

# General terms and conditions for Merchant Agreement

These general terms and conditions apply to all Merchants that receive card payments via Clearhaus.

## 1. Definitions

Merchant	The natural or legal party to this agreement who has entered into an agreement with Clearhaus on making card payments.
Cardholder	The person (the Merchant's customer) to whom a Card is issued
Card	Payment cards covered by this agreement, typical Visa or Mastercard.
The Main Agreement	An Agreement that consists of the Merchant Agreement, these General Terms and Conditions, Visa and Mastercard's international rules and the Merchant's application to Clearhaus
The Merchant Agreement	The document of which prices and other terms between the Merchant and Clearhaus appear.
Card Organisation	Visa and/or Mastercard.
PSP	Payment Service Provider, a company that can be a technical link between Clearhaus and the Merchant.
Card Issuer	Cardholders bank
Business model	The business activity that the business has stated in the application and which is stated in the Merchant Agreement.

## 2. Services of Clearhaus

Clearhaus provide the following services to the Merchant: processing authorization requests, registration and processing of card payments, settlement of payments and processing of chargebacks from Card Issuers and Cardholders. Clearhaus is a regulated payment institution supervised by the Danish Financial Supervisory Authority. Clearhaus is a principal member of Visa and Mastercard.

## 3. Basis of the Main Agreement

The Main Agreement between the Merchant and Clearhaus consists of the Merchant Agreement, these general terms and conditions, Visa and Mastercard's international rules and the Merchant's application to Clearhaus.

Clearhaus' agreement with the Merchant is based on a thorough credit assessment. Clearhaus maintains the right to obtain credit information about the Merchant and its owners and to request from the Merchant any relevant information for an ongoing assessment of the business relationship.

Clearhaus has the right to conduct an unannounced physical inspection of any of the Merchant's premises and warehouses as part of its ongoing credit assessment. The assessment includes the Merchant's premises, servers, data, inventories, business procedures etc. The cost of the inspection is held by the Merchant.

The Main Agreement with Clearhaus may only be used for the approved business model as well as the URLs. Exceeding this will result in a fee of 3% of the completed transaction volume, however not less than DKK 5,000. This will be imposed on the Merchant.

Clearhaus must immediately be notified in writing about any significant changes in the Merchant's state of things. Significant factors may include but are not limited to, changes in ownership, management, the board of directors, registration number, address, e-mail address, telephone number, account number, URL, industry, business model (including new business areas), significant changes in the product range, pricing and sales and delivery conditions. The above is not exhaustive.

Significant changes may result in a new risk assessment from Clearhaus. A change in risk assessment may result in Clearhaus reserving an amount to cover any losses.

Any amendment to the Main Agreement between Clearhaus and the Merchant must be in writing. Clearhaus can change the agreement with 30 days' notice. The notice may be shorter if the change is due to a new risk assessment or requirements from the authorities or the Card Organizations. Notification of changes is made electronically. The change binds the Merchant unless one notifies Clearhaus within 10 days of the notification that the change cannot be accepted.

When the Merchant opens an account with Clearhaus, consent is given at the same time that Clearhaus may get in touch via email, phone and/or letter.

#### **4. Use of the card system**

The Merchant is required to notify Clearhaus which PSP is being used. Using a PSP does not exempt the Merchant from liability in relation

to Clearhaus, and the Merchant is liable for any error or mistake committed by the used PSP.

It is prohibited for the Merchant to process, touch or store card data without a valid PCI DSS certification. It must also be approved by Clearhaus in advance.

The Merchant must comply with the Card Organizations' standard for the safe management of card data, known as the PCI DSS. The standards are continuously improved and the current rules can be found at [www.pcisecuritystandards.org](http://www.pcisecuritystandards.org). The Merchant must at all times ensure that relevant staff (typically staff working with receipt of payment as well as bookkeeping and customer complaints) are aware of the rules for using the card system and are kept informed of this continuously.

At Clearhaus' request, relevant staff must attend card payment courses. The Merchant shall bear any cost associated with this request.

In the event of any suspicion or findings that unauthorized access has been made to the Merchant's systems that contain card data, Clearhaus must be notified immediately. The Merchant is responsible for any loss due to this event, including any fine or fee from the Card Organizations that Clearhaus may be imposed as a result. In the event of a compromise of card data, Clearhaus will request an external security firm to investigate the event and its causes and consequences. The Merchant shall bear any cost associated with these actions.

#### **5. Completion of transactions**

Completion of a transaction consists of an authorization and a capture. Authorization means that the Merchant, via Clearhaus, requests the Card Organizations for confirmation that the card is valid and that the desired amount is covered on the Cardholder's card. If so, the amount is reserved on the card and the Merchant receives an authorization code for the current trans-

action. Capture is made when the Merchant asks Clearhaus to capture the reserved amount on the given card.

A transaction may not be completed (captured) before the goods or services have been delivered or sent to the Cardholder.

The Merchant is committed to receiving every relevant type of Visa and Mastercard. To initiate a transaction, the following information must be sent to Clearhaus: card number, expiration date for the card, transaction amount, and security code.

