

# Terms and conditions for Alipay Payment

2020



[nets.eu/payments](https://nets.eu/payments)



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## Definitions

### Agreement

The agreement between the Merchant and Nets, including the Agreement Form, annexes and appendices, including these terms and conditions and the price list and the Alipay Acceptance Guidelines, each as amended from time to time by Nets.

### Agreement Form

The Agreement Form concluded between the Merchant and Nets.

### Alipay

Alipay.com Co., Ltd., Room 108E, No.98, 91 Lane of E'shan Road, Pudong New Area, Shanghai, the People's Republic of China or any successor thereof.

### Alipay Acceptance Guidelines

The guidelines for accepting Alipay Payment Methods available at [www.nets.eu/payments](http://www.nets.eu/payments).

### Alipay Marketing Guidelines

Alipay's acceptance mark display guidelines as set out in the Alipay Marketing Guidelines available at [www.nets.eu/payments](http://www.nets.eu/payments).

### Alipay Derived Information

Any information relating to or derived from the Alipay's services, the Alipay Marketing Platform, Alipay's platform, Alipay Wallet or Alipay's websites, including Alipay User's or third parties' access to, use of, or interactions with, any of the foregoing. The term shall: (i) include, without limitation, information relating to the number and value of transactions (including involving coupons), and Alipay User traffic and viewings of webpages and notices; and (ii) exclude unprocessed form of Merchant Marketing Information.

### Alipay Marketing Platform

Online platforms (including any mobile application) operated by Alipay through which Alipay Users may access and view Merchant Marketing Information and/or any other business or marketing information related to the Merchant and/or Alipay.

### Alipay Payment

The transaction between the Alipay User and the Merchant resulting in the transfer of the agreed amount to the Merchant by using an Alipay Payment method.

### Alipay User

An individual who has completed Alipay's membership registration process and has opened an Alipay account.

### Alipay Wallet

An Alipay User's digital wallet operated by Alipay, which has stored value funded through a variety of funding sources and which enables Alipay Users to make payment for products.

### Chargeback

Reversal of an amount which the Alipay User or Alipay disputes.

### Confidential Information

All non-public, proprietary or other confidential information, whether in oral, written or other form, including but not limited to: the content and performance of this Agreement, business plans, capitalization tables, budgets, financial statements; costs, prices, and marketing plans, contracts and licenses, employee,

customer, supplier, shareholder, partner or investor lists, technology, know-how, business processes, trade secrets and business models, notes, sketches, flow charts, formulas, blueprints, and elements thereof, and source code, object code, graphical design, user interfaces and other intellectual property, including that of any customer, supplier or other third party (including, in the case of each of Alipay and Nets, the interface technologies, security protocol and certificate to any other website or enterprise provided by Alipay or Nets).

### Electronic Receipt

A receipt sent to the Alipay User via e-mail or SMS.

### Merchant

The natural or legal person who has entered into the Agreement with Nets for the purpose of completing Alipay Payments.

### Merchant Marketing Information

Marketing information relating to the Merchant available to Alipay Users on Alipay's Marketing Platform and as specified in the Alipay Marketing Guidelines.

### Merchant Outlet

The Merchant's store from which the products/services are sold, as stated in the Agreement Form.

### Nets

The company with which the Merchant has entered into the Agreement. Nets is part of the Nets Group.

### Personal Information

Personal information or data, whether true or not, and whether recorded in a material form or not, about an individual whose identity is apparent, or can reasonably be ascertained, from the information or data, processed by Alipay, Nets or the Merchant in connection with this Agreement.

### Prohibited Products

Any product listed in Appendix 1 (*Prohibited Products*) as updated from time to time by Nets and available at [www.nets.eu/payments](http://www.nets.eu/payments).

### Receipt

Documentation that the transaction was performed.

### RMB

means Ren Min Bi being the lawful currency of the People's Republic of China.

### Training and Assistance of Store Staff Guidelines

Alipay's training and assistance of store staff guidelines as set out in the Alipay Marketing Guidelines.

### Transaction Data

The data used to complete an Alipay Payment. These include information received in connection with the Alipay Payment, e.g. the transaction amount and Transaction Date.

### Transaction Date

The date on which the transaction takes place.

### USD

United States dollars.

### User Device

The smartphone or other electronic device of Alipay Users used to make Alipay Payments and regarding which the Merchant has entered into an Agreement with Nets.

## 1. NETS IN DENMARK

Nets operates in Denmark by Nets Denmark A/S, business registration no. 20 016175 86, Lautrupbjerg 10, DK-2750 Ballerup, Denmark. Nets can be contacted via the website [www.nets.eu/payments](http://www.nets.eu/payments). Communication with Nets can be in either English or Danish.

Nets is under the supervision of the Danish Financial Supervisory Authority, and is registered in its register under FI no. 22001. Complaints concerning Nets as a payment institution may be submitted to the Danish Financial Supervisory Authority using the contact details on the authority's website. For other possible out-of-court and redress procedures, please refer to the website [www.nets.eu/payments](http://www.nets.eu/payments).

## 2. SCOPE OF THE AGREEMENT

Nets connects Merchants to Alipay Users to enable such Merchants to accept payments from Alipay Users.

Together with the rest of the Agreement, these terms and conditions govern the cooperation between the Merchant and Nets as regards the Merchant's acceptance of Alipay Payments.

