6.17 Surcharge ................................................................. .................................................................................................................. 15
6.18 SoftPOS Services .................................................................................................................................................................................. 15
Article 7. Custom Payment Device Services .................................................................................................................................................. 15
7.1 Custom Packaging ...................................................................................................................................................................................... 15
7.2 Host to Host Services .................................................................................................................................................................................. 16
7.2.1 Conditions .......................................................................................................................................................................................... 16
7.2.2 Compliance .......................................................................................................................................................................................... 16
Payment Device Terms of Service

Effective as of 1 November 2023

These terms apply to the use of Payment Devices and payment device services provided by Adyen (the “Payment Device Services”), and where applicable, will supplement and form part of Merchant’s agreement with Adyen for payment processing and related services (the “Agreement”). For purposes of these terms, “Agreement” may refer to the Merchant Agreement, Adyen for Platforms Agreement, AfP Agreement, MarketPay Agreement, Franchisor Agreement, or Payment Facilitator Agreement with Adyen. “Merchant” refers to Merchants of Record, Marketplaces, Platforms, Payment Facilitators, or any other designation used to identify you, our customer, in the Agreement. All capitalized terms not defined herein are as defined in the Agreement.

The Payment Device Services may be enabled by Adyen as part of Merchant’s standard Company Account settings subject to regional availability and Adyen’s ongoing review and approval, which may be withheld in Adyen’s discretion. Merchant may request to activate, disable, or adjust such settings at any time via the Customer Area and/or the relevant support channels available to Merchant at Adyen. Use of the Payment Device Services may be subject to Merchant providing Adyen with additional information and/or performing technical updates to Merchant’s Payment Device in accordance with the relevant documentation and usage instructions made available by Adyen for such purpose.

It is Merchant’s responsibility to ensure proper use and integration of its Payment Devices in accordance with the applicable specifications, usage instructions, technical requirements, guidelines, and documentation set out in these terms and in the Adyen Docs. Adyen will not be responsible for disruptions to the Payment Device Services and/or performance issues resulting from Payment Device misuse and/or erroneous integration by Merchant.

Adyen may update these terms from time to time to reflect the latest technical developments and updates to the Payment Device Services, or to reflect new Payment Device Services made available to Merchant by Adyen. Merchant’s continued use of the Payment Device Services will indicate acceptance of such updated terms. To receive notification of such updates, Merchant can subscribe to email updates at https://www.adyen.com/legal/payment-device-terms-of-service. The most up to date version of these terms will remain available to Merchant online.

Unless otherwise agreed, the following terms apply to Agreements entered into on or after 1 November 2023.

Article 1. Payment Devices

1.1 Payment Device Pricing

Pricing for Payment Devices and accessories will be as agreed in the Agreement or as set out in Adyen’s latest pricing list, unless otherwise expressly agreed between Adyen and Merchant. The latest pricing list for Payment Devices and accessories can be provided upon request.

The sales price for each Payment Device includes the following:

– Payment Device hardware equipped with the relevant Software, Adyen key, basic functionality testing, and secure packaging (including an anti-tamper seal), each carried out in a secure environment in accordance with applicable PCI DSS security standards;
– Cables and initial supplies necessary to operate the Payment Device;
– Registration of the Payment Device under Merchant’s account on the Adyen platform;
– Shipment to one designated address per country via standard courier delivery services;
– License to use Adyen’s Payment Device Software to access the Services on the Adyen platform;
– Support for the Payment Device Software installed on the Payment Devices; and
– Support for additional services provided for Payment Devices.
The sales price for each Payment Device excludes the following:
- Replacement Services, as defined and described in Article 3 below;
- First-line support for in-store personnel, as described in Clause 4.2 below;
- Optional value added services, as described in Article 8 below;
- Optional accessories (such as, base stations, and frames) and additional supplies (such as additional paper rolls for printers, and other consumables); and
- Federal, state, and local sales, use, excise or similar taxes or tax-like charges.

1.2 Payment Device Ordering and Shipping

To order Payment Devices, Merchant must use the online ordering tool or API made available to Merchant and provide the relevant details set out in the ordering tool or API.

Adyen will, where possible, strive to process smaller Payment Device orders and transfer the goods to the carrier within one business day of receiving the order. Merchant can track the status of the order in the Customer Area. Delivery lead times communicated by Adyen’s carrier are based on estimates and not guaranteed. In case of any carrier delay, Adyen and Merchant will cooperate to resolve such delay as soon as possible.

For larger quantity orders, separate lead times will apply, depending on Payment Device model(s), fulfillment region(s), and total inventory requested. Merchant understands that large quantity orders may require upfront commitments by Merchant to purchase the forecasted Payment Devices with sufficient lead time to allow Adyen to meet Merchant’s expected delivery timelines. Such estimated lead times will be separately provided by Adyen to Merchant and may be modified by Adyen from time to time.

Orders for Payment Devices are invoiced to Merchant on a monthly basis, based on the shipping date of the relevant Payment Device(s).

Adyen will not ship new Payment Devices directly to Merchant’s stores unless Merchant subscribes to the optional Drop Shipping Service (as defined below). For replacement and return orders, Adyen does ship directly to stores.

Article 2. Payment Device Replacement Service

2.1 Scope of the Payment Device Replacement Service

The Payment Device Replacement Service (“Replacement Service”) entitles Merchant to the replacement of defective Payment Devices (excluding accessories) with a refurbished Payment Device of the same model type in the following cases:
- As a result of a hardware defect in which the Payment Device cannot be used to submit Transactions to Adyen.
- The Payment Device otherwise materially fails to function in accordance with the guidance and documentation provided by Adyen.

Payment Devices are no longer eligible for Replacement Services if: (i) they have reached their end-of-life (“EOL”) date, as communicated by Adyen; or (ii) they are no longer PCI PTS compliant.

