

TERMS AND CONDITIONS OF E-COMMERCE SERVICE AGREEMENT

Valid from 18.02.2015

1. TERMS USED IN THE AGREEMENT

1.1 Settlement Day – a day on which the Bank is open for general banking operations. Generally, the settlement day is any calendar day that is not a Saturday, Sunday, or a national or public holiday.

1.2 Authorization – execution of an electronic query to the Processors or to the Bank that issued the Card, as a result of which, an authorization code is received in response to an approving Response Code.

1.3 Cardholder – a natural person to whom a Card is issued.

1.4 Card – an electronic payment instrument that enables Cardholders to make Transactions.

1.5 Merchant – a legal or natural person with whom the Bank has entered into an Agreement.

1.6 Account – Merchant's bank account in the Bank, which is indicated in the Agreement.

1.7 Agreement – the e-commerce service agreement concluded between the Merchant and the Bank with all the accompanying instructions and other parts of the Agreement.

1.8 Payment Card Industry data security standard (including PCI-DSS, PA-DSS, and PTS; <https://www.pcisecuritystandards.org/>) – Payment Card Industry standards and processes to protect sensitive card data at the Merchant's, which is supported by International Card Organizations.

1.9 Point of Sale – the service place (website) of the Merchant where Cards are accepted for making Transactions.

1.10 Requirements for accepting bankcard in internet – Instructions describing the guidelines given by Bank to the Merchant for the acceptance of Cards. The instructions are available on the Bank's website www.seb.ee and forms an integral part of the Agreement.

1.11 Bank – AS SEB Pank.

1.12 Processor – a legal person with whom the Bank has entered into an Agreement for accepting Cards and processing Transactions.

1.13 International Card Organization – MasterCard Worldwide, Visa International and any other international card organization.

1.14 Chargeback – a claim to cancel the Transaction on the bases described in the Agreement by the Bank.

1.15 Transaction – a transaction for the provision of services and/or sale of goods carried out using a Card at the Merchant's Point of Sale between the Cardholder and the Merchant or any other action permitted by the Bank. A Transaction Record is drawn up to confirm the Transaction.

1.16 Transaction Record – electronically stored information of the Transaction, including the cancellation of the Transaction, which contains Transaction data and the authorization code.

1.17 Technical Specification – the Processor's technical specification stipulating the terms and conditions for data communication between the Parties and processing data – www.nets.eu/etee/.

1.18 Limits applied to card payments on the website – Limits on the acceptance of Cards agreed upon between the Bank and the Merchant, with the objective of limiting possible misuse of Cards.

2. OBJECT OF THE AGREEMENT

The Agreement aims to regulate the conditions of Transactions executed at the Points of Sale of the Merchant.

3. GENERAL REQUIREMENTS FOR THE PERFORMANCE OF TRANSACTIONS

3.1 The Merchant shall:

3.1.1 Execute Transactions in concordance with the terms of the Agreement, including the Technical Specifications and Requirements for accepting bankcards in internet;

3.1.2 Comply with the requirements of International Card Organizations and the Payment Card Industry data security standards, which provide secure storage of Card data; The Merchant undertakes not to store or otherwise retain sensitive Card data. The Bank has the right to request documentation from the Merchant, certifying the compliance of the Merchant with the Payment Card Industry data security standards.

3.1.3 Conduct the entire process of the Transaction at the Point of Sale stated in the Agreement. Directing the Point of Sale website to a website not mentioned in the Agreement is not permitted. It is also not permitted to link websites of any other sales environments to the website indicated in the Agreement;

3.1.4 Accept all Cards presented for making a Transaction that comply with the type of Cards and the Requirements specified in the Agreement;

3.1.5 Present to the Cardholder and the Bank all sums in the currencies indicated in the Agreement;

3.1.6 Authorize each Transaction;

3.1.7 Not to carry out Transactions that are in violation of the valid legislation, generally accepted ethics standards or good morals; The Merchant undertakes to maintain in a visible place of the Point of Sale the identification marks and product names of all Cards of International Card Organizations, which are provided in the

Agreement, to inform the public of Cards acceptable at the Point of Sale.

