



ADDENDUM TO THE MERCHANT AGREEMENT  
TRANSACTIONS WITHOUT CREDIT CARDS PRESENT

This document is an Addendum to the Merchant Agreement entered into on the .....day of ..... between Bank of Nevis Limited of P.O. Box 450, Main Street Charlestown, Nevis (hereinafter called the bank) of the one part and .....of..... (hereinafter called "the merchant") of the other part. Whereas it is agreed between the said parties that this addendum shall be considered as an integral part of the above referenced agreement and shall in all respects be governed by the provisions of that agreement provided, however, where identical provisions are addressed in both this Addendum and the said agreement the provisions hereof shall prevail.

IN CONSIDERATION of the above premises it is hereby agreed that the merchant is allowed to process credit card transactions without the cardholder being present and without obtaining the signature of the cardholder on sales drafts or transaction receipts under the following terms and conditions:

1. The transaction must be one being conducted by the cardholder with a hotel or car rental organization or airline or by mail order or telephone order or otherwise in situations authorized by the bank in advance.
2. In each case the merchant must complete one of the following :
  - a. Request or order form (mail order or telephone order transactions)
  - b. Reservation Form (Hotel or Airline transactions)
  - c. Rental agreement (Car rental transactions)

The request, order, reservation form or car rental agreement must include the following:

- i. Name of Cardholder
  - ii. Address of cardholder
  - iii. Card Account Number
  - iv. Expiration date of the card
  - v. Details of the request, order, reservation or rental
  - vi. Details of recurring charges if applicable
  - vii. Deliver address if different from the address of the cardholder
3. The merchant agrees to and shall retain a copy of the Request form, Order form, Reservation Form or Rental agreement for at least eighteen (18) months after the transaction date.
4. The merchant agrees not to charge the cardholder any additional charges not normally charged by the merchant when conducting usual credit card transaction with the cardholder being present and or having the cardholder's signature on the sales draft or transaction receipt.

5. The floor limit will be \$0.00. In all cases the merchant shall call the bank's Back office support Centre or designated bank's office to obtain authorization for these transactions or if agreed by the bank electronically input transactions to obtain transaction authorization.
6. If the merchant processes mail order or telephone order transactions the merchant must include "TO" for a telephone order or "MO" for a mail order on the signature line of the draft or transaction receipt . This is not applicable to hotels, car rental organizations or Airlines.
7. Hotels, Airlines
  - a. A hotel must participate in the Hotel Reservations Service.
  - b. Where the cardholder does not take up a reservation made, a hotel or airline, merchant may submit a no-show charge to the cardholders account without there being a reservation form signed by the cardholder.
  - c. The merchant may submit a delayed or amended charge to a cardholder's account, only if the cardholder consented in writing to be liable for delayed or amended charges. The merchant must submit to the bank within 4 business days of the transaction, copies of the following:
    - i. The reservation form completed by the Airline or Hotel
    - ii. Documentation showing the cardholder's consent to pay for delayed or amended charges
    - iii. The name of the person making the reservation (if different from the cardholder)
    - iv. The Hotel or Airline cancellation policy
  - d. The merchant agrees to supply the bank with any other documents requested by the bank from time to time.
8. Car Rental
  - (a) Where the cardholder does not take up a reservation made, the Car Rental organization may submit a no-show share to the cardholder's account without there being a rental agreement signed by the cardholder.
  - (b) The merchant may submit a delayed or amended charge to a cardholder's account only if the cardholder signed the car rental agreement and consented to be liable for delayed or amended charges. The merchant must submit to the bank within 4 business days after the transaction, copies of the following:
    - i. The car rental agreement signed by the cardholder.
    - ii. Documentation showing the cardholder's consent to pay for delayed or amended charges including damages, if applicable.
    - iii. A copy of the police report of the accident, if applicable.
    - iv. A copy of the estimate of the cost of the damages from an organization that can legally provide repairs, if applicable
    - v. A copy of the insurance policy, if applicable.
  - (c) The merchant agrees to supply the bank with any other documents requested by the bank from time to time.

