

“Byblos Bank Armenia” CJSC  
POS Service Terms and Conditions

Approved by Management decision of  
“Byblos Bank Armenia” CJSC N16 dated 10/04/2026

## DEFINITIONS

**The Bank** - “Byblos Bank Armenia” CJSC,

**Terms** - POS Service Terms and Conditions of the Bank,

**Payment System(s)** - means payment systems servicing cards (VISA, Mastercard, Arca, etc.),

**POS terminal** - means an electronic device used for non-cash transactions,

**Equipment** - POS terminal, mobile or cash register designed to ensure the acceptance of non-cash payments at the Merchants, by card, as well as through the website or mobile application, including through the Bank's application designed to ensure the acceptance of payments,

**POS Service (also the “Service”)** - a service provided by the Bank to ensure acceptance of non-cash card payments for sale of goods and (or) provision of services and related settlements at the Merchant, including Internet acquiring service,

**Internet acquiring service (also the “Service”)** - a service provided by the Bank, by which the Bank provides payment for the sale of goods and (or) provision of services by the Merchant through the Internet site or mobile application,

**Mobile application** - Byblos FlexiPos application, or a Bank application replacing or supplementing it in the future, by which the Bank provides payment for the sale of goods and (or) provision of services by phone,

**Authorization center** - “Armenian Card” CJSC or the Bank,

**Authorization** - the process of receiving the issuing bank's permission to perform a card transaction,

**Card** - payment tool used for non-cash transactions,

**Company** - an organization engaged in the sale of goods and/or provision of services, an individual entrepreneur,

**Merchant** - means a point of trade or service involved in sale of goods and (or) provision of services,

**Tariffs** - tariffs of the Bank for corporate clients/ private entrepreneurs,

**Cardholder** - means a person who has entered into a payment card issuance and service agreement with the issuing bank,

**Transaction** - a card transaction made at the Merchant, also transaction made through the website or mobile application.



## **1. Agreement signing and main conditions of the service**

1.1. These Terms establish the legal relationship between the Company's Merchant(s) utilizing the POS service and the Bank, acting as the POS service provider. The Company accepts payments made with Payment System(s) Cards at its Merchant(s), and the Bank reimburses the accepted payments based on plastic card receipts (slips) or electronic files submitted by the Company's Merchant(s) and received from the Authorization center. The Bank will deduct the fees outlined in the Tariffs from the amounts to be reimbursed, unless otherwise agreed between the Company and the Bank.

1.2. These Terms also apply to Companies utilizing the Service for non-cash/card payments made through POS terminals operated by cash registers installed to process bank plastic card transactions at the Merchant(s), applications and websites.

1.3. Under these Terms, the legal relationship between the parties begins when the act of handing over and accepting the Services is signed between the Bank and the Company or when the application is activated. From that moment, the Terms and Tariffs constitute a contract between the Parties (also the Agreement).

1.4. Within 5 (five) working days from the date of the Agreement's conclusion, the Bank will take the necessary steps to activate the Service, provided that no circumstances arise that would prohibit the provision of the Service according to the Bank's internal regulations. The timeline specified in this clause may be extended based on the time required for the Bank to obtain the necessary licenses and comply with other technical regulations from relevant organizations.

1.5. The Terms and Tariffs, including commission rates, are always available at the Bank's premises and on the Bank's website. The Bank reserves the right to unilaterally amend them. The Bank will notify the Company of any changes to the Terms and Tariffs before they take effect by making them available at the Bank's premises, publishing them on the website, and sending notifications to the Company at least seven working days before the changes take effect, using the communication method specified for the Company.

1.6. The Bank certifies card transactions conducted at the Merchant(s) during its working hours and transfers the transaction amounts to the Merchant(s) within 2 (two) to 5 (five) working days after receiving transaction approval from the Authorization center. The Bank will deduct a commission fee as agreed with the Merchant(s) and/or as published on the Bank's website. The Bank transfers the amounts of transactions that comply with the requirements of these Terms.

1.7. When installing the equipment or activating the Service, the Bank may provide the Merchant(s) with a guide for using the Services, and the Merchant(s) agrees to adhere to the requirements outlined in that guide.

## **2. Rights and responsibilities of the Bank and Company**

### **2.1. The Bank has the right to:**

2.1.1. Deduct from the amounts to be paid and reimbursed, or, if that is not possible, from other accounts of the Company held at the Bank, the amounts that were charged to the Bank by the Payment System(s) as a result of invalid electronic transactions and/or electronic payments that do not comply with these Terms, based on the request received from the Payment System(s).

