



Global Merchant & Network Services



Terms and Conditions for American Express® Card Acceptance

[AMERICANEXPRESS.COM.HK/MERCHANT](https://www.americanexpress.com.hk/merchant)

Terms and Conditions for American Express Card Acceptance

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1. GENERAL PROVISIONS

- A. **Scope.**
These Terms and Conditions and our other policies and procedures (which we may amend from time to time) govern your acceptance of American Express Cards and any Third Party card in Hong Kong. You agree to cause your Affiliates to comply with this Agreement.
- B. **Definitions.**
Frequently used terms are defined in Schedule A of this Agreement.
- C. **Accepting These Terms.**
By accepting our Cards you agree to be bound by this Agreement. If you do not accept these Terms and Conditions, you must not accept the Card or submit Charges to us or continue to display American Express materials but must notify us immediately and return all American Express materials to us.
- D. **Promotional Materials.**
You agree to prominently display American Express signs, decals or other identification prominently at all points of purchase (including in-store and online) of your Establishment(s) for the duration of this Agreement, unless otherwise agreed with us.
- E. **Information About Your Business.**
You must provide to us a list of your Establishments, and notify us of any subsequent changes in the list, including any change in the premises at which you accept the Card. You agree to advise us immediately of a change of ownership or any other significant change to the way you or your Affiliates carry on business which could impact the way we provide services to you under this Agreement.
- F. **For Your Use Only.**
This Agreement covers only you. You must not obtain Authorizations, submit Charges or Credits, or receive payments on behalf of any other party.
- G. **Joint and Several Liability.**
You are jointly and severally liable for the obligations of your Establishments under this Agreement.

2. ACCEPTING THE CARD

- A. **Acceptance.**
You agree to accept all valid Cards in accordance with this Agreement and without discrimination, as payment for goods and services sold at all of your Establishments. This includes sales made in person, by telephone or mail, through the Internet, or by any other method.
- B. **Communicating Payment Methods.**
Whenever you communicate the payment methods you accept to customers, you must indicate your acceptance of the Card and any Third Party Products (if applicable), and display our Marks according to our guidelines, as prominently and in the same manner as Other Payment Products without discrimination.
- C. **Honoring the Card.**
You must not, directly or indirectly,:
- (i) try to dissuade Cardmembers from using the Card;
 - (ii) criticize or mischaracterize the Card or any of our services or programs;
 - (iii) try to persuade or prompt Cardmembers to use any Other Payment Products or any other method of payment (e.g., payment by cash);
 - (iv) promote any Other Payment Products (except your own card that you issue for use solely at your Establishments) more actively than you promote the Card;
 - (v) make Cardmembers feel unwelcome or embarrassed if they wish to use the Card,
 - (vi) charge the Cardmember any additional fees or increase your price;
 - (vii) engage in activities that harm our business or brand; or
 - (viii) impose any restrictions or conditions on the use or acceptance of the Card that you do not impose equally on Other Payment Products, or otherwise financially discriminate against the Card or Cardmember.
- D. **Prohibited Uses.**
You must not accept the Card for purposes of transactions other than bona fide purchase by Cardmembers of goods and services from you. This means, by way of example and not limitation, that you must not accept the Card for:
- (i) damages, losses, penalties, or fines of any kind;
 - (ii) costs or fees over the normal price of your goods or services (plus applicable taxes) or Charges that Cardmembers have not specifically approved;
 - (iii) overdue amounts, or amounts covering returned or stop-payment checks;
 - (iv) gambling goods or services;
 - (v) adult digital content sold via the internet;
 - (vi) cash back or cash equivalents;
 - (vii) sales made by third parties;
 - (viii) amounts that do not represent bona fide sales of goods or services at your Establishments, e.g., purchases at your Establishments by your owners (or their family members) or employees or any other person contrived for cash flow purposes;
 - (ix) Goods or services for which the provision is illegal under laws applicable to us, you, or the Cardmember (e.g., drug trafficking, online/internet sales of prescription medications, sales of any goods that infringes the rights of the rights-holder);
 - (x) investment made on future maturity of goods/services with an intention of gaining return on investment or
 - (xi) other items of which we notify you.

3. SUBMITTING CHARGES AND CREDITS TO US

- A. **Charge Submissions.**
Your Establishments in Hong Kong must submit Charges and Credits in Local Currency, unless we otherwise agree. You must submit all Charges to us within seven (7) days of either (a) the date they are incurred, or (b) the date you have shipped the goods or provided the services to the Cardmember where applicable, except as otherwise provided in Schedule B. You are required to comply with all Specifications provided by us from time to time. We will have the right to Full Recourse for Charges not submitted to us within thirty (30) days.
- B. **Refunds / Credits.**
We may retain the Merchant Fee or charge you a fee for the service of processing a Credit. You must not give cash refunds to Cardmembers for goods or services they purchase on the Card, unless required by law. Your refund policy for purchases on the Card must be disclosed to Cardmembers at the time of purchase, and should be at least as favorable as your refund policy for Other Payment Products.
- C. **Credit Submissions.**
You must submit Credits to us within seven (7) days of determining that a Credit is due and create a record of Credit that complies with our requirements (Credit Record). You must submit a Credit only for the value of the corresponding Charge, excluding the Merchant Fee. We will deduct the full amount of the Credit from our payment to you or debit your Account, but if we cannot, then you must pay us promptly upon receipt of our invoice. Each Charge and Credit must be submitted under the Establishment Number of the Establishment where the Charge or Credit originated.

D. Credit to Card Account.

You must issue Credits to the Card account used to make the original purchase, unless it was made with a Prepaid Card that is no longer available, in which case you may apply your refund policy. Charges and Credits will be deemed accepted on a given business day if processed by us before our cut off time for that day at the relevant location.

4. PAYMENT FOR CHARGES

A. Payment Amount.

We will pay into your Account according to your payment plan the face amount of Charges submitted from your Establishments less:

- (i) the Merchant Fee (excluding GST) and/or any other applicable fee;
- (ii) any taxes or duties we are or become liable to pay in respect of any supplies made to you;
- (iii) applicable deductions, withholdings or any amounts you owe us under this Agreement or any Other Agreement;
- (iv) any amounts for which we have Full Recourse; and
- (v) any Credits you submit.

All payments will be made in Local Currency, unless otherwise agreed by us. We have no obligation to pay any party other than you under this Agreement.

B. Fees.

Your Merchant Fee is indicated in the Application, this Agreement or otherwise provided to you by us. We reserve the right to change our Merchant Fee from time to time and to charge a different Merchant Fee for Charges submitted by your Establishments that are in different industries. Additional fees that apply to you are set out in this Agreement or shall be notified to you from time to time. We reserve the right to charge interest on any late payments owing on your Account.

C. Direct Debit.

You must provide us with authority to direct debit your Account for all amounts that you become liable to pay us under this Agreement. We may deduct any amount owing, including interest, from your Account in accordance with any existing direct debit arrangements, or to invoice you for such amount, in which case you agree to pay the invoiced amount together with late payment interest within seven (7) days, failing which we shall be entitled to refer your account to a third party (which may be a firm of lawyers) for collection and to charge you a referral fee and all associated costs, including but not limited to our solicitor's fees.

D. Notice of Error or Omission.

You must notify us in writing of any error or omission in respect of your Merchant Fee or other fees or payments for Charges or Credits within ninety (90) days of the date of the statement containing such claimed error or omission or we will consider the statement to be complete and correct in respect of such amounts. We shall not be liable for any delayed or misdirected payment to you if you have not promptly provided us with updated or changed banking information.

E. Payments in Error.

If we determine at any time that we have paid you in error, we may exercise Full Recourse to recover such erroneous payment. If you receive any payment from us not owed to you under this Agreement, you must immediately notify us (by calling our telephone service center) and if applicable your Processing Agent and return such payment to us promptly. Whether or not you notify us, we may withhold future payments to you or debit your Account until we fully recover the erroneous payment.

F. Collecting from Cardmembers.

You must not bill or collect from any Cardmember for any purchase made on the Card unless we have exercised Full Recourse for such Charge, you have fully paid us for such Charge, and you otherwise have the right to do so.

G. Payment Withholding Obligations.

We have the right to withhold on payments to you and/or remit such funds to the applicable government agency in order to comply with all laws of the United States of America and any other jurisdiction applicable to American Express and/or its Affiliates, including, without limitation, U.S. tax laws.

5. FULL RECOURSE

A. When Full Recourse Applies.

All our payments are subject to our right of Full Recourse. We have rights to Full Recourse:

- (i) whenever a Cardmember informs us of a Disputed Charge or has rights under law to withhold payments;
- (ii) in cases of actual or alleged fraud relating to Charges;
- (iii) where an Establishment is subject to our Fraud Full Recourse Program;
- (iv) if you do not comply with this Agreement including all procedures in the Schedules; or
- (v) as specifically provided elsewhere in this Agreement.

We shall give you prior notice if we take action under this clause. Our right of Full Recourse remains even if we had notice of the above facts when we paid you.

B. How We Exercise Full Recourse.

We will recover the full amount of each Charge that is subject to Full Recourse by deducting, withholding, recouping from, or offsetting against our payments to you (or debiting your Account); notifying you of your obligation to pay us in which case you must pay within seven (7) days of any notification; or reversing a Charge for which we have not paid you. Our failure to demand payment does not waive our rights to Full Recourse.

C. Fraud Full Recourse Program.

We may put you or any of your Establishments onto a Fraud Full Recourse program for all Charges, charge you a fee or create a Reserve, if an Establishment experiences a disproportionately high number or amount of Disputed Charges or fraud relative to your prior history or industry standards or you are in the internet electronic delivery or automated fuel dispensers industry. We reserve the right to add additional business categories to this list from time to time. If you are on the Fraud Full Recourse program, we will have the right to Full Recourse for all Charges which are for any reason uncollectible due to fraud. We are not obliged to contact you first or give you the opportunity to provide a written response to any dispute for which we have exercised this right. We will have this right even if we had notice of such defect at the time of payment, you have received an Authorization and have complied with all other provisions of the Agreement.

