

*Approved by  
Management Board resolution # 02/150/22  
As of November 15, 2022  
Chairman of the Management Board-CEO  
Artak Hanesyan  
Effective date: November 21, 2022*

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## **Ameriabank CJSC POS Service Terms and Conditions**

*Approved by Management Board Resolution # 03/24/18 as of September 05, 2018  
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1. POS Service Terms and Conditions (the Terms) of Ameriabank CJSC (the Bank) outline the terms of business relationship between resident merchants and points of sale (Merchant) as users of POS services (hereinafter POS Service or Service) and the Bank as provider of the Service. The Merchant and the Bank shall be collectively referred to as the Parties or the Party, as the case may require.
2. These Terms apply also to the Merchants that have activated and are using the Service within the scope of the Program<sup>1</sup>.
3. The Bank shall provide to the Merchant POS service based on the Application-Agreement (hereinafter “Application-Agreement”) submitted by the Merchant to the Bank in approved form and the terms specified therein, whereby the Merchant unconditionally accepts the Terms.
4. The relationships between the Parties under these Terms arise/become effective from the moment the Bank receives the acceptance (the Application-Agreement) of the Merchant which together with the Terms and the Bank’s Tariffs for Corporate Clients<sup>2</sup> (Tariffs) shall be considered a legally binding agreement between the Parties (hereinafter “the Agreement”) from that same moment.
5. Within the scope of the Program the Service is provided on condition of using it for 5 (five) years in a row. The Merchant may terminate this obligation at its own discretion by paying a termination fee to the Bank in the amount of 4% of the non-cash turnover via the cash register during the previous year or AMD 300,000, whichever is greater. The Bank is authorized to charge the specified amount to the Merchant’s account through direct debiting in the order prescribed by the Terms.
6. The Merchant may file to the Bank the instruction on making changes in the terms of the Service specified in the Application-Agreement in the form defined by the Bank. The Bank shall review the Merchant's instruction and shall process/reject it in the order and within the time frames defined by the Republic of Armenia laws and regulations, payment system rules and/or the Bank’s internal legal regulations. From the moment such changes become effective, other instructions filed previously regarding the respective terms shall be considered no longer effective. For the purposes of the Terms, the instructions submitted under the Application-Agreement and the chosen terms shall be applicable as further amended or modified.
7. The Terms and Tariffs are defined and can be unilaterally modified by the Bank. Updated Terms and Tariffs are posted in the Bank’s premises and published on the Bank's websites. The Bank shall notify the Merchant about the Changes in the Terms and Tariffs before such changes become effective by making them available to the Merchant personally at the Bank’s premises or by posting them on the Bank’s website or sending them to the Merchant via agreed communication channel. The Bank has the right to unilaterally modify the fee for the transactions via POS service by sending a prior notice to the Merchant in the manner defined by these Terms.
8. The Merchant instructs the Bank to send the notifications related to the services provided under the Terms as well as the materials/documents, information about changes in the Terms and other information envisaged under

<sup>1</sup>For the purposes of these Terms, Program means activation of non-cash payment option on new generation cash registers from July 14, 2022 in order to enable the business entities specified in the list pre-approved by the Central Bank of Armenia to accept bank card payments within the scope of the Republic of Armenia Law “On Cashless transactions” (hereinafter “the Law”).

Click on <https://ameriabank.am/business> to find out whether or not Program-related clauses of these Terms apply to you.

<sup>2</sup> Ameriabank CJSC Tariffs for Corporate Clients (12CIB/11RBD PL 72-01-02, approved by Management Board Resolution # 03/11/15 dated May 20, 2015) Available at <https://ameriabank.am/useful-links>

the Republic of Armenia laws and regulations (hereinafter separately or jointly referred to as “the Notice”) to the email address provided by the Merchant to the Bank or make it available at the Merchant’s Online/Mobile Banking page<sup>3</sup>. Where the electronic communication channels are unavailable (the Bank does not have the contact details), the Bank may send the Notice to the Merchant’s phone number via SMS, if possible. Once notifying the Merchant by any of the communication channels the Bank shall be under no obligation to notify the Merchant also by other alternative communication channel(s), irrespective of whether I received the notice or not.

