

Checkout Payment Service: General terms and conditions (v2019-2)

1 Agreement, scope of application and order of precedence

These General Terms and Conditions apply to the Checkout Payment Service.

The merchant agrees to use the Checkout Payment Service by making an agreement on the Checkout Payment Service with Checkout Finland Oy (the Service Provider).

2 Definitions

“Extranet” refers to the electronic portal that the Service Provider offers to Merchants enabling Merchants to administer the Checkout Payment Service and additional services.

“International sanctions” refers to sanctions, financial sanctions, export or import bans, trade embargoes or other restrictive actions imposed, administered, approved or executed by the Finnish government, United Nations, European Union, United States of America and United Kingdom or their competent authorities or governing bodies.

“Merchant” refers to a vendor or other service provider that has made an agreement on the Checkout Payment Service with the Service Provider.

“Scheme Owner” refers to the party offering and/or regulating the relevant card payment method (e.g. Visa, Mastercard).

“Cards”, “Card Payment” and “Cardholder” refer to Mastercard, Visa and other card payment schemes that the Service covers at any given time.

“User” refers to a person entitled to use the Service in accordance with his/her permissions.

“End Customer” refers to the Merchant’s customer.

“Payment Method Provider” refers to the creditor, acquirer, bank, telecommunications operator or other party providing payment services with whom the Service Provider has concluded an agreement on the transfer of payments for the implementation of the Service. In this Agreement, Payment Method Provider also refers to the Scheme Owner.

“Parties” refers to the Service Provider and the Merchant jointly.

“Service” refers to the service provided by the Service Provider under this Agreement.

“Administrator” refers to the Merchant’s nominated representative who is entitled to grant permission for Users to use the Service.

“Reporting Interface” refers to the interface via which the Merchant can use a program to retrieve data on the use of the Service.

“Rules” refers to all current and future terms and conditions, regulations and instructions set by the Payment Method Providers and which are applied to the Service, including the conditions and instructions of the Scheme Owners.

3 Service

The Checkout Payment Service is a payment transfer service that enables the Merchant to use several different payment methods. The Service only includes the functionalities stated in this Agreement or the service descriptions.

The Merchant can access the Extranet portal, which enables the Merchant to activate additional services. The Merchant administers the deployment of the Service using the credentials issued by its Administrator. The Administrator may create additional credentials for the Merchant and specify limited permissions as enabled by the Service at the specific moment in time, including authorising the User to deploy new additional services.

The Merchant is bound by the actions taken by its Users on the Service.

Changing the account number for settlements to the Merchant always requires a notification to the Service Provider from a person authorised to sign on behalf of the Merchant stating the change of account number.

The Service Provider reports to the Merchant on the use of the Service, either via the Extranet or the Reporting Interface, depending on the Merchant’s choice.

4 General rights and obligations of the parties

The parties must comply with applicable laws and good practices.

The Service Provider is entitled to provide the Service in the manner it deems best and to use subcontractors.

The Service Provider undertakes to provide the Service in accordance with the applicable service descriptions.

The Service Provider will publish on its website or provide the Merchant with an interface description of the Service for ensuring compatibility with the Merchant's systems. The Service Provider exercises due diligence in preparing and maintaining the interface description, but the Service Provider is not responsible for the comprehensiveness of the interface description, nor is it responsible for the Service's compatibility with the Merchant's service.

The Service Provider maintains a list on its website of products and services that the Merchant's service may not offer.

The Merchant must comply with the Service Provider's instructions, special terms and conditions for specific modes of payment and the Rules.

The Merchant is obliged to provide the Service Provider with correct and complete information about its operations, including the information required for customer due diligence, as well as the information required to implement the Service. The Merchant is responsible for the accuracy of the information it provides. The Merchant must notify the Service Provider of all changes to information such as the contact person for the Agreement, the URL of the Merchant's service, the server or contact details in writing without delay.

The Merchant is obliged to strive to prevent fraud and other malpractice in its place of business and to assist in investigating fraud and malpractice.

The Merchant undertakes to provide the Service Provider with a description of its own service with which the Service is intended to be used. The Service Provider must approve the Merchant's service before the Merchant may use the Service as part of the provision of the Merchant's service.

The Merchant must ensure that the Merchant's system functions in accordance with the valid interface description and with other instructions issued by the Service Provider. Before adopting the Service, the Merchant is responsible for testing the compatibility and performance of the Service with those of the Merchant's service at its own expense.