9. If Merchant is engaged in recurring services, the Merchant must:
  - i. Obtain the cardholders written permission to periodically charge for recurring services
  - ii. Agree with the bank on the method of submission if a P.O.S terminal was not issued.
  - iii. Retain a copy of the Cardholders written permission for at least 18 months from the date of each transaction for the duration of the recurring services.
  - iv. Not complete, submit or transmit a recurring transaction if the merchant does not obtain an approval code from the bank.
  - v. Not complete, submit or transmit a recurring transaction if the merchant receives a cancellation notice from the cardholder.
10. Every transaction voucher submitted by the merchant must include the words "Signature on file" and the Merchant must send a copy of the transaction voucher to the cardholder at the address shown on the Order form, Request Form, Reservation Form or Rental Agreement.
11. In all cases the merchant must establish the true identity of the cardholder as the authorized holder of the card by obtaining the appropriate evidence of the Cardholder's identity and noting such evidence on the applicable Request Form, Order form, Reservation form, Car Rental Agreement or Transaction receipt.
12. The bank has the right without notice to charge to the Merchant Designated Account any chargeback received on behalf of the Merchant and the Merchant agrees to pay on demand any such chargeback indicated by the bank. The merchant further agrees to accept and pay any chargeback for no show transactions where the cardholder disputes the transaction or the Merchant's right to collect a charge.
13. The Merchant agrees to provide cash security as indicated in Schedule A for the duration of this Addendum and to deposit such security to a fixed deposit account at the bank. The Merchant also agrees to increase the security as requested by the bank in writing from time to time within 10 days from the date of the request. The bank reserves the right to freeze or hold deposits whenever fraudulent activity is suspected. The Merchant further agrees that upon failure to maintain the required level of cash security the bank has the right to cancel this Addendum forthwith without notice.
14. The bank may at its discretion use the cash security provided to set off any or all outstanding chargebacks or moneys not paid by the Merchant within 10 business days from due date of such payment.
15. Upon the termination of the Merchant Agreement first hereinbefore mentioned this Addendum shall automatically terminate. Termination shall be subject to and without prejudice to any rights of the parties previously existing or accrued.
16. Either party may terminate this Addendum upon giving 10 days prior written notice of termination. Termination of this Addendum shall be without prejudice to the continued

existence of the Merchant agreement which Agreement shall remain in force unless specifically terminated in accordance with the terms thereof.

17. The merchant undertakes to inform the bank of any changes in ownership of the business, such as limited partnership agreements, or any other changes in business practices or sales methods. This includes expected changes in average draft or deposit amount.
18. The merchant undertakes to ensure that all internet transactions are encrypted as directed by the bank from time to time.
19. The merchant undertakes that all web sites must display a direct telephone number and physical address for customer service enquiries.
20. Merchant undertakes that in the course of business the following is agreed:
  - Not to accept Cards for the purchase or trade of child pornography.
  - Not to Display a Visa-Owned or MasterCard Mark on a Website that is used for the purchase or trade of child pornography.
  - Not to accept cards for internet gaming or gaming transactions
  - Not to accept cards for pornography of any kindMerchants undertakes that Within 7 days of Notification from the bank all agreements will be terminated if the merchant is identified as engaging in the purchase or trade of child pornography of any kind of pornography or gaming.
21. This Addendum does not apply to debit cards or Point of Sale transactions.

**SCHEDULE A**

NAME OF MERCHANT:.....

TRADING AS:.....

ADDRESS:.....

.....  
TELEPHONE NUMBER(S):.....

MERCHANT'S AUTHORISED OFFICERS:.....

.....  
NAME(S) :.....

TITLES:.....

IDENTIFICATION (DL, PP, ID):.....

CASH SECURITY PLEDGED AMOUNT (WORDS AND FIGURES):\$.....

.....

CASH SECURITY BANK ACCOUNT NUMBER:.....

**IN WITNESS HEREOF THIS ADDENDUM WAS DULY EXECUTED BY THE AUTHORISED OFFICERS OF THE PARTIES ON THE .....DAY OF.....20.....**

**FOR BANK OF NEVIS LIMITED**

**AUTHORIZED FOR MERCHANT**

SIGNATURE:.....

SIGNATURE:.....

NAME:.....

NAME:.....

TITLE:.....

TITLE:.....

SIGNATURE:.....

NAME:.....

TITLE:.....

*Affix Company Seal (Corporate Entity)*