2.2 Payment Device Replacement Service Pricing

For if Merchant procures the Replacement Service, the following shall apply:
- The Replacement Service is procured for all Payment Devices provided to Merchant by Adyen, unless otherwise agreed in the Agreement.
- A monthly fee per Payment Device applies as agreed in the Agreement, which fee will be invoiced starting the month after shipment of the Payment Device. Such fee may be adjusted by Adyen from time to time pursuant to a written agreement with Merchant.

2.3 Term and Termination of the Payment Device Replacement Service

The Replacement Service will continue for an indefinite term for Merchant’s Payment Devices, unless terminated by Merchant or Adyen in accordance with this Clause 2.3.

Merchant may terminate the Replacement Service per the end of any calendar month by giving at least one week prior notice to Adyen. If Merchant wants to terminate the Replacement Service for a particular model only, Adyen will attempt to find a suitable solution with Merchant. No fees paid for the Replacement Service are rebated on termination of the Agreement or
in case of loss or destruction of a Payment Device. After termination of the Replacement Service, Merchant can no longer use Adyen’s repair service and can only replace defective Payment Devices by purchasing new Payment Devices. Once terminated, Merchant cannot reactivate the Replacement Service for that model type.

Adyen may decide to no longer support the Replacement Service for a specific Payment Device model by providing Merchant with at least six (6) months' prior notice of termination of the Replacement Service for the relevant Payment Device model. The Replacement Service will no longer be available for the relevant Payment Device model after the termination date. No Replacement Service fee will be payable by Merchant after such termination date.

The termination date for a Payment Device model will not be earlier than three (3) years from the date Merchant purchased the Payment Device, unless such earlier date is expressly indicated to Merchant before Merchant places the order for the Payment Device.

If the termination date for a Payment Device model is less than three (3) years from the purchase date of an individual Payment Device (without express indication), Adyen agrees to compensate Merchant (within one (1) month from the notice of the earlier EOL date) by refunding an amount equal to 50% of the total Replacement Service fees paid for that individual Payment Device on the following invoice. After notification of the earlier termination date, Merchant may (in its sole discretion) choose to (i) continue the Replacement Service for the relevant model at the price agreed in the Agreement or (ii) terminate the Replacement Service for the relevant model in accordance with this clause.

2.4 Payment Device Replacement Process

To request a replacement under the Replacement Service, Merchant must (prior to the expiry of the term of the Replacement Service) submit a Payment Device replacement request in the Customer Area.

Upon receipt of the replacement request with all required details, Adyen will aim to process and transfer to the carrier a replacement of the same or an equivalent model offering at least the same level of functionality within one (1) business day. For replacement requests of more than twenty (20) Payment Devices, a longer replacement process timeline may apply.

The shipment with the replacement Payment Device will contain return instructions (for return at Adyen’s expense) for the defective Payment Device. Merchant must return the defective Payment Device in accordance with the return instructions within two weeks of receiving the replacement Payment Device. If the Payment Device is not returned within this period, Merchant will be charged the costs of the replacement Payment Device.

2.5 Defects and Exclusions

Adyen will examine the defective Payment Device to establish the cause of the reported defect. If the defect is confirmed and covered by the Replacement Service (as set forth in Clause 2.1 above), no additional costs will apply to Merchant.

Additional costs will apply if:

- Payment Device defect is confirmed but not covered by the Replacement Services (certain out-of-scope defects are described below), Merchant will be charged the out-of-scope repair costs.
- Payment Device defect cannot be confirmed, in which case Merchant will be charged the costs of investigation (not to exceed 50% of the Payment Device’s then-current standard list price).

Out-of-scope defects include:

- Changes, repairs, modification or amendments to or tampering with the Payment Device by parties other than Adyen (or any attempt to do so);
- Use of Payment Devices with improper consumables, accessories, or devices not provided and/or prior approved by Adyen;
- Exposure to undue external conditions (e.g., contact with water, temperature outside operating conditions, oxidation, dropping the device);
- Improper use and/or use that is contrary to Adyen’s operating instructions for the Payment Device;
- Power supply defects caused by use of Payment Device with improper voltage and/or after improper charging;
- Missing parts not returned by Merchant or damaged plastics;
- Issues that Merchant could have resolved by updating or enabling updates of the Payment Device software in accordance with Article 3 below; and
2.6 Hardware Warranty
If Merchant has terminated or not procured the Replacement Service, a four (4) month warranty period will apply for Payment Devices and accessories purchased by Merchant, starting from the shipment date of the relevant hardware. To claim under this hardware warranty, Merchant should complete a warranty claim form and return the defective Payment Device to Adyen in accordance with Adyen’s instructions. Adyen will investigate and repair or replace the Payment Device or accessory if the defect is covered by the hardware warranty. Adyen reserves the right to replace the Payment Device with a refurbished device. Warranty claims made after the expiry of the four (4) month period and defects caused by the out-of-scope causes listed in Clause 2.5 above are excluded from this hardware warranty.

Article 3. Payment Device Software and Updates
3.1 Payment Device Software
Adyen provides and maintains the Payment Device software (“Payment Device Software”) and a Terminal API that allows Merchant’s Payment Devices to connect and interface with the Adyen platform in order to submit Transactions to Adyen. The Terminal API enables Payment Devices to function and connect to the Adyen platform to submit Transactions via Payment Devices (“Payment Device Software”).

Adyen will make patches and releases available from time to time for the Payment Device Software for all supported Payment Devices as set out in Clause 3.2 below. Adyen will, as part of the Services and at no additional charge, support the use of the Payment Device Software by providing implementation support as specified in Clause 4.1 below.