2.1.2. Unilaterally modify the general transaction limits for Merchant(s) operations, provided that the Company is notified 3 (three) business days in advance.



2.1.3. Set a minimum monthly turnover amount to be processed through the cash register as per the Tariffs, and if this condition is not met, impose a penalty in accordance with the Tariffs.

2.1.4. If the Merchant(s) fails to achieve the minimum monthly turnover specified in the Tariffs, or fails to comply with any of the requirements set forth in these Terms, to reclaim the POS terminal/cash register if provided by the Bank, or to deactivate the service.

2.1.5. Refuse to provide the service if the Company does not meet the requirements established by the Bank's internal regulations, including being listed on ACRA or Mastercard blacklists, if there are doubts about the legality of the Company's activities, or due to other relevant circumstances.

## **2.2. The Bank is obliged to:**

2.2.1. Provide technical maintenance for the POS terminals provided to the Merchant(s).

2.2.2. Facilitate the receipt of e-files/slips from the Company's Merchant(s) to ensure service updates by the Authorization center.

## **2.3. The Company has the right to:**

2.3.1. Request the Bank to provide the Equipment within the timeframe specified in the Agreement. 2.3.2. Terminate the Agreement by giving the Bank 5 (five) working days' notice and returning the provided Equipment.

## **2.4. The Company is obliged to:**

2.4.1. Retain copies of card transaction receipts (slips), including electronic receipts, for 1 (one) year from the transaction date, ensuring their integrity, and provide them to the Bank within 3 (three) working days upon the Bank's first request.

2.4.2. At its own expense, allocate appropriate communication lines to the Merchant(s) and cover all costs related to their use and operation.

2.4.3. Provide the Bank with the slips of card transactions and properly prepared Merchant(s) reports no later than 3 (three) working days after the transaction. The electronic log (packet) of transactions is sent to the Authorization Center automatically or by the service person or the Head of the Merchant(s) at least once every 24 hours, or as needed at the designated time.

2.4.4. Display and post advertising materials featuring the logos of the Bank and Arca, Mastercard, VISA Payment System(s) at the locations where the Merchant(s) provide services, works,

2.4.5. The Company is required to cooperate with organizations conducting forensic investigations into suspected cases of card data privacy violations at the request of the Payment System throughout the investigation.

2.5. The Merchant(s) are not permitted to issue cash to cardholders for non-cash transactions. If a card transaction is invalidated or canceled, the transaction amount must be refunded to the card in a non-cash manner.

## **3. Special Conditions for Internet acquiring service**

Under the Internet acquiring service the Bank provides payment for the sale of goods and (or) provision of services by the Merchant through the Internet site or mobile application.

3.1. Special conditions for payments through the Internet site:



3.1.1. Under the service of payments through the Internet site, the Company is provided the opportunity to accept payments in Armenian drams and other currencies currently offered by the Bank under the Service. The Company agrees to use the Service in compliance with the requirements of the RA Law "On Currency Regulation and Currency Control." If transactions can be conducted in foreign currencies, the website must have a technical solution ensuring that transactions carried out within the territory of the Republic of Armenia are processed exclusively in Armenian drams.

3.1.2. If the Merchant(s) offers goods for delivery or in-store pickup, the document validating the transaction must be prepared at least in English and include the following information:

- Product description,
- Product delivery/pickup address,
- Product delivery/pickup date and time,
- Recipient's name and surname,
- Recipient's signature,
- The last 4 digits of the bank card number used for payment.

If the payer and the recipient are different individuals, in case of disputed transactions, including refund requests made to the Bank by a third party, in addition to the above information, the Merchant(s) must also provide the payer's notification or communication record informing the Merchant(s) about the recipient and/or providing the recipient's information.

3.1.3. The Merchant(s) must have a document verifying their authority over the domains of the website used for transactions. This document, along with the list of website domains used by the Merchant(s) and submitted to the Bank, must be provided to the Bank upon its first request.

3.1.4. Links on the website must be authentic and contain accurate information about the services provided, and must not direct users to other sites that violate these Terms.

3.1.5. To protect cardholder data and transaction information, transactions conducted by the Merchant(s) must adhere to the PCI DSS standard for payment card data security and other data protection requirements set by the Payment System(s).

## **3.2. Specific Terms of Use for Byblos Mobile Application**

3.2.1. The POS service can also be provided through the Bank's Byblos FlexiPos application, at the discretion of the Merchant(s).

