execution of any required agreements or addenda for such activity.
- vii. The MERCHANT is solely responsible for the fulfillment of the goods or services provided to the Client in connection with any Transaction. The MERCHANT shall typically only deliver goods or render services *after* receiving confirmation of successful payment authorization or completion through RCBC's designated system or notification method for the specific Service. For non-face-to-face Transactions, the MERCHANT shall make reasonable efforts to confirm delivery details with the Client.

b. Record Keeping and Reconciliation

- i. The MERCHANT shall provide Clients with a complete and accurate record of each Transaction in the form required by RCBC or the relevant Addendum (e.g., sales slip, terminal receipt, email confirmation).
- ii. The MERCHANT shall securely retain all original Transaction records, sales slips, invoices, shipping documents, proof of delivery, and other documentation related to each Transaction for the minimum period specified in the relevant Addendum or as required by RCBC, Card Scheme rules, or applicable law. Such records must be provided to RCBC promptly upon request for purposes of dispute resolution, chargeback handling, or auditing.
- iii. The MERCHANT shall diligently review and reconcile all Transaction reports, settlement statements, and other data provided by RCBC against its own records. The MERCHANT must report any discrepancies, errors, or unauthorized Transactions to RCBC within the timeframe specified in the relevant Addendum or, if not specified, within three (3) Business Days of receipt of the report or statement. Failure to report discrepancies within the specified timeframe may limit RCBC's obligation to investigate or adjust such discrepancies.

c. Refunds and Adjustments

- i. The MERCHANT shall establish and clearly communicate its return and refund policy to Clients.
- ii. All refunds or adjustments related to Transactions processed under this Agreement must be made via a credit Transaction processed through RCBC's systems using the same payment method as the original Transaction, and not via cash or check, unless otherwise explicitly agreed by RCBC or specified in an Addendum.

- iii. The MERCHANT shall process refunds promptly in accordance with its stated policy and the procedures set forth in the applicable Addendum. The MERCHANT shall be liable for the full amount of such refunds.
- d. The MERCHANT shall be responsible for providing adequate and timely customer service to Clients in relation to the goods or services it provides and any issues arising from Transactions, including inquiries, complaints, and requests for refunds or adjustments.
- e. Compliance and Security
 - i. **Operational Procedures:** The MERCHANT shall comply with all operational procedures, security protocols, and guidelines for each Service as provided by RCBC from time to time, including those in any Product specific user guide, user manual, or Addendum.
 - ii. **Information Security:** The MERCHANT shall maintain robust security measures to protect Transaction data, Client information, and any confidential information received in connection with the Services, in accordance with Section XI (Information Security and Anti-Malware Protection), Section V (Confidentiality and Data Privacy), Section XIII (Audit and Compliance), and applicable laws.
 - iii. **Business Information:** The MERCHANT shall promptly inform RCBC in writing of any material changes to its business, including but not limited to changes in its name, address, ownership, legal status, nature of business, or the goods/services it offers.
- f. **Master Merchant / Sub-Merchant Obligations (if applicable)**

If the MERCHANT is acting as a Master Merchant or similar aggregator role as defined in a specific Addendum, the MERCHANT assumes full responsibility for ensuring that its accredited Sub-Merchants or Sub-Branches comply with all applicable terms of this Agreement and the relevant Addendum, including but not limited to transaction handling, security, and compliance obligations. The specific responsibilities of a Master Merchant will be further detailed in the applicable Addendum.

VI. Agreement Supersedes Prior Agreements

This Agreement (including all executed Addenda and annexes hereto) constitutes the entire agreement between RCBC and the MERCHANT with respect to the subject matter hereof and supersedes any prior or contemporaneous agreements, understandings, or representations, whether written or oral, regarding the same subject.

VII. Fees, Settlement, and Taxes

- a. Fees and Charges – The settlement of Transaction payments, fees and charges, and payment terms for each Service are detailed in the Addendum executed by the Parties for said Service.
- b. Right to Set-Off – RCBC shall have the right and is hereby authorized, without need of any prior act, to deduct or set-off any payments (including those received by RCBC from Transactions), fees and charges from the proceeds of the Transactions due to the MERCHANT or from the Settlement Account, as applicable. RCBC's right of set-off may be exercised at any time and

without prior notice to the MERCHANT, against any funds credited to the Settlement Account arising from Transaction settlements or any other accounts of the MERCHANT with RCBC, to satisfy any amounts the MERCHANT owes to RCBC (including but not limited to amounts due to chargebacks, refunds, penalties, or indemnification claims). If any such set-off or deduction results in the Settlement Account being overdrawn, the MERCHANT shall be liable to promptly pay the deficit and any applicable overdraft interest or charges.

- c. Settlement of Proceeds – RCBC will settle the proceeds of the Services and/or Transactions to the MERCHANT in accordance with the settlement schedule and procedures described in the applicable Addendum. All settlement credits to the MERCHANT are subject to RCBC's right to chargeback or adjust for any invalid or disputed transactions.
- d. Suspension and Investigation – Notwithstanding any other provision of this Agreement, RCBC shall have the right to withhold, suspend, or delay any payments due to the Merchant pending a reasonable investigation, if the Bank has a reasonable suspicion of any of the following:
 - i. Material breach by the MERCHANT of any term, condition, or covenant contained in this Agreement or any related Addendum;
 - ii. Dishonesty or misrepresentation by the MERCHANT in connection with any Transaction, reporting, or information provided to the Bank; or
 - iii. Fraudulent activity or intent by the MERCHANT, whether directed at RCBC, Cardholders, Client or any third party involved in the payment processing system.
- e. Taxes – Each Party shall bear and pay its own taxes arising from this Agreement. In particular, any income tax, gross receipts tax, value-added tax (VAT), or other taxes applicable to RCBC's fees or share of fees shall be for RCBC's account, and any such taxes applicable to the MERCHANT's share of fees or earnings shall be for the MERCHANT's account. RCBC may deduct and withhold from payments to the MERCHANT any applicable withholding taxes, such as creditable withholding tax on service fees, as required by law. RCBC shall remit any amounts so withheld to the Bureau of Internal Revenue (BIR) and shall provide the MERCHANT with the necessary tax withholding certificates. Except for legally required withholdings, RCBC will not deduct taxes from the settlement amounts payable to the MERCHANT. The MERCHANT shall be solely responsible for all present and future taxes, duties, levies, or charges imposed by any governmental authority on the MERCHANT's income or earnings derived from the Services and the Transactions hereunder (excluding taxes on RCBC's income). The MERCHANT shall indemnify and hold free and harmless RCBC for any tax liability (including penalties and interest) incurred by RCBC as a result of the MERCHANT's failure to pay required taxes in relation to amounts earned by the MERCHANT under this Agreement.
- f. Tax Investigations – The MERCHANT shall inform RCBC in writing within three (3) days if the MERCHANT becomes subject to any tax investigation or assessment by tax authorities in connection with this Agreement. The MERCHANT shall not submit any documents or information relating to this Agreement to any government authority, including the BIR, without prior written notice to RCBC, except where required by law. This is to allow RCBC to review and, if necessary, assert claims of confidentiality or other protections with respect to RCBC's Confidential Information.

VIII. Dispute Resolution and Chargebacks

- a. Without limiting other rights RCBC may have under this Agreement or any Addendum, RCBC shall have the right to Chargeback a Transaction to the MERCHANT under circumstances including, but not limited to, the following:
 - i. Transaction was not authorized by the legitimate Cardholder, account holder, or Payer, or was deemed fraudulent (e.g., due to use of a lost, stolen, counterfeit, or compromised Card or account).
 - ii. Non-Compliance by MERCHANT:
 - 1. The MERCHANT breached any term of this Agreement, the relevant Addendum, or applicable Card Scheme/payment network rules in relation to the Transaction.
 - 2. The MERCHANT failed to obtain proper authorization for the Transaction as required, or processed a Transaction that was declined.
 - 3. The Transaction information submitted by the MERCHANT was incorrect, incomplete, illegible, or not provided to RCBC in accordance with agreed procedures or timelines.
 - 4. The MERCHANT failed to provide a valid Transaction record (e.g., sales slip, terminal receipt, proof of transaction) when required, or the record was altered, unsigned (if signature was required), or did not meet Scheme requirements.
 - iii. Client/Payer Dispute Regarding Goods or Services:
 - 1. The Client/Payer claims the goods or services associated with the Transaction were not received, were rejected as not conforming to the agreed terms (e.g., defective, not as described, wrong quantity), or were returned or cancelled in accordance with the MERCHANT's stated policy or applicable consumer protection laws.
 - 2. The Client/Payer disputes the quality, nature, or performance of the goods or services.
 - 3. The Transaction was cancelled, or a credit/refund was due to the Client/Payer but not processed by the MERCHANT through RCBC's systems.
 - iv. Processing Errors:
 - 1. The Transaction was a duplicate of a previous Transaction.
 - 2. The Transaction amount was incorrect, or the Client/Payer was charged more than the agreed price for the goods or services (e.g., an unauthorized surcharge was applied).
 - v. Invalid or Prohibited Transactions:
 - 1. The Transaction was illegal, involved Prohibited Transactions as defined in this Agreement, or was otherwise unenforceable.
 - 2. The Card or payment instrument used was expired, invalid, or subject to a warning or alert at the time of the Transaction, and proper verification procedures were not followed.
 - vi. The MERCHANT fails to provide satisfactory supporting documentation requested by RCBC to validate a Transaction or respond to a dispute/retrieval request within the specified timeframe.
 - vii. A Card Scheme, payment network, or Issuer requires the Transaction to be charged back to the MERCHANT based on their applicable rules and dispute resolution outcomes.
- b. Chargeback Process
 - i. RCBC will notify the MERCHANT of any Chargeback, typically providing the reason for the Chargeback and any available supporting information.