If necessary, Clearhaus may request additional requirements for the transmission. After completion of the transaction, it is The Merchant's responsibility to hand over a receipt to the Cardholder. The Merchant must store all relevant information regarding the transaction for a minimum of 2 years.

## 6. Unauthorized transactions

Clearhaus only allows transactions that are allowed according to the Main Agreement, including the laws and regulations of the Card Organizations. As examples of transactions that are not permitted include: payment received for 3rd party, payment for goods/product groups/industries (see especially the MCC code) not mentioned in the Merchant Agreement, payment of the debt (a Cardholder who pays for previously received goods), MOTO transactions payments that may damage the Card Organizations and/or Clearhaus' reputation and trademark, payments for sales that are not in accordance with local laws, Clearhaus and the Cardholder and payments for services that may constitute an infringement of copyright.

Violations of this will be perceived by Clearhaus as a serious breach of the agreement and will cause immediate termination thereof.

Breach of the Main Agreement may cause Clearhaus to be imposed a significant penalty from the Card Organization. The Merchant will be held directly liable for this, and Clearhaus will impose an administration fee of 25% of the imposed fine.

## 7. Refunds

Refunds to a Cardholder (typically for the return of purchased goods), shall be limited to the full or partial settlement of a previously completed card payment. The Merchant must use the same card for the refund that was used to complete the original purchase, and the refund amount may not exceed the original transaction value.

Refunds can only be completed through Clearhaus if the original transaction has been completed via Clearhaus. This means that no cash or bank transfer may be made to the Cardholder.

## 8. Disputes

A Cardholder may dispute a transaction with the Card Issuer who contacts Clearhaus. The reason for a dispute can be but is not limited to, that the Cardholder denies knowledge of the transaction or that the payment has been completed otherwise, the Cardholder has not received the agreed item or service, the Cardholder has returned the received item or that the completed payment was larger than agreed.

The Merchant is committed to immediately on Clearhaus' request to come forward with all relevant documentation relating to the disputed transaction. If the Merchant cannot prove its right to Clearhaus, Clearhaus may choose to return the payment to the Cardholder. Clearhaus' decision is final and cannot be brought before the courts.

The Merchant must provide a high service level to the Cardholder so that disputes are avoided. An excessive number of disputes may result in fees from the Card Organizations to both the Merchant and Clearhaus. Clearhaus will char-

ge such fees to the Merchant who is responsible for this, with the addition of an administration fee of 25% of the size of the fee.

At Clearhaus' request, the Merchant shall participate in courses and programs for the purpose of minimizing disputes. The Merchant shall bear any cost associated with this request.

## 9. Fees

All standard fees are stated in the Merchant Agreement. A complete fee overview can be found at [clearhaus.com/pricing](https://clearhaus.com/pricing). All fees, fines etc. will be deducted from Clearhaus' payments to the Merchant. All prices and fees are stated as exclusive VAT, duties and taxes.

Cardholders must be informed clearly of any transaction fees that are imposed by the Merchant before the transaction happens. The Merchant is responsible for following local, national and EU rules for charging transaction fees.

## 10. Payment and reserves

Completed payment to the Merchant takes place periodically as stated in the Merchant Agreement. Payment shall be made net of fees, fines, refunds, disputes and reserves.

Reserves are defined in the Merchant Agreement. Clearhaus may change the reserve calculation if the Merchant gets a new credit assessment. The Merchant shall reconcile Clearhaus' payout calculations with its own bookkeeping in a timely manner. Objections to Clearhaus must be made no later than 30 days after the end of the month in which the posting took place. The Merchant shall download all account statements on [clearhaus.com](https://clearhaus.com).

## 11. Termination of the Main Agreement

The Main Agreement can be terminated immediately by the Merchant. Clearhaus can terminate the Main Agreement with 3 months' notice. Clearhaus may terminate the Main Agreement or

change its terms immediately, if there is repeated or gross misconduct, including an excessive number of disputes or refunds.

The Card Organizations may, at their sole discretion, terminate the Main Agreement with immediate effect.

In the event that the Main Agreement is terminated by one of the partners, Clearhaus has the right to withhold the money during the period in which the Merchant may receive dispute (the dispute period). The dispute period depends on the business model.

## 12. Other matters

Neither party is entitled to disclose information to any other third parties about the Main Agreement. Clearhaus is entitled to disclose information about the Main Agreement and the Merchant to the Card Organizations. The Merchant cannot make a liability claim against Clearhaus for damages, including lack of revenue caused by system crashes and/or errors. The Merchant is encouraged to maintain appropriate backup systems.

Clearhaus can with binding effect for The Merchant send messages via mail. It is the responsibility of the Merchant to make sure the correct mail address is available.

Disputes shall be settled by the Court of Aarhus under Danish law. Clearhaus may choose to sue the Merchant at the Merchant's domicile in Denmark or abroad. In the mutual relationship between the parties, Clearhaus must be exempt from any procedural interest.