3.2.2. During the term of the Agreement, the method of providing the POS service, as well as the type and/or quantity of the Equipment, may be modified with the mutual agreement of the Parties.

3.2.3. The Bank provides the Equipment to the Merchant(s), upon the Company's request, with the right to use it free of charge, documented by a handover acceptance act or another document certifying the transfer.

3.2.4. For the Byblos FlexiPos option, the Merchant(s) must download the Bank's Byblos FlexiPos application onto its mobile device. The application works only on Android devices with an operating system of Android 8.1 or higher and equipped with NFC (Near-field communication) technology.



3.2.5. The Merchant(s) is not permitted to modify and/or provide the Equipment, the Bank's Byblos FlexiPos application, computer programs, documents, or other materials to third parties, nor to sublease or allow others to use them.

3.2.6. The Equipment and the Byblos Mobile application should only be used for sales conducted at the specific Merchant(s). The Merchant(s) is prohibited from submitting payment transactions resulting from sales made at another location.

3.2.7. In the event of Equipment or Byblos FlexiPos application failure, loss of the device containing the Byblos FlexiPos application, or if third parties gain access to Byblos FlexiPos software access data, the Merchant(s) must immediately inform the Bank and suspend card servicing operations.

#### **4. Unlawful and Appealable Transactions**

4.1. Under the legal relationships established by these Terms, the Bank reserves the right to monitor card transactions in accordance with the requirements of Payment System(s) and the Bank's internal legal acts.

4.2. The Company must not conduct transactions that are prohibited or illegal under RA legislation and the rules of the Payment System(s). If such transactions are discovered, the Company may be fined according to the procedures and amounts determined by the relevant Payment System(s). The Bank may also terminate its business relationship with the Company entirely. However, non-imposition or partial application of a fine may be considered if the Company resolves the issue before receiving notification of the violation from the Payment System(s).

4.3. The Bank may restrict the management of the Company's bank account funds for a period specified by the Payment Systems' rules, but not exceeding 6 (six) months, to clarify the details of an appeal if the cardholder disputes a transaction made at the Merchant(s).

4.4. The Bank has the right to deduct from the amounts due and to be reimbursed to the Merchant(s) any sums that, based on a request from the Payment System(s), were charged to the Bank due to invalid slips/electronic operations and/or slips/electronic records that do not comply with the provisions of these Terms.

4.5. The Company agrees to reimburse the Bank for any expenses incurred in connection with an appealed transaction, including participation in the arbitration stage of the appeal process, as per the rules of the Payment System(s), if requested by the Company.

4.6. The Company is not permitted to accept card payments if it has, or reasonably should have, knowledge that the transaction is fraudulent, illegal, or conducted without the cardholder's consent or authorization.

4.7. The Company is not authorized to accept payment for a transaction that has previously been appealed by the cardholder.

4.8. The Company must immediately inform the Bank of any suspicious or illegal transaction involving the Equipment or if such a suspicion arises.

4.9. The Bank may deem invalid or reject transactions that have not been certified in accordance with the requirements and rules set by the Bank or the Armenian Card processing center, and/or have not been submitted to the Bank within 5 (five) days after the transaction was executed.

#### **5. Suspension and Termination of Agreement**



5.1. The Bank has the right to temporarily suspend the provision of the Service, notifying the Merchant(s) as per the procedures established in these Terms, in cases where the Merchant(s) violate these Terms, including failure to meet payment obligations to the Bank on time, or if there is reasonable suspicion that the Company is engaging in illegal activities with the Equipment. The Bank may also impose other limitations on the Service if requested by the Payment System(s).

5.2. If fraudulent card transaction(s) are detected or suspected at the Merchant(s), the Bank may unilaterally suspend or terminate the provision of the Service and temporarily restrict the Company's ability to manage its accounts and funds. The Bank will notify the Company in advance. This suspension may be applied at any time at the Bank's discretion to prevent further transactions until the situation is clarified. The Company will bear all losses arising from such transactions.

5.3. The Company may terminate the Agreement by providing the Bank with prior written notice and fully fulfilling its obligations related to the Service. Upon termination, the Company must return the Equipment provided by the Bank within 10 (ten) working days, except for the Equipment provided with the right of free use. The Company must also ensure the deregistration of the cash register with the relevant RA state authority.

5.4. The Bank will terminate the service within three business days after receiving the notification of termination of the Agreement from the Company. The relationship between the Bank and the Company will continue to be governed by the Agreement from the time the Company submits the application until the actual termination of the service.