6. SECURITY

A. Protective Actions.

You acknowledge that your entry into this Agreement provides a direct financial benefit to you and your Affiliates. Accordingly, we shall be entitled to take reasonable actions which we consider necessary if there is a risk that you will be unable or unwilling to perform your contractual obligations to us under this Agreement or any Other Agreement. In particular, we shall be entitled to:

- (a) change the speed or method of payment for Charges,
- (b) change your Merchant Fee or payment plan,
- (c) exercise Full Recourse,
- (d) suspend or stop any payments to you,
- (e) change the Floor Limit (if applicable),
- (f) introduce additional Authorization procedures,
- (g) charge you fees for Disputed Charges, or
- (h) create a Reserve.

B. Creating a Reserve.

If we believe that we need to create a Reserve, we may do so immediately by:

- (i) withholding amounts from payments we otherwise would make to you under this Agreement; or
- (ii) require you to deposit funds or other collateral with us. Such amounts or funds are called a Reserve. The amount of the Reserve may change from time to time, and we will only hold an amount that we consider to be reasonable and necessary to cover our financial exposure or risk to us or our Affiliates under this or any Other Agreement. Some of the events that may cause us to establish a Reserve include:
 - (a) your ceasing a substantial portion of, or adversely altering, your operations;
 - (b) your selling all or substantially all of your assets or any third party acquiring 25% or more of the equity interests issued by you;

- (c) your suffering a material adverse change in your business;
- (d) your becoming insolvent;
- (e) our receiving a disproportionate number or amount of Disputed Charges at your Establishments;
- (f) our reasonable belief that you will not be able to perform your obligations under this or any Other Agreement; or
- (g) you become subject to any protective action by any third party with whom you have entered into an arrangement for the acceptance or processing (or both) of Other Payment Products. You agree to notify us immediately upon the occurrence of any of the events described above.

- C. **Set-Off.**
We shall be entitled to deduct and withhold amounts held by us (including but not limited to payments for Charges, deposits, or the Reserve) or any other indebtedness and liability owed by us to you, and offset these amounts against any actual or contingent debts, obligations, debit balances or amounts owing by you or any of your Affiliates to us or any of our Affiliates under this or any Other Agreement. We may do so without prior notice to you.
- D. **Related Entities.**
If you are a corporation or a partnership, you further agree that we may deduct, withhold and offset any amounts your directors and/or partners owe to us or to any of our Affiliates from any amounts we or our Affiliates owe to you or to any of your Affiliates under this or any Other Agreement.
- E. **Providing Information.**
You must provide to us promptly, upon request, information about your finances, creditworthiness and operations, including your most recent certified financial statements.

7. NOTICES

- A. **Notifying us.**
Communications shall be in writing and sent by regular mail, e-mail or by facsimile transmission, to the addresses set out below. Notices sent to us will be processed in accordance with our policies and procedures which may require you to provide us with additional information or documentation to be effective.
- B. **Our Notice Address.**
Unless we notify you otherwise, you will send notices to us at:
American Express International, Inc.
Attention: Global Merchant Services
Address: American Express International, Inc., 18/F Cityplaza 4, 12 Taikoo Wan Road, Taikoo Shing, Hong Kong
- C. **Notices to you.**
You agree that we may notify you in person, in writing or electronically, depending on the nature of the matter being notified. You must notify us prior to any change in your notice address. For the purposes of this clause, "electronically" means an email communication to your nominated business email address, an email via our secure merchant website, statement message or by making particulars of the change(s) available via our website americanexpress.com.hk/merchant.

8. INDEMNIFICATION AND LIMITATION OF LIABILITY

- A. **Indemnity.**
You will indemnify and hold harmless us, any Third Party, and our Affiliates, licensees, successors and permitted assigns from and against all damages, liabilities, losses, costs, and expenses, including legal fees, arising or alleged to have arisen from or in connection with your breach or failure to perform under this Agreement. Your indemnity obligations to us, our Affiliates, successors and permitted assigns will also apply to failure in the provision of your goods or services, any act or omission done willfully, recklessly or negligently by you're your employees or agents, any promotion or marketing of any goods or services sold by you, or any violation by you, your employees, agents or contractors of this Agreement or any applicable laws or regulations. This indemnity shall remain in force after termination.
- B. **Limitation of Liability.**
We (including a Third Party), our Affiliates, successors or assigns will not be liable to you for any malfunction, unavailability or failure of, or delay in processing through, any point of sale terminal, direct payment service, direct connection or other devices or associated equipment operated by us or others which is beyond our reasonable control. Neither of us will be responsible or liable to the other for any incidental, indirect, speculative, consequential, special, punitive or exemplary damages of any kind (whether based in contract, tort, including negligence, strict liability, fraud, or otherwise, or statutes, regulations, or any other source of law) howsoever arising out of or in connection with this Agreement. Neither you nor we will be responsible to the other for damages arising from delays or problems caused by telecommunications carriers or the banking system. This does not affect our rights to Full Recourse or to create Reserves pursuant to this Agreement.

9. TERM AND TERMINATION

- A. **Effective Date / Termination Date.**
This Agreement begins as of the date:
(i) you first accept the Card after receipt of this Agreement or otherwise indicate your intention to be bound by this Agreement, or
(ii) we approve your Application, whichever occurs first. This Agreement shall continue unless and until terminated by either party by giving not less than thirty (30) days' written notice.
- B. **Termination for Breach.**
Either party may terminate for any material breach not remedied within thirty (30) days after written notice from the other party specifying such breach.
- C. **Other Events That May Cause Termination.**
We may terminate this Agreement immediately upon the occurrence of any of the following events:
(i) you default in your obligations under this or any Other Agreement
(ii) we have reason to believe that you are involved in fraudulent or illegal business transactions or activities;
(iii) you are wound up, dissolved, liquidated, made bankrupt, or any trustee in bankruptcy, receiver, monitor, liquidator or any other officer with similar powers is appointed in respect of you, or you make or agree to any filing or arrangement for the purposes of protection from creditors;
(iv) You default under any agreement with respect to any indebtedness or other obligation to any person other than us which results in the acceleration of such indebtedness or obligation or the right of such person to realize upon any of your property and / or
(v) any event or series of events occurs that in our opinion impairs your prospects of performing your obligations under this or any Other Agreement. You agree to notify us within 24 hours if any of the above events occur. Notices of termination shall be effective immediately upon receipt. If you continue to accept Charges after we notify you of termination, we will not pay you for those Charges.
- D. **Inactive Account.**
If you have not submitted a Charge within any period of twelve (12) consecutive months, we will deem this an offer by you to terminate this Agreement, which we may accept by blocking your access to our services under this Agreement. We reserve the right to notify your point of sale terminal provider of termination of this Agreement. An offer to terminate under this clause does not preclude you from exercising any other rights of termination you may have under this Agreement.
- E. **Post-Termination.**
If this Agreement terminates, we may create a Reserve in relation to all amounts owing to us and our Affiliates. You and your successors and permitted assigns will remain liable for any unpaid amounts immediately upon termination. You must also remove all displays of our Marks and any Third Party Marks, return our materials and equipment immediately, and submit to us any Charges and Credits incurred prior to termination.
- F. **Surviving Provisions.**
All obligations of a continuing nature will survive termination or expiry of this Agreement. Our direct debit and set off rights will also survive until such time as all credits and debits permitted by this Agreement, and relating to transactions prior to the effective date of termination, have been made.
- G. **Discontinuance of Accepting Third Party Products.**
Notwithstanding anything in this Agreement, we may require you to discontinue acceptance of any Third Party Product at your Establishment(s).

H. Withdrawal of Acceptance.

We may:

- (i) refuse to allow any Establishment to accept or continue to accept the Card or
- (ii) suspend any Establishment's Card acceptance privileges, without notice and in our sole discretion, on a reasonable business basis, including legal or compliance risk, or risk of credit or fraud loss.

10. CONFIDENTIALITY AND PRIVACY

A. Confidentiality.

You must keep confidential and not disclose to any third party the terms of this Agreement and any information that you receive from us that is not publicly available relating to your relationship with American Express or its Affiliates, and your acceptance of the Card, including your Merchant Fee. You must take all steps necessary to prevent the transfer or disclosure of Cardmember Information to any third party, and will not copy, reproduce or store in any form the names and addresses of Cardmembers for any reason. Any Cardmember Information is confidential and our sole property. Except as otherwise specified, you must not disclose Cardmember Information, nor use it other than to facilitate Card transactions in accordance with this Agreement. You are responsible for ensuring that Cardmember information remains secure in accordance with clause 11 Protecting Cardmember Information and our Data Security Operating Policy.

B. Your Information Privacy Obligations.

You must:

- (i) comply with the Privacy Law and any American Express privacy protocol we provide you with in respect of all Personal Information;
- (ii) promptly follow any reasonable direction we give you in relation to Personal Information;
- (iii) only use Personal Information for the purpose of this Agreement and not for any other purposes;
- (iv) ensure that only your authorized personnel have access to Personal Information and all relevant personnel are properly trained to meet the requirements of this Clause and the Privacy Law;
- (v) maintain complete and accurate records of your use, copying and disclosure of Personal Information and immediately produce these records and the records of the Personal Information on request to us or our authorized representative;
- (vi) provide reasonable assistance to us to enable us to resolve any inquiry or complaint relating to Personal Information; and
- (vii) immediately notify us if
 - (a) you know of or suspect unauthorized use, copying or disclosure of Personal Information;
 - (b) any law prevents or may prevent you from complying with this clause.