In addition to these terms and conditions, the Merchant's Agreement with Nets includes the Agreement Form, the price list, the Alipay Acceptance Guidelines and any other annexes and appendices entered into between the Merchant and Nets. These documents are available on [www.nets.eu/payments](http://www.nets.eu/payments) or may be obtained by contacting Nets. However, the Agreement Form may only be obtained by contacting Nets.

The Agreement covers payments made using Alipay as means of payment and which take place at the Merchant Outlet stated in the Agreement Form. The Agreement establishes the terms and conditions that apply to Alipay Payments in the Merchant's payment solutions.

The Merchant is responsible for ensuring that the Merchant's sales and all transactions are completed in accordance with relevant domestic and international laws and regulations, including by ensuring that the products/services sold are allowed under applicable legislation.

The Merchant may only use the Agreement for payments for activities, products or services that have been registered with and approved by Nets as of the conclusion of the Agreement and which do not, at the time of the transaction, constitute Prohibited Products.

The Merchant must have the right of use in respect of the Merchant Outlet from which the products/services are sold. The Merchant Outlet must be registered in the Merchant's name as it appears in the Agreement Form.

## 3. GENERAL REQUIREMENTS APPLICABLE TO THE MERCHANT

### 3.1. Compliance with security requirements

#### General

All acceptance devices used by the Merchant must comply with the applicable standards established by Alipay and by national legislation at any given time, and must be approved by Nets.

The Merchant is responsible for ensuring that the acceptance device used to complete transactions at all times comply with the technical requirements imposed under this Agreement and by Alipay.

The Merchant is required to comply with the Alipay Acceptance Guidelines available at [www.nets.eu/payments](http://www.nets.eu/payments).

The Merchant must ensure that unauthorised persons do not have access to the acceptance device.

#### The compromising of systems

The Merchant must inform Nets immediately of any unauthorised access or suspicion of unauthorised access to the Merchant's systems containing User Device data in case of skimming, attempted skimming, compromising or suspected compromising of User Device data.

In the event that systems containing User Device data handled by the Merchant or by the Merchant's external suppliers are compromised, or reasonably suspected to be compromised, Nets reserves the right to impose charges on the Merchant to the same extent as those imposed on Nets by Alipay or to suspend or terminate this Agreement if required by Alipay.

The Merchant is liable for any loss or damage incurred as a result of Alipay Payment Method fraud as well as costs associated with the investigation required into the security breach or a suspected breach. Such investigations as well as the drafting of the associated reports must only be performed by a certified data security firm approved by Alipay. The Merchant is obliged to cooperate with and assist Nets, Alipay, the chosen data security firm and any relevant public authorities in the event of a compromise or a suspected compromise.

While the investigation is ongoing, Nets is entitled to suspend the Agreement until such time as the investigation is complete and it can be confirmed that the Merchant complies with the security requirements.

### 3.2. Processing of documentation

The Merchant must store all documentation in a proper manner, to protect it from unauthorised access.

The Merchant must store the Transaction Data and the transaction documentation, including Receipts, for a minimum of five years. Once the retention period has expired, the transaction documentation/settlement documents must be destroyed in a suitable manner, in such a manner that unauthorised persons are unable to gain access to documentation containing data.

The Merchant shall provide Nets with copies of the transaction documentation (which shall include, as a minimum, names and prices of the products/services in question, evidence that the product/service has been delivered to the Alipay User (e.g. CCTV), Receipt and (if obtained by the Merchant) contact information on the relevant Alipay User) within 2 days of request from Nets. If the transaction documentation in respect of a disputed Alipay Payment is not received within this deadline, Nets shall be authorised to credit the Alipay Payment to the Alipay User and set off the amount of that Alipay Payment against any current or future settlement amounts due to the Merchant.

Upon reasonable request by Alipay, the Merchant shall share records and information (including transaction information and records) with Alipay from time to time and Alipay is authorised

by the Merchant to provide the relevant records and information to governmental agencies, regulatory authorities and third party service providers for examination and verification as necessary.

The Merchant shall be solely responsible, where applicable, for obtaining any necessary consent for the collection, use, disclosure and transfer of Personal Information. Alipay, Nets and the Merchant will each take all commercially reasonable endeavours to ensure that the Personal Information is protected against misuse and loss, or unauthorised access, modification or disclosure and will promptly notify the other parties of any loss of, or any unauthorised disclosure of or access to, the Personal Information. Alipay, Nets and the Merchant may each retain records of Alipay Payments for complying with applicable law and internal compliance requirements. Alipay may transfer Transaction Data, including Personal Information, to any of its affiliates that have been delegated any of its obligations under its agreements with Nets.

### **3.3. Use of and rights to trademarks and other intellectual property rights**

All rights to the trademarks of Alipay and Alipay as payment method that the Merchant accepts as means of payment belong to Alipay. All rights to the trademarks of Nets' products belong to Nets. Alipay shall own all right, title and interest (including any intellectual property rights) in and to the Alipay Derived Information whether obtained or generated prior to, during, or after the term of this Agreement.

Under and subject to its agreement with Alipay, Nets has been granted a license to use certain trademarks and other intellectual property rights owned by, or licensed to, Alipay for the purposes to enabling Merchants to receive Alipay Payments and to acquire those payments. In accordance with, and subject to, its agreement with Alipay, Nets hereby sub-licenses to the Merchant the right to use the trademarks and other intellectual property rights licensed to Nets by Alipay solely for the purposes of this Agreement. This license may be modified or revoked by Nets at any time.