3.2 Payment Device Software Updates
3.2.1 Notification of Updates
Adyen will provide notice and communication on updates through official channels (such as public documentation pages, the Customer Area, or GitHub) highlighting the new features and functionalities. For Payment Device Software updates Merchant will be informed on what to do to implement or allow the implementation of the update. Merchant can also subscribe to system message notifications via the Customer Area to be notified of new Software versions.

3.2.2 Distribution of Updates
The Payment Device Software updates will be remotely and automatically loaded to the supported Payment Devices by Adyen, unless otherwise agreed. As part of this automated process, a pre-release version of the Payment Device Software may be uploaded to a maximum of 2% of Merchant’s Payment Devices. To enable updates, Merchant should board and connect the Payment Device to the internet for at least one 24 hour period every quarter. If this requirement is not met, Adyen cannot guarantee quality of service. In case Payment Device Software updates are not loaded automatically by Adyen but loaded to the supported Payment Devices based on a schedule determined by Merchant, Merchant ensures that Payment Device Software is updated regularly at least every six months.

The Payment Device Software updates will be regularly pushed by Adyen to the Payment Devices of Merchant. Adyen reserves the right to release an update to the Payment Device Software at any time in its discretion in order to repair an urgent issue with the Adyen Payment Device Software (“Emergency Patch”). Examples of reasons for Adyen to issue Emergency Patches include but are not limited to Software updates required to urgently address potential security concerns, PCI DSS responsibilities, updated Scheme Owner requirements, or material Service stability issues.

Adyen reserves the right to disable specific Payment Device Software from processing Transactions, deprecate specific Payment Device Software, or deprecate specific Terminal API versions from processing Transactions in its discretion. Where Adyen deprecates specific Payment Device Software or Terminal API versions, Merchant must upgrade its Payment Devices to the latest available version.

Adyen may mandate certain Terminal API updates by a certain deadline. Merchant must implement each mandatory Terminal API update within the required period, or within thirty (30) days from the date of Adyen’s notification if no deadline is provided. Adyen reserves the right to block Merchant’s use of a Terminal API if it suspects any malicious activity.

In the case of Android Payment Devices, Adyen will be responsible for ensuring that the Android Operating System (OS) installed on the Payment Device is regularly updated to reflect the latest security patches. Such updates will be promptly implemented to maintain the security and integrity of Android Payment Devices.
3.3 Third-party Applications on Android Payment Devices
If Merchant chooses to install third-party applications on any Payment Device provided and/or approved by Adyen, Merchant accepts full responsibility and liability for consequences arising from use of such applications.

3.4 Support of Payment Devices
Adyen will use all commercially reasonable efforts to support the Payment Device Software for each Payment Device sold by Adyen to Merchant for at least three (3) years subsequent to the delivery of the Payment Device to Merchant. If Adyen discontinues support of a certain type of Payment Device, Adyen will, where reasonably possible, announce this at least six (6) months in advance to Merchant.

In certain circumstances Adyen may decide to end support of the Payment Device Software for a Payment Device sold to Merchant before the end of the three-year period (such circumstances include, but are not limited to, instances where support is discontinued by the hardware vendor, there is a security compromise which cannot be fixed on such Payment Device by an Adyen Payment Device Software update, or there are new Scheme Owner requirements which cannot be fulfilled with such Payment Device). In these certain circumstances, Adyen will compensate Merchant by crediting a proportional part of the sales price to Merchant to buy a replacement Payment Device from Adyen.

Article 4. Payment Device Support
4.1 Implementation Support (Adyen’s Responsibility)
Adyen will support Merchant and its third-party suppliers as follows:
– By providing access to test accounts on the Adyen test platform.
– By providing reasonable technical guidance as requested.

Upon Merchant’s request, the following additional Services can be ordered in support of integration efforts:
– Test Payment Devices and test cards (only for testing, not for processing Transactions for actual sales). The first two Test Payment Devices are free of charge.

4.2 First Line Support (Merchant’s Responsibility)
Merchant is responsible for all first-line support activities to the end users of the Payment Devices (for example, in-store personnel) including all on-site activities (such as, for example, in-store installation, troubleshooting or replacement) with respect to the Payment Devices. For any issues concerning the Payment Devices, Merchant’s in-store personnel should contact Merchant’s first line support team (the “First Line Support”).

To enable the First Line Support to perform the below support tasks, Adyen will make materials and training available to Merchant.

First Line support consists of:
– General triage and troubleshooting with respect to the Payment Device:
  – Merchant network issues Hardware and accessory issues;
  – Basic account and Payment Device configuration; and
  – Theft, fraud, or misplacement issues.
– Transaction support (troubleshooting with regard to particular Transactions):
  – Payment statuses: refunds and refusal reasons;
  – Payment retries; and
  – Mail Order/Telephone Order Transactions: ability to perform payments over the phone in case of network outage.

4.3 End-user and On-site Support (Merchant’s Responsibility)
Merchant’s responsibilities also include:
– Being available to accept delivery of Payment Devices at the designated address during regular business hours;
– In the event of damage that potentially affects the functionality or security of a Payment Device (such as a broken casing, screen, or keypad), loss, theft, or destruction of a Payment Device, informing Adyen immediately, and in no event later than 24 hours after discovery of the incident. Merchant must inform Adyen by sending an email to Adyen Support with the serial number of the Payment Device (if available) and identifying appropriate Merchant contacts who will be available to follow up. In addition, as soon as possible but no later than five (5) business days after discovery of the incident, Merchant will provide Adyen with a complete description of the details of the incident and summarize all efforts undertaken or planned to investigate the incident and secure the information and Payment Devices at issue;

– Installing and configuring Payment Devices on site in accordance with the applicable installation and configuration instructions provided for the Payment Device. If Merchant wants to connect Payment Devices to a cash register system, Merchant is also responsible for such installation and connection; and

– If Merchant cannot resolve the issue through their First Line Support, Adyen’s Second Line Support is available to assist Merchant as set out in Clause 4.4 below.