C. Consent to Collect, Use and Disclose Information About You.

You agree that American Express will collect information about you, which may be used or disclosed as follows:

- (i) to our Affiliates, to other organizations which issue the Card or operate the Card service and to persons who have signed an agreement for the acceptance of the Card, and to any third party service provider providing services to American Express in the ordinary course of our business, in order to administer and service your account, process and collect Charges at your Establishment and manage any benefits or programs in which you may be enrolled;
- (ii) to the extent permitted by law, to agents or sub-contractors of American Express or to any other person for the purpose of fraud prevention in connection with card products;
- (iii) to the extent permitted by law, credit reference agencies which information may be shared or exchanged in assessing your applications for financial/credit facilities or for preventing fraud or tracing debtors;
- (iv) to the extent permitted by law, to credit reporting agencies, credit bureaus or any other person, corporation, firm or enterprise with whom you have or propose to have a financial relationship to carry out further credit checks (including contacting your financial institution);
- (v) to collection agencies and lawyers for the purposes of collecting debts due to American Express;
- (vi) as permitted by or to comply with legal or regulatory requirements;
- (vii) to analyze information about you and Charges at your Establishment to assist us in managing your account and authorizing Charges, and to prevent fraud;
- (viii) monitor and/or record your telephone calls to us, either ourselves or by selected organizations, to ensure consistent servicing levels and account operation; and
- (ix) use other third party databases or references provided by you to obtain or verify information about your financial circumstances, your background or to identify you. All of the above may be undertaken within and outside Hong Kong in respect of any of your locations. This includes processing your information in the USA. We will keep information about you only for so long as is appropriate for the above purpose or as is allowed by law.

D. Use of Your Information for Marketing Purposes.

If you provide us with consent we may use your name, office telephone (land-line or mobile) & fax number, mailing address and email address ("Contact Details") for direct marketing to you of products, services and marketing, including promotional incentives and offers that are related to your American Express merchant account. American Express may also, from time to time, engage third parties to provide marketing services on our behalf, and may share your Contact Details with them for such purposes. AMEX may not use or provide your Merchant data as described without your consent & will remove your name from any such list if you ask us to.

E. Collection and Disclosure to Government Agencies.

You acknowledge and agree that American Express' ultimate parent company is headquartered in the United States of America and, as such American Express is subject to the laws of that jurisdiction. You consent and agree to and shall provide to us all information and/or sign all necessary documents (including properly executed and valid, applicable U.S. Internal Revenue Service forms) that we require to allow us or our Affiliates to collect, use, and disclose information to comply, and maintain compliance, with all applicable laws of the United States of America and any other jurisdictions that are applicable to them, including, without limitation, U.S. tax laws.

F. Privacy Queries.

You may download a copy of the American Express Privacy Policy Statement, from our Merchant Services website americanexpress.com.hk/merchant. To request access to information about you held by us please write to: American Express International, Inc., The Data Protection Officer, 18/F Cityplaza 4, 12 Taikoo Wan Road, Taikoo Shing, Hong Kong. If you request, we will tell you what information we hold about you as required by law. If you believe that any information is incorrect or incomplete, you should write to us and we will correct it.

11. PROTECTING CARDMEMBER INFORMATION

A. Data Security.

You must comply with our Data Security Operating Policy, a copy of which is available at www.americanexpress.com/datasecurity and which we may amend from time to time. Under that policy you have additional (a) indemnity obligations if you suffer a data incident and (b) obligations based on your Card transaction volume, including providing to us documentation validating your compliance with the Payment Card Industry Data Security Standard performed by Qualified Security Assessors or Approved Scanning Vendors (or both, as defined in that policy). Your data security procedures for the Card shall be no less protective than for Other Payment Products you accept.

B. Data Sharing.

The information that you collect to facilitate the Charge must be provided directly to you by the Cardmember and not from a third party. You must not share any Cardmember Information obtained either from the Cardmember at the point of sale or during Authorization or submission with any third parties other than your Covered Parties, without the express consent of the Cardmember. At the point of sale, you must clearly and conspicuously inform the Cardmember which entity is making the offer of goods or services, so that the Cardmember can clearly distinguish you from any other party involved in the sale.

12. INTELLECTUAL PROPERTY

A. Proprietary Rights.

Neither party has any rights in the other party's Marks, nor may one party use the other party's Marks without its prior written consent, except that we or a Third Party, if applicable, may use your name, address, (including your website addresses or URLs), and customer service telephone numbers in any media, including any promotional or other materials that we or such Third Party may issue. Additionally, you may not issue any press release or make any public announcement related to us, our Affiliates or this Agreement without our prior written consent. All Cardmember Information is confidential and our sole property or the sole property of our Affiliates' third party licensees.

B. Permitted Uses of Amex Proprietary Information.

Except as otherwise specified, you must not disclose Cardmember Information, nor use it other than to facilitate Card transactions in accordance with this Agreement. Where you mention the Card as a payment method, you must use the Marks, and as applicable, Third Parties' Marks that we have approved for your use. Once you have obtained our initial written approval to do so, you may refer to the Card as a payment method accepted by you in your advertising or other promotional materials without our case by case approval, so long as the reference is strictly limited to a listing of the Card as a payment method. You may use our Marks for such listing references so long as you have obtained and complied with our instructions regarding the proper use of our Marks. We reserve and will have the right in our discretion to refuse such listing references by you or to require you to obtain case by case written approval for them.

C. Permitted Uses of Your Proprietary Information.

We may refer to you and list details of each of your Establishments in guides, directories, or other lists of merchants warmly accepting the Card, or have our Affiliates or selected third parties do so on our behalf. You also agree that we may use your Marks for this purpose, so long as we have obtained and complied with your instructions regarding the proper use of your Marks.

13. REPRESENTATIONS AND WARRANTIES.

You represent and warrant to us that:

- (i) you are duly qualified and licensed to do business in all jurisdictions in which you conduct business;
- (ii) you have full authority and all necessary assets and liquidity to perform your obligations and pay your debts hereunder as they become due;
- (iii) there is no circumstance threatened or pending that might have a material adverse effect on your business or your ability to perform your obligations or pay your debts hereunder;
- (iv) you are authorized to enter into this Agreement on behalf of your Establishments and Affiliates, including those indicated in this Agreement, and the individual who signs this Agreement or otherwise enters into it has authority to bind you and them to it;
- (v) you have not assigned to any third party any payments due to you under this Agreement;
- (vi) all indebtedness arising from all Charges submitted by you is genuine and free from liens, claims or encumbrances;
- (vii) all information that you provided in connection with this Agreement is true, accurate, and complete; and
- (viii) you have read this Agreement and kept a copy for your file. You must notify us of any change in circumstances described above. We reserve the right to terminate this Agreement for breach, if any of your representations or warranties becomes untrue, inaccurate or incomplete at any time, even if you have notified us.

14. DISPUTE RESOLUTION

A. Claims.

All Claims arising in connection with this Agreement, upon your or our election, shall be referred to and finally resolved by arbitration under the Administered Arbitration Rules of the Hong Kong International Arbitration Center, which Rules are deemed to be incorporated by reference into this clause. Claim means any claim (including initial claims, counterclaims, cross-claims, and third party claims), dispute, or controversy between you and us arising from or relating to this Agreement, including any question regarding its existence, validity or termination, or the relationship resulting from this Agreement, whether based in contract, tort (including negligence, strict liability and fraud), statutes, regulations or other body of law.

B. Arbitration Procedure. It is agreed that:

- (i) the tribunal shall consist of one arbitrator;
- (ii) the place of the arbitration shall be Hong Kong; and
- (iii) the language of the arbitration shall be in English. The arbitrator will have the power and authority to grant equitable relief (e.g., injunction, specific performance) and, cumulative with all other remedies, will grant specific performance whenever possible. The arbitrator will have no power or authority to alter this Agreement or any of its separate provisions, including this clause, nor to determine any matter or make any award except as provided in this clause.

C. Small Claims.

We will not elect to use arbitration under this clause for any individual Claim that you properly file in accordance with the special procedure for handling smaller claims in a local or county court, so long as the Claim is pending only in that court. Injunctive relief sought to enforce the confidentiality provisions of this Agreement will not be subject to the requirements of this clause.

D. Complaints.

If you have any complaints or problems in connection with this Agreement, please contact us in writing American Express International, Inc., Global Merchant Services, 18/F Cityplaza 4, 12 Taikoo Wan Road, Taikoo Shing, Hong Kong or by telephoning us at (+852) 2277 2277.

15. TAX

Taxes.

Unless specifically stated, all amounts payable under this Agreement are exclusive of taxes, which if applicable, should be added to the amount payable, whether monetary or non-monetary consideration is provided. The following provisions shall apply in relation to Taxes:

- (a) Taxes that are payable under this clause are due at the same time as any amount payable under the agreement is due.
- (b) If any payment under this Agreement is a reimbursement or indemnification by one party of an expense, loss or liability incurred or to be incurred by the other party, the amount of any input tax credit the other party is entitled to claim is deducted from that payment;
- (c) Where amounts payable under this Agreement are in respect of a taxable supply, the parties will agree to issue a tax invoice in respect of the supply. Each Party shall otherwise be responsible for its own taxes arising in connection with this Agreement.

16. MISCELLANEOUS

A. Governing Law; Jurisdiction.

This Agreement will be governed and construed in accordance with the laws of Hong Kong. The parties submit to the jurisdiction of the courts of Hong Kong in relation to any dispute arising out of this Agreement.

B. Interpretation.

In construing this Agreement, unless the context requires otherwise:

- (i) the singular includes the plural and vice versa;
- (ii) the term "or" is not exclusive;
- (iii) the term "including" means "including, but not limited to;"
- (iv) the term "day" means "calendar day;"
- (v) any reference to any agreement (including this Agreement), instrument, contract, policy, procedure, or other document refers to it as amended, supplemented, modified, suspended, replaced, restated, or novated from time to time;
- (vi) all captions, headings, and similar terms are for reference only;
- (vii) the term "may" (unless followed by "not") shall mean "has the right, but not the obligation, to"; and
- (viii) unless otherwise noted, all amounts are in Local Currency.