The Merchant is entitled to use Alipay's trademarks solely in connection with its marketing of products and services that can be paid for using the Alipay Wallet.

The Merchant must clearly post the trademarks (logos) of Alipay that it accepts as means of payment in accordance with the Alipay Marketing Guidelines.

The trademarks must not be used for any other purpose.

The Merchant may obtain and order the trademarks and stickers for use at the Merchant Outlet and in its marketing materials from [www.nets.eu/payments](http://www.nets.eu/payments). The trademarks must always be displayed in their original, correct layout.

Images of User Devices used in marketing materials must not contain a valid Alipay User name or details.

The use of the trademarks must not violate the owners' rights to the trademarks and must not create the impression that the products and services are sponsored, produced, offered, sold or otherwise supported by Nets and/or Alipay.

The Merchant has no other rights – such as ownership or intellectual property rights – to the trademarks beyond to the above-mentioned right of use.

On expiry of the Agreement, the Merchant must cease its use of the trademarks, including in signage, marketing on the Internet or via other media, or any other form of marketing.

During the term of this Agreement for the limited purposes of performing the obligations set forth in this Agreement and subject to the terms of this Agreement, the Merchant grants to Alipay a non-exclusive, non-transferable, royalty-free license to use, reproduce, publish, distribute and transmit any of the Merchant's marketing materials, proprietary indicia or other similar items containing the intellectual property of the Merchant ("Merchant IP") necessary for Alipay to perform its obligations contemplated by this Agreement and to refer to the name of the Merchant in the public announcement as one of the partners accepting Alipay as a payment method. The Merchant represents and warrants to Alipay and Nets that it has obtained all necessary authorities, permissions, approvals and licenses to license the Merchant IP to Alipay and that the Merchant IP does not infringe the intellectual property of any third party.

### **3.4. Merchant Marketing Information**

On or before the time entry into force of this Agreement, and at the subsequent intervals set out in the Alipay Marketing Guidelines during the term of this Agreement, the Merchant shall provide the Merchant Marketing Information to Alipay through the Alipay Marketing Platform in accordance with procedures and requirements as set forth in the Alipay Marketing Guidelines according to instructions by Nets.

The Merchant shall actively manage the Merchant Marketing Information on the Alipay Marketing Platform and ensure that its Merchant Marketing Information remains full, accurate and up-to-date, and also conduct marketing activities using the up-to-date Merchant Marketing Information to increase its visibility and digital foot traffic on the Alipay Marketing Platform in accordance with instructions from Alipay.

The Merchant hereby grants to Nets and Alipay, and consents to the granting by Nets on the Merchant's behalf to Alipay of, a non-exclusive, worldwide, perpetual, non-revocable, non-terminable, sub-licensable, royalty-free right and license (including in relation to any intellectual property rights) to use, access, store, reproduce, publish, distribute, modify, aggregate with other information, analyze, transmit and otherwise process the Merchant Marketing Information in connection with or relating to the Alipay, Alipay Marketing Platform, Alipay Wallet, Alipay's platform, or Alipay's websites.

### **3.5. External suppliers**

The Merchant must inform Nets of any external supplier, e.g. web hosting service, payment solution provider, etc., that handles User Device data or which for other reasons has access to User Device data through the Merchant. The Merchant must also inform Nets of any change in its use of external suppliers, cf. section 4.7 (*Changes in the Merchant's circumstances*).

The Merchant bears the risk for the actions and omissions of any external suppliers, and must only use external suppliers that meet the security requirements established by Nets and/or Alipay.

### **3.6. Risk assessment**

Nets reserves the right to perform a risk assessment of the Merchant at any time, including by obtaining credit informa-

tion relating to the Merchant and its owners, board members, management and authorised signatories, and by requesting the disclosure of financial statements and other information required in order to perform an assessment of the Merchant's creditworthiness and risk profile. This information may include documentation of necessary licences as well as information about revenue related to prepayments.

The Merchant is obliged to inform its owners, board members, management and authorised signatories that they may be included in a risk assessment of the Merchant.

If, on the basis of the risk assessment, Nets deems it necessary to do so, Nets may, with immediate effect:

- demand a bank guarantee or other type of guarantee
- withhold the Merchant's settlement in whole or in part
- extend the settlement period for all or parts of the Merchant's revenue
- establish a risk and/or Chargeback fee that the Merchant will be required to pay
- amend or terminate the Agreement in accordance with section 13 (*Termination of the Agreement*).

As part of ongoing risk assessment, Nets, Alipay or a representative of either Alipay or Nets may conduct an unannounced physical inspection of the Merchant's premises, the Merchant Outlet, etc., to the extent they are relevant to this Agreement, which may include a security assessment and/or a general assessment covering the following areas:

- The Merchant's premises and the Merchant Outlet
- Access to the Merchant's servers and stored data
- Stock, if any
- Internal processes
- Compliance with all security requirements imposed pursuant to this Agreement

The Merchant must bear all reasonable costs associated with such an inspection.