3.1.8 For informing of the acceptance of Cards, use only promotional materials previously approved by the Bank;

3.1.9 Not to use two or more Transaction Records for the receipt of a payment performed through the use of a Card;

3.1.10 Not to use Card data for any purpose other than the execution of a Transaction;

3.1.11 Ensure that all payments and claims for payments which are made by the Merchant as a result of the sale of goods and/or services to the Cardholder are included in the total cost of the Transaction.

3.2 The Merchant may not demand the Cardholder to confirm the Transaction, before the entire sum of the Transaction is known and made available to the Cardholder.

3.3 The Merchant is responsible to the Cardholder for the order of the goods and/or service and the fulfilment of warranty obligations.

3.4 The Bank undertakes to accept for processing all Transaction which are processed and submitted by the Merchant in accordance with the terms of the Agreement.

3.5 The Bank has the right to provide the Merchant with compulsory instructions governing the performance of Transactions.

4. RETURN OF GOODS AND SPECIFICATION OF THE PRICE

4.1 If the Merchant permits the return of goods after the execution of a Transaction, the Merchant may not make refund payments to the Cardholder in any other way than through annulment of the Transaction Record.

4.2 If the Merchant permits corrections of prices and/or the modification of an already made order, the Merchant may not make refund payments to the Cardholder in any way other than by performing a partial correction of the earlier Transaction.

5. INFORMATION ON TRANSACTIONS AND CHARGEBACKS

5.1 The Merchant shall transmit the Transaction Record to the Bank within five (5) Settlement Days as of the execution of a Transaction.

5.2 The Merchant confirms, with the transfer of the Transaction Record to the Bank for processing, that they have acquired or will acquire goods and/or services to the sum stated in the Transaction record according to the Cardholder's order, and the terms advertised by the Merchant.

5.3 The Bank shall have the right at its sole discretion to suspend the processing of the Transaction Record for specifying the circumstances relating to the Transaction unilaterally, informing the Merchant thereof on the next Settlement Day after the receipt of the Transaction Record. In this case, the deadline for payment for the Transactions referred to in Clause 6.2 extends automatically by the time needed to clarify the facts. In case a breach of the conditions of the Agreement by the Merchant upon performing a Transaction or the misuse of a Card is discovered, the Bank shall have the right not to process the Transaction Record.

5.4 The Bank may issue a Chargeback to the Merchant under the following conditions:

5.4.1 The Merchant has not followed the terms of the Agreement in performing a Transaction;

5.4.2 The Transaction has not been Authorized and does not have an Authorization code;

5.4.3 The Transaction Record is filled in incorrectly, or the copy of the Merchant differs from that of the Cardholder;

5.4.4 The Transaction has not been performed by the Cardholder;

5.4.5 The Cardholder has not received the promised goods or services, or the goods or services with the promised characteristics according to the order;

5.5 Notwithstanding the above, the Bank is entitled to unilaterally deem any invalid Transaction Record as valid without compromising the Bank's right to deem the Transaction Record invalid later and file a Chargeback upon the Bank becoming aware of the deficiencies of the relevant Transaction.

5.6 The Bank shall notify the Merchant of issuing a Chargeback via the Internet Bank, by registered mail, fax or e-mail.

5.7 The Merchant undertakes to pay the amount claimed under the Chargeback to the Bank in accordance with Clause 6.1 of the Agreement.

5.8 The Merchant is obliged to present written data for a Transaction Record if requested by the Bank or Processor, which prove that the relevant Transaction took place. In case the Merchant does not present the requested data within five (5) Settlement days as of the request, the Transaction Record will be annulled and the sum of the Transaction will be withheld from the sum to be paid to the Merchant under the Agreement.