C. Assignment.

You must not assign, novate, subcontract or transfer any of your rights or obligations under this Agreement, in whole or in part, without our prior written consent. We may assign, novate or subcontract any or all of our rights or obligations under this Agreement to any of our Affiliates or a Third Party. Except as otherwise specified herein, this Agreement binds the parties and their respective successors and permitted assigns.

D. Waiver.

Any failure to exercise any right, power or remedy under this Agreement or delay in enforcing any right, power or remedy shall not be deemed a waiver thereof. A waiver of our rights on any occasion will not constitute a waiver of such rights on any other occasion. No waiver of any term of this Agreement will be effective unless it is in writing and signed by us.

E. Severability.

If any provision of this Agreement is held to be invalid, the remainder of this Agreement shall continue in full force and effect and shall be binding and effective on the parties hereto.

F. Amendments.

We may amend this Agreement at any time on at least ten (10) days' prior notice to you. In the event of an immediate regulatory or security need to amend this Agreement, we will give you notice in advance of the change, or as soon as possible afterward. Your continued acceptance of the American Express Card constitutes your acceptance of the amended terms and conditions.

G. Force Majeure.

Neither party will be liable for any failure or delay in performance resulting from circumstances beyond their reasonable control including, without limitation, acts of God or nature; government intervention; power, communications, satellite or network failures; unauthorized access or theft; acts of terror; or labor disputes or strikes.

H. No Third Party Beneficiaries.

Unless otherwise provided for herein, this Agreement does not and is not intended to confer any rights or benefits on any person that is not a party to this Agreement.

I. Entire Agreement.

This Agreement is the entire agreement between us and supersedes any prior agreements, representations or understandings with respect to the subject matter hereof.

J. Compliance with Laws.

You agree to comply with all laws, regulations and standards that are applicable to you and your Affiliates.

SCHEDULE A - DEFINITIONS

Account means your designated bank account at a financial institution in Hong Kong.

Affiliate means any legal entity or organization that controls, is controlled by, or is under common direction, management or control with the relevant party, including its subsidiaries.

Agreement means this document, your Application, and our Operating Policies and Procedures (which we may amend or supplement from time to time).

American Express (also we, us, our) means American Express International, Inc., its related companies and licensees that issue the Card or participate in the Card Service.

Application means the Merchant Card Acceptance form you have completed, signed and submitted to participate in the American Express Card service.

Authorization means the process for obtaining approval for a Charge, as described in this Agreement.

Card and American Express Card mean any card, account access device, Mobile Device or payment device bearing our or our Affiliates' Marks. Card also includes any card or other account access device issued by a Third Party.

Cardmember means the person or entity whose name appears on the Card (or the holder of a Prepaid Card whose name may or may not be printed on the Card).

Cardmember Information means any information about Cardmembers and Card transactions, including the names, addresses, account numbers, and card identification numbers.

Card Data includes the following elements: Cardmember name, Card number or token, expiration date, Charge date, the amount of the Charge, the six-digit approval code, description of goods and services, your name, your address, your merchant number and if applicable the Establishment number, Cardmember signature (if obtained), and all other information as required from time to time by us or applicable law.

Charge means a payment or purchase made on the Card.

Card Present Charge means a Charge for which the Card is presented at the point of purchase, including In Person Charges and Charges made at CATs. In-Person Charge means a Card Present Charge excluding Charges made at CATs (e.g., a Charge taken at a merchant attended retail location where the Card is swiped, read using contactless technology, or manually key-entered).

Card Not Present Charge means a Charge for which the Card is not presented at the point of purchase (e.g., Charges by mail, telephone, fax or the Internet).

Chip Card means a Card that contains an integrated chip and could require a PIN as a means of verifying the Cardmember and/or the information contained in the chip.

Chip and PIN Charge means a Chip Card Charge authenticated by a PIN.

Consumer Device Cardmember Verification Method (CDCVM) means an American Express approved and recognized Cardmember verification method whereby the Cardmember's credentials are verified on a Mobile Device.

Contactless Technology means any technology which allows the transfer of Charge Data from a Mobile Device or Chip Card to a point of sale terminal on a contactless basis in respect of an In Person Charge.

Covered Parties has the meaning given in our Data Security Operating Policy.

Expresspay is a program within American Express for facilitating Contactless Transactions between a Chip Card or Mobile Device containing an Expresspay Application and an Expresspay-enabled POS Device.

Credit means the amount of the Charge that you refund to Cardmembers for purchases or payments made on the Card.

Digital Wallet Application-initiated Transaction means a Transaction initiated by a digital wallet utilizing a merchant application within the Mobile Device, and not via the contactless interface.

Digital Wallet Contactless-initiated Transaction means a Contactless Transaction initiated by a digital wallet within a Mobile Device via the contactless interface at an Expresspay-enabled POS Device

Disputed Charge means a Charge about which a claim, complaint, or question has been brought.

Establishments means any or all of your Affiliates' locations, outlets, websites, online networks, and all other methods for selling goods and services, including methods that you adopt in the future, that we have approved.

Establishment Number (sometimes called the "merchant" or "SE" number in our materials) is the unique number we assign to your Establishment; if you have more than one Establishment, we will assign to each a separate Establishment Number.

Floor Limit means a Charge amount above which you must obtain an Authorization.

Fraud Full Recourse Program is a program that allows us to exercise Full Recourse without first sending an inquiry any time a Cardmember disputes a Charge for any reason based on actual or alleged fraud.

Full Recourse when used as a verb, means

(i) our reimbursement from you for the amount of a Charge subject to such right, or

(ii) our reversal of a Charge for which we have not paid you; when used as a noun, means the amount of a Charge subject to reimbursement from you or reversal.

Local Currency means Hong Kong dollars.

Marks mean names, logos, service marks, trademarks, trade names, taglines, or other proprietary designations.

Merchant Fee is an amount we charge you for accepting the Card as set out in your Application or elsewhere in this Agreement.

Merchant Account means an account established with us upon entering into this Agreement.

Mobile Device means an American Express approved and recognized electronic device (including but not limited to, a mobile telephone, tablet, or wearable device) that is enabled to initiate a Contactless Transaction at an Expresspay-enabled POS device and/or a Digital Wallet Application-initiated Transaction.

Operating Policies and Procedures means our operating policies, procedures and regulations for Card acceptance as notified to you and/or amended from time to time. Other Agreement means any agreement (other than this Agreement) between you or any of your Affiliates and us or any of our Affiliates, or you and the Cardmember. Other Payment Products means any charge, credit, debit, stored value or smart cards, account access devices, or other payment cards, services, or products other than the Card.

Personal Information means information about an individual which is collected or held by you in the course of performing this Agreement. This includes but is not limited to information about American Express Cardmembers.

PIN means personal identification number.

Prepaid Card means a Card marked “prepaid” or bearing such other identifier that we notify to you.

Privacy Law means the Personal Data (Privacy) Ordinance and any legal or regulatory requirement in Hong Kong or elsewhere which relates to privacy or the protection of Personal Information and which American Express or you must observe.

Processing Agent means a third party retained by you that we have approved to obtain Authorization and submit Charges and Credits on your behalf.

ROC means a Record of Charge.

Specifications means the set of mandatory, conditional, and optional requirements related to connectivity to the American Express network and electronic transaction processing, available at www.americanexpress.com/merchantspecs or upon request from your American Express representative.

Taxes are defined to include but are not limited to Goods and Services Tax (GST) / Value Added Tax (VAT) / Consumption Tax (CT) and all other taxes and duties levied or assessed in connection with a supply made under this Agreement.

Third Party means any other third party card issuer whose card (Third Party Product) you agree to accept under this Agreement.

Transaction means a Charge or Credit completed by the means of a Card.

You and your mean the legal entity or person accepting the Card under this Agreement, and its Affiliates conducting business in the same industry. Other defined terms appear in italics in the body of this Agreement.

SCHEDULE B - OPERATIONAL AND OTHER PROCEDURES

1. CHARGE RECORDS

A. Format.

For every Charge, you must create record of Charge (ROC) at the time of purchase that complies with the Specifications or in a form approved by us. You may create multiple ROCs for a single purchase placed on different Cards, but you must not create multiple ROCs for a single purchase to the same Card, by dividing the purchase into more than one Charge, unless the purchase qualifies for a Delayed Delivery Charge, as described in Clause 2.j. below. You must truncate Card account number or token and do not print the Card's expiration date on the ROC given to Cardmembers. Truncated Card Number digits or token must be masked with replacement characters such as “x,” “*,” or “#,” and not blank spaces or numbers.

B. Retaining Documents.

You must retain the original ROC or Credit Record (as applicable) and all documents evidencing the transaction, or reproducible records thereof, for 12 months from the date you submitted the corresponding Charge or Credit to us or the date you fully delivered the goods or services to the Cardmember. If we send you a request, you must provide a copy of the ROC or Credit Record and other supporting documents to us within the timeframe notified by us.

C. CPC Charges.

For Corporate Purchasing Card (CPC) Charges, you may be required to capture additional Card Data on the ROC, and Transmission Data on the Transmissions, according to our Specifications, including (as applicable):

- (i) the purchase price of the goods with the actual amount of Taxes charged shown separately, where Taxes are applicable;
- (ii) description or detail of the goods supplied;
- (iii) Corporate Purchasing Cardmember reference information (e.g. purchase order number);
- (iv) the CPC Client Account information; and
- (v) any other information we specify from time to time. You must obtain Authorization for and submit each CPC Charge to us electronically according to our Specifications. We may modify the preceding requirements from time to time. You must process CPC Charges under your CPC merchant number.

2. ACCEPTING THE CARD

A. In Person Charges – General.

For In Person Charges, the Card must be presented and you must:

- (i) verify that the Card is not visibly altered or mutilated;
- (ii) ensure that the Card is being used within any valid dates shown on its face;
- (iii) ensure there is a 4 digit number CID Number on the face of the Card;
- (iv) if you choose to obtain a Cardmember signature, see section C1 below (Obtaining Signature for In-Person Charges). When you create a ROC you must verify:
 - (1) that the Cardmember's name on the ROC matches the name on the Card; and
 - (2) that the Card account number and expiration date printed on the ROC matches the expiration date and account number on the Card.