### 3.7. Changes in the Merchant's circumstances

The Merchant must inform Nets and Alipay in writing of any change in the circumstances reported to Nets with the application for an Agreement or as stated in the Agreement Form itself; in this connection and without limitation, the Merchant must provide Nets and Alipay with written notice of changes in:

- Control of the Merchant
- The ownership of 25% or more of the Merchant or of the Merchant's share capital.
- The Merchant's management (including its Board of Directors, management and general manager), as well as authorised signatories.
- The Merchant's corporate form (e.g. a change from a sole proprietorship to a private limited company).
- The Merchant's line of business.
- Address, telephone number, website address (URL)
- E-mail address (including the e-mail address used to receive Nets' requests for copies of Receipts)
- Bank account number
- The use of external suppliers for Alipay Payments,
- The correctness of any representation or warranty given by the Merchant under this Agreement, and

- any other change in the Merchant's circumstances of relevance to the Agreement.

In addition, the Merchant must inform Alipay and Nets if the Merchant makes significant changes to its product range or its payment and delivery conditions, e.g. prepayment, or if it anticipates significantly increased sales.

Changes in accordance with this section may result in a new risk assessment (cf. section 4.6 (*Risk Assessment*)) and/or a requirement that a new Agreement must be entered into with Nets.

Any change to the settlement account must be documented in writing in the form of a confirmation from the bank/submission of account statements, and must be signed by an authorised signatory or person holding a power of attorney in accordance with the rules governing powers to bind the Merchant.

### 3.8. Representations and warranties

The Merchant represents and warrants to Nets throughout the term of this Agreement that:

- it is an independent sole proprietorship, general partnership or corporation (as applicable) duly organised, validly existing and in good standing under the laws of jurisdiction of its organisation;
- it is properly registered to do business in all jurisdictions in which it carries on business;
- it has all licenses, regulatory approvals, permits and powers legally required to conduct its business in each jurisdiction in which it carries on business;
- it has the corporate power, authority and legal right to execute and perform this Agreement and to carry out the transactions and its obligations contemplated by this Agreement;
- once duly executed by it, this Agreement shall constitute its valid and binding obligations, enforceable in accordance with its terms. No approval or consent of any person or government department or agency is legally or contractually required to be obtained by it in order to enter into this Agreement and perform its obligations hereunder;
- neither (a) the execution of this Agreement, nor (b) the consummation by it of this Agreement will (1) conflict with the articles of association or any other corporate or constitutional document of it, or (2) breach any obligations of it under any contract to which it is a party, or (3) violate any applicable law;
- there is no litigation, proceeding or investigation of any nature pending or, to its knowledge, threatened against or affecting it or any of its affiliates, which would reasonably be expected to have a material adverse effect on its ability to perform its obligations under this Agreement;
- all products or services sold by it to Alipay Users comply with all applicable laws and regulations and are not Prohibited Products; and
- no products or services sold by it to Alipay Users infringe upon any third party's rights and interests, including, without limitation, intellectual property rights and proprietary rights.

## 4. ACCEPTANCE OF ALIPAY PAYMENTS

The Merchant undertakes to ensure that all personnel who handle Alipay Payments on behalf of the Merchant are informed

of the content of the Agreement in advance, and that they have received the training required (including in accordance with the Training and Assistance of Store Staff Guidelines) in order to satisfy the requirements of the Agreement.

The Merchant must accept payment made with the Alipay Wallet.

The Merchant must always follow the instructions displayed on the acceptance device.

If the Merchant's purchase request is rejected, the Merchant must not complete the Alipay Payment, irrespective of the amount.

The Alipay User is entitled to a copy of the Receipt for each Alipay Payment. Once the Alipay Payment has been completed, the Merchant must ensure that the Alipay User receives a Receipt, either in paper form or as an Electronic Receipt, if the Alipay User has consented to receive an Electronic Receipt. Regardless of the type of Receipt, the Receipt must contain at least the following information:

- The Merchant's name and address,
- amount, and
- Transaction Date

#### **4.1. Approved currencies**

Transactions can only be transmitted and settled in the currencies stated in the Agreement Form.

#### **4.2. Submission of transactions to Alipay for settlement**

The Merchant must not send transactions to Alipay for settlement before the products/services have been delivered to the Alipay User.

All transactions are sent to Alipay for settlement via the acceptance device. The Merchant undertakes to reconcile the acceptance device on a daily basis if transactions have been performed.

The Merchant is responsible for that the Transaction Data sent via the acceptance device is error-free. Alipay and/or Nets may refuse to receive or process transactions with Transaction Data errors.

## **5. THE RELATIONSHIP BETWEEN THE MERCHANT AND THE ALIPAY USER**

The Merchant undertakes to receive and process any claims from Alipay Users relating to the product/service. Such claims are to be settled directly between the Merchant and the Alipay User, and should not involve Nets.

Subject to mandatory law, the Merchant shall not accept credits/refunds/Chargebacks more than 365 days after the Transaction Date and the Merchant shall inform each Alipay User of the 365-day refund-deadline prior to that Alipay User making an Alipay Payment to the Merchant.

#### **5.1. Credit a transaction**

The Merchant must only credit the Alipay User for a transaction for the purpose of voiding a previous Alipay Payment in whole or in part, e.g. if the customer returns a purchased product. The credit transaction must be identifiable to the original transaction.