4.4 Second Line Support (Adyen’s Responsibility)

Merchant’s First Line support team can, at no additional charge, contact Adyen's second-line support helpdesk (“Second Line Support”) in case of an issue occurring in the Adyen Payment Device Software which cannot be resolved by the First Line Support using the documentation and tools provided by Adyen to Merchant. In case Payment Device Software is older than six (6) months, Adyen reserves the right to limit support and troubleshooting services offered until the Payment Devices are updated with Software not older than six (6) months.

Adyen’s Second Line Support is available in the English language; other languages may also be available.

4.5 Payment Device Support Service Levels

For Payment Device Support, the service levels below will apply.

### 4.5.1 Availability and Response Time

<table>
<thead>
<tr>
<th>Service Window</th>
<th>Response time*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Second Line Support</td>
<td>Eight (8) local business hours</td>
</tr>
<tr>
<td>9:00-18:00 hours CET, PST and SGT on local business days</td>
<td></td>
</tr>
<tr>
<td>Emergency Support** (priority 1 and 2 issues as set out below)</td>
<td>Thirty (30) minutes</td>
</tr>
<tr>
<td>24 x 7 x 365 (via email to dedicated emergency email address)</td>
<td></td>
</tr>
</tbody>
</table>

* Response time is the time between:

1. The moment the issue is reported by Merchant to Adyen together with all reasonably required information to be able to investigate and address the issue; and

2. The moment Adyen has responded to a call or (in all other cases) provided its initial feedback on the issue and has started the resolution process of the issue (automated confirmation of e-mail receipt is not considered initial feedback).

**Emergency Support** is support for issues in Payment Device Software which block the submission of Transactions via a particular model of Payment Device generically, excluding issues affecting one individual Payment Device.
### 4.5.2 Resolution Time

<table>
<thead>
<tr>
<th>Payment Device Software Issue Priority</th>
<th>Resolution Time Target*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Priority 1: Issue blocking acceptance of payments for all Payment Methods via all (properly updated) Payment Devices of a particular model</td>
<td>Four (4) hours after ticket is logged with Adyen</td>
</tr>
<tr>
<td>Priority 2: Issue blocking use of an individual Payment Method via all (properly updated) Payment Devices of a particular model (payment via other Payment Methods still possible)</td>
<td>One (1) business day</td>
</tr>
<tr>
<td>Priority 3: All other issues in Payment Device Software materially hindering the acceptance of payments.</td>
<td>Reasonable efforts to resolve in next update</td>
</tr>
</tbody>
</table>

*The “Resolution Time Target” is defined as when Adyen will make an update available for the Payment Device Software (or a recommended change in the setting of the same) that resolves the issue or provides a work-around for the same. This Resolution Time Target only applies to issues originating in the Payment Device Software and caused by a previous update issued by Adyen for such Payment Device Software. Excluded from the Resolution Time Target are issues caused or originating in: software embedded by the hardware manufacturer of the Payment Device, systems or software of Scheme Owners, third party cash register, user error, not installing updates or not following installation and usage instructions as provided by Adyen.

### Article 5. Merchant Payment Device Responsibilities

To access and use the Services of Adyen when operating and using the Payment Device, Merchant must:

- Ensure that the Payment Device is kept and operated in a suitable environment, used only for the Transactions for which it is designed, and operated in a proper manner;
- Make no alteration to the Payment Device and not remove any component(s) from the Payment Device without the prior written consent of Adyen;
- Permit Adyen or its duly authorized representative to inspect the Payment Device at all reasonable times, subject to reasonable notice and during reasonable working hours at the relevant location;
- Not allow any third party to use the Payment Device or submit Transactions via the Payment Device on behalf of a third party without the prior written consent of Adyen. The Payment Device may only be used by Merchant to submit Transactions to Adyen in its own name and for the business it registered for when entering into Agreement;
- General Comply with the relevant usage manuals for the Payment Devices and the Adyen POS Services in general as published on Adyen Docs, including in particular:
  - The Payment Device manual,
  - The Network Requirements manual for Payment Devices to ensure IP connectivity for the Payment Devices to enable their proper functioning, and
  - The Payment Security manual which provides guidelines to assist Merchant in the safe and secure use of the Payment Device and POS Services;
- Comply with PCI DSS security requirements when handling and using Payment Devices and, upon Adyen’s request, fill out Self-Assessment Questionnaires (“SAQs”) prescribed by the Scheme Owners under applicable PCI DSS regulations to confirm such compliance; and
- Follow the Scheme Rules in operating the Payment Devices to submit Transactions.

### Article 6. Additional Services for Use of Payment Devices

The following additional services are offered by Adyen to Merchant in relation to the use of Payment Devices. Such additional services will either be enabled by default (at no additional cost) or at the election of Merchant as priced in the Agreement.
6.1 Cellular Connection and Data
As a default service, for specific models of Payment Devices, Adyen will at no additional cost supply the SIM card together with the Payment Device and will remotely activate the SIM card. Cellular traffic for Transaction processing and actions such as configuration updates are free of charge. For Android Payment Devices that use cellular data for any non-Adyen applications, Merchant will be required to purchase data bundles (for example, 500MB, 1GB, 2GB) to match their expected data consumption for these applications. Adyen reserves the right to throttle the connection speed and/or block cellular traffic if data bundles are exceeded. Adyen will not be liable for any additional costs as a result of excessive data usage.

Payment Devices can only be used with SIM cards that are supplied by Adyen. Upon termination of Agreement, all SIM cards will be deactivated and must be returned by Merchant together with the Payment Devices as set out in Agreement.