- ii. Upon notification, RCBC may immediately debit the Chargeback amount from the MERCHANT's Settlement Account or set off the amount against any payments due to the MERCHANT. If the Settlement Account has insufficient funds, the MERCHANT shall immediately pay the Chargeback amount to RCBC upon demand.
 - iii. The MERCHANT may have the right to represent or challenge a Chargeback by providing compelling evidence to refute the Complainant's claim, in accordance with the procedures and timeframes set by RCBC and the applicable Card Scheme or payment network rules. RCBC does not guarantee the success of any representation.
 - iv. RCBC's decision on Chargebacks, made in accordance with Scheme/network rules and its own policies, shall be final and binding on the MERCHANT.
- c. Merchant Liability for Chargebacks
 - i. The MERCHANT is fully liable for all Chargebacks processed in accordance with this Agreement and applicable Scheme/network rules.
 - ii. The MERCHANT's liability for Chargebacks shall survive the termination of this Agreement or any Addendum for Transactions processed prior to such termination.
 - iii. If the MERCHANT exceeds Chargeback or fraud ratio thresholds as may be set by RCBC or the Card Schemes/payment networks, RCBC may take further action, including but not limited to imposing penalties, requiring a reserve account, suspending Services, or terminating this Agreement as provided in Section XIV (Term and Termination).
- d. General Chargeback Rules
 - i. The MERCHANT acknowledges that Clients, Cardholders, Payers, or Issuers (collectively "Complainant") may dispute Transactions for various reasons. RCBC shall have the right to investigate and resolve such disputes in accordance with applicable Card Scheme rules, payment network regulations, BSP regulations, and the terms of this Agreement.
 - ii. A Chargeback may occur notwithstanding any prior authorization obtained by the MERCHANT for the Transaction.
 - iii. The MERCHANT agrees to cooperate fully and promptly with RCBC in the investigation of any disputed Transaction or potential Chargeback, including providing all relevant Transaction records, proof of delivery, and any other supporting documentation requested by RCBC within the timeframe specified. Failure to provide such documentation may result in the Chargeback being upheld.
 - iv. The general provisions in this Section shall apply to all relevant Services. Specific Addenda may contain additional or modified dispute resolution procedures, Chargeback reasons, or timeframes applicable to the particular Service .

IX. Confidentiality, Security Standards, and Data Privacy

- a. Confidentiality Obligation – Each Party shall keep all Confidential Information strictly confidential. The Receiving Party shall use the Disclosing Party's Confidential Information solely for the purposes of performing this Agreement and shall not disclose it to any third party except to those who need to know it for the performance of this Agreement and who are bound by similar confidentiality obligations. Each Party shall protect the Confidential Information of the other with at least the same degree of care as it uses to protect its own confidential information, and in no event less than reasonable care.
- b. Permitted Disclosures – Notwithstanding the above, Confidential Information may be disclosed if and to the extent required by law, regulation, or court or regulatory order, provided that the Receiving Party shall, to the extent practicable and lawful, give prompt notice to the Disclosing Party to allow an opportunity to seek a protective order or other appropriate remedy.

Information shall not be deemed confidential if it: (a) is or becomes publicly available without breach of this Agreement; (b) is rightfully obtained by the Receiving Party from an independent source free of any confidentiality obligation ; or (c) was already in the lawful possession of the Receiving Party prior to disclosure by the Disclosing Party.

- c. Duration of Confidentiality – The confidentiality obligations of each Party shall commence upon signing this Agreement and shall survive indefinitely, even after the termination of this Agreement. Upon termination of this Agreement, and upon written request of the Disclosing Party, the Receiving Party shall promptly return or destroy (at the Disclosing Party’s option) all materials containing the Disclosing Party’s Confidential Information that are in the Receiving Party’s possession or control, except to the extent retention is required by applicable law or regulation.
- d. Data Privacy Compliance – The MERCHANT shall comply with Republic Act No. 10173 (Data Privacy Act of 2012) and its implementing rules, as well as all other applicable laws and regulations on data privacy and protection. The MERCHANT shall uphold the rights of data subjects (e.g. customers) and adhere to principles of transparency, legitimate purpose, and proportionality in processing Personal Data. The MERCHANT agrees to implement reasonable and appropriate organizational, physical, and technical measures to protect personal data (including cardholder data and customer information) against unauthorized access, disclosure, or misuse. The MERCHANT shall exert extraordinary diligence to ensure the confidentiality and security of any customer data it obtains in the course of performing services (including card numbers, account information, transaction details, and personal identifiers).
- e. Bank Secrecy and Other Confidentiality Laws – The MERCHANT acknowledges that bank account and depositor information is protected by confidentiality laws (such as Republic Act No. 1405, the Secrecy of Bank Deposits Law). To the extent the MERCHANT receives any information relating to RCBC’s depositors or cardholders, the MERCHANT shall treat such information with strict confidentiality and use it only as necessary for the performance of the Services. The MERCHANT shall indemnify and hold RCBC free and harmless from any fines, penalties, or damages arising from the MERCHANT’s negligence or breach of its confidentiality or data privacy obligations. RCBC is authorized to offset against any amounts due to the MERCHANT any fine or claim paid by RCBC as a result of such breach.
- f. Publicity and Use of Names – Neither Party shall use the trademarks, logos, or name of the other Party in any advertisement, publicity material, or other public announcement without the prior written consent of the other. However, RCBC may include the MERCHANT’s name in its list of accredited merchants or in marketing materials related to the Services. The MERCHANT shall prominently display any decals, stickers, signage, or other marketing materials provided by RCBC indicating the availability of the Services at its business premises, in accordance with this Agreement.
- g. CVV2/CVC2/Card Security Code – The MERCHANT is strictly prohibited from storing, in any format or medium, the CVV2/CVC2/Card Security Code. Any violation of this provision will subject the MERCHANT to penalties assessed by RCBC or the relevant Card Schemes. The MERCHANT shall be liable to reimburse RCBC for any such penalties incurred due to the MERCHANT’s non-compliance with this prohibition.
- h. Data Storage Restrictions – Should storage of Cardholder information be required for business/legal purposes, the MERCHANT shall (a) store only specific required information per a defined retention/disposal policy, (b) securely safekeep merchant copies of Sales Slips/receipts with limited access, and (c) must not store sensitive authentication data (full magnetic stripe/chip data, PIN, CVV2/CVC2) post-Authorization. Storage of PAN requires strong encryption/masking.

- i. Data Disclosure – MERCHANT shall not sell, purchase, provide, or exchange Cardholder name or account information, except to agents assisting the MERCHANT, RCBC, Schemes, or pursuant to government request.
- j. PCI-DSS Compliance – MERCHANT and any relevant service provider must comply with the Payment Card Industry Data Security Standard (PCI-DSS) at the required level. MERCHANT must provide annual Attestation of Compliance upon request. Failure to comply is a material breach. MERCHANT must disclose service providers to RCBC upon request.
- k. Unless otherwise stated in this Agreement or any Addendum, the MERCHANT must provide an initial verbal or email notification to RCBC immediately upon discovery by the MERCHANT, and in no event later than two (2) hours from such discovery. This initial notification should include, at a minimum:
 - i. Date and time of discovery.
 - ii. Nature of the Security Incident.
 - iii. Type of data potentially involved.
 - iv. Initial assessment of the number of individuals or records potentially affected.
 - v. Name and contact information of the MERCHANT's designated point person for the incident.
- l. Following any initial notification, the MERCHANT shall provide RCBC with a detailed written report within twenty-four (24) hours of the initial discovery of the Security Incident. This report must include, but not be limited to:
 - i. A comprehensive description of the Security Incident, including the timeline of events.
 - ii. The specific data, systems, and Services affected.
 - iii. The identified or suspected root cause(s) of the Security Incident.
 - iv. An assessment of the scope and impact of the Security Incident, including the number of affected individuals, records, or systems.
 - v. A description of the containment measures taken by the MERCHANT.
 - vi. A detailed description of the remediation actions taken or planned by the MERCHANT to address the Security Incident and prevent recurrence, along with timelines for completion.
 - vii. Any forensic investigation reports, if available (or when they become available).
- m. The MERCHANT shall provide RCBC with regular updates on the status of its investigation and remediation efforts, and promptly respond to any reasonable requests for further information from RCBC, Card Schemes, or regulatory authorities. The MERCHANT shall cooperate fully with RCBC, relevant Card Schemes, and any regulatory authorities in the investigation and resolution of any Security Incident.
- n. All notifications required under this Section XI.G shall be made to RCBC's designated contact point or department for security incidents, as communicated by RCBC to the MERCHANT from time to time.

X. Representations and Warranties

- a. Each Party represents and warrants that:
 - i. it is duly organized and validly existing under the laws of its incorporation and has full power and authority to enter into and perform its obligations under this Agreement; and

- ii. the persons signing this Agreement on behalf of each Party are duly authorized to do so, and once signed, this Agreement constitutes a valid and binding obligation of that Party enforceable in accordance with its terms.
- b. MERCHANT's Compliance with Laws – The MERCHANT represents, warrants, and undertakes that:
 - i. it is conducting its business in compliance with all applicable laws, rules, and regulations, and has obtained all licenses, permits, and approvals required for its operations.
 - ii. it shall continue to comply with all relevant laws (including banking regulations, consumer protection laws, anti-money laundering laws, and data privacy laws) in performing its obligations under this Agreement.
 - iii. it shall not engage in any Prohibited Transaction.
 - iv. all funds used in its transactions are from legitimate sources and not the proceeds of any unlawful activity. The MERCHANT shall execute and deliver any documents and take any actions reasonably required by RCBC to comply with legal and regulatory requirements, including those imposed by the Anti-Money Laundering Act (Republic Act No. 9160, as amended).
- c. MERCHANT's Additional Warranties – The MERCHANT warrants that:
 - i. it shall perform its obligations under this Agreement in good faith and with reasonable care, skill, and diligence;
 - ii. it is responsible for orienting its staff, employees, agents and personnel on the terms and conditions of this Agreement as well as other rules and procedures that may be issued by RCBC from time to time
 - iii. it shall only process the Transactions for lawful purposes and in accordance with this Agreement and applicable service guides or user manuals;
 - iv. all information provided by the MERCHANT to RCBC (including information in the merchant application and any supporting documents) is true, accurate, and complete, and the MERCHANT shall promptly notify RCBC of any material changes to such information; and
 - v. if the MERCHANT is accepting card payments, it shall only present to RCBC sales slips or transactions that are bona fide transactions between the MERCHANT and its customer for goods or services actually provided (no laundering of transactions) .
 - vi. It will inform RCBC in writing at least thirty (30) days prior to any planned closure, sale, or transfer of its business or any significant portion thereof.
- d. RCBC's Disclaimer of Warranties – The MERCHANT acknowledges that, except as expressly provided in this Agreement, RCBC makes no other warranties or guarantees, express or implied, regarding the Services or Transactions or any equipment or system provided. All implied warranties including but not limited to merchantability, fitness for a particular purpose, or non-infringement are disclaimed by RCBC to the fullest extent permitted by law. RCBC does not warrant that the Services (including any terminal or system) will be uninterrupted or error-free, or that all errors or defects can be prevented or corrected. The MERCHANT agrees that RCBC shall not be liable for any losses or damages caused by any third-party service providers or by any events beyond RCBC's reasonable control, such as but are not limited to, telecommunication failures, power outages, or internet disruptions. The MERCHANT

acknowledges and agrees that it has not entered into this Agreement in reliance on any representation statements or warranty (whether written or oral and whether express or implied) made by or on behalf of RCBC other than such as are expressly set out herein. MERCHANT further acknowledges that it is primarily liable for all its obligations hereunder.