Credits of purchases made using Alipay Payment methods (previously accepted Alipay Payment) must always be credited to the Alipay Payment method used for the purchase. The amount credited to the Alipay User must not exceed the total amount of the transaction. Credit transactions must be submitted electronically. The Merchant must provide a Receipt for the credit transaction to the Alipay User.

Nets will offset the total amount of the credit and any other costs against future settlements to the Merchant, or will prepare an invoice for the Merchant pertaining to the credit. Previously calculated transaction fees will not be refunded in connection with such credits.

#### **5.2. Cancellation of an Alipay Payment**

If an Alipay Payment is made in error, the Merchant must cancel the transaction if possible. If it is not possible to cancel the transaction, the Merchant must complete a credit transaction. If this is not possible, the Merchant must contact Nets.

#### **5.3. Fees for use of Alipay Payment methods**

If the Merchant, acting in accordance with applicable legislation, charges a fee for Alipay Payments (surcharge), the Merchant must inform the Alipay User accordingly before the transaction is completed.

## **6. PRICES, PAYMENTS AND SETTLEMENTS**

### **6.1. Prices**

The prices payable by the Merchant to Nets are set out in the Agreement Form and in the price list.

Unless otherwise stated, amounts due are payable to Nets by the Merchant each month in arrears by drawing on the account that the Merchant has indicated in the Agreement as the settlement account. Amounts due may also be drawn from the first settlement. The Merchant will be informed of such withdrawals. Amounts deriving from Chargebacks, cf. section 8 (*Disputed Alipay Payments*) and fees in accordance with section 4 (*General requirements applicable to the Merchant*) may also be offset against the settlement or paid each month in arrears by drawing on the account specified in the Agreement Form. The Merchant will be informed of such withdrawals.

Settlement amounts will be net of any fees and expenses payable to Alipay.

For settlements which are made in the form of net settlements, Nets deducts any fees, disputes that have been upheld, withheld amounts and other receivables from the amount transferred to the Merchant's bank account. The amounts payable by the Merchant to Nets are offset against the Merchant's next settlement.

If the Merchant's Alipay Payments are settled in different currencies and/or across different accounts, Nets may offset in different currencies and/or offset across different accounts, or draw on the account that the Merchant has specified in the Agreement Form. The Merchant will be informed of such withdrawals. If the Merchant fails to pay an amount due to Nets, Nets is entitled to charge interest on the amount due from the due date until such time as payment is made, in accordance with Danish interest legislation.

If Nets is unable to offset an amount due in the Merchant's account with Nets, or draw on the account specified in the

Agreement Form, Nets may invoice the Merchant for the amount due, or Nets may request that the Merchant sign a direct debit agreement with its bank, so that the bank can make payments to Nets in accordance with Nets' instructions.

## 6.2. Settlements

The applicable settlement period is stated on the Agreement Form. Settlement delays may occur in connection with public holidays.

Nets transfers the settlement amount directly to the bank account stated on the Agreement Form. Nets sends a settlement notification to the Merchant identifying the settled amounts and dates.

The Merchant must verify that settlements by and payments from Nets are received and that they are correct. The Merchant must submit a written complaint to Nets if settlement has not taken place within one month of the date agreed.

The Merchant must verify that settlement is received in accordance with the prices stated in the Agreement Form, and must submit a written complaint to Nets in the event of errors.

If the Merchant has received a payment to which it has no legal claim (regardless of whether such error is attributable to Nets), this amount must be returned to Nets immediately.

Furthermore, Nets reserves all rights to withhold settlement if revenue should discontinue without the Merchant having provided notice in this regard, or in the event of deviations relative to the Merchant's Agreement, with regard to revenue, use of equipment and the products and services sold, as well as prepayments.

## 7. DISPUTED ALIPAY PAYMENTS

### 7.1. Disputes

The Merchant must respond to all Alipay User disputes.

If Nets receives a dispute of an Alipay Payment and Nets is unable to reject the dispute as unfounded, Nets will withdraw the full amount plus any fees from the Merchant's account, or offset it against the Merchant's settlement from Nets. If there are insufficient funds in the Merchant's account or insufficient revenue, Nets may invoice the Merchant.

### 7.2. Documentation

If Nets or Alipay asks the Merchant to submit documentation for the Alipay Payment in connection with a dispute raised by the Alipay User, the Merchant must provide Nets or Alipay (as applicable) with documentation of the Alipay Payment.

If the Merchant fails to provide documentation within 2 days of the request, Nets may offset or deduct the disputed amount against/from the Merchant's account with Nets.

Neither Alipay nor Nets is required to provide the Merchant with documentation regarding the Alipay User's dispute.

## 8. MONITORING, FRAUD, ETC.

Nets monitors authorised Alipay Payments and transactions received from the Merchant via Alipay. Nets likewise monitors any transaction reported as being a dispute, Chargeback or case of fraud.

