

## SUPPLEMENTAL TERMS AND CONDITIONS FOR AUB PAYMATE POS TERMINALS

*Revised as of 2023-0109*

1. Definitions. The following capitalized terms shall mean:

“Account Holder” shall mean any person authorized to use a Card, eWallet, or Mobile Banking App.

“Cards” shall mean Credit Cards, Debit Cards, Prepaid Cards, and/or any other Cards that bears the trademarks of Mastercard and Visa.

“Charge Slip” shall mean the printed slip generated electronically after each completion of each transaction arising from the use of the POS Terminal evidencing purchases or services incurred by the Account Holder through the use of the Cards, eWallet, or Mobile Banking App to be charged to the Account Holder’s account.

“EMV Chip” shall mean the Europay, Mastercard, Visa (EMV) Chip installed on the Card and allows it to be read by a POS Terminal by dipping the Card into the EMV slot.

“POS Terminal” shall mean the Point-of-Sale (POS) electronic device provided by AUB to the Merchant which is capable of processing QR and Card payments.

“QR” shall mean the Quick Response (QR) code that is used to make a payment from an eWallet or Mobile Banking App of the Account Holder.

Other capitalized terms used but not otherwise defined herein shall have the meanings given in the Terms and Conditions for AUB PayMate Merchant Accreditation (the “Terms and Conditions”), as the same may be amended, supplemented, or revised from time to time.

2. Card/QR Payment Acceptance using a POS Terminal

The Merchant shall ensure that the following acceptance procedures are strictly observed and complied with:

2.01 The Merchant shall ensure all the Cards so presented for the transactions are inserted into the EMV slot of the POS Terminal where an authorization shall be granted or declined.

2.02 When a signature based Card is utilized, the Merchant shall obtain the signature of the Account Holder in the appropriate place of the Charge Slip, and shall compare to ascertain that such signature shall be identical to that appearing on the back of the Card. If the signatures do not match, the Merchant shall contact AUB for instruction.

2.03 The POS Terminal may prompt the Merchant to ask the Account Holder to input a PIN to complete the securing of authorization, as parameterized by the card issuer.

2.04 The Merchant shall allow the Account Holder to tap the Card to the POS Terminal, if the Account Holder opts to use the contactless feature of his/her Card.

2.05 The Merchant shall make use of the camera of the POS Terminal, if the Account Holder opts to make a payment by generating a QR code from an eWallet or Mobile Banking App.

2.06 The Merchant shall generate a QR code from the POS Terminal, if the Account Holder opts to make a payment using an eWallet or Mobile Banking by scanning said QR code.

2.07 The Merchant shall provide a Copy of the Charge Slip to the Account Holder upon completion of each successful Card or QR payment transaction.

### 3. Monthly Card Transaction Volume Requirement, Fees, and Charges

3.01 To enjoy the POS Terminal free of charge, the Merchant shall be required to achieve a card transaction volume requirement of P350,000.00 per POS Terminal per month.

3.02 Should the card transaction volume requirement per POS Terminal per month is not achieved, as may be determined by AUB, a rental fee of P950.00 per POS Terminal per month shall apply. AUB shall send a billing to the Merchant, and the Merchant shall check and report to AUB any error within ten (10) days from the date indicated in the billing. If no error is reported at the lapse of the said dispute period, the billing shall be considered correct and binding upon the Merchant. AUB shall then automatically debit the settlement account of the Merchant for such amount billed, without need of any further notice to or demand on the Merchant. In case of dispute brought to the attention of AUB within the said dispute period, the Merchant and AUB shall endeavor in good faith to resolve the matter amicably and with due urgency. Notwithstanding the foregoing, in case of dispute, the records of AUB shall prevail as regards the card transaction volume requirement and/or the billing, absent manifest error in computation brought to the attention of AUB within the said dispute period.

3.03 Notwithstanding the foregoing, AUB reserves the right to pull out the POS Terminal at any time if AUB determines that the Merchant fails to meet the card transaction volume requirement for such POS Terminal, without prejudice to the obligation of the Merchant to pay the corresponding rental fee contemplated above.

### 4. Miscellaneous Provisions

4.01 The Merchant agrees to allow AUB or its Authorized Service Provider to enter any of the premises of the Merchant to install, inspect, repair, service, or remove the POS Terminal for any reason during business hours or at any other reasonable time.

4.02 The Merchant shall not move or part with possession of the POS Terminal provided the proposed new location is acceptable to AUB.

4.03 AUB shall be responsible for the maintenance and repair of the POS Terminal. The Merchant agrees to cooperate fully in the maintenance and repair efforts of AUB. AUB shall endeavor in good faith to keep the POS Terminal in good order, however, AUB shall not be liable to the Merchant for its failure to do so, or otherwise for the failure of the POS Terminal to operate properly.

4.04 The POS Terminal is and shall remain the property of AUB. The Merchant shall take reasonable care of the POS Terminal and return to AUB promptly upon notice. The Merchant also agrees to take all necessary steps to prevent any person from acquiring any rights in the POS Terminal,

and to indemnify AUB against any loss and expense arising from the acquisition of such rights by any person. The Merchant further agrees that it shall not permit any other person to tamper, reverse-engineer, or otherwise misuse the POS Terminal.