- e. Use of Marks and Display – The MERCHANT agrees to and shall prominently display at its Point of Interaction (POI) / places of business all "Acceptance Marks" (which are defined as the official decals, stickers, digital representations, signage, or other symbols of the Card Schemes or payment services indicating acceptance) and any other promotional materials provided by RCBC for the Services.
 - i. The display of such Acceptance Marks and materials must comply with all guidelines issued by RCBC and the relevant Card Schemes or payment networks, including but not limited to requirements regarding size, location, visibility, and parity with other payment marks displayed.
 - ii. The MERCHANT shall conspicuously maintain such materials in good condition and ensure they are current.
 - iii. The MERCHANT's right to use or display any RCBC, Card Scheme, or payment network trademarks, logos, Acceptance Marks, or names is limited to the purpose of indicating acceptance of the Services as authorized under this Agreement and ceases immediately upon termination of this Agreement or the relevant Service, or upon notice from RCBC or the respective Scheme/network.
 - iv. The MERCHANT shall not use any RCBC or Card Scheme/payment network trademark, logo, or name in any manner not expressly authorized by RCBC or the relevant Scheme/network, nor in a way that is likely to cause confusion or disparage RCBC or the Schemes/networks.
 - v. The MERCHANT hereby authorizes the Card Schemes and payment networks whose payment methods are accepted by the MERCHANT under this Agreement to use the MERCHANT's publicly available business information (such as its registered business name, trading name, address, merchant category, and contact information) to enrich, enhance, or supplement Transaction data processed through their respective networks. This authorization is granted for purposes including, but not limited to, improved transaction reporting, analytics, fraud prevention, and customer service by the Schemes and their participants.
- f. Non-Solicitation of Personnel – Each Party agrees that during the term of this Agreement and for one (1) year after its termination, neither Party will solicit for employment or contract, directly or indirectly, any employee of the other Party who is involved in the implementation or management of the Services, without prior written consent of the other Party . This provision does not prohibit general job postings or public advertisements not specifically targeting the other Party's employees.

XI. Indemnification

The MERCHANT shall indemnify and hold RCBC (including its directors, officers, employees, and representatives) free and harmless from and against any and all claims, losses, liabilities, damages, costs, and expenses (including reasonable attorney's fees) arising out of or in connection with:

- a. any breach by the MERCHANT of this Agreement or violation of any applicable law or Card Scheme rule;
- b. any fraud, negligence, willful misconduct, or illegal activity committed by the MERCHANT or its officers, employees, agents, or Sub-representatives in connection with the Services;
- c. any claim by a customer or third party against RCBC arising from the MERCHANT's goods or services or the MERCHANT's failure to fulfill obligations to a customer (including any dispute as to the quality or delivery of goods/services, or refunds);
- d. any fines, penalties or charges imposed on RCBC by any Card Scheme or regulatory authority as a result of the MERCHANT's action or omission (including but not limited to fines for data breaches, excessive chargebacks, or non-compliance with PCI-DSS requirements); and
- e. any third-party claim alleging that the MERCHANT's acts or omissions (including the content or nature of the MERCHANT's business) have caused loss or damage.

If RCBC is made a party to any litigation or proceeding brought by a third party (including any Card Scheme or regulator) due to the MERCHANT's acts, omissions, or transactions, the MERCHANT shall defend RCBC (at RCBC's option) or reimburse RCBC for its legal fees and costs. In case RCBC is compelled to engage counsel to protect its interests under this Section, the MERCHANT agrees to pay attorney's fees equivalent to twenty-five percent (25%) of the amount of the claim, as liquidated damages, in addition to costs of collection and litigation expenses.

The indemnity obligations of the MERCHANT shall survive the termination of this Agreement. RCBC may, at its discretion, directly debit the MERCHANT's Settlement Account or any funds due to the MERCHANT for any amounts indemnifiable hereunder, or require the MERCHANT to promptly pay such amounts upon demand.

XII. Liability and Disclaimer of Warranties

- a. **Limitation of Liability** – Except with respect to the MERCHANT's indemnity obligations and any willful misconduct or gross negligence, neither Party shall be liable to the other for any indirect, special, consequential, or incidental damages, or for any lost profits or lost revenues, arising out of or related to this Agreement or the use or inability to use the Services, even if advised of the possibility of such damages. RCBC's total liability to the MERCHANT for any and all claims arising from or in connection with this Agreement shall not exceed the total amount of fees earned by RCBC from the MERCHANT under this Agreement in the three (3) month period immediately preceding the event giving rise to the claim.
- b. **Disclaimer of Warranties** – RCBC provides the Services, Intellectual Property Right and any equipment such as terminals, on an "as is" and "as available" basis. RCBC disclaims all implied warranties, including any implied warranties of merchantability or fitness for a particular purpose, relating to the Services and the equipment. RCBC does not warrant that the Services will meet the MERCHANT's requirements or that the operation of the Services (or any terminals or systems) will be uninterrupted or error-free. The MERCHANT acknowledges that the performance of electronic transaction services may be affected by factors beyond RCBC's control, including but not limited to telecommunication failures, internet outages, electrical disruptions, or the acts of third-party service providers. The MERCHANT agrees that RCBC shall not be liable for any losses arising from such events beyond RCBC's reasonable control.

- c. Third-Party Providers – In providing the Services, RCBC may utilize third-party service providers or networks such as telecommunications networks, card networks, and terminal providers. RCBC shall exercise reasonable care in the selection of such providers, but RCBC is not responsible for the performance or non-performance of third parties that are beyond RCBC's control. RCBC disclaims all liability for any harm or damage caused by any third-party provider's acts or omissions. However, RCBC will reasonably assist the MERCHANT in coordinating with relevant third parties to restore services or resolve issues to the extent practicable.
- d. Force Majeure – Neither Party shall be liable for failure to perform its obligations (other than payment obligations) if such failure is due to causes beyond its reasonable control, including but not limited to acts of God, acts of government or regulators, war, civil disturbance, sabotage, terrorist acts, labor strikes, epidemic, power or network failures, or natural disasters. In the event of such a force majeure, the affected Party shall give notice to the other Party as soon as practicable and shall use commercially reasonable efforts to resume performance. The time for performance shall be extended by a period equal to the duration of the force majeure event. If the force majeure event continues for an extended period (i.e., more than thirty days), either Party may terminate the affected service by written notice to the other.

XIII. Evidence and Documents

The MERCHANT will promptly produce, on RCBC's request, (whether or not the same is disputed by the customer), evidence satisfactory to RCBC, of any documents and transaction relating to the Services provided by RCBC under this Agreement. MERCHANT will retain all documents and records relating to each Transaction for a period of not less than eighteen (18) months thereafter and produce the same to RCBC on request. MERCHANT shall provide such reasonable assistance for the prevention and detection of fraud in respect of any Transaction as RCBC may from time to time request.

XIV. Intellectual Property

- a. Ownership – All Intellectual Property Rights in RCBC's systems, software, platforms, trademarks, documentations, and proprietary technology remain exclusively with RCBC or its licensors. The MERCHANT acquires no ownership or license beyond the limited rights expressly granted in this Agreement. The MERCHANT shall take all reasonable measures to protect RCBC and/or its licensors' Intellectual Property Rights.
- b. Restriction – The MERCHANT shall not copy, modify, distribute, sublicense, or reverse-engineer RCBC's Intellectual Property Rights. The MERCHANT must not disclose Intellectual Property Rights to third parties without prior written consent from RCBC.
- c. Violation – The MERCHANT shall immediately notify RCBC upon discovering any unauthorized use or infringement of Intellectual Property Rights and shall fully cooperate in enforcement actions.
- d. Remedies – Any unauthorized use constitutes a material breach. RCBC reserves the right to seek injunctive relief, damages, termination, and other legal remedies.
- e. The MERCHANT hereby authorizes RCBC to include the MERCHANT's trademark/s, at RCBC's sole discretion, in any directory or promotional material produced in connection with the acceptance of the Services.

XV. Information Security and Anti-Malware Protection

- a. The MERCHANT shall implement and regularly update industry standard anti-malware software on all systems connected with the Services. Systems must be continually monitored and secured against viruses, ransomware, spyware, and other malware threats.
- b. MERCHANT must maintain appropriate safeguards in compliance with Republic Act No. 10173 (Data Privacy Act of 2012), BSP regulations, and PCI-DSS standards, to protect RCBC data and Client or Cardholder information against unauthorized access or disclosure.
- c. MERCHANT shall apply cybersecurity best practices per BSP Circular No. 982, including regular patching, firewall protection, access controls, vulnerability assessments, and employee cybersecurity training.

XVI. Anti-Bribery and Anti-Corruption

Each Party represents and warrants that it shall fully comply with all applicable anti-bribery and anti-corruption laws, including Republic Act No. 3019 and other relevant regulations. Neither Party, nor anyone acting on its behalf, shall directly or indirectly offer, promise, solicit, or accept any improper payment, benefit, or undue advantage to influence actions related to this Agreement. Each Party shall promptly notify the other of any suspected breach of this provision. Violation of this provision shall entitle the other Party to immediately terminate this Agreement without incurring liability, in addition to other remedies provided under this Agreement and the law.

XVII. Audit and Compliance

- a. Regulatory and Audit Access – The MERCHANT shall allow RCBC’s internal and external auditors, RCBC’s regulators, such as the BSP, and any other government authority with jurisdiction, upon reasonable notice, to inspect and audit the MERCHANT’s books, records, operations, and systems relating to the Services. The MERCHANT shall cooperate fully with any such audits or examinations, and shall provide access to pertinent records and information as may be reasonably required to verify the MERCHANT’s compliance with its obligations under this Agreement and with applicable laws and regulations. The MERCHANT shall promptly address any deficiencies or recommendations identified by such audits/examinations to the satisfaction of RCBC and the relevant authority.
- b. RCBC Spot Checks – The MERCHANT agrees that RCBC or its representatives may conduct on-site visits or spot checks at MERCHANT’s business premises to ensure proper implementation of and compliance with the operational and security requirements of the Services. This may include verifying that the terminals or devices are properly secured and used, that customer data is handled securely, and that required signage or disclosures are in place. RCBC may also require the MERCHANT to provide periodic self-assessments or certifications of compliance, especially with respect to data security.
- c. Compliance with Card Scheme Rules – The MERCHANT shall observe and comply with all applicable rules, regulations, and by-laws of the Card Schemes in performing the Services related to card payment acceptance. RCBC will inform the MERCHANT of material new Scheme rules or changes that affect the MERCHANT’s obligations. The MERCHANT warrants that it will remain in compliance with all Card Scheme requirements at all times. Failure to comply with any such requirements is a material breach and may result in immediate termination of the relevant Service by RCBC. If RCBC incurs any fine or penalty from a Card Scheme due to the MERCHANT’s

act or omission, the MERCHANT shall reimburse or indemnify RCBC for such fine or penalty immediately upon demand.