Adyen reserves the right to enable or disable the SIM card in Payment Devices.

6.2 Terminal Cloud Services
Merchants operating Adyen issued Payment Devices are offered at no additional cost cloud services that enable communication over the internet between Merchant applications and the Payment Device itself (“Terminal Cloud Services”).

Provided that the relevant Payment Device and application have a stable internet connection, the Terminal Cloud Services allow Merchant to:
- Initiate payments and/or Refunds on the Payment Device;
- Receive updates on Transaction status;
- Check Payment Device connection status; and
- Receive data to generate compliant receipts for each Transaction.

Adyen provides Merchants with reasonable support and documentation to build and maintain its integration with Terminal Cloud Services. Details regarding the usage, features, and integration with Terminal Cloud Services can be found on Adyen Docs.

Terminal Cloud Services are also available for use in the Adyen Platform test environment.

6.3 Third-Party Value-Added Services for In-Person Payments
Merchants operating Adyen Payment Devices are offered the possibility to integrate their Payment Devices directly with third-party value-added services. Third-party value-added services are hosted and maintained by official Adyen partners. Official partners can be found in the Adyen partner directory: https://www.adyen.com/partners/network.

Partners must be officially onboarded onto the Adyen partner network before implementing their services or solutions with a Merchant. Merchants must have a separate commercial agreement and or contract with the partner(s) they are integrating with. Adyen is not responsible for any agreements or contracts between the partner and Merchant.

Additional details regarding the usage, features, and integration with third party services can be found on Adyen Docs.

Adyen provides merchants with reasonable support and documentation to build and maintain integration with third party services. Adyen will take no responsibility for service disruptions or performance issues resulting from the misuse, or erroneous integration by Adyen’s customers or partners. Additionally, Adyen will take no responsibility for the performance or maintenance of the third-party services built by our partners.

6.4 Dynamic Currency Conversion (DCC) Transactions
Merchants can elect to offer Dynamic Currency Conversion (“DCC”) to Shoppers on the Payment Device. DCC provides Shoppers the opportunity to elect to pay a Transaction either in Merchant’s local currency or in the currency of the Shopper’s Card.

Where it is necessary to convert a sum from one currency to another, including DCC, a currency exchange rate (“FX Reference Rate”) is applied. Where agreed, Adyen will charge a fee for managing the exchange of foreign currencies (“FX Management Fee”, also referred to as the forex management fee or forex management spread). The conversion rate and fee charged to the Shopper will be shared on the Payment Device before the payment is processed and also confirmed on the Shopper’s sales receipt.
The fees for DCC will be fully charged to the Shopper by default and Merchant will receive Settlement in the currency of the original Transaction. At Merchant’s option, the DCC fee can be split and will be shared between Adyen and Merchant as agreed in the Agreement.

In case of a Chargeback on the Transaction to which DCC is applied, the fee charged to the Shopper may need to be returned, in which case Merchant must also return its share of the fees. Adyen will process any Chargeback or Refunds using the same currency as the original Transaction and will use the latest conversion rates. Adyen will not be liable for any differences in the event that currency exchange rate differs between date of original purchase and Chargeback or Refund.

6.5 Offline Payments
Payment Devices will by default process all Transactions online only. In case of connectivity issues to the Scheme Owner or Card Issuer, the Transaction will be declined. Merchant may choose to configure Payment Devices to also accept Transactions offline as follows:

– “Online preferred”, if supported by the Card configuration and only in case of connectivity issues towards the Scheme Owner and/or Card Issuer, authorise Transactions offline below a certain Transaction amount limit set by Merchant;

– “Offline preferred”, if supported by the Card configuration, authorise Transactions offline below a certain Transaction amount limit set by Merchant without attempting to go online; and

– “Store and Forward”, ignoring the Card configuration and only in case of connectivity issues towards the Scheme Owner and/or Card Issuer, force offline Authorisation of Transactions below a certain Transaction amount limit set by Merchant (“Forced authorisation threshold”).

Merchant agrees that by enabling offline payments, Merchant’s integration may approve Transactions before Shopper funds are received, making it possible that Merchant will not receive the funds for the goods and/or services purchased by the Shopper. By enabling offline payments, Merchant acknowledges that there is a higher risk that card fraud goes undetected. For the options above, any Transaction for an amount exceeding the relevant limit set by Merchant will always require online processing only or will be declined in case of connectivity issues. Transactions authorised offline will be stored on the Payment Device and forwarded to the Scheme Owner and Card Issuer when the Payment Device is online.

Transactions that were authorised offline may fail to be Captured, which could result in no Settlement to Merchant. However, some Scheme Owners may offer a limited Capture guarantee and fraud Chargeback protection for Transactions authorised offline in line with the configuration of the Card up to a certain Transaction amount. Adyen does not accept any responsibility for any failed Captures or the defence of Chargebacks and/or disputes in respect of Transactions authorised offline. If Merchant chooses to authorise Transactions offline, Merchant accepts full liability for, and shall indemnify and hold Adyen harmless from, any (third-party) claims in respect of the associated risks regarding Chargebacks, disputes and Capture/Settlement failures.

6.6 Manual Keyed Entry
Merchant may choose to enable Manual Keyed Entry (“MKE”) on the Payment Devices in accordance with guidelines provided on Adyen Docs. In such a case, Merchant accepts full liability and shall indemnify and hold Adyen harmless from any (third-party) claims in respect of Chargebacks and fraud regarding Transactions executed through the use of MKE. Adyen reserves its right to set up and/or increase Merchant’s MPL Reserve Level as a result of the number of MKE Transactions.