B. In Person Charges – Chip Cards.

Generally, Chip Cards must first be inserted in the reader of the terminal. The terminal will provide instructions for you:

- (1) in the case of a Chip and PIN Charge, to instruct the Cardmember to enter the PIN into the pinpad of the point of sale terminal, or
- (2) if you choose to obtain a Cardmember signature, see section C1 below (Obtaining Signature for In-Person Charges). If you are unable to complete a Chip and PIN transaction due to a technical issue, the terminal will show an error message and you must follow the procedure to capture the full magnetic stripe data. If you are presented with a Chip Card and manually key-enter the Transaction, we will have Full Recourse for fraud. If the terminals of your Establishments in Hong Kong have not been upgraded to accept Chip Cards or we have not certified them and your Processing Agent for the ability to capture and send Chip Card Data, we will have Full Recourse for fraudulent In Person Charges made with Chip Cards, if the upgrading and certification of your terminals would have prevented the fraud.

C. In Person Charges – non-Chip Cards.

For Card Present Charges where the Card is not a Chip Card, the terminal will provide instructions for you: (1) swipe the Card through the terminal, (2) if you choose to obtain a Cardmember signature, see section C1 below “Obtaining Signature for In-Person Charges”. If the magnetic stripe is unreadable, the Charge request may be keyed into the terminal manually and an imprint of the Card obtained to verify that the Card was present. A pencil rubbing or photocopy of the Card is not considered to be a valid imprint.

C1. Obtaining Signature for In-Person Charges

If you choose to obtain a Cardmember signature on a manual imprint, printed or electronic Card Present Charge, you must (1) obtain the Cardmember's signature and verify that the signature is identical to the name on the Card* and (2) compare the signature (when obtained) on the ROC with the signature on the Card. You must still obtain Cardmember signature in respect of transactions which are made pursuant to an American Express instalment payment plan or as communicated to you from time to time that you need to do so.

*Except when the Cardmember's name is not captured on the ROC or for Prepaid Cards that do not show a name on their face.

D. Card Not Present Charges – General.

For Card Not Present Charges, you must:

- (i) create a ROC as described above, except with a designation of “Mail Order,” “Telephone Order,” “Internet Order,” or “Signature on File,” as applicable, on the signature line or the appropriate electronic descriptor on the ROC;
- (ii) ask the Cardmember for his or her name as it appears on the Card, the Card account number and expiration date, the Cardmember’s billing address, and the ship-to address; and
- (iii) obtain Authorization as described below. If you wish to accept orders for goods or services where the card is not physically presented to you, then you do so at your own risk and we have the right to Full Recourse for all Card Not Present Charges. For Card Not Present Charges where goods are to be collected from a designated store, you must establish a process to ensure that the goods are collected by the Cardmember who placed the order, or by an authorized third party designated by the Cardmember at the time of placing the order. We will not exercise Full Recourse for such Charges based solely upon a Cardmember claim that he or she did not receive the disputed goods if you have obtained proof that the goods or services were received in their entirety by the Cardmember or the Cardmember’s agent verifying the delivery of the goods to such address. For actual or alleged fraud, you must provide proof that the Cardmember signed a carrier delivery receipt for goods. This excludes Transactions that qualify for the AESK Program.

E. Card Not Present Charges – Internet.

We will accept Charges for Internet Orders subject to the requirements of Paragraph d. above and the following additional requirements. You must:

- (i) not send Card Data concerning any Internet Order via the Internet or any other electronic mail medium to anyone other than the Cardmember who made the Internet Order, your Processing Agent, or us;
- (ii) submit all Charges for Internet Orders electronically;
- (iii) use separate Establishment Numbers that we provide you for Internet Orders in all your requests for Authorization and submissions of Charges for Internet Orders;
- (iv) ensure that your website informs the Cardmember if the transaction is declined for Authorization,
- (v) provide us with at least one month’s prior written notice of any change in your Internet address; and
- (vi) comply with any additional requirements, including our encryption software requirements and security guidelines that we inform you of from time to time.
- (vii) For a Digital Wallet Application-initiated Transaction, you must create a Charge Record as described in paragraph 1.a above, including an indicator that the transaction is a Digital Wallet Application-initiated transaction.

We will have the right to Full Recourse for Charges transacted over the Internet, even if you have received an Authorization approval code and have complied with all other provisions of this Agreement. Additionally, if a Disputed Charge arises involving a Card Not Present Charge that is an Internet Electronic Delivery Transaction, we will have Fraud Full Recourse for the Charge. We reserve the right not to accept Internet Orders immediately if any event or series of events occurs which in our opinion may affect your ability to comply with your obligations under this Agreement or to any Cardmember. An Internet Order occurs when Card payment information is taken via the worldwide web, online (usually via a website payment page), email, intranet, extranet, EDI or other similar network in payment for goods or services. An Internet Electronic Delivery Transaction occurs when goods or services are ordered online and electronically delivered online (e.g. images or software downloads).

F. Card Present Charges – Customer Activated Terminals (CATs).

We will accept Charges for purchases at your unattended CATs or payment kiosks subject to the requirements of Paragraph 2.e. above and the following additional requirements. You must:

- (i) include in all requests for Authorization the full magnetic stripe or Chip data stream;
- (ii) comply with the Specifications, including flagging all requests for Authorization and all Submissions with a CAT indicator; and
- (iii) follow any additional Authorization procedures that we provide to you if you accept the Card at a CAT that is part of, or attached to, a fuel dispenser. CAT transactions are subject to Full Recourse for fraud, even if you obtained Authorization for the Charge and complied with all other terms and conditions, except if the Charge was successfully processed as a Chip and PIN Charge.

G. Recurring Billing Charges.

If you offer Cardmembers the option to make recurring Charges automatically (Recurring Billing Charges), you must clearly and conspicuously disclose all material terms of the offer including details of your cancellation/refund policy, and obtain the Cardmember’s written consent to such terms. Before submitting the first Recurring Billing Charge you must obtain a continuous authority form which includes: the Cardmember’s name, the Card number or token, the Cardmember’s signature (if applicable), Card expiry date, the Cardmember’s billing address, frequency of the Recurring Billing Charges, and a statement confirming

- (i) the Cardmember’s consent for you to charge their Card; and
- (ii) that the Cardmember can withdraw such consent at any time. The method you use to secure consent must contain a disclosure that you may receive updated Card account information from the Issuer. You must retain the continuous authority form for 2 years from the date you submit the last Recurring Billing Charge. Before submitting each Recurring Billing Charge, you must obtain Authorization and complete a ROC except with the words “Signature on File,” if applicable, and the appropriate electronic descriptor on the ROC. If this Agreement terminates for any reason, then you must notify all Cardmembers for whom you have submitted Recurring Billing Charges that you no longer accept the Card. In the event that a Card account is canceled or a replacement card is issued in respect of a Card account, we need not notify you of such cancellation or replacement, nor will we have any liability to you arising from such cancellation. If a Card account is canceled, or if a Cardmember withdraws consent to Recurring Billing Charges, you are responsible for arranging another form of payment (as applicable) with the Cardmember.

H. Contactless.

When presented with a Chip Card to be read via contactless technology and the Charge is in the amount of HK\$1,000 or less, you must

- (i) capture Chip Card Data using the contactless reader, and
- (ii) obtain an Authorization. If you are unable to complete a contactless transaction, you must follow the instructions on the terminal which may include inserting the Chip card, in which case you must follow the procedures for In Person Charges – Chip Cards. For Charges greater than HK\$1,000, a PIN or signature (if obtained) must be provided. For the purposes of clause 2.h. above, Qualified Establishment is an Establishment that we classify in an industry that accepts In Person Charges, with the exception of the following:
 - (i) Establishments who do not conduct In Person Charges (i.e. Internet, mail order, telephone order),
 - (ii) Establishments that we consider to be high risk;
 - (iii) Establishments placed in the Fraud Full Recourse program and
 - (iv) Establishments that we deem in our sole discretion to be ineligible for any other reason;
- (iii) For Digital Wallet Contactless-initiated Transactions, if applicable, have the Cardmember complete a Consumer Device Cardholder Verification Method (CDCVM); a signature is optional.

I. Delayed Delivery Charges.

A “Delayed Delivery Charge” is a single purchase for which you must create and submit two separate ROCs. The first ROC is for the deposit or down payment and the second ROC is for the balance of the purchase. If you offer Cardmembers the option to make Delayed Delivery Charges, you must:

- (i) clearly disclose your intent, and obtain written consent from the Cardmember to perform a Delayed Delivery Charge before you request an Authorization;
- (ii) obtain a separate Authorization approval for each of the two Delayed Delivery Charges on their respective Charge dates;
- (iii) clearly indicate on each Delayed Delivery ROC that the Charge is either for the “deposit” or for the “balance” of the Delayed Delivery Charge;
- (iv) submit the final Delayed Delivery ROC representing the balance only after the goods have been shipped, provided or services rendered;
- (v) submit each Delayed Delivery ROC within seven days of the Charge being incurred, which for purposes of a Delayed Delivery Charge means:
 - (1) for the deposit, on the date the Cardmember agreed to pay the deposit for the purchase and;
 - (2) for the balance, on the date the goods are shipped, provided or services are rendered; and
- (vi) submit and authorize each Delayed Delivery Charge under the same Establishment Number; and
- (vii) treat deposits on the Card no differently than you treat deposits on all Other Payment Products.