9. Once the Bank sends the Notice the Merchant is considered properly notified irrespective of when the Merchant actually receives the Notice. Where the notices are delivered to the Merchant in person, the Merchant shall be considered duly notified refusing to be additionally notified in any of the ways defined by these Terms.
10. The Merchant shall avoid executing transactions that are forbidden or are considered illegal under the Republic of Armenia laws and regulations and payment system rules. Upon detection of such transactions, the Merchant may be fined in the manner and amount determined by the respective payment system. Such fine may be reduced or canceled if the Merchant resolves the issue before receiving a violation notification from the payment system.
11. At the Merchant’s option POS service may be provided in the following ways:
  - 11.1. By a POS-terminal or cash register (Cash register), hereinafter together referred to as “the Device”
  - 11.2. Via SoftPos (the Bank’s SoftPos application)
12. The Device is provided to the Merchant by the Bank unless otherwise agreed between the Parties.
13. In case of selecting SoftPos option, the Merchant downloads the Bank’s SoftPos application to the mobile device owned by the Merchant. SoftPos may be downloaded only to Android 8.1 and higher category devices with NFC (Near-field communication) function.
14. During the validity term of the Agreement, where necessary, the method of POS service provision and the type and/or the quantity of the Device the may be modified by consent of the Parties.
15. The Bank shall proceed with activation of the Service within 5 (five) banking days upon executing the Agreement, unless there are grounds prohibiting provision of the Service based on the results of the research carried out by the Bank in accordance with the Bank’s internal legal regulations. Where the Service is provided by a Cash register the term may be extended depending on the time required to the Bank for obtaining respective patents and technical specifications from respective organizations. Where the Service is provided in the regions of Armenia it may take up to 10 (ten) banking days to obtain such patents and technical specifications.
16. The Merchant shall define the venue for installation of the Device in the manner agreed with the Bank and shall ensure a reliable connection with the Bank with the technical means required for authorization of non-cash payments by cards.
17. The Merchant shall perform card service in accordance with the Bank’s Methodical Guide on Card Service at Merchants. The Guide is provided to the Merchant together with the Device or when activating the Service.
18. Through the course of legal relations with the Merchant under these Terms the Bank has the right to perform monitoring of card transactions in accordance with the requirements of payments systems and the Bank’s internal legal regulations.
19. The Merchant shall keep copies of card transaction slips (electronic copies in case of SoftPos transactions) in intact form for 1 (one) year following the date of transaction and upon request provide them to the Bank within 3 (three) banking days.
20. The Merchant shall treat as confidential and not disclose any banking secrecy of the Bank and cardholder that has become known to the Merchant when accepting payments in accordance with the Terms.
21. The Merchant is not authorized to modify and/or provide to the third parties the Device, SoftPos application, computer software, regulatory documents and other materials provided by the Bank. The Device and the SoftPos application shall be used solely for the Merchant’s transactions. The Merchant does not have the right to use the Device and the SoftPos application for the transactions preformed by another merchant.
22. Card transactions can be handled only by properly trained staff of the Merchant. At the Merchant’s choice the Bank can organize the training of the respective staff.
23. For the purposes of these Terms the Merchant is responsible for all actions of its employees which result or are likely to result in violation of these Terms.
24. The Merchant shall ensure proper control over the Device (including the one on which SoftPos is installed) and shall not sublease it and/or allow the third parties to use it.
25. The Merchant shall be fully and materially liable for damage and/or loss of any Device provided by the Bank.

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<sup>3</sup> The method of sending the Notice specified herein shall be applied irrespective of the Merchant’s preferences with respect to the communication channel specified in the Communication Instruction provided to the Bank.