The Merchant will be contacted and the matter will be investigated if such monitoring reveals significant deviations from normal activity at the Merchant or within the Merchant's industry, or if Alipay or Nets, for any other reason whatsoever, suspects that fraud has occurred at the Merchant, or if the reported level of fraud or disputes is higher than what Alipay or Nets considers to be normal. In such cases, the Merchant shall on reasonable prior written notice from Nets, provide access to Alipay and Nets to the Merchant's premises during normal business hours for the purpose of Alipay or Nets (as applicable) conducting onsite reviews of the Merchant's risk management capabilities and the effectiveness of the Merchant in rejecting transactions related to Prohibited Products, un-authorised payments or otherwise fraudulent transactions and Nets is furthermore entitled, with immediate effect, to modify the settlement conditions, to withhold settlement, and/or to suspend or terminate the Agreement. Examples (without limitation) of such circumstances entitling Nets to terminate the Agreement are:

- for three consecutive calendar months, the value of un-authorised Alipay Payments submitted by a Merchant during each calendar month exceeds the lower of (i) the equivalent of RMB 5,000, and (ii) 1/100,000 of the aggregate value of all Alipay Payments submitted during that calendar month by all Merchants having entered into an agreement with Nets for the acquiring of Alipay Payment.
- for two consecutive calendar months, the value of un-authorised Alipay Payments submitted by a Merchant during each calendar month exceeds the lower of (i) the equivalent of RMB 50,000, and (ii) 1/10,000 of the aggregate value of all Alipay Payments submitted during that calendar month by all Merchants having entered into an agreement with Nets for the acquiring of Alipay Payment.

Nets also reserves the right to reverse transactions that Alipay has confirmed as being instances of fraud, provided that the Merchant has not delivered the products or services.

Nets may require the Merchant to implement such measures as may be needed to reduce the number of fraudulent transactions, disputes, Chargebacks or credit transactions, etc., for instance by upgrading or replacing the acceptance device, implementing a fraud monitoring system approved by Nets, or by implementing manual monitoring of transactions. The Merchant must act in accordance with Nets' instructions to limit fraud and disputes within the time limit specified (which will not exceed 5 working days).

If the number of disputes, Chargebacks, fraudulent transactions or credit transactions leads to additional costs for Nets, e.g. in the form of charges payable to Alipay, Nets reserves the right to pass such costs on to the Merchant.

## 9. CHANGES TO PRICES AND THE AGREEMENT

Without prejudice to anything else set out in this Agreement, Nets may amend the Agreement, including prices, with 20 days' written notice. Such notice may be issued by e-mail. Shorter notice may be given, if such modification is in response to requirements on the part of public authorities or Alipay, for important security reasons, or in accordance with sections 4.6 (*Risk Assessment*) and 13 (*Termination of the Agreement*).



The Merchant is obliged to provide Nets with an e-mail address to which such notice can be sent. The Merchant itself is obliged to inform Nets of any changes to the Merchant's e-mail address, and the Merchant assumes liability for the Merchant's non-receipt of a notice of contractual change in the event that the Merchant has failed to inform Nets of a change in its e-mail address.

The Alipay Acceptance Guidelines published at [www.nets.eu/payments](http://www.nets.eu/payments) are subject to change without notice if such change is due to changes in legislation or to requirements imposed by Alipay or public authorities.

In the event that changes to the disadvantage of the Merchant are made to the Agreement, these are considered to have been approved unless the Merchant, acting prior to the date of the change's entry into force, informs Nets that the Merchant does not wish to be subject to the new terms of contract.

If the Merchant informs Nets that it does not wish to be subject to the new terms of contract, the Agreement is considered to have terminated on the date on which the new conditions enter into force. Prepaid monthly/annual subscriptions will not be refunded.

## 10. LIABILITY, LIMITATION OF LIABILITY AND CLAIMS BY ALIPAY

Under no circumstances will Nets be liable for any specific, indirect or incidental loss, operating losses, consequential damages, claims by third parties and/or lost data, profits, revenue, customers, goodwill or interest.

Notwithstanding the foregoing and without thereby limiting liability, the Merchant will indemnify Nets for any losses or claims, including claims for damages, and for any complaints, legal proceedings or expenses (including, within reasonable limits, lawyers' fees), including but not limited to any liability, fine or fee imposed on Nets by Alipay as a result of the Merchant's breach of and/or failure to comply with the Agreement, use of an Alipay Payment method to pay for a Prohibited Product and/or all relevant regulations and legislation applicable to the Merchant. The foregoing applies irrespective of the Agreement being terminated.

### Force Majeure

Notwithstanding the foregoing, Nets is not liable for losses incurred as a result of failure to comply with its obligations in connection with circumstances beyond Nets' control. Even in areas where stricter liability rules prevail, Nets cannot be held responsible for losses incurred as a result of:

- Breakdown of or lack of access to IT systems, or of damage to the data maintained in these systems as a result of any of the reasons listed below, irrespective of whether Nets, Alipay or a third party is responsible for the operation of such systems,
- a power supply failure or failure in Nets' or Alipay's telecommunications systems, legislative or administrative interventions, natural disasters, war, revolution, civil unrest, sabotage, terrorism or vandalism (including virus attacks and computer hacking),
- strikes, lockouts, boycotts or blockades, regardless of whether the conflict is directed against or was started by

Nets or Alipay or by Nets' or Alipay's organisation, and regardless of the cause of such conflict. The foregoing also applies if the conflict only affects portions of Nets or Alipay and other circumstances that are beyond Nets' or Alipay's control.

Nets' exemption from liability in the event of force majeure does not apply if:

- Nets, at the time the Agreement was entered into, should have foreseen the circumstances giving rise to the loss, or if Nets should have been able to avoid or overcome the cause of the loss or consequences thereof by taking appropriate commercial precautions.
- the legislation under all circumstances makes Nets liable for the circumstances giving rise to the loss.