J. Advance Payment Charges.

An Advance Payment Charge is a Charge for which full payment is made in advance of your providing the goods and/or rendering the services to the Cardmember. Advance Payment Charge procedures are available for custom-orders (e.g., orders for goods to be manufactured to a customer’s specifications), entertainment / ticketing

(e.g., sporting events, concerts, season tickets), tuition, room and board, and other mandatory fees (e.g. library fees) of higher educational institutions, airline tickets, vehicle rentals, rail tickets, cruise line tickets, lodging, travel-related services (e.g., tours, guided expeditions). For an Advance Payment Charge, you must

- (i) state your full cancellation and refund policies,
- (ii) clearly disclose your intent and obtain written consent from the Cardmember to bill the Card or an Advance Payment Charge before you request an Authorization, which consent must include:
 - (a) the Cardmember's agreement to all the terms of the sale (including price and any cancellation and refund policies), and
 - (b) a detailed description and the expected delivery date of the goods and/or services to be provided (including, if applicable, expected arrival and departure dates);
- (iii) obtain an Authorization Approval;
- (iv) complete a Charge Record. If the Advance Payment Charge is a Card Not Present Charge, you must also ensure that the Charge Record contains the words "Advance Payment" and within twenty-four (24) hours of the Charge being incurred, provide the Cardmember written confirmation (e.g., email or facsimile) of the Advance Payment Charge, the amount, the confirmation number (if applicable), a detailed description and expected delivery date of the goods and/or services to be provided (including expected arrival and departure dates, if applicable) and details of your cancellation/refund policy. If you cannot deliver goods and/or services (e.g., because custom-ordered merchandise cannot be fulfilled), and if alternate arrangements cannot be made, you must immediately issue a Credit for the full amount of the Advance Payment Charge which cannot be fulfilled. In addition to our other Chargeback rights, we may Chargeback for any Disputed Advance Payment Charge or portion thereof if, in our sole discretion, the dispute cannot be resolved in your favor based upon unambiguous terms contained in the terms of sale to which you obtained the Cardmember's written consent.

K. Aggregated Charges.

An "Aggregated Charge" is a Charge that combines multiple, small purchases (and/or refunds) incurred on a Card into a single Charge before submitting the Charge for payment. If we classify you in an internet industry, you may process Aggregated Charges provided the following criteria are met. You must:

- (i) clearly disclose your intent and obtain written consent from the Cardmember to combine and aggregate their purchases (and/or refunds) on the Card with other purchases (and/or refunds) before you request an Authorization;
- (ii) ensure each individual purchase (and/or refund) that comprises the Aggregated Charge is incurred under the same Establishment Number and on the same Card;
- (iii) obtain Authorization of no more than US\$15 (or Local Currency equivalent);
- (iv) create a ROC, as set forth under "Card Not Present Charge-General" above, for the full Aggregated Charge amount;
- (v) ensure the Aggregated Charge does not exceed US\$15 (or Local Currency equivalent) or the amount for which you obtained pre-Authorization;
- (vi) submit each ROC within seven (7) days of the Charge being incurred which for the purpose of an Aggregated Charge is the date of the first purchase (and/or refund) that comprises the Aggregated Charge; and
- (vii) provide the Cardmember with an email containing:
 - (1) the date, amount, and description of each individual purchase (and/or refund) and
 - (2) the date and the amount of the Aggregated Charge.

L. No Show Charges

- (i) If we classify you in one of the following industries, you may process no-show Charges provided that the criteria set out in this paragraph are met:
 - (1) Lodging;
 - (2) Trailer park/campground; or
 - (3) Vehicle, aircraft, bicycle, boat, equipment, motor home or motorcycle rentals.
- (ii) The amount of any no-show Charge must not exceed:
 - (1) The cost of the stay in the case of lodging reservation ; or
 - (2) The equivalent of one (1) day's rental in the case of other reservations.
- (iii) If the Cardmember made a reservation with you and failed to show, you may process a no-show Charge if:
 - (1) The Cardmember has guaranteed the reservation with their Card;
 - (2) You have recorded the Card number, its expiry date and the Cardmember's billing address;
 - (3) At the time of accepting the reservation, you provided the Cardmember with the applicable daily rate and a reservation number;
 - (4) You held the accommodation/vehicle for the Cardmember until the published check-out/return time the day following the first day of the reservation and you did not make the accommodation/vehicle available to any other customers; and
 - (5) You have a documented "No Show" policy which reflects common practice in your industry and is in accordance with the prevailing law, which policy has been advised to the Cardmember at the time they made the reservation/
- (iii) You must obtain an Authorisation for any no-show Charges prior to submitting them. If the Cardmember does not honour their reservation, you must include in the Charge Record an indicator that the Charge is a "No Show Charge".
- (v) Prepaid Cards may not be used to guarantee reservations.

3. AUTHORIZATION

A. Approval Code Number.

For every Charge, Establishments must obtain from and submit to us an Authorization Approval code number except for Charges under any applicable Floor Limit for Card Present Charges. In the case of Prepaid Cards, Authorization is required only for the amount of available funds used on the Prepaid Card and Establishments may follow their policies on combining payment on Prepaid Cards with any Other Payment Products or methods of payment. If the other payment method is a Card, then this Agreement applies. An Authorization must be obtained for the full amount of each Charge, except as otherwise provided in Schedule C. We will have Full Recourse for any Charge for which Authorization is not properly obtained, or for which Authorization was refused, or no Approval code number was given or properly recorded. Authorization does not guarantee that we will accept the Charge without exercising Full Recourse right for any reason, nor is it a guarantee that the person making the Charge is the Cardmember or that you will be paid. You must not seek Authorization on behalf of a third party.

B. Authorization Validity.

If you submit a Charge to us more than seven (7) days from the original Authorization date, you must obtain a new Authorization approval code number, except as otherwise provided in Schedule C. For Charges of goods or services that are shipped or provided more than seven (7) days after an order is placed, you must obtain Authorization for the Charge at the time the order is placed and again at the time you ship or provide the goods or services to the Cardmember.

C. Transaction Data.

If you process Card Present Charges electronically, you must submit with your Authorization request transaction data that is in compliance with the Specifications we provide you from time to time. If you are unable to submit the required transaction data, for example if the magnetic stripe on the Card is unreadable, you must key-enter the transaction information to obtain an Authorization, you must take a manual imprint of the Card to validate Card presence. If you do not take a manual imprint for any keyed transaction, we will have the right to Full Recourse for such Charge.

D. Telephone Authorization.

If your point of sale equipment or system is unable to reach our computer Authorization system for Authorization, or you do not have such equipment or systems, you must obtain Authorization for all Charges by calling us at our Authorization telephone number.

E. No Electronic Authorization Terminal.

If you do not have an electronic Authorization terminal, we may assign you a Floor Limit. In the event that any one Charge or series of Charges made on the same day by any one Cardmember at your Establishment is equal to or greater than the Floor Limit established by us, you must, before accepting the Charge, request Authorization by calling us at our Authorization telephone number. We reserve the right to change your Floor Limit at any time, and will give you notice of the change and the effective date.

4. SUBMITTING CHARGES AND CREDITS

A. Electronic Transmissions.

If you have an electronic terminal, you must submit Charges and Credits (Charge Data) electronically. Transmissions must comply with the Specifications. We may not accept any non-compliant Transmissions. You are required to make any changes to Transmissions within 30 days' written notice from us. Even if you transmit Charge Data and Transmission Data (as defined in the Specifications) electronically, you must still complete and retain ROCs and Credit Records. If you upgrade your system for Chip Card acceptance for Other Payment Products, you agree to comply with Specifications that we provide to you to enable Chip Card acceptance.

B. Paper Submissions.

You may request to submit Charges and Credits on paper, which must be done in accordance with our Specifications. For Charges submitted on paper, the ROC must contain the following information:

- (i) full Card account number or token and expiration date;
- (ii) the date the Charge was incurred;
- (iii) the amount of the Charge that must be the total price for the purchase of the goods or services plus applicable taxes and gratuities purchased on the Card;
- (iv) the Authorization approval code number;
- (v) your Establishment's name and Merchant Number;
- (vi) if a Card Present Charge, the Cardmember's signature (if obtained), and if a Card Not Present Charge, the words "telephone order," "mail order," "Internet order," or "signature on file," as applicable
- (vii) the words "No Refunds" if you have a no refund policy; and
- (viii) all other information as required from time to time by us or Applicable Law. You must truncate Card account number and do not print the Card's expiration date on the ROC given to Cardmembers. Truncated Card Number digits must be masked with replacement characters such as "x," "*" or "#," and not blank spaces or numbers. You must provide a summary of Charges at least once per week, which sets out the total of all Charges for that period, together with our copies of all completed ROCs. A Summary of Charges shall not be required where no Charges are incurred in that period. We are not obliged to agree to paper submissions, and may charge you a fee for doing so.

C. Processing Agent.

You may retain, at your expense, a Processing Agent which (together with any of your other Vendors) you must ensure cooperates with us to enable your Card acceptance. You, and not American Express, shall be responsible and liable for any problems, errors, omissions, delays or expenses arising from or caused by your Processing Agent, including in relation to the handling of confidential Cardmember information; for any fees that your Processing Agent charges us or that we incur as a result of your Processing Agent's system for transmitting requests for Authorizations and Charge Data to us; and your Processing Agent's compliance with the Specifications. You must provide us on request with all relevant information about your Processing Agent and seek our approval if you wish to change Processing Agent.

D. Configuring Our Communications.

Notwithstanding clause 4.c., if commercially reasonable and not prohibited by any of your other agreements, you will work with us to configure your card Authorization, settlement, and point of sale equipment or systems to communicate directly with our systems for Authorizations and submissions of Charge Data.

5. PAYMENT METHOD

A. Maintaining an Account.

You are required to maintain the Account for the purposes of this Agreement and you agree to provide us with the information we request regarding your Account. You agree to advise us immediately of any changes to your Account including a change to your financial institution. Your Account will be governed by your account agreement with the financial institution.

A.1 Failure to Maintain an Account.

If your Account does not meet our requirements or we are otherwise unable to verify the bank account for the purpose of this Agreement, we may immediately suspend your Card acceptance privileges and we have the immediate right to hold your payments without interest until you provide us with acceptable bank account information and we are able to deposit your payments into such bank account.