The Merchant must update the information system that it uses to access the Service so that it uses the interface offered by the Service Provider within six (6) months of the Service Provider giving notice of an update to the interface.

The Merchant shall be responsible for storing the Extranet credentials, which entitle it to use the Service, in such a way that outside parties are not able to access the credentials. The Merchant is responsible for the action taken on the Service using its credentials until the Merchant has notified the Service Provider that the credentials have been lost and the Service Provider has had a reasonable length of time on a working day to deactivate the credentials.

The Merchant is entitled to use the Service (including the interface specified by the Service Provider) to receive payments for the Merchant's services in accordance with the Agreement. The use of the name, trademark, logo or other identifier of Payment Method Providers may be permitted on the basis of an agreement between the Payment Method Provider and the Service Provider or the Merchant in accordance with the guidelines issued by the Service Provider. The Service Provider provides the latest version of its guidelines on the Extranet.

The Merchant is entitled to audit the information security of the Service Provider's Service at its own expense. The Service Provider is entitled to bill the Merchant for the working time used for the audit according to its list of service charges and fees.

5 Charges and fees

The Merchant undertakes to pay the charges stated on the applicable version of the list of service charges and fees or the charges agreed separately between the Parties in writing in accordance with the payment terms in the Agreement.

The Merchant is obliged to pay penalty interest on overdue payments in accordance with the Interest Act and to compensate the Service Provider for all collection costs.

The Service Provider is entitled to offset the Merchant's overdue and unpaid charges against the Merchant's receivables by informing the Merchant in advance.

6 Terms and conditions for receiving card payments

General terms and conditions

The Merchant can also offer the End Customers the option to pay by Card via the Service. According to the definitions of the Scheme Owners, the Service Provider is a payment service provider (Mastercard: Payment Facilitator, Visa: Internet Payment Service Provider, Amex: Payment Aggregator).

The Merchant understands that the card scheme's Rules are binding on the Merchant, as the Merchant accepts card payments under the agreement between the Acquirer and the Service Provider. If the Agreement is in conflict with the card scheme's Rules, the Rules take precedence.

The Merchant is liable for any special charges required by the card scheme, such as sector-specific registration fees.

The Merchant may not (i) set thresholds for accepting a Card; (ii) accept Card Payments in currencies other than the euro; (iii) accept a payment that is not based on the sale of a good or service between the Merchant and the Cardholder, or which the Merchant knows or should have known to be fraudulent or unauthorised; (iv) present for transfer any payment transaction intended to refinance the Cardholder's existing obligation; (v) require the Cardholder to waive their right to dispute a payment transaction; or (vii) process one purchase of goods and/or services as several payment transactions.

The Merchant must not accept Card Payments where the Cardholder is charged in a single payment transaction for the Merchant's own products or services in addition to products or services sold by a third party (cross-selling) unless this action has been agreed separately with the Service Provider. Correspondingly, the Merchant's charges from the Cardholder must not be made as part of a third party's charges from the same Cardholder.

Terms and conditions for online payment

If the Merchant and the Service Provider have agreed on the acceptance of unauthenticated Card Payments, or if the Merchant effectively accepts unauthenticated card payments in the Service, the Merchant will bear sole liability for possible fraudulent transactions and their costs. In this context, "unauthenticated payment" refers to a payment where the Cardholder has not been identified using Verified by Visa or Mastercard SecureCode or other authentication service approved by the Scheme Owner.

The Service Provider shall be responsible for processing card data as part of payroll solutions for webshops and for storing the card data in accordance with the PCI DSS standard. The Merchant is obliged to ensure that the technical implementation of its webshop complies with the PCI DSS standard in other regards, and the Merchant must complete the self-assessment questionnaire in accordance with the standard. The requirements of the standard are available at www.pcisecuritystandards.org. If the Service Provider has cause to suspect that the Merchant's service has suffered a data breach or that the confidentiality of card data is compromised, the Service Provider is entitled to initiate an investigation to be performed by a PCI Forensic Investigator at the Merchant's expense.

On its website, the Merchant must provide Cardholders with all of the information required by the Rules and applicable legislation, including the Merchant's official name, customer service contact information, delivery terms and conditions, a complete description of the Merchant's products and services, return and refund policy and the Merchant's information security policy. If the Merchant offers an option for recurring transactions based on a continuous agreement, the website must clearly inform the End Customer how to terminate the agreement.