26. The Merchant shall forthwith notify the Bank in case of failure of the Device or the SoftPos application as well as in case the device on which SoftPos application is installed is lost or SoftPos login data become available to the third parties and shall immediately suspend servicing of cards via the Device or the application until receiving further instructions from the Bank.
27. The Merchant shall forthwith notify the Bank about any suspicious or unauthorized card transaction(s) or such doubts (if any).
28. The Merchant does not have the right to charge additional amounts to cardholders for card transactions and/or apply terms other than those defined for the Merchant's cash transactions.
29. The Merchant is not authorized to give cash refunds to cardholders for non-cash payments. Chargeback for invalid or canceled card transactions shall be provided by bank transfer.
30. The Merchant shall not divide the card transaction into 2 (two) or more separate transactions.
31. The Merchant shall not use other devices except for POS-terminals to read card payment tapes. The Bank can establish control over compliance with this provision by the Merchant.
32. Within 6 (six) months after expiry or termination of the Agreement, the Merchant shall provide to the Bank full and adequate compensation for damages (including the damage to the Bank's reputation and image) and financial losses incurred as a result of breach of the Terms that occurred prior to expiry or termination of the Agreement as well as reimburse other costs incurred by the Bank for eliminating such damage.
33. Depending on monthly scale of transactions at the Merchant, the Bank may apply a service fee in accordance with Ameriabank CJSC Tariffs.
34. The Merchant shall return the Bank-owned Devices within 1 (one) banking day upon written request of the Bank.
35. The Merchant shall give immediate written notice to the Bank in case of any change in the information about the Merchant specified in the Application-Agreement or in the list of employees responsible for card transactions.
36. The Merchant shall be fully liable by the property it owns for breach of its obligations under the Agreement. Furthermore, the Merchant shall provide to cardholders adequate compensation for the moral and material damages sustained by them due to disclosure of bank secrecy and/or breach of other obligations by the Merchant.
37. The Merchant shall be fully liable and bear all risks for payments executed by use of the Service where card number is input manually and/or chargeback function is activated, including but not limited to (i) any and all risks for non-performance/improper performance and cancellation of transactions, chargeback transactions, transactions contradicting to the Republic of Armenia laws and regulations or fraudulent transactions and (ii) any and all consequences and obligations (including financial) arising out of such payments. This being the case, the Merchant shall hold harmless the Bank against third party claims related to such payments and/or from the obligation to compensate for the actual damage caused by such payments.
38. The Merchant may request the Bank to provide all materials required for proper operation of the Device.
39. The Bank shall ensure 24/7 authorization of card transactions at the Merchant and shall transfer the transaction amounts to the Merchant within 5 (five) banking days after confirmation of the transactions by the Processing Center by charging the fee in the amount agreed with the Merchant and/or specified in the Application-Agreement per types of cards. The Bank shall provide the amounts of transactions which have been properly processed in accordance with the requirements of the Application-Agreement and the Terms.
40. The Bank shall provide to the Merchant promotional materials with the Bank's logo for performing card transactions and shall ensure proper technical maintenance of the Device.
41. The Merchant shall use the Service in accordance with the requirements of the Republic of Armenia laws and regulations. The Merchant shall be liable for proper performance of this clause and shall indemnify for the actual loss caused to the Bank due to failure in performance or improper performance of this clause and/or due to transactions executed though breach/bypassing of the requirements defined by this clause and the Republic of Armenia laws and regulations.
42. The Bank shall treat as confidential and proprietary any transaction-related information that was obtained by the Bank in the course of performance of obligations under this Agreement. Such information can only be disclosed to third parties in cases provided for under the Republic of Armenia legislation.
43. The Bank can restrict the Merchant's access to the funds available on the Merchant's bank account to the extent of disputed transaction amount for the period defined under applicable chargeback rules of Visa/Mastercard, MIR or Armenian Card but in any case not longer than 6 (months), if the person making payment at the Merchant disputes the transaction.
44. In case of detecting fraudulent or suspicious card transactions at the Merchant the Bank is entitled to suspend or terminate POS service at any time at its own discretion by sending an advance notice to the Merchant by

email and suspend the Merchant's access to the account until relevant clarifications are made. The Merchant shall be liable for all losses caused by such transactions.