B. Access to the Account/Electronic Funds Transfer.

You agree that we may access your Account for crediting and debiting purposes and agree to provide us with an authority to direct debit your Account. Your Authorization to debit your Account applies to all fees, any payments improperly made to your Account, any amounts for which we exercised our rights to Full Recourse, and any other adjustments and fees covered by this Agreement and resulting from your transaction of business with us under this Agreement or under any Other Agreement.

C. Account Deposits.

We credit your Account for payments according to your payment plan so long as we receive your Charge submissions before the local cut-off time for that day at the processing center we designate for you, or on the next available business day if submissions are received after the cut-off time. We will not be responsible if any such debit, credit or adjustment is not honored by your financial institution or is improperly applied to your Account.

D. Improperly Applied Credits and Debits.

If any credit or debit is improperly made to the Account you authorize us to have such transaction reversed.

E. Returned Credits and Debits.

If any credits or debits we apply to the Account are not honored or accepted for any reason by the financial institution at which the Account is maintained:

- (i) subject to Paragraph 5.a.1., we will provide you a credit after we receive notification of the rejected payment; and
- (ii) we may offset such debits against future payments we are to make to you under this Agreement. If debits are greater than the payments, we will debit your Account in an amount up to the difference or you must pay us immediately upon notification by us of any amount owing.

F. Payment Plans.

We offer a number of payment plans from time to time, and you may chose any one for which you are eligible, including:

- (i) Two Business Days Direct Credit: We initiate payment on the second business day after we receive and process Charges;
- (ii) Weekly Payment Plan: We initiate payment on the seventh business day after we receive and process Charges; or
- (iii) Monthly Payment Plan: We initiate payment on the thirtieth business day after we receive and process Charges.

Some conditions may apply to your choice of payment plan, for example you may be required to submit electronically or we may need to carry out an inspection of your premises. Your initial choice of a payment plan is indicated in the Application Form, or otherwise notified to us giving 15 days' notice. It may take several days for us to implement any change to your payment plan. In the event that you fail to select a payment plan, then we will select a payment plan for you. We may amend the payment plans or offer other payment plans, and will notify you of their terms.

G. Statements.

We will provide you with a statement confirming credits and debits to your Merchant Account, normally in electronic format. If you choose to receive paper statements, we may charge you a fee.

H. Payment in Foreign Currency.

If we agree to pay you in a currency other than Hong Kong dollars, the payment plans above do not apply. If we agree to pay you in United States Dollars (USD) we may agree to dispatch a check payment to you within thirty (30) days after receipt of your submission or credit your Account by way of a direct debit arrangement, to be determined in our sole and absolute discretion.

6. DISPUTED CHARGES

A. Your Right to Respond to Disputes.

With respect to a Disputed Charge:

- (i) we have rights to Full Recourse prior to contacting you, if we determine that we have sufficient information to resolve the Disputed Charge in favor of the Cardmember; or
- (ii) we may contact you prior to exercising our Full Recourse rights giving you the opportunity to provide a written response to the dispute. This clause does not apply to Charges subject to the Fraud Full Recourse program.

B. Responding to a Disputed Charge.

If a Cardmember notifies us of a Disputed Charge, you have a limited time after we contact you to provide to us a written response containing the information we require, as notified from time to time. We will exercise Full Recourse for the amount of the Disputed Charge if, by the end of the specified period, you have not fully resolved the Disputed Charge or provided us with the information requested. If, notwithstanding your written response, a Cardmember has a right to withhold a payment for any Disputed Charge, we shall have the right to Full Recourse for that Charge. You are required to comply with our request for written response to a Dispute Charge related to fraud for Contactless transactions, notwithstanding that you may not be subject to chargeback for such a Disputed Charge, otherwise we will recover the full amount of the Disputed Charge from you.

C. Resolution of Disputed Charges.

If we determine, based upon the information provided by you and the Cardmember, to resolve the Disputed Charge in the Cardmember's favor or the Cardmember is entitled to withhold payment by law, we will Chargeback for that Disputed Charge. If we resolve the Disputed Charge in your favor, we will take no further action or we will reverse our previous Chargeback with respect to the Disputed Charge. The foregoing does not affect procedures under the Full Recourse provisions that apply to you and under which you do not receive inquiries or notices regarding certain types of Charges prior to our final exercise of Chargeback.

7. POINT OF SALE EQUIPMENT

A. American Express Terminals.

All terminals supplied by us to you remain our property, unless otherwise agreed, and you shall not alter, damage, move, or dispose of same or permit any third party to use same. You shall notify us immediately of any terminal defect or fault. You shall indemnify us against all costs, claims, proceedings and damages, including legal costs, arising out of or in connection with your use, non-use or abuse of said imprinters or terminals.

B. Use of Third Party Terminals.

Your use of terminals supplied to you by third parties for Card acceptance is subject to our approval. You must comply with any request from us to modify or discontinue your electronic submission of transaction data through use of a third party terminal. All costs and expenses associated with such modification shall be borne by you.

C. Liability.

We shall not be responsible for the operation of any third party terminal, including the quality of their operation, their ability to communicate properly with our computer systems, their maintenance, and any or all costs associated with them. You will be solely responsible for all costs pertaining to your use of that third party terminal for the purposes of processing American Express Card transactions. Such terminal costs may include (but are not limited to) deployment, programming, application development, terminal riding fees, maintenance, terminal connectivity and paper rolls.

D. Terminating / Changing a Third Party Terminal.

You must give us at least 10 days prior written notice if you plan to cease submitting Card transaction data to us through an approved third party terminal (whether as a result of your desire to switch to terminals supplied by another third party or otherwise).

8. FRAUD PROTECTION TOOLS

A. SafeKey.

Once we make our American Express SafeKey Program ("AESK Program") available, your Establishments in Hong Kong may participate in this AESK Program, which may provide greater security for Internet Charges and/or Application Initiated Charges through the use of an authentication method. American Express offers two versions of the AESK Program. Safekey supports Internet Charges, while Safekey 2.0 supports both Internet Charges and Application Initiated Charges. If you wish to participate in the AESK Program, then your Establishments in Hong Kong must:

- (i) complete the required SafeKey technical certification for the relevant version of SafeKey;
- (ii) comply with the relevant SafeKey Implementation Guide and (if applicable) SafeKey Protocol Guide, which are available at www.americanexpress.com/merchantspecsor other website as we may notify you from time to time;
- (iii) make best efforts to complete certification for Card Identification Digits (CID) and Automatic Address Verification (AAV) or Address Verification Service (AVS);
- (iv) comply with the SafeKey branding requirements detailed in the American Express SafeKey Logo Guidelines, available at www.amexsafekey.com or other website as we may notify you from time to time;
- (v) maintain a fraud ratio from all Charges and fraud threshold as detailed and updated from time to time in the relevant SafeKey Implementation Guide, which is available at www.americanexpress.com/merchantspecs or such other website as we may notify you from time to time;
- (vi) remain in good standing with American Express as may be reasonably determined by us;
- (vii) provide complete and accurate data, as specified in the relevant SafeKey Implementation Guide and (if applicable) SafeKey Protocol Guide and Specifications available at www.americanexpress.com/merchantspecs (or such other website as we may notify you from time to time); and
- (viii) comply with any other requirements which we may introduce or change from time to time. The AESK Program applies only to Card Not Present Charges made on eligible Cards (as described in the relevant SafeKey Implementation Guide), by Internet Charges and/or Application Initiated Charges through your Hong Kong Establishments, that meet all the foregoing criteria and requirements:
 - (a) the Internet Charge was (i) SafeKey Fully Authenticated and received an Electronic Commerce Indicator ("ECI") 5 or (ii) SafeKey Attempted and received ECI 6, or the Application Initiated Charge was SafeKey Authenticated and received ECI 5,
 - (b) the appropriate SafeKey authentication data was provided in both the Authorization request and the Submission record; and the Cardmember disputed the Charge as fraud.

We will not exercise Full Recourse for Charges if both the Establishment and Charge comply with all of the requirements above. The AESK Program does not apply to Disputed Charges that are not related to fraud (e.g. it does not apply to goods or services disputes). In addition, if you, at any time, do not meet all of the requirements (i) to (viii) above or if we receive a disproportionate number of disputed Charges or high instance of fraud then:

- (a) we may, in our sole discretion, modify or terminate your Establishment's participation in the AESK Program; and
- (b) you must work with us to reduce the number of Disputed Charges at your Establishment.

We may suspend, terminate or amend the AESK Program at any time, with or without notice to you. We shall not be liable and shall have no obligation to you in the event we suspend, terminate or amend the AESK Program. If you do not agree with the modified or current AESK Program, you must cease participating in the AESK Program, surrender your SafeKey certification status, and return or destroy all confidential information provided to you pursuant to the AESK Program. If at any time you want to permanently stop participating in the AESK Program, you must notify us and if applicable, your payment service provider. You must surrender your SafeKey certification status, and return or destroy all confidential information provided to you pursuant to the AESK Program. We may, in our sole discretion, immediately suspend or terminate your use of any fraud tool or participation in any fraud liability shift program offered by us (or our Affiliates) and we may suspend or terminate any fraud tool or fraud liability shift program at any time. Whilst the AESK Program is a fraud prevention tool, the AESK Program does not eliminate online fraud entirely especially where no authentication occurs, account takeover situations or fraudulent card members. You should employ multiple fraud mitigation measures and practices and continue to perform fraud screening to mitigate fraud.

For the purpose of clause 8(A) above:

"Internet Charges" means Charges placed through your website or the relevant website of your Establishments over the Internet via web browser.

"Application Initiated Charges" means Charges placed through your application for navigation on mobile or tablet devices.

"SafeKey Attempted" means where the Merchant requested authentication of the Cardmember in accordance with the AESK Program and received proof of attempt, i.e. Electronic Commerce Indicator "ECI" 6, from either the Issuer or American Express Network. For the purposes of this definition, a response indicating "unable to authenticate", i.e. Electronic Commerce Indicator "ECI" 7, is not considered proof of attempt.