- d. Security Requirements – The MERCHANT shall implement and maintain security measures as required by RCBC or by law to protect the integrity of Transactions and the confidentiality of customer information. In particular, for card transactions, if the MERCHANT processes or stores cardholder data, the MERCHANT must comply with the PCI-DSS requirement to the extent applicable. The MERCHANT acknowledges that failure to comply with PCI-DSS or other data security requirements of the Card Schemes can result in hefty fines and termination of services. The MERCHANT agrees to undergo PCI-DSS certification if required by RCBC or the Schemes, and to provide evidence of such certification upon request.

XVIII. Term and Termination

- a. Term – This Agreement shall take effect on the date it is signed by both Parties (or the date of RCBC’s approval of the MERCHANT’s application, as evidenced by the issuance of merchant credentials) and shall remain in force unless terminated by any Party giving at least a thirty (30) day-prior notice in writing to the other Party.
- b. Termination for Cause by RCBC – RCBC may suspend or terminate any or all of the Services or Transactions, or this Agreement in its entirety, immediately upon written notice to the MERCHANT (or without prior notice where specified) upon the occurrence of any of the following causes:
 - i. Breach or Default: The MERCHANT is in material breach of any term of this Agreement (including any Addendum) or fails to comply with any applicable Scheme requirement, and such breach, if capable of remedy, is not cured within fifteen (15) days from RCBC’s notice. RCBC may suspend the affected Service immediately during the cure period. Repeated minor breaches that collectively and demonstrably impair the value of the Agreement to RCBC, such as persistent delays in reporting or repeated minor security lapses, shall also constitute a cause for termination.
 - ii. Fraud or Illegal Transactions: RCBC determines, in its reasonable judgment, that the MERCHANT has engaged in fraudulent, dishonest, or illegal activities or Prohibited Transaction/s, or that transactions processed by the MERCHANT are suspected to be fraudulent or not bona fide. This includes, but is not limited to, incidents of suspected card fraud, identity theft, money laundering through the Services, or submission of fictitious transactions. Termination or suspension may be immediate and without prior notice in such case, to prevent further loss risk.
 - iii. Compromise of Security: The security or integrity of the Services or RCBC’s systems is compromised or at serious risk due to actions or inactions of the MERCHANT. For example, if a terminal network security is breached or confidential cardholder information is compromised at the MERCHANT’s end. RCBC may immediately suspend the affected Service to protect system security, and may terminate if the issue is not promptly remedied or if the breach caused significant harm.
 - iv. Reputational Risk: The MERCHANT conducts business in a manner that, in RCBC’s opinion, may damage the goodwill or reputation of RCBC or the Card Schemes. For instance, if the MERCHANT is involved in activities that are unethical or has received significant negative publicity affecting its trustworthiness, or if the MERCHANT accepts

card transactions for prohibited goods/services which could bring disrepute to RCBC or violate Scheme rules.

- v. Excessive Chargebacks or Fraud: The MERCHANT exceeds acceptable thresholds for chargeback or fraud ratios as set by RCBC or the Card Schemes. By way of example, termination may occur if chargebacks in a month exceed 1% of the total number of card payment Transactions with a total chargeback amount of at least USD 5,000, or if the fraud-to-sales ratio exceeds 7% with 10 or more fraudulent transactions totaling USD 5,000 in a month. The specific thresholds are subject to RCBC and Card Scheme policies, which may be communicated to the MERCHANT separately RCBC may also terminate if the MERCHANT is identified by the Schemes as a high-risk or suspected fraudulent merchant (e.g., appearing in warnings or watch lists).
 - vi. Financial Instability or Cessation of Business: The MERCHANT becomes insolvent or bankrupt, has a receiver appointed over its assets, makes an assignment for the benefit of creditors, or is the subject of any bankruptcy or insolvency proceeding. or the MERCHANT is in the process of business closure, dissolution or discontinuing its operations, or removes its business location(s) without notice..
 - viii. Regulatory Requirement: Any law, regulation, or any directive from a competent authority (including BSP) comes into effect that makes it unlawful or impermissible for RCBC to continue providing any of the Services, or which requires the termination of this Agreement or any Service. In such a case, RCBC may terminate the affected Service or the Agreement immediately by giving written notice citing the legal or regulatory directive.
 - ix. Card Scheme Termination/Suspension: A Card Scheme requires RCBC to terminate or suspend service to the MERCHANT (for example, placing the MERCHANT on a Terminated Merchant File or MATCH list)
 - x. Other Causes: Any other event or circumstance that the relevant Addendum specifies as cause for termination of that Service. (For instance, failure to meet a minimum usage requirement for the terminal, if stipulated, or other criteria RCBC deems reasonably appropriate as provided in the Addendum.)
- c. Termination by MERCHANT for Cause – The MERCHANT may terminate this Agreement or a specific Addendum for cause if RCBC commits a material breach of this Agreement and fails to cure such breach within thirty (30) days of receiving written notice from the MERCHANT specifying the breach. The MERCHANT may also terminate if RCBC ceases to have the requisite regulatory licenses to provide the Services or is placed under receivership or liquidation. Termination by the MERCHANT shall not relieve it from settling any obligations incurred prior to termination.
 - d. Suspension of Services – In lieu of termination, RCBC may in its discretion suspend the provision of any Service immediately under the circumstances which would justify termination for cause. The MERCHANT acknowledges RCBC's right to immediately suspend access to the terminals or network (without prior notice) if any of the events in Section XIII.b occurs. Suspension may last until RCBC is satisfied that the cause of suspension has been remedied or no longer exists. RCBC will lift the suspension once the MERCHANT has taken corrective action to RCBC's satisfaction. If the MERCHANT fails to remedy the issue within a reasonable time, RCBC may proceed to terminate as provided above.

- e. Effects of Termination – Upon termination of this Agreement or any Addendum:
- i. the MERCHANT shall immediately cease processing the Transaction and shall no longer present itself as an RCBC partner for that Transaction;
 - ii. the MERCHANT shall promptly return to RCBC all RCBC-provided equipment and all related materials, documentation, user guides, unused supplies (e.g., transaction slips), signage, decals, or any other property provided by or belonging to RCBC or its service providers, at the MERCHANT's expense;
 - iii. RCBC may, in coordination with the MERCHANT, remove or retrieve any RCBC-owned equipment from the MERCHANT's premises, and the MERCHANT shall allow RCBC access for such purpose;
 - iv. any unsettled Transactions or pending obligations shall be settled in accordance with the provisions of this Agreement. RCBC's obligation to credit the MERCHANT for valid Transactions completed before termination will continue, subject to RCBC's rights regarding chargebacks, refunds, or other adjustments. If refunds or chargebacks are received after termination that exceeds any amounts due to the MERCHANT, the MERCHANT shall remain liable to pay RCBC such excess and such obligation shall survive termination.
 - v. Additionally, for card Services and/or Transactions, the MERCHANT acknowledges that if termination is due to certain specified causes, RCBC may report the MERCHANT's business name and details to the Card Schemes' terminated merchant databases or alert. Such information may be retained in those systems for at least five years and used by acquiring banks in evaluating merchant applications. Causes that can lead to listing in a high-risk or terminated merchant database include but are not limited to those enumerated in this Agreement and for reasons as may be requested by Schemes. The MERCHANT agrees to such reporting and waives and holds RCBC free from any liability for making such a report in good faith.
 - vi. Termination of this Agreement shall not affect any rights or liabilities of either Party which have accrued prior to termination. Any provision of this Agreement which by its nature or terms is intended to survive termination (including but not limited to confidentiality obligations, indemnities, limitations of liability, chargeback and refund obligations for transactions prior to termination, and dispute resolution provisions) shall survive the expiration or termination of this Agreement.

XIX. Notices

- a. Manner of Notice – All notices or other communications required or permitted under this Agreement shall be in writing and in English, and shall be deemed duly given if delivered by hand (personal delivery with acknowledgement), sent by pre-paid registered mail or reliable courier service, or transmitted via electronic mail (email) to the respective addresses of the Parties set forth below (or to such other address or email as a Party may designate by written notice to the other):

For **MERCHANT**:

Address:

Attention:

Tel. Nos.:

Fax No. :

Email:

For **RCBC**:

Address:

Attention:

Tel. Nos.:

Fax No. :

Email:

Each Party shall ensure that the contact details for notices (including contact person, address, and email) are kept up to date and shall notify the other Party of any change.

- b. Effectiveness of Notices – Notices shall be deemed received by the addressee: (a) if delivered personally, on the date of delivery as evidenced by a signed receipt or acknowledgment by the recipient ; (b) if sent by postal mail or courier, on the sixth (6th) calendar day after the date of posting or on the actual date of receipt as shown by the courier’s delivery record, whichever is earlier ; (c) if sent by email, on the date and time the email is recorded as received based on the sender’s email system, provided that no error or bounce-back message indicating failure of delivery is received by the sender. If an email notice is sent outside of recipient’s business hours, it shall be deemed received at 9:00 AM on the next Business Day. Notice made available by RCBC through an online portal (if applicable) shall be deemed received when the MERCHANT is notified via email or system message that a notice is posted and available for viewing.
- c. Legal Process – Notices or documents in legal proceedings must be served in accordance with applicable rules of court and the above provisions do not modify the requirements for legal service of process.

XX. Assignment

Neither this Agreement nor any of the rights or obligations herein may be assigned or transferred by the MERCHANT without the prior written consent of RCBC. Any attempted assignment by the MERCHANT without such consent shall be void and of no effect. RCBC may assign or transfer its rights and/or obligations under this Agreement, in whole or in part, to any affiliate or successor or to any third party as part of a transfer of RCBC’s relevant business, upon written notice to the MERCHANT. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. If the MERCHANT is a natural person, this Agreement shall be binding on the MERCHANT’s estate, heirs and legal representatives.

XXI. Governing Law and Venue

- a. Governing Law – This Agreement, including the Addenda, shall be governed by and construed in accordance with the laws of the Republic of the Philippines.

- b. Venue and Jurisdiction – In the event of any suit, action or proceeding arising out of or in connection with this Agreement, the Parties agree to submit to the exclusive jurisdiction of the proper courts of Makati City or Pasig City, Philippines. However, this shall not prevent RCBC from seeking injunctive relief or remedies in any other jurisdiction as may be necessary to protect its interests under this Agreement.