### Fines and fees charged by Alipay

The Merchant will indemnify Nets in respect of any fines and fees imposed on or any other claims brought against Nets by Alipay as a result of circumstances attributable to the Merchant.

### Absolute limitation of Nets' liability

Without prejudice to any limitation of Nets' liability set out above, Nets' aggregate liability towards the Merchant under or in connection with this Agreement shall not exceed the lesser of (i) USD 500,000, and (ii) the aggregate fees paid by the Merchant to Nets under this Agreement for the six complete calendar months preceding the date of the first event giving rise to a claim upon which liability is based.

## 11. ASSIGNMENT

Nets may assign the Agreement to a company in the Nets Group without the Merchant's consent. Nets is entitled, without the Merchant's consent, to assign the Agreement to a third party if Nets sells the activities covered by the Agreement to the third party in question, whether in whole or in part. In such cases, the Agreement will continue in force, without changes, with the new owner entering into Nets' place as the contracting party.

The Merchant is not entitled to assign or in any other way transfer the Agreement to a third party, whether in whole or in part without Nets' prior written consent. The same applies to Alipay Payments received under the Agreement.

## 12. TERMINATION OF THE AGREEMENT

Unless otherwise agreed in writing, the Agreement will continue in force until it is terminated by either party.

Both parties are entitled to terminate the Agreement with 50 days' written notice. Prepaid annual subscriptions or monthly fees are not refundable on termination of the Agreement.

If the Merchant would like the Agreement to come to an end prior to the expiry of the 50-day notice period, this is possible in exchange for payment of a fee specified in the price list.

If the Merchant winds up its Merchant Outlet, the Merchant must not use the Agreement for Alipay Payments. The Merchant is required to inform Nets of any such winding-up, and to terminate the Agreement in accordance with the above provisions.

Nets is entitled, with immediate effect, to terminate the Agreement or to amend the terms and conditions stipulated herein with regard to Alipay Payment if:

- At the time the Agreement was entered into, the Merchant provided inaccurate or incomplete information about the industry in which it is active, or about the Merchant
- The Merchant failed to provide information regarding changes after conclusion of the Agreement, cf. section 4.7 (*Changes to the Merchants circumstances*).
- The Merchant is in material breach of the Agreement, e.g. non-compliance with security requirements
- The Merchant's breach of the Agreement continues, and such breach is not remedied by the Merchant within the time limit specified in writing by Nets
- The number of disputes in which the Merchant is involved is disproportionately large
- The number of credit transactions that Nets receives from the Merchant (via Alipay) is disproportionately large
- The Merchant's activities include illegal activities, such as unauthorised gambling or illegal pornographic images, etc.
- The Merchant fails to respond to Alipay's or Nets' request for information, or fails to implement the necessary precautions in the event of suspected fraud
- The risk assessment of the Merchant is not satisfactory to Nets
- The Merchant becomes subject to debt collection action or is entered in a debtors register
- Nets assesses that its exposure regarding the Merchant deviates significantly from what was agreed on conclusion of the Agreement
- Alipay requires Nets to amend, suspend or terminate the Agreement or Alipay suspends or terminates Nets' right to acquire Alipay Payment
- In Nets' opinion, the Merchant's activities or actions are damaging or may damage the image/reputation of Nets and/or Alipay
- There is a change in control of the Merchant or a change in the ownership of more than 25% of the Merchant's share capital
- The owners or other persons associated with the Merchant appear on European or American sanctions lists (e.g. OFAC's SDN list and the EU's list of economic sanctions or list of terrorists)
- The Merchant goes into liquidation, is subject to compulsory winding-up or otherwise ceases trading or commences cessation proceedings
- The Merchant is declared insolvent, becomes subject to debt relief proceedings, enters into composition proceedings or similar debt relief arrangements, is declared bankrupt or enters into restructuring proceedings.

Prepaid annual subscriptions or monthly fees are not refundable on termination of the Agreement.

If the Agreement has not been used for Alipay Payments for six months, Nets may terminate the Agreement without notice.

On expiry of the Agreement, Nets is entitled to discontinue the Merchant's access to Nets' settlement reports portal without notice.

Even if the Agreement is terminated, it will remain valid in respect of outstanding claims at the time of the Agreement's expiry.

In the event of any termination or expiry pursuant to this Agreement for whatever reason, Nets may require the establishment of a bank guarantee or provision of other suitable security, or may withhold an appropriate portion of the transaction amount in order to cover any disputes raised by Alipay or Alipay Users.

Nets determines the extent of such a bank guarantee or other security. Nets may refrain from settling submitted transactions until a bank guarantee or other security has been provided.

If the Merchant is declared bankrupt, made subject to restructuring proceedings or debt relief proceedings, Nets may refrain from settling submitted transactions, until such time as a bank guarantee has been established in favour of Nets.

### 13. DUTY OF CONFIDENTIALITY AND DISCLOSURE OF INFORMATION

The parties are obliged to treat all information relating to the contractual relationship between the Merchant and Nets (including the Confidential Information) as confidential. The duty of confidentiality applies unless otherwise agreed and in cases where a party is required to disclose such information by law, regulation or a decision taken by public authority, or where the information in question is already publicly available and this fact cannot be attributed to the other party's breach of contract.