Terms and conditions for card payments using payment terminals

Acceptance of card payments with a payment terminal requires a card reader supported by the Service and an application that can be downloaded onto a mobile device. The Service only supports chip-and-pin payments.

The Merchant can only accept Card Payments if both the Card and the Cardholder are physically present when the payment is made.

The Cardholder is identified with the Card's PIN and, therefore, the Merchant must not request the Cardholder's signature or require any other means of identification, or require the Cardholder to disclose their PIN.

If the Cardholder cannot be identified with the PIN owing to an error or other reason, the Merchant must ask the Cardholder to confirm the payment with their signature and check that it corresponds to the signature on the Card. In such cases, the Merchant must also check that:

- a) the Card has not expired,
- b) the account number printed on the Card corresponds to the account number on the rear of the Card,
- c) there are no indications that the card has been altered or otherwise affected,
- d) the information on the Card corresponds to the Merchant's observations, and
- e) the name printed on the Card is the same as on the Cardholder's personal ID document.

The Merchant must never print out a receipt with information indicating the PIN.

7 Payment returns

If a transaction between the Merchant and an End Customer is cancelled or if the Merchant otherwise returns all or part of the transaction price to the End Customer, the Merchant is obliged to make a return payment in accordance with the Service Provider's mode-of-payment instructions, either on the Extranet or via the interface.

At the justified request of the Customer (such as an erroneous payment or product return), the Service Provider is entitled but not obliged to return the received payment to the Payment Method Provider and, primarily, to deduct the credited amount from the funds to be remitted to the Merchant, or, alternatively, to bill the Merchant for the payment.

The Merchant undertakes at the request of the Service Provider to assist the Service Provider in investigating disputed payment transactions.

8 Settlements and methods of charging for the Service

The Service Provider settles the payments made by End Customers to the Merchant's stated bank account at the intervals stated in the Agreement. The settled funds will be available to the Merchant on the settlement date if the settlement is paid into an account held at OP Financial Group. The requirement for settlement is that the Merchant has submitted all the documents and information requested by the Service Provider. The Merchant can access the settlement calculation in electronic format on the Extranet.

The Service Provider is not obliged to pay the Merchant any interest for the period during which the funds paid by the End Customer are held by the Service Provider in accordance with the Agreement. If the Service Provider is substantially late in settlement pursuant to the Agreement, the Merchant is entitled to receive penalty interest, unless the delay is due to an incident of force majeure.

If the Payment Method Producer recovers credit losses arising from payments made by the End Customer, refund charges or other costs from the Service Provider, the Service Provider is entitled to deduct a corresponding amount from the funds to be remitted to the Merchant plus the costs of processing the error, or to bill the Merchant for the difference.

The Service Provider is entitled to withhold settlement funds in whole or in part for justified reasons. One such justified reason is considered to be a likely obligation to return payments or a situation in which the Service Provider is entitled to discontinue the Service pursuant to the Agreement.

9 Notification of incorrect payment transaction

The Merchant is obliged to check settlements regularly. The Merchant must notify the Service Provider in writing of any unauthorised or incorrectly executed payment transactions without delay and no later than two (2) months from the date when the Merchant received the payment settlement. If the Merchant does not submit a notification by the foregoing deadline, the Merchant shall forfeit its right to a payment return or other refund.

10 The Merchant's service

The Merchant's service will not be connected to the Service until the Service Provider has approved the description of the Merchant's business as provided by the Merchant. The Merchant bears sole responsibility for its service, including its specification, design, realisation, maintenance and, in particular, data protection and information security. The Merchant is also responsible for the functionalities and features of the service, such as any restrictions concerning age, nationality, business sector or jurisdiction.

The Service Provider shall not be a party to a legal transaction between the Merchant and the End Customer, nor shall it be liable in any way for any payment or remittance obligations, such as cancellations, delays or errors, between the parties in relation to the legal transaction. The Service Provider is entitled but not obliged to receive complaints from End Customer concerning the service if the Service is used to provide or pay for them. Such complaints may apply to factors such as errors in the Service, as well as quality defects or delivery problems affecting the Merchant's product or service. The Service Provider is entitled to charge the Merchant for the costs incurred in investigating and processing a complaint if the complaint concerns a matter for which the Merchant is ultimately responsible.