XXII. General Provisions

- a. Disaster Recovery Plan - Each Party shall continuously update and maintain its respective business continuity and disaster recovery plans to address potential risks arising from the provision of the Transactions under this Agreement. Where appropriate, the Parties will coordinate on aspects of these plans that may have interdependencies.
- b. Segregation of Data - The MERCHANT shall ensure segregation of RCBC's data from that of the MERCHANT and its Clients.
- c. Levels of Transition -In the event RCBC decides to transition the Transactions to other merchants or pursue alternative arrangements, the MERCHANT shall reasonably cooperate and provide the necessary assistance to ensure a smooth transfer. The specific levels and nature of this transition support may be further detailed in a separate agreement or upon RCBC's request.
- d. Change of Ownership - In the event of change of ownership, assignment, attachment of assets, insolvency, or receivership of the MERCHANT, RCBC shall continue to be entitled to the obligations of the MERCHANT, and may avail of any remedy under the law to ensure continuity in the processing of the Services. In addition to the above rights, RCBC shall have the right to pursue and exhaust all other means provided by law to ensure that the processing of Transactions will not be impaired or prejudiced.
- e. Relationship of Parties – The MERCHANT is an independent contractor for all purposes under this Agreement. Nothing in this Agreement shall be construed to create a partnership, joint venture, agency, or employer-employee relationship between RCBC and the MERCHANT. The MERCHANT and its employees are not agents of RCBC, and have no authority to bind RCBC or make representations on RCBC's behalf. The MERCHANT shall not represent itself as an agent or representative of RCBC except as expressly permitted in this Agreement for promotion of the Transactions. The MERCHANT is solely responsible for hiring, managing, and paying its employees, ensuring their safety and legal compliance. The MERCHANT controls its employees' work and shall be liable for their actions. The MERCHANT shall indemnify RCBC against any claims or damages arising from the MERCHANT or its employees' actions. The MERCHANT shall defend and hold RCBC harmless in any employment-related claims.
- f. Amendment and Waiver – RCBC may update or amend this Agreement (including the Addenda) by giving notice to the MERCHANT, and such changes will become effective as stated in the notice if the MERCHANT continues to process the Transactions or does not object within the period specified. If the MERCHANT is unwilling to accept any such unilateral amendment, the MERCHANT must notify RCBC in writing within five (5) days of receipt of notice, in which case the Parties will discuss the concern in good faith, or either Party may choose to terminate the affected Addendum. No failure or delay by either Party in exercising any right or remedy under this Agreement shall operate as a waiver of such right or remedy, nor will any single or partial exercise of or failure to exercise any such right or remedy preclude any other or further exercise thereof or the exercise of any other right or remedy provided herein or available at law or in equity.
- g. Severability – If any provision of this Agreement or any Addendum is held to be invalid, illegal, or unenforceable by a court of competent jurisdiction, that provision shall be severed from this

Agreement and the remaining provisions shall remain in full force and effect. The Parties shall endeavor in good faith to replace any invalid or unenforceable provision with a valid provision that comes closest to the original intention of the Parties.

- h. Interpretation – The headings in this Agreement and the Addenda are for convenience only and shall not affect interpretation. Words denoting the singular include the plural and vice versa; words denoting any gender include all genders. References to a person or entity include their permitted successors and assigns. References to statutes or regulations include any amendments or successor laws. The word “including” shall be deemed to mean “including without limitation”. The Parties agree that the rule of construction strictly interpreting contracts against the drafter shall not apply to this Agreement – both Parties have had the opportunity to review and contribute to its terms. References to any Agreement or document are to that Agreement or document (and, where applicable, any of its provisions) as amended, novated, supplemented or replaced from time to time.
- i. Counterparts – This Agreement and any Addendum may be signed in counterparts, each of which shall be deemed an original and all of which taken together shall constitute one instrument.
- j. Execution and Effectivity – This Agreement is deemed executed and made effective on the date last signed by the authorized representatives of the Parties. The Addenda attached hereto shall be likewise effective as of the effective date of the Agreement, unless a different effective date is specified in the Addendum.

_____:

RIZAL COMMERCIAL BANKING CORPORATION

BY:

BY:

BY:

BY:

Signed in the presence of:

(Signature over printed name)

(Signature over printed name)

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)
.....) S.S.

BEFORE ME, a duly authorized notary public for and in the above-named jurisdiction, personally appeared on this _____ day of _____, 20_, the following, who are personally known to me and/or identified through competent evidence of identity and with community tax certificate/s, to wit

Name	CTC No.	Date/Place Issued	Competent Evidence of Identity (Type of I.D./I.D. No.)	Issued on/at and/or Valid Until

known to me and to me known to be the same persons who executed the foregoing instrument, and who acknowledged before me that their respective signatures on the instrument were voluntarily affixed by them for the purposes stated therein, and who declared to me that the said instrument is their free and voluntary act and deed and that of the corporation/entity represented, and are duly authorized to sign, if acting in a representative capacity.

I further certify that this instrument refers to a Merchant Transactions Agreement consisting of ____ pages, including this page wherein the acknowledgment is written and has been signed by the herein parties and their witnesses.

IN WITNESS WHEREOF, I hereunto set my hand and affix my notarial seal on the date and at the place above written.

Doc. No._____;
Page No._____;
Book No._____;
Series of 20_____.

CREDIT CARD / DEBIT CARD SERVICES ADDENDUM

This **Credit Card / Debit Card Services Addendum** (Addendum) sets forth the terms and conditions governing the Credit Card / Debit Card Services by **RIZAL COMMERCIAL BANKING CORPORATION (RCBC)** to the MERCHANT for the acceptance of Card payments via Point-of-Sale (POS) terminals by the **MERCHANT**, facilitated by RCBC.

This Addendum supplements and forms an integral part of the Merchant Transactions Agreement dated [Date of Unified Agreement] (the **Agreement**) between RCBC and the MERCHANT. All terms defined in the Agreement shall have the same meaning herein, unless otherwise defined below. In case of conflict between the Agreement and this Addendum, the provisions herein shall prevail for matters specifically relating to the Credit Card / Debit Card POS Services.

This Addendum shall take effect on the date of its execution by the parties, and shall remain in force unless terminated by any Party giving at least a thirty (30) day-prior notice in writing to the other Party.

A. DEFINITIONS

In addition to the definitions in the Agreement, the following terms shall have the meanings set forth below for the purposes of this Addendum:

1. **Authorization:** The act of obtaining approval, as evidenced by an Authorization Code, from RCBC or the Issuer via RCBC prior to completing a Transaction, permitting the processing thereof. This process validates the Card's status, confirms available funds, and ensures the Transaction complies with the terms of this Addendum and the Agreement. Authorization is a requirement for every Transaction.
2. **Authorization Code:** The approval code obtained from RCBC or the Issuer via RCBC's System, authorizing a specific Card Transaction.
3. **Card / Debit Card POS Services:** *The Services provided by RCBC to the MERCHANT under this Addendum, which enable the MERCHANT to accept payments from Cardholders using Valid Cards through POS Terminals. These Services include, but are not limited to, the provision, installation, maintenance, and operation of POS Terminals; the authorization, processing, and settlement of Transactions; the provision of related materials and training; and adherence to Card Scheme rules, data security standards, and regulatory requirements as detailed in this Addendum and this Agreement.*
4. **Manual Authorization:** Authorization obtained via telephone from RCBC Authorization Center, typically required if the POS is inoperable, for specific transaction types (e.g., installments), or if prompted by the POS.
5. **Merchant Operating Guide (MOG):** Guidelines provided by RCBC for Card acceptance procedures, forming part of this Agreement.
6. **Payment Account Reference (PAR):** A payment reference allocated to an account.
7. **Potential ADC Event:** An occurrence that *could* result in an ADC Event.
8. **Sales Slip:** The physical or electronic form generated by

the POS Terminal or manually imprinted, constituting proof of a Transaction and authorization for RCBC to pay MERCHANT and charge the Cardholder.

9. **Single Purchase Limit (SPL):** The maximum allowable amount for a single Transaction without the need to secure prior approval from RCBC. The specific limit shall be set and communicated by RCBC to the MERCHANT and may be subject to change upon prior notice to the MERCHANT.
10. **Split Sales:** Processing a single purchase as two or more separate Transactions to circumvent the SPL or other authorization controls.
11. **Transaction:** Each instance where a Cardholder uses a Valid Card to purchase goods or services from the MERCHANT at the POI using the provided POS Equipment. It encompasses the entire process of authorization, capture, processing, and settlement of the payment. This includes, but is not limited to, swiping, dipping, tapping, or manually inputting Card information, obtaining authorization, generating a Sales Slip or Terminal Receipt, and submitting transaction data to RCBC for settlement. Each Transaction is subject to the terms of this Addendum, the Agreement, and Card Scheme rules.

B. SCOPE OF SERVICES

1. RCBC authorizes the MERCHANT, subject to the terms herein, to accept specified Valid Cards (e.g., Mastercard, Visa, JCB, Union Pay) as payment for bona fide Transactions at the MERCHANT's Point-of-Interaction using the provided POS Equipment.
2. RCBC shall provide the necessary POS Equipment, materials, and facilitate the processing and Settlement of Transactions submitted by the MERCHANT.

C. MERCHANT OBLIGATIONS

The Merchant shall:

1. **Authorization:**
 - i. Obtain Authorization via the POS Terminal for every Transaction. If the POS Equipment is inoperable or for specific circumstances (exceeding SPL, delayed presentation, suspicion, Manual Authorization prompt), obtain Authorization via telephone from the RCBC Authorization Center and legibly record the Authorization Code on the Sales Slip.
 - ii. Understand that an Authorization Code is not a guarantee against fraud or chargebacks.
 - iii. Initiate a Code 10 call to the Authorization Center for any suspicious transaction or circumstances.
 - iv. Comply with any specific authorization requirements RCBC may impose.
 - v. Ensure that presented card during Transaction is not damaged/tampered
2. **Refunds:** Handle refunds according to Section E. Provide credit memos/details to RCBC within seven (7) Business Days from refund request initiated by the Cardholder.

D. PRESENTATION OF PAPER (Manual Slips)

1. For manual Transactions, MERCHANT must submit bank copies of Sales Slips to RCBC within ten (10) calendar days of the Transaction date. Late presentment may result in non-payment.

E. SETTLEMENT, PAYMENT, FEES, REFUNDS, AND CHARGEBACKS

1. **Daily Settlement:** MERCHANT shall conduct daily Settlement (batch closure) for all Transactions. Failure to settle daily may lead to disputes, penalties, or chargebacks. Late settlement (beyond same day) may incur additional MDR markup. RCBC may refuse payment for Settlements submitted after five (5) calendar days from the Transaction date.
2. **Reconciliation:** MERCHANT must reconcile payments received from RCBC within thirty (30) days from the date the settlement statement is made available to the MERCHANT; otherwise, payments are deemed correct. Claims for unpaid Transactions must be raised within this period.
3. **Payment:** RCBC shall pay the MERCHANT the amount of approved and settled Transactions within two (2) Business Days following receipt by RCBC, less the applicable MDR and taxes. Payments are made in Philippine Peso to the Settlement Account. Payment shall be without prejudice to RCBC's rights and shall not be construed as an acknowledgment or admission by RCBC that the MERCHANT has fully performed its obligations under this Addendum or the Agreement.
4. **Merchant Discount Rate (MDR):** RCBC shall charge the MERCHANT an MDR for processed Transactions. The agreed MDR rates are as follows:

Card Type	Merchant Discount Rate	
	On-Us	Off-Us
Visa		
MasterCard		
JCB		

Term (Months)	0% Installment
3	
6	
9	
12	
18	
24	
36	

MDR adjustment: RCBC may propose adjustments to MDR with written notice. If MERCHANT does not object in writing within thirty (30) days, the adjusted MDR will apply. If MERCHANT rejects, either party may terminate the Agreement.