6.7 Mail Order/Telephone Order
Subject to confirmation by Adyen, Merchant may choose to enable activation of Mail Order/Telephone Order (“MO/TO”) Transactions on the Payment Device whereby payments can be processed remotely by keying in the Card details on the Payment Device while the Card is not present. Merchant also has the option to enable MO/TO Refunds via the Payment Device. In both scenarios Merchant accepts full liability and shall indemnify and hold Adyen harmless from any (third-party) claims in respect of Chargebacks and fraud regarding Transactions executed through the use of MO/TO. Adyen reserves the right to set up or increase Merchant’s MPL Reserve Level as a result of the number of MO/TO Transactions. Merchant represents and warrants that Merchant will comply with the Scheme Rules and PCI DSS requirements applicable to MO/TO Transactions.

6.8 Adyen P2PE Solution
As part of the Adyen solution, Payment Devices will by default be end-to-end encrypted. In addition, Merchant may opt in to the PCI-verified Adyen’s P2PE solution, with pricing agreed in the Agreement.
For more details, visit: https://www.pcisecuritystandards.org/assessors_and_solutions/point_to_point_encryption_solutions?agree=true.

If Merchant opts in to Adyen P2PE, this feature will be enabled for all Merchant accounts under Merchant's Company Account in the Adyen Customer Area. It is not possible to have both End-to-End encrypted and P2PE encrypted Payment Devices on one Adyen company account. By enabling Adyen's P2PE solution, Merchant agrees to:

1. Fully implement all requirements set out in the P2PE Instruction Manual ("PIM") (available online at https://www.adyen.com/legal/p2pe-instruction-manual);
2. Ensure and maintain its compliance with the relevant PCI DSS requirements for P2PE; and
3. Annually provide Adyen a Self-Assessment Questionnaire P2PE ("SAQ P2PE") or an Attestation of Compliance for Self-Assessment Questionnaire P2PE ("AOC P2PE").

Moreover, Adyen has the right to request audit trails (as described in the PIM) at any time and Merchant must respond within five (5) business days with the requested audit trails. If Merchant fails to provide accurate audit trails on Adyen’s request, Adyen has the right to disable Adyen P2PE for Merchant.

Merchant has the right to opt out of Adyen P2PE at any time with a request from an authorized employee to the Adyen Support team. Provided that the notice is given at least five (5) business days before the end of a calendar month, the Adyen P2PE fees will stop applying as of the following calendar month. Upon receipt of an opt-out request from Merchant, Adyen P2PE will be disabled for any Payment Device ordered by Merchant.

6.9 Tax-Free Shopping

Merchant may enable the Tax-Free Shopping ("TFS") feature provided by Adyen on Payment Devices. TFS allows international Shoppers to claim back sales tax or VAT on their purchases from a TFS provider that provides the tax refund to the Shopper. The TFS feature is available by Adyen via a direct integration with the TFS provider Global Blue. Merchant will be required to have a direct relation with Global Blue and agrees that any TFS rebates will be provided pursuant to the terms of such agreement between the two.

The Payment Device will notify Merchant that the Transaction could be eligible for TFS, at which point the Adyen Platform will send information to the TFS provider that a payment is made which could be eligible for TFS. Adyen cannot be held liable or accountable for missing any TFS rebates, since that is something between Merchant and the TFS provider.

Additional information about TFS can be found on Adyen Docs.

6.10 Tipping

Merchant may elect to enable tipping features on its Payment Devices allowing Shoppers to add gratuity to payments made to Merchant ("Tipping"). There are various ways to implement Tipping, which are described in Adyen Docs. By enabling Tipping, Merchant agrees that Adyen will not be held responsible if the tip amount is ultimately declined by the Shopper’s Issuer.

6.11 Cashback

Merchant may elect to enable the cashback feature on its Adyen Payment Devices, allowing Shoppers to withdraw cash from their account either in connection with a purchase or without a purchase ("Cashback"). Merchant understands that withdrawing cash from a digital Payment Method bears a heightened risk and, as a result, Adyen may require additional information from Merchant to ensure the Cashback feature is not used for undesired cash handling. Merchant is responsible for ensuring the cash is delivered to a Shopper with the intention of using the cash in an appropriate way. This requires amongst other things, training of in-store personnel. Adyen is not responsible or liable for any claims, harm, or damage that may result from Merchant providing the Cashback feature to its Shoppers.

6.12 Gift cards and other stored value cards

Merchant may elect to use the Terminal API to process Transactions using stored value cards, including gift cards and mall cards. Stored value cards are payment cards with a monetary value stored on the card itself instead of in a bank account. In order to enable this feature, Merchant must have a direct contract with the card provider and comply with all regulatory and tax requirements around stored value cards in the country where the card was issued (such as expiry period, Transaction limit, and cross-border Transaction capability).
Merchant assumes responsibility for the balance on the stored value card, as well as for refunding the amount or issuing new stored value cards to shoppers for returned items. Because many stored value cards require a PIN as Card Verification Method (CVM), Merchants should make sure that the PIN is securely provided to customers at the point of purchase.

6.13 Least-cost routing
Where allowed under Scheme Rules or Applicable Law, Merchant may elect to use the least cost routing capability. The least cost routing capability provides Merchant the capability to choose the payment method that should have the preference for routing in case the card supports multiple routing options. Merchant acknowledges that least cost routing logic could influence authorization rates and/or Transaction fees. By enabling the least cost routing logic, Merchant agrees that Adyen will not be liable for the increase or decrease of the authorization rate and/or Transaction fees.

6.14 Incremental Authorisation
Merchant may elect to increment the payment that has been pre-authorised on the Payment Device if the cost of the provided product or service is not available at the moment of performing the Transaction in-store. Merchant must inform the Shopper that the incremental adjustment may be performed. Adyen will not be responsible for the full amount of the Transaction in the event that incremented amount is ultimately rejected by issuers and/or Scheme Owners.