"SafeKey Authentication" means where the Merchant requested authentication of the Cardmember in accordance with the AESK program and received proof of authentication, i.e. Electronic Commerce Indicator "ECI" 5, from either the Issuer or American Express Network.

"Electronic Commerce Indicator or "ECI" means a data element related to American Express SafeKey (AESK) Charge.

9. EXPRESS CHECKOUT

- (a) Express Checkout is a data porting service operated by American Express that enables customers to store and retrieve card details whilst paying for goods and services online at merchants (the "Express Checkout"). By making the Express Checkout available at your online Establishments (whether directly or through your Covered Parties), you agree to the following:
- (i) Other Payment Products: The Express Checkout is available to both Cardmembers and holders of Other Payment Products ("Checkout Customers"). Whether a Checkout Customer uses a Card or an Other Payment Product, it is your responsibility to process the Checkout Customer's payment and their data strictly in accordance with the rules, terms and conditions governing your acceptance of the Card or Other Payment Product (as applicable). American Express is not responsible for any failure on your part to comply with those rules, terms or conditions arising from your use of the Express Checkout.
 - (ii) Service Interruptions & Failed Transactions: We are not liable to you for any loss or damage you suffer as a result of a Checkout Customer not being able to complete a transaction using the Express Checkout at any time for any reason including where the Checkout Customer's payment details are inaccurate, invalid or incomplete. If a Checkout Customer cannot use the Express Checkout at any time, it is the Checkout Customer's responsibility to manually enter their card details at the online Establishment or to use an alternative means of payment.
- (b) Grant of License: Subject to your ongoing compliance with this Agreement, American Express grants you a non-exclusive, royalty free, non-transferable license to you to make available the Express Checkout at your online Establishments in Hong Kong directly or through your Covered Parties. No right, title or interest in or to any intellectual property rights relating to the Express Checkout are transferred to you. American Express and its licensors reserve all rights in the Express Checkout.
- (c) No Targeting of Express Service Users: You must only use data provided through the Express Checkout for the purpose of processing transactions in accordance with the rules, terms and conditions governing your acceptance of the Card or Other Payment Product (as applicable). You must not cause or permit any third party to, collect or process such data for any marketing, advertising or promotional purpose.
- (d) Changes, Termination & Withdrawing the Express Checkout: We may make changes to the Express Checkout or withdraw it from service at any time. We may also terminate your participation in the Express Checkout program by terminating the license granted to you in our absolute discretion. Upon withdrawal of termination, you must immediately cease use of all American Express Marks relating to the Express Checkout and remove any references to the Express Checkout from your online Establishments.
- (e) No Warranty: The Express Checkout is provided "as is", without representations or warranties of any kind, whether express, implied, or statutory, including any warranties or conditions of title, non-infringement, merchantability, or fitness for a particular purpose. American Express makes no representation or warranty that the Express Checkout, or any other services, technology, or materials will be error free, reliable, accurate, complete or otherwise valid. You are solely responsible for determining the appropriateness of using the Express Checkout, or any other services, technology, or materials furnished by American Express.

SCHEDULE C - SPECIAL TERMS AND CONDITIONS FOR SPECIFIC INDUSTRIES

If you conduct business in any of the following industries, you also must comply with the following provisions (as applicable):

1. ACCOMMODATION / LODGING

A. Authorization.

When Cardmembers opt to pay for accommodation on the Card, you must obtain Authorization at the time of check-in for the full estimated amounts of Charges based upon the room rates and the number of days that they expect to stay, plus taxes and other known ancillary amounts (Estimated Accommodation Charges), provided that you must not accept Prepaid Cards at check-in for purposes of Authorization or payment. You must not overestimate this amount. Notwithstanding the Authorisation procedures set out above, you must still obtain the Cardmember's consent to the full exact amount of the Charge. Any additional amount may only be submitted if you treat it as a separate Charge and obtain the Cardmember's consent to the full exact amount of the Charge. An Authorization for an Estimated Accommodation Charge is valid for the duration of the lodging stay. If you fail to obtain such Authorization for the Estimated Accommodation Charge and submit the Charge, and the Cardmember fails to pay the Charge for any reason, we will have Full Recourse rights for the full amount of the Charge. Upon check-out:

- (i) if the final Charge is no greater than the Estimated Accommodation Charge plus 15% of the Estimated Accommodation Charge, no further Authorization is necessary; or
- (ii) if the final Charge is greater than the Estimated Accommodation Charge by more than 15%, you must obtain Authorization for any additional amount of the Charge that is greater than the Estimated Accommodation Charge. If you fail to obtain such Authorization for the additional amount, or your request for such Authorization is declined, and the Cardmember fails to pay the Charge for any reason, we will have Full Recourse rights for the amount of the Charge in excess of 15% greater than the Estimated Accommodation Charge for which you already obtained Authorization. If Cardmembers opt to use Prepaid Cards at the time of check-out when the final Charge is known, you must obtain Authorization for the full amount of Charges to be placed on the Prepaid Card. Charges incurred periodically and not at the end of the stay shall be processed according to usual card acceptance procedures.

B. No-Show.

You will accept Charges on the Card only if:

- (i) the Cardmember has guaranteed the reservation with his/her Card;
- (ii) you have provided the Cardmember with the room rate and a confirmation code at the time of reservation,
- (iii) you have recorded the Card number, its expiry date and the Cardmember's billing,
- (iv) you have a documented "No-Show" policy, which policy has been advised to the Cardmember at the time he/she makes the reservation; and
- (v) you must reserve accommodations until the published check-out time the following day.

If the Cardmember does not honor his/her reservation, you must submit a completed ROC with the words "No-Show" on the signature panel of the ROC. Authorization is not required.

2. RESTAURANTS

For your Establishments conducting business in the restaurant industry, if the final restaurant Charge is no greater than the amount for which you obtained Authorization plus 20% of that amount, no further Authorization is necessary. If the final restaurant Charge is greater than the amount for which you obtained Authorization by more than 20%, you must obtain Authorization for any additional amount of the Charge that is greater than that amount.

3. VEHICLE RENTAL

A. Authorization.

When Cardmembers opt to pay for vehicle rentals on the Card, you must obtain Authorization for the full estimated amounts of Charges by multiplying the rate by the rental period reserved by the Cardmember plus any known incidentals (Estimated Rental Charge). You must not overestimate this amount nor include an amount for any possible damage to or theft of the vehicle. An Authorization for an Estimated Rental Charge is valid for the duration of the motor vehicle rental agreement. If you fail to obtain such Authorization for the Estimated Rental Charge and submit the Charge, and the Cardmember fails to pay the Charge for any reason, we will have Full Recourse rights for the full amount of the Charge.

Upon return of the vehicle:

- (i) if the final Charge is no greater than the Estimated Rental Charge plus 15% of the Estimated Rental Charge, no further Authorization is necessary; or
- (ii) if the final Charge is greater than the Estimated Rental Charge by more than 15% you must obtain Authorization for any additional amount of the Charge that is greater than the Estimated Rental Charge. If you fail to obtain such Authorization for the additional amount, or your request for such Authorization is declined, and the Cardmember fails to pay the Charge for any reason, we will have Full Recourse rights for the amount of the Charge in excess of the Estimated Rental Charge for which you already obtained Authorization. You must not include an amount in any Charge for any damages, penalties, fines, charges, costs or fees in addition to the Estimated Rental Charge whether or not such amounts are set out in the rental agreement unless such itemized amounts are expressly requested by the Cardmember to be charged to the Card. If you include such amounts in any Charge without the Cardmember's express request, we shall have Full Recourse for the amount of the Charge in excess of the Estimated Rental Charge.

If upon return of a rental vehicle, the vehicle has been damaged and the Cardmember has not purchased the car rental collision or loss insurance, you may submit a Charge for an estimate of the capital damages amount incurred provided:

- (a) you have obtained a written, signed, and dated acknowledgment from the Cardmember of their responsibility for the capital damage, including an estimate of the capital damages amount and confirmation they want to pay with the American Express Card;
- (b) you have obtained a separate and additional Authorization for the estimate of the capital damages amount;
- (c) the original Charge for the car rental was made on an American Express Card of the same Cardmember referred to in (a) above.
- (d) The Charge submitted for capital damages is no greater than the estimated capital damages plus 15% or the replacement cost of the vehicle, in the case of a total loss.

B. Non-Compliance.

We may monitor your compliance with the preceding special Authorization procedures. If we notify you that an Establishment is not complying with these procedures, you must correct such non-compliance. If, after 30 days from the date of such notice, you continue not to comply with these procedures, then we will have Full Recourse rights for the full amount of any Charges made at that Establishment during such continued non-compliance. For purposes of this provision, "non-compliance" occurs when more than 5% of either your total or any one Establishment's Authorizations do not comply with the preceding procedures.

4. TRAVEL SERVICES

If you are in the business of supplying land, sea or air transportation, accommodation, sightseeing tours or other arrangements, or other travel services and you use agents to sell your services, your agents may accept the Card as payment for your services and you may submit the resulting Charges to us for payment as if each agent were one of your Establishments. You will cause your agents to comply with this Agreement, and you will be responsible for their compliance. Because we will pay you and not your agents for any Charges submitted to us in this manner, you will be responsible for paying your agents and otherwise settling with them for those Charges.

5. PARKING

Once the number of parking days is agreed upon for the Cardmember to leave a motor vehicle with you, or you provide a parking pass valid for a pre-determined number of days, you must submit the Charge immediately. Where the number of parking days is not known when the Cardmember leaves the motor vehicle with you, you must not submit the Charge until the last day of parking.

6. PAYMENT SERVICES PROVIDERS

If you provide payment services on behalf of sponsored merchants (e.g., by submitting Charges for Internet Orders that occur at sponsored merchants) but are the merchant of record for payment or customer service issues, you are for the purposes of this Agreement a Payment Services Provider and you must:

- (a) notify us that you are a Payment Services Provider,
- (b) complete our Aggregator Card Acceptance Agreement. You must comply with any additional requirements, policies, or procedures of which we notify you from time to time.



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