4.05 The Merchant agrees to reimburse AUB the amount of Twenty Five Thousand Pesos (P25,000.00) for each lost or damaged POS Terminal whether or not the lost or damage was caused by the Merchant. This includes but is not limited to damage caused by:

- (a) The use of POS Terminal for purposes other than those described in this Supplement;
- (b) Alterations and attachments to the POS Terminal which were not previously authorized in writing by AUB;
- (c) The acts or omissions by the Merchant and its employees, agents, other representatives, or contractors; or
- (d) The negligent or otherwise improper care or operation of the POS Terminal; or
- (e) Fire, theft, acts of nature, or other causes.

4.06 The Merchant shall promptly make an Incident Report in the event of any loss or damage to the POS Terminal signed by the Merchant's Authorized Signatory.

4.07 The Merchant shall not assign, transfer, or sell the services provided by the POS Terminal. Further, the Merchant shall not allow any other party to use the POS Terminal.

4.08 The Merchant shall operate the POS Terminal only in accordance with the procedures and instructions advised by AUB from time-to-time, and shall keep the POS Terminal in the location so approved by AUB. AUB agrees to train the current employees, agents, servants, contractors, and authorized representatives of the Merchant on the operation of the POS Terminal at the time of installation by the Authorized Service Provider of AUB.

4.09 The Merchant shall give at least thirty (3) days' prior written notice to AUB, if Merchant plans to sell, transfer, close, otherwise dispose of one or more locations where the POS Terminal is installed or if the Merchant wishes AUB to remove the POS Terminal from the applicable locations.

4.10 The Merchant shall promptly inform AUB of any fault and/or breakdown in the POS Terminal. The Merchant shall not by itself or by its agent or servant, repair or rectify or attempt to repair or rectify any such faults or breakdown in the POS Terminal. Any tampering of the POS Terminal, including attempts by the Merchant or other person not authorized by AUB to repair or rectify such faults or breakdown in the POS Terminal, shall render the Merchant automatically responsible for the damage to the POS Terminal.

4.11 AUB shall not be responsible or liable in any way for any loss or damage or injury suffered by the Merchant arising out of or due to the breakdown or fault or delay in response by the POS Terminal.

4.12 The Merchant shall return the POS Terminal to AUB in satisfactory condition upon termination of the Terms and Conditions. The Merchant shall be liable for all cost of repairs or replacement if such returned POS Terminal was found by AUB to be damaged, faulty, or in unsatisfactory condition. Notwithstanding the foregoing, AUB reserves the right to pull out the POS

Terminal at any time if AUB determines that there had been a misuse and/or tampering of the POS Terminal and/or any breach by the Merchant of the terms hereof, without prejudice to the rights and remedies of AUB hereunder.

4.13 EXCEPT AS EXPRESSLY SET FORTH IN THIS SUPPLEMENT, AUB MAKES NO REPRESENTATION AND EXTENDS NO WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, OR ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AS REGARDS THE POS TERMINAL. TO THE FULLEST EXTENT PERMITTED BY LAW, AUB PROVIDES THE POS TERMINAL HEREUNDER ON AN "AS IS" BASIS AND WITHOUT WARRANTY, AND ALL WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING IMPLIED WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY DISCLAIMED AND THE MERCHANT HEREBY WAIVES ALL SUCH WARRANTIES. AUB MAKES NO REPRESENTATION, WARRANTY OR GUARANTEE OF ANY KIND WHATSOEVER AS TO THE AVAILABILITY OF THE POS TERMINAL, THE FREEDOM FROM ERROR OF THE SAME, OR THE SECURITY OF COMMUNICATIONS OR TRANSMISSIONS COURSED THROUGH THE POS TERMINAL.

4.14 This Supplement shall automatically expire and terminate upon the termination of the Terms and Conditions, unless otherwise agreed in writing by the Parties prior to the termination of this Supplement. Notwithstanding the foregoing, this Supplement may be terminated by a Party not in default upon sixty (60) calendar days' prior written notice thereof to the other Party.

4.15 Except insofar as specifically covered by this Supplement, the provisions of the Terms and Conditions shall apply and be binding upon the Merchant and shall be deemed incorporated herein. All terms and conditions under the Terms and Conditions not otherwise amended or modified hereby shall remain valid and in full force and effect as set forth therein. In case of any inconsistency or conflict between this Supplement and the Terms and Conditions, the provisions of this Supplement shall prevail but only insofar as the use of the POS Terminal is concerned; otherwise, the Terms and Conditions shall prevail.

By using the POS Terminal, the Merchant confirms and affirms that it has read and understood the terms and consequences hereof and its rights and remedies under applicable laws, rules, and regulations. The Merchant's continued use of the POS Terminal constitutes its continuing unqualified consent and agreement to this Supplement and the amendments, updates, supplements, revisions and other changes to this Supplement.