11 Liability for third-party services

The Service Provider may share information – for example, on its website – concerning computer software or tools that the Merchant can use to deploy the Service. The Service Provider has not created such software or tools, nor does it own any rights to them. The Service Provider accepts no liability whatsoever for the foregoing software or tools, including their freedom from defects, fitness for purpose or the right of the Merchant to use them.

12 Personal data processing

The Service Provider processes personal data in accordance with applicable legislation and as described in greater detail in the Privacy Statement and the Privacy Notice. The Merchant and the Merchant's representatives are advised to read this information concerning data protection. The Privacy Statement and Privacy Notice are available on the Service Provider's website at www.checkout.fi.

The Merchant is obliged to inform the Service Provider of any information security breaches affecting End Customers' data. The Service Provider is entitled to provide information concerning information security breaches to the Payment Method Providers used by the Merchant.

13 Data created when the Service is used

The Service Provider is entitled to use data on the use of Services to develop its business and services or for other commercial purposes, taking into consideration the confidentiality of the Agreement and the protection of the Merchant's business secrets.

14 Intellectual property rights

Under this Agreement, neither party shall transfer to the other party any rights to trademarks, brand names or other intellectual property rights, nor shall they issue any access rights other than those expressly stated in this Agreement.

The Merchant is entitled to use the Service Provider's brand in connection with payments under the services pursuant to the Agreement. The Merchant must comply with the Service Provider's instructions on the use of brands and corresponding identifiers.

The Service Provider is entitled to use the Merchant's business or product name or trademarks to market the Service unless otherwise agreed. Before the Service Provider begins such usage, it must notify the Merchant in writing of the usage and its purpose, and it must comply with the instructions issued by the Merchant. The Merchant is entitled to prohibit the use of a business or product name or trademark in whole or in part.

The Merchant must use the Service Provider's trademark or logo in connection with the Service in accordance with the Service Provider's instructions. The Merchant must obtain prior written consent for other uses of the Service Provider's trademark, logo or corresponding assets.

15 Confidentiality and non-disclosure

The parties undertake to uphold the confidentiality of all business and trade secrets, such as matters concerning each other's financial position, the method used to implement the Service or security solutions, as they may become aware of in connection with this Agreement. The party undertakes not to use this information for any other purpose than the implementation of the Agreement. Each party shall ensure that the information is not disclosed to third parties and that third parties are unable to access the information. The terms and conditions concerning confidentiality and non-disclosure shall survive the end of the Agreement.

16 Communications

The Merchant should send notices relating to the Agreement in writing to the customer service email or postal address stated on the Service Provider's website. The Service Provider sends written notifications to the email or postal address stated by the Merchant.

The Merchant receives information about payment transactions on the Extranet or via the Reporting Interface.

The Service Provider provides notice of changes to the Rules or other changes restricting the use of the Service when it becomes aware of them. The Service Provider aims to provide notice of changes affecting the use of the Service in advance within a reasonable time.

17 Indemnity

The parties are liable to each other for direct damages up to a sum equalling the total service fees paid by the Merchant for the Service in question in the preceding six (6) months or up to EUR 5,000, whichever is lower.

The parties are not liable for indirect damages such as unrealised gains, damages caused by reduced or interrupted production or sales, or damages resulting from a failure to fulfil obligations to a third party or other unforeseeable damages.

The limitations to liability described above do not apply if the loss or damage was caused wilfully or through gross negligence or if the damage was caused by violating the confidentiality clause and the Merchant's duty of disclosure as stated in the Agreement.

The Merchant is liable for all loss or damage caused by incomplete or incorrect information provided by the Merchant. The Service Provider is under no obligation to verify or supplement the information provided by the Merchant.

18 Force majeure

Neither party is liable for delays or loss arising from an obstacle beyond their control, which they could not reasonably have been required to take into consideration when concluding the Agreement and which has consequences that they could not reasonably have avoided or overcome. A strike, lockout, boycott or another industrial action is also considered an incident of force majeure when either party is subject to or involved in it themselves. In particular, a delay or interruption in payments arising from the provider of the payment method is regarded as a force majeure event. A force majeure event of a party's subcontractor is also considered grounds for relief from liability if subcontractor services cannot be performed elsewhere without incurring unreasonable costs or causing a substantial waste of time. Each party must inform the other party without delay of the onset of force majeure and of its cessation.