5. Refunds:

1. If goods are returned/rejected, services cancelled/disputed, or price adjusted, MERCHANT shall issue a credit memo/process a refund via the POS, not via cash payment. MERCHANT shall accept returns/cancellations according to its stated policy.
2. MERCHANT submits credit memo details via POS settlement or manually to RCBC within seven (7) days from agreeing to a Cardholder refund.
3. MERCHANT is responsible for funding the refund amount (net proceeds: refund less original MDR). RCBC may irrevocably debit the Settlement Account (plus fees/penalties) or offset future payments by RCBC to the MERCHANT.
4. RCBC may charge MERCHANT an interest on late remittances at a rate of _____. MERCHANT shall maintain refund records and provide supporting documentation to RCBC upon request for audit/verification.

QR PH (RETAIL MERCHANT) SERVICES ADDENDUM

This QR PH (Retail Merchant) Services Addendum (**Addendum**) sets forth the terms and conditions governing the provision of QR Pay Services for Retail Merchant by **RIZAL COMMERCIAL BANKING CORPORATION (RCBC)** to the **MERCHANT**, enabling the MERCHANT to accept payments from Clients using QR Codes through the QR PH Platform.

This Addendum supplements and forms an integral part of the Merchant Transactions Agreement dated [Date of Unified Agreement] (the **Agreement**) between RCBC and the MERCHANT. All terms defined in the Agreement shall have the same meaning herein, unless otherwise defined below. In case of conflict between the Agreement and this Addendum, the provisions herein shall prevail for matters specifically relating to the QR Pay Services.

This Addendum shall take effect on the date of its execution by the parties of this Agreement or the date of RCBC's approval of the MERCHANT's application for this Addendum as evidenced by the issuance of merchant credentials, which comes first, and shall remain in force unless terminated by any Party giving at least a thirty (30) day-prior notice in writing to the other Party.

A. DEFINITIONS

The following terms shall have the meanings set forth below for purposes of this Addendum:

1. **QR Code:** The specific QR codes (Static or Dynamic) generated by or for RCBC containing the necessary identifiers for processing Transactions.
2. **QR Pay App (RCBC):** The mobile application maintained by RCBC and potentially used by the MERCHANT to process Transactions and view their status.
3. **QR Pay Platform:** The system and infrastructure provided or designated by RCBC for facilitating QR Pay Services.
4. **Static QR Code:** A QR Code assigned to the MERCHANT for display at its premises, which Clients scan to initiate payments.

B. SCOPE OF SERVICES

1. RCBC, through its QR Pay Platform, shall enable the MERCHANT to accept payments from its Clients using QR Codes within the QR PH national standard.
2. The specific functionalities and types of QR Codes (Static and/or Dynamic) activated for the MERCHANT will be based on mutual agreement and reflected in the onboarding documentation.

C. RCBC OBLIGATIONS

RCBC shall:

1. Provide the MERCHANT with necessary credentials to access the RCBC QR Pay Platform or RCBC QR Pay App, if applicable.
2. Provide the MERCHANT with the appropriate QR Code(s) (Static or Dynamic) as indicated in the merchant enrollment form.

- i. If Dynamic QR Code processing is authorized via the RCBC QR Pay App, provide access credentials. Dynamic QR Codes are valid for one Transaction only.
- ii. If Static QR Code processing is authorized, provide the Static QR Code collateral. Cross-border transmission of the physical Static QR Code is not allowed..

3. Credit the net proceeds of Transactions to the MERCHANT's Settlement Account according to the agreed schedule (see Section G).

D. MERCHANT OBLIGATIONS

The MERCHANT shall:

1. **QR Code Management & Security:**
 - i. Secure and safeguard the Static QR Code issued by RCBC and any Dynamic QR Codes presented by Clients or generated via the RCBC QR Pay App.
 - ii. MERCHANT shall be liable for losses incurred if a QR Code is tampered with due to improper retention or security lapses by the MERCHANT.
2. **Use of Service:**
 - i. Use QR Pay Services only for legitimate products and services related to the MERCHANT's principal business as declared to RCBC.
 - ii. Use the QR Pay Services only for its own business operations to cover an underlying Transaction and not for purposes solely related to funds transfer (e.g., account top-up, cash-out, or peer-to-peer transfers).
 - iii. Use the QR Pay Services only for its own account and not perform services for other third-party sellers or act as a payment facilitator for sub-merchants without prior written consent from RCBC.
3. **Operational Requirements:**
 - i. Maintain in good operating condition any QR Code collaterals provided.
 - ii. Properly link any required devices to the QR Pay Platform.
 - iii. Download and maintain the latest version of the RCBC QR Pay App, if required by RCBC.
 - iv. Assign only duly trained personnel to operate the QR Pay Services. Costs for maintaining devices and the RCBC QR Pay App shall be for the MERCHANT's account.
4. **Client Interaction & Transaction Fulfillment:**
 - i. Not restrict Clients from using QR Codes as a payment method, including setting minimum or maximum purchase amounts specific to QR Pay Services.
 - ii. For face-to-face Transactions, deliver goods or services only *after* receiving successful Transaction confirmation (e.g., real-time advice message or status update in the RCBC QR Pay App).
 - iii. For non-face-to-face Transactions, confirm delivery details with the Client and keep valid proof of goods/services delivery, detailed lists, and check-upon-delivery requirements.

E. SETTLEMENT, FEES, AND CHARGES

1. **Settlement Account:** Maintained by MERCHANT per Agreement terms.
2. **Merchant Discount Rate (MDR):** RCBC shall charge the MERCHANT an MDR for processed Transactions. The agreed MDR shall be [Rate]% of the Transaction value. MDR adjustment: RCBC may propose adjustments to MDR with written notice. If MERCHANT does not object in writing within thirty (30) days, the adjusted MDR will apply. If MERCHANT rejects, either party may terminate the Agreement.
3. **Payment:** RCBC shall pay the MERCHANT the amount of approved and settled Transactions within two (2) Business Days following the Transaction date, less the applicable MDR and Taxes. Payments are made in Philippine Peso to the Settlement Account. Payment is without prejudice to RCBC's rights regarding chargebacks or other adjustments.

E-COMMERCE SERVICES ADDENDUM

This E-commerce Services Addendum (Addendum) sets forth the terms and conditions governing the provision of E-commerce payment acceptance Services by **RIZAL COMMERCIAL BANKING CORPORATION (RCBC)** to the **MERCHANT**, enabling the MERCHANT to accept Card payments online via its website or platform.

This Addendum supplements and forms an integral part of the Merchant Transactions Agreement dated [Date of Unified Agreement] (the **Agreement**) between RCBC and the MERCHANT. All terms defined in the Agreement shall have the same meaning herein, unless otherwise defined below. In case of conflict between the Agreement and this Addendum, the provisions herein shall prevail for matters specifically relating to the E-commerce Services.

This Addendum shall take effect on the date of its execution by the parties, and shall remain in force unless terminated by any Party giving at least a thirty (30) day-prior notice in writing to the other Party.

A. DEFINITIONS

The following terms shall have the meanings set forth below for purposes of this Addendum:

1. **E-commerce:** The exchange of goods and services for payment made between the Cardholder and MERCHANT where transactions are performed via electronic communication, primarily the Internet.
2. **Integration Guide:** The document provided by RCBC detailing the technical requirements for integrating the MERCHANT's Website or MERCHANT's server with RCBC's payment processing systems.
3. **Merchant Operating Guide (MOG):** Guidelines provided by RCBC for Card acceptance procedures, forming part of this Addendum.
4. **Merchant's Website:** The website or online platform set up, owned, and/or maintained by the MERCHANT on the Internet for conducting Transactions.
5. **Payment Account Reference (PAR):** A payment reference allocated to an account.
6. **Payment Service Provider:** A third-party company contracted by the MERCHANT to provide services ancillary to the Transaction. These services may include but are not limited to, providing payment gateway, Transaction hosting, or related services involving Card data.
7. **Proof of Transaction:** The electronic or digital record confirming a completed Transaction, serving as authorization for RCBC to pay MERCHANT and charge the Cardholder. (Equivalent to Sales Slip in physical environments).
8. **Single Purchase Limit (SPL):** A potential limit set by RCBC on the maximum amount for a single Transaction without requiring additional verification or specific authorization steps.
9. **Third-Party Seller:** A person or entity offering goods/services for sale on the MERCHANT's online platform (e.g., a marketplace model) or Merchant's Website wherein the MERCHANT facilitates and accepts the Card payment Transaction on such seller's behalf.
10. **Transaction:** For purposes of this Addendum, a Card

payment made by a Client to the MERCHANT via E-commerce through the Merchant's Website processed through RCBC's payment acceptance Services.

B. SCOPE OF SERVICES

1. RCBC authorizes the MERCHANT, subject to the terms herein, to accept specified Valid Cards (e.g., Mastercard, Visa, JCB) as payment for bona fide Transactions.
2. RCBC shall provide the necessary integration details and facilitate the processing and settlement of authorized Transactions submitted by the MERCHANT.

C. RCBC OBLIGATIONS

RCBC shall:

1. Provide the MERCHANT with the Integration Guide and necessary technical specifications for connecting to RCBC's payment processing system.
2. Provide an authorization system for validating Transactions.
3. Process and settle valid, authorized Transactions submitted by the MERCHANT according to Section F.
4. Provide relevant Acceptance Marks and guidelines for their display.
5. Monitor Transactions for suspicious activity and potentially implement risk control measures (e.g., transaction limits, settlement delays) if non-compliance or high-risk activity is detected.
6. Inform the MERCHANT of material changes to Card Scheme rules or operating regulations relevant to E-commerce acceptance.

D. MERCHANT OBLIGATIONS

The MERCHANT shall:

1. **Payment Acceptance:**
 - i. Be based in the Philippines and accept payments from specified Schemes (e.g., Mastercard, VISA, JCB).
 - ii. Not complete a transaction if the Card is expired, not activated, or declined by RCBC/Issuer.
 - iii. Not require additional Cardholder identification unless necessary for the transaction (e.g., shipping) or permitted/required by Schemes.
2. **Integration & Website:**
 - i. Correctly integrate its server/website with RCBC's systems according to the Integration Guide. MERCHANT's failure may result in processing errors for which RCBC shall not be liable.
 - ii. Acquire and maintain the Merchant's Website at its own cost, ensuring it is functional and secure.
 - iii. Ensure the Merchant's Website clearly displays: product/service descriptions and prices; total cost including shipping/taxes; transaction currency; shipping/delivery timelines and policies; business/return policies (requiring Cardholder acceptance before completion); customer service contact details (phone/email); and belongs to the registered MERCHANT entity.
 - iv. Maintain and operate the business from the registered principal place of business address provided to RCBC during onboarding and reflected in

its official business registration documents.