The Merchant acknowledges that the Confidential Information of Alipay is valuable to Alipay and agrees to treat as confidential all Confidential Information received from Alipay in connection with this Agreement. The Merchant will not disclose such Confidential Information to any third party except to perform its obligations under this Agreement or as required by applicable law or government authorities, and in each case, the Merchant will, to the extent permitted under applicable law, give Alipay prior notice of such disclosure. Upon termination of this Agreement or at the written request of Alipay, the Merchant will promptly return or destroy all material embodying Confidential Information of Alipay. Notwithstanding the foregoing, the Merchant may retain reasonable copies of Alipay's Confidential Information to comply with applicable laws or in order to exercise its rights under this Agreement, provided that such retained Confidential Information will not be disclosed or used for any other purposes.

Under no circumstances must the Merchant disclose Transaction Data to a third party (other than Alipay), unless it is necessary to do so in order to correct Alipay Payments or pursuant to mandatory law.

Nets is entitled to disclose information about the Merchant to Alipay, technical subcontractors and other companies, provided that such disclosure is required in order for Nets to fulfil its obligations under the Agreement and/or its contractual relationship with Alipay.

The Merchant gives its consent for Nets to disclose information about the Merchant (such as contact details, information relating to the Agreement and information on the business relationship with Nets) to other companies in the same corporate group as Nets for use in e.g. intra-group reporting, marketing, and in group companies' sale of products and services. A list of

the companies that are in the same corporate group as Nets is published at [www.nets.eu](http://www.nets.eu).

If the Agreement should cease to apply as a result of the Merchant's material breach of contract, or because the Merchant has facilitated or aided and abetted fraud, Nets is obliged to report the Merchant to Alipay.

The Merchant shall not issue any press release or make any public announcement pertaining to this Agreement without the prior written consent of Alipay unless required by applicable law binding on the Merchant.

This provision also applies once the Agreement has come to an end.

#### **14. CHOICE OF LAW AND DISPUTES**

The agreement is subject to Danish law. Any disputes that arise between the parties and which cannot be resolved through negotiation may be brought before the Danish courts, in which case Glostrup City Court will be the venue.

## APPENDIX 1 - PROHIBITED PRODUCTS

1.	Illegal political audio visual products and publications
2.	Illegal political program channels
3.	State secret documents and information
4.	Pornographic and vulgar audio visual products, channels and publications
5.	Pornographic and vulgar erotic services
6.	Gambling devices and accessories
7.	Lottery
8.	Gambling service
9.	Narcotics and related accessories
10.	Weapons of all types (including daggers, firearms and accessories), replica weapons, ammunitions and explosives)
11.	Military or police equipment
12.	Illegally obtained proceeds or properties as result of crime
13.	Poisonous or hazardous chemicals prohibited by Applicable Law and/or the laws of the People's Republic of China
14.	Batons and electric batons
15.	Lock picking tools and accessories
16.	Anesthetic, psychotropic or prescription medicine prohibited by the People's Republic of China; illegal unregistered medicine
17.	Fetal gender determination
18.	Aphrodisiac
19.	Medical services, including medical consulting, hypnotherapy, plastic surgery
20.	Hacking services or accessories
21.	Malwares
22.	Software or services that may jeopardize the reputation and goodwill Alipay or any of its Affiliates or related party
23.	Illegal publication of certificates issuing or carving of stamps
24.	Crowd funding
25.	Video chatting services
26.	All religious websites, publication or accessories
27.	Online cemeteries and ancestor worshipping
28.	Sales of personal information (e.g. identity card information)
29.	Espionage equipment and accessories
30.	Services or products that infringe on personal privacy (e.g. online activity monitoring)
31.	Pyramid schemes and multi-level marketing
32.	Gold investment
33.	Cash disbursement from credit funding sources (e.g. credit cards)
34.	Counterfeit currency
35.	Illegal sale of financial information (e.g. bank accounts, bank cards)
36.	Stock and securities
37.	Mutual Funds
38.	Insurance products and platforms
39.	Financial products and services
40.	Rebate or cashback services
41.	Software or products related to trading of financial products and information
42.	Single-purpose prepaid cards (including gift cards and other stored value cards)
43.	Illegal or un-registered fund-raising activities
44.	Foreign exchange services
45.	Peer to peer (P2P) lending services
46.	Payment by instalments service
47.	Trading in invoices issued within the Peoples' Republic of China
48.	Trading or sale of virtual currencies (e.g. Bitcoin, Litecoin)
49.	Satellites and antennas
50.	Archaeological and cultural relics
51.	Trading or distribution of currency (both RMB and foreign currencies)
52.	Counterfeit or replica food products
53.	Online sale of tobaccos and cigarettes
54.	Fireworks and firecrackers
55.	Crude oil
56.	Human organs
57.	Surrogacy services
58.	Services to facilitate plagiarism and examination fraud
59.	Protected species
60.	Smuggled goods
61.	Sales of distribution of event tickets without license (e.g. Olympic Games or World Expo tickets)
62.	Seeds
63.	Real estates
64.	Charitable Organizations
65.	Auction sites and services
66.	Pawn services
67.	Lucky draw
68.	Sale of animals, plants or products with contagious and hazardous diseases
69.	Sale of animals, plants or products originating from areas declared with an epidemic outbreak of contagious diseases
70.	Services or products facilitating unlawful public gathering

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