19 Changes to the contractual terms and conditions and prices

The Service Provider is entitled to change the Service and the related terms and conditions and the prices binding on the Merchant by providing notice thereof on the Service or by email or in writing 30 days before the change takes effect. If the change does not adversely affect the Merchant's rights or increase its obligations, the change may take effect immediately.

20 Assignment of the agreement

The Merchant is not entitled to assign the Agreement or a right or obligation based on the Agreement to a third party. The Service Provider is entitled to assign the Agreement in whole or in part to a third party to whom the business operations referred to in the Agreement are to be transferred. The Service Provider is also entitled to assign its receivables based on the Agreement to a third party. Following the notifications of the assignment of receivables, payments are only valid if they are made to the assignee.

21 Availability of services and errors

The Service is available to the Merchant 24 hours a day, seven days a week, excluding interruptions for servicing, updates, maintenance, disruptions and other similar reasons. The Service Provider does not guarantee that the Service is available to the Merchant or the End Customer without interruptions. The Service Provider is entitled to temporarily suspend the provision of the Service if this is necessary for servicing or maintenance. The Service Provider aims to ensure that interruptions are as short as possible. The Service Provider undertakes to begin rectifying an error in the Service of which it has been notified and for which it is responsible, without undue delay, on working days (excluding Saturdays) between 9 am and 4 pm. At other times, rectification measures will be initiated if agreed separately, in which case a separate fee will be charged for the work.

The Service Provider's liability for errors is limited to rectifying the error or providing the service again. The Merchant is obliged to notify the Service Provider immediately if it notices interruptions, problems or other disruptions in the Service, and to actively participate, if possible, in investigating the issue. The Service Provider has no liability in the event that the Service cannot be provided to the Merchant because the end device, software or systems of the Merchant or its customer do not support the features required by the Service. The Service Provider is not liable for disruptions or errors in the services that it relays, such as services from Payment Method Providers and logistics service providers.

22 Suspension and restriction of use of the service

The Service Provider is entitled to suspend the Service entirely or restrict the Service if, for example:

- f) it is not possible to contact the Merchant within a reasonable time;
- g) the Merchant does not comply with the Agreement or the instructions issued by the Service Provider, or the Merchant does not meet the requirements set for using the Service; or
- h) the Merchant's software, systems or telecommunication networks damage, disrupt or otherwise compromise the security or operation of the Service; or
- i) the Merchant has outstanding payments due to the Service Providers; or
- j) the Merchant becomes subject to international sanctions; or
- k) the Service Provider has just cause to question the Merchant's ability to meet its contractual obligations;
- l) a Payment Method Provider prohibits the Merchant from using its mode of payment.

23 Validity, termination and cancellation of the agreement

This Agreement enters into force when the Merchant has provided the Service Provider with all the necessary information it has requested in order to open the Service and has accepted the Agreement terms and conditions in the manner offered by the Service Provider. The Agreement shall remain in force until terminated. Each party may terminate the Agreement in writing with one month's notice.

Each party may cancel the Agreement with immediate effect if the other party has substantially breached the terms and conditions herein. The Service Provider is always entitled to cancel the Agreement in whole or in part if the Merchant's service, marketing or other actions do not comply with the law, instructions issued by the authorities, good practice or the terms and conditions or instructions for the use of the Service.

24 Impact of the end of the Agreement

If the Agreement ends for any reason, the Merchant shall be obliged to immediately stop providing the Service to its End Customers and to cease using the Service Provider's trademark and other identifiers and materials relating to the Service.

Irrespective of the Agreement ending, the Service Provider shall pay to the Merchant the receivables that it accrued based on the Agreement while the Agreement was in force. If the Service Provider was entitled under the Agreement to withhold from or bill the Merchant for costs or other fees, the Service Provider shall continue to have this entitlement after the Agreement ends if the basis of the receivable arose during the validity of the Agreement (for example, a complaint related to a payment transaction after the Agreement ends).

25 Disputes resolution and applicable law

The law of Finland shall apply to this Agreement. Any disputes arising from this Agreement shall be settled at Helsinki District Court.

Disputes concerning payment services: small businesses may also submit disputes on these terms and conditions to the Finnish Financial Ombudsman Bureau (www.fine.fi) or the Banking Complaints Board within the Bureau.