5.5. The Bank has the right to unilaterally terminate the Agreement and demand the return of its Equipment, notifying the Company 5 (five) business days in advance, in the following cases:

5.5.1. In case the Company fails to ensure a minimum monthly turnover of 50,000 AMD through the POS terminal/cash register,

5.5.2. If the Company breaches any provision of the Agreement,

5.5.3. If the Company fails to meet the Bank's legal requirements, including non-payment of obligations on time or failure to provide requested information or documents,

5.5.4. If the Payment System request the Bank to terminate the Agreement with the Company,

5.5.5. If the Merchant(s) engage in activities that could harm or damage the reputation of the Payment System(s);

5.5.6. In other cases, defined by the Terms, Tariffs, and RA legislation.

5.5.7. for its business needs, for other valid reasons or at its sole discretion.

The Bank will not be held responsible for any losses the Company may suffer in these instances, and the Company must fully compensate the Bank for all damages, losses, and expenses incurred as a result of these situations. 6.5. Termination of the Service does not discharge the Company from its obligations to the Bank.

5.6. Within 1 (one) year from the termination of the Agreement, the Company is required to compensate the Bank for any damages or financial losses caused to the Bank due to violations of these Terms, including harm to the Bank's reputation, as well as any expenses incurred by the Bank in rectifying such violations.

## **6. Privacy and Data Transfer**



6.1. The Bank has the right to request additional information from the Company beyond what has already been provided during the term of this Agreement. The Merchant(s) must promptly notify the Bank in writing of any changes to the information previously provided to the Bank, including changes to the address, place of business, and other essential conditions. The Bank will not be held liable for any damages incurred by the Company due to its failure to notify the Bank of such changes.

6.2. The Bank reserves the right to provide information about the Company to the Payment System(s) without further notice to the Company.

6.3. Considering that VISA card services are provided based on a cooperation agreement between the Bank and "AGBA BANK" OJSC, and given that "AGBA BANK" OJSC or the VISA international Payment System(s) may require specific information, the Merchant(s) must, upon the Bank's written or verbal request, submit the following information in writing within a maximum of 4 (four) working days:

- Organizational structure of the Merchant(s),
- Information about the Merchant(s)' employees,
- Sales-related information,
- Financial information of the Merchant(s),
- Operational information,
- Transaction details, including copies of transaction receipts.

## **7. Liability of Parties**

7.1. The Merchant(s) must use the Service in compliance with the requirements of RA legislation. The Company assumes full responsibility for the proper execution of the Agreement and is obligated to compensate the Bank for any actual damages arising from transactions resulting from the Company's non-compliance, improper execution, and/or violation of the requirements set forth in these Terms or the legislation of the Republic of Armenia, including any penalties imposed on the Bank.

7.2. The Company is responsible for compensating cardholders for any damage resulting from the disclosure of banking secrets or the violation of other obligations known to the Company, which caused either moral or material harm to the cardholder.

7.3. In the event of damage to and/or loss of the Equipment provided by the Bank, the Merchant(s) bears full financial responsibility for it.

7.4. The Merchant(s) is accountable for all actions performed by its employees under these Terms that led to or may lead to violations of these Terms.

7.5. The Bank is not responsible for:

7.5.1. Transactions carried out in violation of the Terms.

7.5.2. Transactions conducted using illegally obtained cards or card data.

7.5.3. Inability to process payments due to communication failures.

7.6. Both Parties are temporarily exempt from responsibility for non-fulfillment or improper fulfillment of obligations under the Terms if such fulfillment was rendered impossible due to force majeure as defined by RA legislation.



## **8. Other Terms**

8.1. Legal relations not explicitly regulated by these Terms are governed by the Tariffs, documents defining the contractual relationship between the Bank and the Company, and by RA legislation. In cases where RA legislation does not regulate these relations, business practices apply. Additionally, where the aforementioned legal acts do not cover specific legal relations between the parties, the rules of the Payment System(s) shall govern.

8.2. The Company authorizes the Bank to send notifications to the email address provided by the Company to the Bank or make them available through the Company's Mobile Banking system. If these electronic communication methods are unavailable, the Bank may, if possible, send the notification via SMS to the telephone number provided by the Company. Furthermore, once the Notification is sent via one method, the Bank is not obligated to send it through other method(s), regardless of whether the customer received the Notification.

8.3. Disputes and disagreements arising between the Parties concerning these Terms will be resolved through judicial proceedings in accordance with RA legislation.