5.9 Pursuant to Clause 5.1 of the Agreement, the submitted Transaction Record shall include the following information:

5.9.1 Merchant's membership number and cash-desk number;

5.9.2 Transaction number;

5.9.3 Date and time of the Transaction;

5.9.4 The Cardholder's name and other known personal and contact data;

5.9.5 Authorization code;

5.9.6 The shipping address and delivery date of the ordered goods;

5.9.7 Description of the ordered goods, quantity, price, and total cost;

5.9.8 Cardholder's IP address.

5.10 The Merchant retains the underlying documentation of the Transaction, including Transaction Records and other documents certifying the occurrence of the Transaction (sales invoice, the list of provided services, etc.) archived in a place out of reach of unauthorized persons in accordance with the time limits prescribed by law, but not less than two (2) years from the date of transfer of the Transaction Record to the Bank.

5.11 The Merchant has the right to obtain information on Transactions electronically through the Bank's Internet Bank.

6. SETTLEMENTS BETWEEN THE PARTIES

6.1 The Bank shall pay the Merchant according to the processed Transaction Records, taking into account the

cost of the services offered by the Bank according to the Agreement, claims for Chargebacks, and sums of annulled Transaction records, and subtracting them from the transferable sum.

6.2 The Bank shall pay the sums payable under the Agreement within no later than (5) Settlement days as of the date of the transfer of the Transaction Record to the Bank. If the Transaction Record is received by the Bank on a day that is not a Settlement Day, the next Settlement Day is deemed to be the date of receipt of the Transaction Record. The payment shall be made to the Merchant's bank account as provided for in the Agreement in the currencies indicated in the Agreement.

6.3 In the case of outstanding arrears by the Merchant, the Bank is entitled to leave unpaid and/or set off the arrears of the Merchant against any amounts that it would have had to pay to the Merchant under the Agreement.

6.4 The Bank debits the contract fee from the Merchant's Bank account on the day of concluding the Agreement as stated in the Agreement.

6.5 The Bank debits the monthly service free, as determined by the Agreement, on the 16th day of each calendar month from the Merchant's bank account. If the 16th day of the month is a day off or a public holiday, the Bank shall debit the service fee on the following Settlement Day.

6.6 The Merchant is obliged to ensure the availability of free funds on the Bank account for the purpose of debiting the service fees of Clauses 6.4 and 6.5,

6.7 In case the withholding of the sums specified in this Clause from the Merchant's bank account proves impossible due to a lack of funds, the Bank has the right to debit the Merchant's other accounts at the Bank. The Merchant is obligated to pay the amounts of all claims in a timely manner based on the claim submitted by the Bank. In the event of a failure to pay or making a partial payment of the claim, the Merchant undertakes to pay a penalty of 0.1% on the outstanding amount per day.

7. VALIDITY, AMENDMENT AND TERMINATION OF THE AGREEMENT

7.1 The Agreement shall enter into force upon signature and shall be concluded for an unspecified term.

7.2 The Bank has the right to amend the Agreement unilaterally by notifying the Merchant with a personalized message on a durable medium no later than 30 (thirty) days before the change takes effect.

7.3 If any changes to the Agreement are not acceptable to the Merchant, the Merchant shall have the right to terminate the Agreement during the notice period, fulfilling all contractual obligations before the cancellation. If the Merchant has not terminated the Agreement within the period specified, they shall be deemed to have accepted the changes.

7.4 Either party has the right to terminate the Agreement by notifying the other party thereof no less than 30 (thirty) days in advance.