6.15 Bypass PIN
Where allowed by Scheme Rules and Applicable Law, Merchant may elect to enable Bypass PIN features on its Payment Devices allowing Shoppers to bypass the PIN entry requirements. Bypassing the PIN and moving to another Card Verification Method (CVM) increases the risk of fraud on a Transaction and should therefore only be used where Merchant trusts a Shopper. By enabling and using the Bypass PIN feature, Merchant agrees that Adyen will not be held liable for any unauthorized and/or fraudulent Transactions, in which cases Merchant will resolve said Transactions by contacting its Issuer.

6.16 Drop Shopping
Merchant may elect to enable Drop Shipping Services, whereby Adyen will ship Payment Device directly to Merchant Affiliates on Merchant’s behalf. By enabling the Drop Shipping Services, Merchant agrees to the exclusive use of these services for all Payment Device delivered to Merchant Affiliates. Merchant further agrees that Drop Shipping Services may not be enabled or disabled on an individual Merchant Affiliate basis.

6.16.1 Drop Shipping Conditions
Merchant agrees that Drop Shipping Services will be subject to the Payment Device ordering and shipping process set out in Clause 2.2 above. Payment Devices will be delivered on a Delivered Duty Paid ("DDP") destination basis to the relevant addresses provided by Merchant to Adyen. Merchant will provide Adyen with accurate addresses for all Merchant Affiliates at the time of ordering Payment Devices and understands that Adyen cannot change the shipping address for orders once the Payment Devices are in transit. Merchant accepts responsibility resulting from any incorrect address provided to Adyen and agrees to assume any additional costs and responsibility for contacting the relevant carrier and to recover and/or reroute the shipment to its correct destination. Merchant will purchase the Payment Devices directly from Adyen and as such, any risk of loss and responsibility will pass from Adyen to Merchant and from Merchant to Merchant Affiliates upon delivery to Merchant Affiliates. For the avoidance of doubt, Adyen will not be subject to additional liability or responsibility for the Payment Devices once delivered to Merchant Affiliates including any additional costs resulting from a Merchant Affiliate’s inability to accept the Payment Devices at the time of delivery. Adyen reserves the right to use a local Adyen entity as the selling party.

6.16.2 Pricing, Invoicing, Taxes
Pricing for the Drop Shipping Services are priced in addition to the Adyen Services and will be included in the Payment Devices invoice. Such pricing will be guaranteed for a period of six (6) months, after which time Adyen will have the right to change such pricing by providing three (3) months’ written notice to Merchant.

For Drop Shipping Services to countries within the European Union, Adyen will invoice VAT due on the purchase price of Payment Devices in accordance with the applicable VAT legislation. Adyen will apply the 0% VAT rate on Payment Device purchase prices where the relevant requirements for an intra-community supply of goods are met in accordance with the EU VAT Directive 2006/112/EC. Such requirements include Merchant’s obligation to provide Adyen with its EU VAT ID number in the ship-to-country and to hold ownership rights to dispose of the Payment Device in the ship-to-country.
Merchant acknowledges that if it does not provide Adyen with a valid EU VAT ID in the ship-to-country, Adyen will apply the VAT rate in the ship-from-country.

For Drop Shipping Services to countries outside the European Union, the supply of Payment Devices by Adyen to Merchant may be subject to VAT/GST/JCT or other indirect taxes (hereinafter, referred to as VAT). Adyen invoices the VAT due on the purchase price of Payment Devices in accordance with the applicable VAT legislation. If Adyen has a local entity in the ship-to-country, Adyen will endeavor to use the local Adyen entity as the selling party and therefore invoice the local applicable VAT rate, based on the ship-to location provided by Merchant.

6.17 Surcharge
Where allowed pursuant to Applicable Law, Merchant may enable a Surcharge feature on its Payment Devices which will allow Merchant to pass Payment Method, interchange fees and/or scheme fees over to Shoppers as a surcharge. Merchant agrees to comply with Applicable Law relating to Surcharge. This includes, without limitation, ensuring that Surcharge services are permitted in the region where it is being offered, any tax obligations and complying with applicable regulatory requirements to inform Card Holders whenever a Surcharge will be added to the final Transaction amount. Additional information about Surcharging can be found on Adyen Docs.

6.18 SoftPOS Services
Software point of sale (also known as “Tap to Pay”) services may be offered to eligible merchants on the Adyen platform in supported territories (“SoftPOS Services”). The SoftPOS Services are made available by Adyen to Merchant as a Payment Method under the Terms and Conditions and will be construed as such under the terms of the Agreement, including any terms regarding Payment Method support. Merchant agrees that SoftPOS providers may change the technical characteristics, legal terms and conditions, and/or the acceptance criteria under which SoftPOS Services are made available to Merchant. Should Merchant disagree with such change(s), it should discontinue use of the SoftPOS Services.

In rendering the SoftPOS Services, SoftPOS providers will be considered Scheme Owners under Adyen’s Terms and Conditions and as such, any obligations owed by Merchant to Scheme Owners pursuant to the Agreement shall apply equally to the relevant SoftPOS provider.Merchant agrees that any reference to Scheme Owner fees and/or Scheme Owner fines in the Agreement shall be understood to include any fees and/or fines issued by the relevant SoftPOS provider in connection with Merchant’s use of the SoftPOS Services. Similarly, any terms and conditions, and usage guidelines required by SoftPOS providers, whether shared directly by such providers or via Adyen, shall be considered Scheme Rules under the Terms and Conditions. Merchant acknowledges and accepts that Adyen may be required to enforce the SoftPOS Scheme Rules on behalf of SoftPOS providers from time to time.