3. **Authorization & Transaction Handling:**

- i. Obtain an Authorization Code from RCBC for every Transaction before completion. The MERCHANT understands that Authorization is not RCBC's guarantee against fraud or chargebacks.
- ii. Use reasonable efforts to comply with RCBC's Authorizations, including using Code 10 for Suspicious Transactions.
- iii. Submit only records of valid, bona fide Transactions between the MERCHANT and the Cardholder, and shall not submit Transactions known or suspected to be fraudulent, unauthorized, or collusive.
- iv. Not key-in Cardholder details on their behalf.
- v. Provide the Cardholder with a Proof of Transaction (confirmation page or email) containing required details (Merchant name/URL, amount, currency, date, Auth Code, goods description, return policy reference, Transaction Reference Code).
- vi. Deliver goods/services according to terms agreed with the Cardholder.
- vii. Comply with the MOG provided by RCBC.

4. **Third Parties:**

- i. If using a Payment Service Provider, inform RCBC and provide proof of such provider's PCI-DSS compliance. MERCHANT shall remain responsible for said provider's actions and compliance.
- ii. If operating as a marketplace with Third-Party Sellers: Conduct due diligence on sellers; have contracts prohibiting fraudulent activity; ensure seller names are visible at POI; establish appropriate fraud controls; monitor activities; and assume liability for all acts, omissions, customer service, and disputes related to Third-Party Seller transactions.

E. SETTLEMENT, FEES, AND CHARGES

1. **Daily Settlement:** RCBC shall process daily settlement of approved E-commerce Transactions through its payment gateway system. RCBC may refuse payment for settlements submitted after five(5) calendar days. MERCHANT must reconcile payments within specified timeframes (e.g., 14 or 30 days from receipt of payment/statement). Claims for unpaid Transactions must be raised within thirty (30) days of the expected settlement date.
2. **Merchant Discount Rate (MDR):** RCBC shall charge the MERCHANT an MDR for processed Transactions. The agreed MDR rates are as follows:

Card Type	Merchant Discount Rate	
	On-Us	Off-Us
Visa		
MasterCard		
JCB		

Term (Months)	0% Installment
3	
6	
9	
12	
18	
24	
36	

MDR adjustment: RCBC may propose adjustments to MDR with written notice. If MERCHANT does not object in writing within thirty (30) days, the adjusted MDR will apply. If MERCHANT rejects, either party may terminate the Agreement.

3. **Payment:** RCBC shall pay the MERCHANT the amount of approved and settled Transactions within two (2) Business Days following receipt by RCBC, less the applicable MDR and taxes. Payments shall be in Philippine Peso to the Settlement Account. Payments shall be without prejudice to RCBC's rights and shall not be construed as an acknowledgment or admission by RCBC that the MERCHANT has fully performed its obligations under this Addendum or the Agreement.

F. REFUNDS

1. **Refund Policy:** MERCHANT must have a clear refund policy displayed on the Merchant Website. Refunds to Cardholders must be processed via a credit transaction through RCBC, not via cash payment. MERCHANT shall accept returns/cancellations according to its stated policy.
2. **Refund Processing:** The Merchant shall submit credit memos or written refund requests with all necessary documentation to RCBC within seven (7) calendar days from agreeing to a Cardholder refund. The MERCHANT is solely responsible for funding approved refunds. Remittance to RCBC shall be the net refund amount (gross refund less original MDR). RCBC may irrevocably debit the Settlement Account (plus fees/penalties) or offset future payments by RCBC to the MERCHANT. In the event of the MERCHANT's failure to remit funds in a timely manner, RCBC reserves the right to impose a late payment interest charge of one percent (1%) per day on the outstanding overdue amount. MERCHANT shall maintain refund records and provide supporting documentation to RCBC upon request for audit/verification.

G. REPORTING AND RECONCILIATION

1. RCBC shall provide transaction reports via methods agreed by the parties in writing from time to time.
2. MERCHANT is responsible for reviewing, reconciling, and reporting discrepancies per Section F.1.

H. SECURITY STANDARDS & DATA PRIVACY

1. **General Security:** MERCHANT must implement robust security measures for the Merchant's Website and systems, including using at least 128-bit SSL encryption. MERCHANT must prevent unauthorized access and ensure data integrity.
2. **CVV2/CVC2:** Merchant's Website must accept and transmit CVV2/CVC2 for processing but *must not store* this data post-authorization. Violation may result in penalties assessed by RCBC/Schemes.
3. **3-D Secure:** MERCHANT shall implement and comply with 3-D Secure protocols for all applicable E-commerce Transactions at its own cost. Failure to comply may result in Merchant retaining liability for fraud chargebacks. Merchant acknowledges that Intellectual Property Rights in 3-D Secure belong to the respective Card Schemes.

I. CHARGEBACK

1. The general Chargeback provisions in Section VIII of the Merchant Transactions Agreement apply to E-commerce Transactions, supplemented by this Section. RCBC will notify the MERCHANT of chargebacks and may debit or offset such amounts. MERCHANT liability for chargebacks can survive Agreement termination.
2. The MERCHANT is also liable for Chargebacks related to E-commerce Transactions if:
 - i. The MERCHANT fails to implement or comply with required 3-D Secure protocols for an E-commerce Transaction, potentially resulting in full liability for related fraud Chargebacks.
 - ii. The MERCHANT's E-commerce fraud or chargeback ratios exceed thresholds as communicated by RCBC.
 - iii. The MERCHANT fails to adhere to specific E-commerce operating or security guidelines provided by RCBC, contributing to the Chargeback.
3. For E-commerce disputes, the MERCHANT must promptly provide all relevant supporting documentation to RCBC as requested, including proof of transaction, delivery, customer communication, and 3-D Secure compliance. Failure to do so may result in the Chargeback being upheld.

**DYNAMIC CURRENCY CONVERSION SERVICES
ADDENDUM**

This Dynamic Currency Conversion (DCC) Services Addendum (Addendum) sets forth the terms and conditions governing the provision of Dynamic Currency Conversion (DCC) Services by **RIZAL COMMERCIAL BANKING CORPORATION (RCBC)** to the **MERCHANT**, enabling eligible international Cardholders to choose to pay in their Card's billing currency at the Point-of-Sale (POS).

This Addendum supplements and forms an integral part of the Merchant Transactions Agreement dated [Date of Unified Agreement] (the **Agreement**) and the Addendum for Credit Card / Debit Card POS Services between RCBC and the MERCHANT. All terms defined in the Agreement and the Credit Card / Debit Card POS Services Addendum shall have the same meaning herein, unless otherwise defined below. In case of conflict between the Agreement or the Credit Card / Debit Card POS Services Addendum and this Addendum, the provisions herein shall prevail for matters specifically relating to the DCC Service.

This Addendum shall take effect on the date of its execution the parties as evidenced by the issuance of merchant credentials, and shall remain in force unless terminated by any Party giving at least a thirty (30) day-prior notice in writing to the other Party.

A. DEFINITIONS

The following terms shall have the meanings set forth below for the purposes of this Addendum:

1. **Currencies:** The foreign currencies determined by RCBC in which DCC Transaction may be offered to eligible Cardholders.
2. **DCC:** the Dynamic Currency Conversion product of RCBC.
3. **DCC Transaction:** A Point-of-Sale Card Transaction where an eligible International Cardholder is offered and chooses to pay in his Card's billing currency instead of the MERCHANT's local currency (Philippine Peso).
4. **International Cardholder:** A Cardholder holding a Card issued by a financial institution located outside of the Philippines whose Card is eligible for DCC.
5. **Merchant Revenue Share:** A percentage of the conversion margin earned by RCBC on DCC Transactions that is shared with the MERCHANT, as specified in Section F.

B. SCOPE OF SERVICE

1. RCBC authorizes the MERCHANT, subject to the terms herein and the Credit Card / Debit Card POS Services Addendum, to offer DCC Services to eligible Cardholders using POS Terminals that have been enabled for DCC.
2. The DCC Service allows eligible Cardholders making purchases at the MERCHANT's physical Point-of-Interaction to view the Transaction amount in both Philippine Peso and their Card's billing currency (if supported) and to choose which currency to complete the Transaction in.

C. RCBC OBLIGATIONS

RCBC shall:

1. Determine the Currencies offered under DCC. RCBC reserves the right to add or remove accepted Currencies without prior notice.
2. Replace or reprogram existing POS Terminals provided to the MERCHANT to enable DCC functionality.
3. Ensure that Terminal Receipts for DCC Transactions include all required Cardholder disclosure information, such as:
 - i. Transaction amount in the MERCHANT's local currency (PHP) with currency symbol/code.
 - ii. Total Transaction amount in the offered DCC Transaction currency with currency symbol/code.
 - iii. Exchange rate used.
 - iv. Any commission, fees, or mark-ups included in the conversion.
 - v. The words Transaction Currency next to the DCC amount.
 - vi. A statement indicating DCC is conducted by the MERCHANT (before signature line).
 - vii. A statement indicating the Cardholder was offered a choice of currencies.
 - viii. Proof of the Cardholder's choice to pay in the DCC Transaction currency.
4. Pay the Merchant Revenue Share to the MERCHANT according to Section F.

D. MERCHANT OBLIGATIONS

In addition to its obligations under the Agreement and the Credit Card / Debit Card POS Services Addendum, the MERCHANT shall:

1. Actively offer to International Cardholders the choice to accept or decline DCC for their Transaction.
2. Prompt the International Cardholder, verbally or in writing (e.g., via POS screen prompt), to select this desired Currency (local currency or Card billing currency).
3. Provide the International Cardholder with a DCC Terminal Receipt that includes confirmation or proof of the International Cardholder's choice (e.g., a checkbox indicating acceptance or specific wording).
4. Ensure that the MERCHANT's personnel are trained and follow the correct procedures for offering and processing DCC Transactions.
5. Hold RCBC free and harmless from any monetary penalties and fines assessed by Card Schemes due to the MERCHANT's failure to follow DCC procedures and obligations. MERCHANT undertakes to pay RCBC for such fines/penalties upon demand.

E. CHARGEBACKS

RCBC shall have the right to charge back a DCC Transaction if:

1. The Transaction was processed in a currency different from the Currency selected by the International Cardholder and reflected on the receipt; or

2. The International Cardholder states in writing that DCC was performed without him making an active choice of Currency.