7.5 The Bank has the right to suspend the performance of the Agreement, to limit the acceptance of Cards and/or to terminate the Agreement unilaterally without notice, if:

7.5.1 The Merchant violates or fails to perform the obligations specified in the Agreement;

7.5.2 The Bank has a reasonable suspicion that the Merchant or its affiliated entities are related to the misuse of the Cards. The suspicion of the Bank is justified if the facts underlying it in their logical connection and collection give reason to conclude that the Merchant or its affiliated entities are related to the misuse of Cards;

7.5.3 The Merchant incurs financial arrears to the Bank or becomes insolvent;

7.5.4 No transactions have been made under the Agreement for at least 2 (two) months;

7.5.5 The Merchant has submitted false information to the Bank;

7.5.6 It is required by International Card Organizations;

7.5.7 There are other compelling reasons provided for in the general conditions of the Bank.

7.6 On the suspension of the Agreement, the fulfilling of the contractual obligations by the Bank to the Merchant has stopped. The Bank will continue fulfilling its contractual obligations immediately when the grounds for the suspension have ceased to exist.

7.7 The termination of the Agreement shall not relieve either party from the fulfilment of obligations that emerged during the term of the Agreement and arise under the Agreement to the other party. The Merchant undertakes to pay promptly all Chargebacks and other amounts owed under the Agreement submitted to them after the expiration of the Agreement.

7.8 On the termination of the Agreement, the Merchant refrains from using or does not refer in any way to the service or trademarks and design related to Cards.

7.9 On the termination of the Agreement, the service fees paid to the Bank by the Merchant shall not be refunded.

7.10 Termination of the Agreement does not nullify, under any circumstances, the validity of Clause 9 of the Agreement.

8. SETTLEMENT OF DISPUTES AND LIABILITY

8.1 A party to the Agreement is liable for the direct material damage to the other party or third parties arising from the violation of the requirements specified in the Agreement.

8.2 The Merchant is obliged to compensate, among other things, to the Bank for the claims of fine issued to the Bank by International Card Organisations due to the violation of the requirements of Clause 3.1.2, and damages caused by the Merchant by violating the Agreement, including the violation of the instructions on the requirements for accepting card payments.

8.3 The fact that one of the Parties does not demand the fulfilment of a stipulation of the Agreement, or waives its rights in case of the other Party's non-compliance with obligations, does not eliminate later application of that stipulation and cannot be considered waving of such rights in cases of later violations.

8.4 Disputes arising from the Agreement shall be settled by way of negotiations based on mutual understanding, and in case no agreement is reached, in the Harju County Court.

8.5 The Bank shall not be liable for any damage arising from the use of sub-standard communications networks or connections.

9. CONFIDENTIALITY

9.1 The Merchant shall maintain the confidentiality of the information which has become known to them during the performance of the Agreement, especially the data on Card holders and their activities (the data of Card holders shall be considered as a banking secrecy within the meaning of the Credit Institutions Act). The confidentiality obligation applies for an unidentified term. The Merchant shall ensure that all the Merchant's employees are aware of the obligation to maintain confidentiality and observe it.

9.2 The Merchant undertakes to use the data and the information collected during the performance of the Agreement only to fulfil their obligations under the Agreement (for completing a Transaction). The Merchant is not allowed to use the above-mentioned information and data for any other purpose.

9.3 The Merchant is obliged to follow the requirements of the Personal Data Protection Act when processing the personal data of clients gathered during the performance of the Agreement. The Merchant shall use any and all physical, organisational and information technological means for the prevention of the arbitrary loss, illegal destruction, modification, unauthorized publication, unauthorized access, or other illegal methods of processing when collecting, preserving, and transferring personal data to the Bank.

10. OTHER PROVISIONS

10.1 The Merchant shall not assign or transfer a part or the whole of its rights and obligations arising from the Agreement.

10.2 The Bank is entitled to transfer and assign its rights and obligations under the Agreement, by notifying the Merchant thereof 30 (thirty) days in advance.

10.3 In their mutual relations and in matters not covered by the Agreement, the parties shall be guided by the legislation of the Republic of Estonia, the general conditions of the Bank, the price list of the Bank and good banking practices.