SoftPOS providers may, in their sole discretion, suspend or discontinue the SoftPOS Services (or require Adyen to do the same) with or without cause. Merchant acknowledges that any such acts are solely within the control of SoftPOS providers and agrees to hold Adyen harmless from any claims or actions for damages arising therefrom. Merchant may disable the SoftPOS Services at any time via Adyen’s Customer Area.

Article 7. Custom Payment Device Services
The following custom services (“Custom Payment Device Services”) are provided by Adyen to qualifying merchants (namely, Platform Merchants) on an exceptional basis and subject to Adyen’s approval, which Adyen may withhold in its discretion. Where approved, Merchant agrees to comply with any additional Scheme Rules and PCI-DSS requirements relating to the use of the Custom Payment Device Services.

7.1 Custom Packaging
Merchant may enable additional Payment Device services whereby Adyen will provide customized labeling and packaging for Merchant’s Payment Devices (“Custom Packaging Services”). The Custom Packaging Services will include packaging of Payment Devices with their relevant components and/or accessories in individual packages containing merchant-specific labels and serial numbers per device.

Merchant represents that it is the owner or licensor of all rights, title, and interest in each of the logos, trademarks, brand names, graphics, or other materials provided by Merchant to Adyen for purposes of Custom Packaging (“Merchant Content”). Merchant hereby grants Adyen and its authorized manufacturers the right to reproduce, print, and use the Merchant Content solely in connection with the Custom Packaging Services provided hereunder. Such permission will extend only for the term of the Agreement. Adyen acknowledges that the Merchant Content is owned solely by Merchant and agrees to use the Merchant Content in a manner allowed by Merchant pursuant to the Agreement.
By enabling Custom Packaging, Merchant agrees to the exclusive use of these services for all Payment Devices delivered in a single order. Merchant will submit samples of all Merchant Content for review by Adyen prior to acceptance of Merchant’s first Custom Packaging order and agrees that such Merchant Content will be applied equally to all Payment Devices in the order. Merchant agrees to provide Adyen with reasonable notice of any changes to the Merchant Content and acknowledges that any such changes may affect the processing time of the Payment Devices. Once a Custom Packaging order has been placed, Merchant may only cancel or modify the order if it has not yet been approved by Adyen’s Supply Chain team. Merchant may terminate the Custom Packaging services by providing Adyen with one-month prior written notice.

7.2 Host to Host Services

7.2.1 Conditions

On an exception basis, Adyen may at its sole discretion allow Merchant to provide third-party payment devices (the “Third Party Payment Devices”) to its Sub-Merchants for processing POS Transactions (the “Host to Host Services”).

Merchant agrees to meet the following requirements and representations when using the Host to Host Services:

1. Merchant’s Third Party Payment Devices will be compatible with the Adyen Software and properly integrated with the Adyen platform in accordance with Adyen instructions, requirements and integration documentation as provided from time to time;
2. Merchant will obtain all required certifications relating to Third Party Payment Devices at its own expense (unless Adyen collaboration is required, e.g. for EMVco L3 Brand certification) and share such certifications with Adyen promptly upon request;
3. Merchant will obtain Adyen’s prior approval for use of Third Party Payment Devices;
4. Third Party Payment Devices will only be used in relation to the Adyen Services and in countries where Adyen offers POS Transaction Services;
5. Merchant will not approve a Refund using the Host to Host Services without communicating to Adyen the unique reference to the original inbound Transaction, unless otherwise specifically approved by Adyen in writing; and
6. Merchant agrees to promptly demonstrate its compliance with the terms of this clause upon Adyen’s first request.

Adyen will not be responsible for the use, support, maintenance and/or repair of any Third Party Payment Device, nor for Merchant’s management thereof. Adyen provides no warranties on, or assurances for, Third Party Payment Devices, nor does Adyen guarantee their ability to function properly or accept Transactions through the Adyen Platform.

Merchant will indemnify and hold Adyen harmless against any Indemnified Losses incurred by Adyen in connection with any Claim arising from the Host to Host Services and based on the following: (i) Merchant’s failure to ensure Third Party Payment Devices’ functionality, stability, maintenance, updates, compliance; (ii) fraudulent, unlawful or malicious use of the devices by Merchant and/or Sub-Merchants; and (iii) security incidents arising out of or in connection with Merchant’s cryptographic key management operations.

7.2.2 Compliance

Merchant will ensure that any relevant certification(s), device security, distribution, ordering, location management and storage of Third Party Payment Devices comply with applicable PCI DSS, Scheme Rules, Scheme Owners requirements, Applicable Law and, as far as applicable, any instructions or documentation issued by Adyen in this respect. Merchant will not, and ensure that the Sub-Merchants do not, use Third Party Payment Devices in violation of applicable Scheme Rules, PCI DSS and/or Applicable Laws.

Merchant will cooperate with any reasonable and/or lawful request for information relating to Third Party Payment Devices by Adyen, its auditors, regulatory authorities, and/or Scheme Owners (collectively, the “Reviewers”), without undue delay and where practicable, respond within one (1) business day. Auditors may perform periodical reviews to the locations where Third Party Payment Devices are used or in any other location as determined by the Reviewers from time to time. Adyen will, when possible, provide at least ten (10) business days’ prior written notice of any onsite review.

Merchant will not, and ensure that Sub-Merchants will not, limit or in any way prevent a Reviewer from exercising its rights to request information or perform reviews in relation to Merchant’s use of Third Party Payment Devices pursuant to the terms of the Agreement. Any review shall be conducted during normal business hours, and in a manner that reasonably minimizes interference with Merchant’s and/or Sub-Merchants business. Merchant shall give all necessary assistance to the conduct of audits during the term of the Agreement and for any period after the termination of the Agreement in accordance with Applicable Laws. Any such third-party audit costs will be borne by Merchant.