F. MERCHANT REVENUE SHARE

1. The Parties agree on a Merchant Revenue Share for successfully completed and settled DCC Transactions equivalent to [Rate]% of the foreign exchange conversion margin earned by RCBC on such transactions. *(Note: Specific Revenue Share percentage to be filled in based on commercial agreement).*
2. RCBC shall calculate and pay the Merchant Revenue Share, net of applicable withholding taxes, to the MERCHANT's Settlement Account within the next succeeding month following the month the DCC Transactions occurred.
3. RCBC reserves the right to change or modify the Merchant Revenue Share percentage upon thirty (30) days prior written notice to the MERCHANT.

E-COMMERCE SERVICES ADDENDUM

This E-commerce Services Addendum (Addendum) sets forth the terms and conditions governing the provision of E-commerce payment acceptance Services by **RIZAL COMMERCIAL BANKING CORPORATION (RCBC)** to the **MERCHANT**, enabling the MERCHANT to accept Card payments online via its website or platform.

This Addendum supplements and forms an integral part of the Merchant Transactions Agreement dated [Date of Unified Agreement] (the **Agreement**) between RCBC and the MERCHANT. All terms defined in the Agreement shall have the same meaning herein, unless otherwise defined below. In case of conflict between the Agreement and this Addendum, the provisions herein shall prevail for matters specifically relating to the E-commerce Services.

This Addendum shall take effect on the date of its execution by the parties, and shall remain in force unless terminated by any Party giving at least a thirty (30) day-prior notice in writing to the other Party.

A. DEFINITIONS

The following terms shall have the meanings set forth below for purposes of this Addendum:

11. **E-commerce:** The exchange of goods and services for payment made between the Cardholder and MERCHANT where transactions are performed via electronic communication, primarily the Internet.
12. **Integration Guide:** The document provided by RCBC detailing the technical requirements for integrating the MERCHANT's Website or MERCHANT's server with RCBC's payment processing systems.
13. **Merchant Operating Guide (MOG):** Guidelines provided by RCBC for Card acceptance procedures, forming part of this Addendum.
14. **Merchant's Website:** The website or online platform set up, owned, and/or maintained by the MERCHANT on the Internet for conducting Transactions.
15. **Payment Account Reference (PAR):** A payment reference allocated to an account.
16. **Payment Service Provider:** A third-party company contracted by the MERCHANT to provide services ancillary to the Transaction. These services may include but are not limited to, providing payment gateway, Transaction hosting, or related services involving Card data.
17. **Proof of Transaction:** The electronic or digital record confirming a completed Transaction, serving as authorization for RCBC to pay MERCHANT and charge the Cardholder. (Equivalent to Sales Slip in physical environments).
18. **Single Purchase Limit (SPL):** A potential limit set by RCBC on the maximum amount for a single Transaction without requiring additional verification or specific authorization steps.
19. **Third-Party Seller:** A person or entity offering goods/services for sale on the MERCHANT's online platform (e.g., a marketplace model) or Merchant's Website wherein the MERCHANT facilitates and accepts the Card payment Transaction on such seller's behalf.
20. **Transaction:** For purposes of this Addendum, a Card

payment made by a Client to the MERCHANT via E-commerce through the Merchant's Website processed through RCBC's payment acceptance Services.

B. SCOPE OF SERVICES

3. RCBC authorizes the MERCHANT, subject to the terms herein, to accept specified Valid Cards (e.g., Mastercard, Visa, JCB) as payment for bona fide Transactions.
4. RCBC shall provide the necessary integration details and facilitate the processing and settlement of authorized Transactions submitted by the MERCHANT.

C. RCBC OBLIGATIONS

RCBC shall:

7. Provide the MERCHANT with the Integration Guide and necessary technical specifications for connecting to RCBC's payment processing system.
8. Provide an authorization system for validating Transactions.
9. Process and settle valid, authorized Transactions submitted by the MERCHANT according to Section F.
10. Provide relevant Acceptance Marks and guidelines for their display.
11. Monitor Transactions for suspicious activity and potentially implement risk control measures (e.g., transaction limits, settlement delays) if non-compliance or high-risk activity is detected.
12. Inform the MERCHANT of material changes to Card Scheme rules or operating regulations relevant to E-commerce acceptance.

D. MERCHANT OBLIGATIONS

The MERCHANT shall:

2. **Payment Acceptance:**
 - iv. Be based in the Philippines and accept payments from specified Schemes (e.g., Mastercard, VISA, JCB).
 - v. Not complete a transaction if the Card is expired, not activated, or declined by RCBC/Issuer.
 - vi. Not require additional Cardholder identification unless necessary for the transaction (e.g., shipping) or permitted/required by Schemes.
3. **Integration & Website:**
 - v. Correctly integrate its server/website with RCBC's systems according to the Integration Guide. MERCHANT's failure may result in processing errors for which RCBC shall not be liable.
 - vi. Acquire and maintain the Merchant's Website at its own cost, ensuring it is functional and secure.
 - vii. Ensure the Merchant's Website clearly displays: product/service descriptions and prices; total cost including shipping/taxes; transaction currency; shipping/delivery timelines and policies; business/return policies (requiring Cardholder acceptance before completion); customer service contact details (phone/email); and belongs to the registered MERCHANT entity.
 - viii. Maintain and operate the business from the registered principal place of business address provided to RCBC during onboarding and reflected in

its official business registration documents.

4. **Authorization & Transaction Handling:**

- viii. Obtain an Authorization Code from RCBC for every Transaction before completion. The MERCHANT understands that Authorization is not RCBC's guarantee against fraud or chargebacks.
- ix. Use reasonable efforts to comply with RCBC's Authorizations, including using Code 10 for Suspicious Transactions.
- x. Submit only records of valid, bona fide Transactions between the MERCHANT and the Cardholder, and shall not submit Transactions known or suspected to be fraudulent, unauthorized, or collusive.
- xi. Not key-in Cardholder details on their behalf.
- xii. Provide the Cardholder with a Proof of Transaction (confirmation page or email) containing required details (Merchant name/URL, amount, currency, date, Auth Code, goods description, return policy reference, Transaction Reference Code).
- xiii. Deliver goods/services according to terms agreed with the Cardholder.
- xiv. Comply with the MOG provided by RCBC.

5. **Third Parties:**

- iii. If using a Payment Service Provider, inform RCBC and provide proof of such provider's PCI-DSS compliance. MERCHANT shall remain responsible for said provider's actions and compliance.
- iv. If operating as a marketplace with Third-Party Sellers: Conduct due diligence on sellers; have contracts prohibiting fraudulent activity; ensure seller names are visible at POI; establish appropriate fraud controls; monitor activities; and assume liability for all acts, omissions, customer service, and disputes related to Third-Party Seller transactions.

E. SETTLEMENT, FEES, AND CHARGES

- 2. **Daily Settlement:** RCBC shall process daily settlement of approved E-commerce Transactions through its payment gateway system. RCBC may refuse payment for settlements submitted after five(5) calendar days. MERCHANT must reconcile payments within specified timeframes (e.g., 14 or 30 days from receipt of payment/statement). Claims for unpaid Transactions must be raised within thirty (30) days of the expected settlement date.
- 3. **Merchant Discount Rate (MDR):** RCBC shall charge the MERCHANT an MDR for processed Transactions. The agreed MDR rates are as follows:

Card Type	Merchant Discount Rate	
	On-Us	Off-Us
Visa		
MasterCard		
JCB		

Term (Months)	0% Installment
3	
6	
9	
12	
18	
24	
36	

MDR adjustment: RCBC may propose adjustments to MDR with written notice. If MERCHANT does not object in writing within thirty (30) days, the adjusted MDR will apply. If MERCHANT rejects, either party may terminate the Agreement.

- 4. **Payment:** RCBC shall pay the MERCHANT the amount of approved and settled Transactions within two (2) Business Days following receipt by RCBC, less the applicable MDR and taxes. Payments shall be in Philippine Peso to the Settlement Account. Payments shall be without prejudice to RCBC's rights and shall not be construed as an acknowledgment or admission by RCBC that the MERCHANT has fully performed its obligations under this Addendum or the Agreement.

F. REFUNDS

- 2. **Refund Policy:** MERCHANT must have a clear refund policy displayed on the Merchant Website. Refunds to Cardholders must be processed via a credit transaction through RCBC, not via cash payment. MERCHANT shall accept returns/cancellations according to its stated policy.
- 3. **Refund Processing:** The Merchant shall submit credit memos or written refund requests with all necessary documentation to RCBC within seven (7) calendar days from agreeing to a Cardholder refund. The MERCHANT is solely responsible for funding approved refunds. Remittance to RCBC shall be the net refund amount (gross refund less original MDR). RCBC may irrevocably debit the Settlement Account (plus fees/penalties) or offset future payments by RCBC to the MERCHANT. In the event of the MERCHANT's failure to remit funds in a timely manner, RCBC reserves the right to impose a late payment interest charge of one percent (1%) per day on the outstanding overdue amount. MERCHANT shall maintain refund records and provide supporting documentation to RCBC upon request for audit/verification.

G. REPORTING AND RECONCILIATION

- 3. RCBC shall provide transaction reports via methods agreed by the parties in writing from time to time.
- 4. MERCHANT is responsible for reviewing, reconciling, and reporting discrepancies per Section F.1.

H. SECURITY STANDARDS & DATA PRIVACY

4. **General Security:** MERCHANT must implement robust security measures for the Merchant's Website and systems, including using at least 128-bit SSL encryption. MERCHANT must prevent unauthorized access and ensure data integrity.
5. **CVV2/CVC2:** Merchant's Website must accept and transmit CVV2/CVC2 for processing but *must not store* this data post-authorization. Violation may result in penalties assessed by RCBC/Schemes.
6. **3-D Secure:** MERCHANT shall implement and comply with 3-D Secure protocols for all applicable E-commerce Transactions at its own cost. Failure to comply may result in Merchant retaining liability for fraud chargebacks. Merchant acknowledges that Intellectual Property Rights in 3-D Secure belong to the respective Card Schemes.

I. CHARGEBACK

4. The general Chargeback provisions in Section VIII of the Merchant Transactions Agreement apply to E-commerce Transactions, supplemented by this Section. RCBC will notify the MERCHANT of chargebacks and may debit or offset such amounts. MERCHANT liability for chargebacks can survive Agreement termination.
5. The MERCHANT is also liable for Chargebacks related to E-commerce Transactions if:
 - iv. The MERCHANT fails to implement or comply with required 3-D Secure protocols for an E-commerce Transaction, potentially resulting in full liability for related fraud Chargebacks.
 - v. The MERCHANT's E-commerce fraud or chargeback ratios exceed thresholds as communicated by RCBC.
 - vi. The MERCHANT fails to adhere to specific E-commerce operating or security guidelines provided by RCBC, contributing to the Chargeback.
6. For E-commerce disputes, the MERCHANT must promptly provide all relevant supporting documentation to RCBC as requested, including proof of transaction, delivery, customer communication, and 3-D Secure compliance. Failure to do so may result in the Chargeback being upheld.