45. The Bank may charge the amounts of transactions to the Merchant (or to the Merchant's accounts with the Bank) if such transactions (i) were executed through breach of the Terms, (ii) are illegal, (iii) have been disputed by third parties requesting a chargeback, and the Bank has confirmed the validity of such request. In such cases, the Bank shall give a respective notice to the Merchant.
46. The Bank can charge the outstanding amounts payable by the Merchant to the Merchant's accounts with the Bank in Armenian drams and other currencies through direct debiting.
47. In the course of legal relations with the Merchant under these Terms the Bank may request the Merchant to make a guarantee deposit depending on the nature and type of the Merchant's business activities subject to the decision of the Bank's authorized body.
48. In the course of legal relations with the Merchant under these Terms the Bank has the right to request other information from the Merchant in addition to the information and documents provided to the Bank.
49. The Merchant has the right to terminate the Agreement by giving the Bank a prior written notice and paying to the Bank in full all outstanding liabilities with respect to the Service.
50. The Bank is authorized to terminate the Agreement unilaterally (in which case the cash register may also be deactivated) and request the Merchant to return the Bank-owned Device by notifying the Merchant about it (five) business days prior to such termination in the following cases:
  - 50.1. Breach of the Terms
  - 50.2. Subject to the requirements of the Republic of Armenia laws and regulations and/or the Bank's internal legal regulations
  - 50.3. In case of the Merchant's failure to comply with the Bank's lawful claims, including in case of (i) failure to perform the liabilities to the Bank in timely manner, (ii) breach of the Terms and (iii) failure to provide the information or documents requested by the Bank.
  - 50.4. In other cases envisaged under the Terms and Tariffs.Furthermore, the Bank shall not be liable for the losses incurred by the Merchant in such cases and the Merchant shall reimburse to the Bank all losses, damages and costs incurred by the Bank in the specified cases.
51. Termination of the Service shall not entail termination of the Merchant's liabilities to the Bank.
52. In case of the Merchant's failure to comply with the Terms and to perform the obligations to the Bank in timely manner, the Bank has the right to suspend the Service by giving the Merchant a respective notice in accordance with these Terms.
53. The Parties shall perform their obligations under the Agreement also with respect to the transactions performed within the scope of the Service prior to Agreement termination but sent to the Bank for processing after Agreement termination.
54. In case of Agreement termination the Merchant shall return the Device provided by the Bank and discontinue registration of the Cash register at the respective state authority of the RA.
55. The Bank shall not be liable for:
  - 55.1. Transactions executed in breach of the Terms
  - 55.2. Fraudulent or illegal card transactions
  - 55.3. Impossibility to process payments due to failure of means of communication
56. The Bank provides Cash registers to the Merchants on the following terms and conditions:
  - 56.1. A Cash register is provided free of charge on condition of using POS service for 5 (five) consecutive years. Where the Merchant fails to comply with this term, including when by the Bank's initiative the Agreement is terminated before the specified term in accordance with the Terms, the Merchant shall pay to the Bank a compensation equal to AMD 100,000. The Bank is authorized to charge the specified amount to the Merchant's account through direct debiting in the order prescribed by the Terms.
  - 56.2. During the entire term of the Agreement the Merchant shall use only the POS service provided by the Bank.
  - 56.3. The Bank shall define a minimum monthly turnover via the Cash register in accordance with the Tariffs.
  - 56.4. In case of the Merchant's failure to ensure minimum monthly turnover via the Cash register defined in accordance with the Tariffs for 3 (three) consecutive months or failure to properly comply with any of the requirements under the Terms, the Bank shall have the right to request the Merchant to return the Cash register.
57. Any relationships outside the scope of these Terms are subject to the Application-Agreement, Tariffs, documents defining contractual relations between the Merchant and the Bank and RA laws and regulations, or, if such relationships are not regulated by the RA laws and regulations, customary business practices. In all other

cases, when the specified legal regulations do not provide for provisions regulating the legal relations between the Parties, such relations shall be regulated by card payment system rules.

58. Where the Parties fail to properly meet their obligations under the Terms, their obligations shall be temporarily suspended if such failure occurs due to force majeure circumstances stipulated by the RA laws and regulations.
59. Disagreements and disputes arising out of or in connection with the Terms shall be settled through judicial procedure at the court of general jurisdiction of Yerevan, Armenia, unless otherwise arranged between the Parties and/or determined by imperative legal norms of the Republic of Armenia.
60. The Merchant can use the Bank's contact details published on the Bank's official website for contacting the Bank.