



REGULATIONS FOR THE PROCESSING OF CARD PAYMENTS.

INFORMATION 2019

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1 DEBIT CARDS: MAESTRO UND V PAY

Debit cards with the brand Maestro, usable worldwide (PAY NOW cards), are issued under the license of the credit card institution MasterCard. With this Maestro card, which is also referred to as a cashpoint card, the card issuer is in a position to withdraw cash worldwide from cash dispensing machines (ATMs) and to carry out cashless payments at POS terminals (card payment terminals).

There is another debit card issued under the brand V PAY, which is licensed by the credit card institution Visa. The V PAY card can also be used worldwide at ATMs and POS terminals.

The common characteristic of these cards is that they bear the logo of Maestro and/or V PAY. Otherwise, the design of these cards is open, i.e. they can have various designs. The cards represented here are thus only examples of many.

1.1 SECURITY FEATURES

1.1.1 MAESTRO

FRONT SIDE

Company/logo of card issuer

Chip (optional)

Expiry date

Account number

Name of the cardholder

Color Maestro logo either on the top right or lower corner



REVERSE SIDE

Magnet strips

Signature field





1.1.2 V PAY

FRONT SIDE

Color V PAY logo - various placement possibilities including a vertical orientation are possible. An ultraviolet "V" is visible above the V PAY logo under UV light.

Chip

Card number (optional), electively on the front or reverse side

Expiry date

Name of the cardholder, optionally on the front or reverse side



REVERSE SIDE

Magnet strips

Signature field



1.1.3 SPECIAL FEATURE: PREPAID CARDS

Prepaid cards (cards which are "loaded" with a certain credit) often do not bear the name of the cardholder, but still show the previously mentioned security features.





1.2 ACCEPTANCE

If the acceptance of Maestro and/or V PAY was selected in the “Card Payment Processing Contract”, then payments may be settled when the cardholder is personally present with his/her card in your business premises and the security features of the card can be checked. That means that, in order to carry out a payment with the card, simultaneously

- » you (or one of your employees) and
- » the cardholder and
- » the cardholder’s Maestro or V PAY card

must be present in your business premises.

The payments are processed exclusively via POS terminals and/or POS cash register systems which check the validity of the card and the correctness of the PIN (Personal Identification Number, or secret code) inputted by the cardholder. It is also checked via the POS terminal whether the cardholder is permitted to order the payment amount with his/her card.

If even a single one of these prerequisites are missing, then no card payment may be carried out.

1.3 VERIFICATION OF MAESTRO OR V PAY CARDS

1.3.1 THE DEBIT CARD IS VALID IF:

- » it is used before its expiration date
- » the card bears the signature of the person whose name appears on the front (Note: Prepaid cards often do not have a name on the front)
- » the card is readable and has not been altered
- » the card is not blocked

1.3.2 DETERMINATION OF CARD MANIPULATIONS/IRREGULARITIES

If you are presented with a card that, for example

- » does not have all of the security features described above, or
- » appears to be manipulated (erasures, overwriting)
- » is not signed

then please deny payment with this card.



1.4 **PROCESSING WITH POS TERMINAL**

While operating the POS terminal, please follow the directions on the terminal display. If that does not suffice, please use the operating instructions that were provided to you during the installation of the POS terminal and/or those which you can find at www.hobex.at.

Cardholder identification occurs via input of the PIN by the customer. For this purpose, turn the POS terminal in the direction of the customer so that he/she can input the PIN. After the conclusion of the payment transaction, please provide the cardholder with the customer receipt which your POS terminal or POS cash register system produced during this process. Please retain the merchant receipt for your records. A signature from the cardholder is not required.

During a malfunction of the POS device or the Maestro/V PAY card, you cannot process any payments. In this case, you may also not accept the card for a manual transaction. The manual input of the card number is not allowed for this card product.

1.5 **SETTLEMENT (SUBMISSION) OF PAYMENTS VIA POS TERMINALS**

The submission of transactions and/or transmission of data occurs via your daily closing (which can be set to occur automatically or manually). Check daily whether your bookings are being carried out properly. The receipt generated during the daily closing stays in your records. Please pay attention to the provisions in the "Card Payment Processing Contract" which you agreed to, particularly regarding the form and regular cycle of data transmission. Please also take into account the retention requirements for documentation and data determined in this contract.

2 CREDIT CARDS: MASTERCARD, VISA, JCB & UNIONPAY

Credit cards with the logos MasterCard, Visa, JCB and Union Pay are issued by the respective institutions which, depending on its specific form from the card issuer, can be used for cash withdrawal at ATMs and for payment at a POS terminal.

The respective logo of the card product (MasterCard, Visa, JCB, Union Pay) is printed on the reverse side of the card. Otherwise, the design of these cards is open, i.e. they can have various designs. The cards represented here are thus only examples of many.

2.1 SECURITY FEATURES

2.1.1 MASTERCARD

FRONT SIDE

- Hologram on the front or reverse side, possibly as a holographic magnetic strip
- Embossed card number (16 digits)*
- Chip*
- The first four digits of the credit card number must agree with the value printed beneath
- MasterCard security digits
- Embossed expiration date (month/year)
- Embossed name of the cardholder
- Color MasterCard logo - various placement possibilities including a vertical orientation are possible
- Ultraviolet MC, visible on the bottom third of the card under UV light*



REVERSE SIDE

- Magnetic strips
- Signature field with color MasterCard security code
- The last 4 digits of the card number on the signature field*
- Card security code (CVC2) on the signature field or to the right of the signature field



MasterCard electronic cards are not embossed and may exclusively be processed electronically.

*) If not present, then note: electronic use only or 100% electronic

2.1.2 VISA

FRONT SIDE

- Chip* _____
- Hologram on the front or reverse side, possibly as a holographic magnetic strip _____
- Embossed card number (16 digits)* _____
- The first 4 digits of the credit card number must agree with the value printed beneath _____
- Embossed expiration date (month/year)* _____
- Embossed name of the cardholder* _____
- Ultraviolet "V", visible on VISA logo under UV light* VISA security symbol _____
- Color VISA logo on white background - different placement possibilities including a vertical orientation are possible. _____



REVERSE SIDE

- Magnetic strips _____
- The last 4 digits of the card number on the signature field* _____
- Signature field printed with color VISA lettering or only visible under UV light _____
- Hologram (on the front or reverse side) _____
- Card security code (CVV2) on the signature field or to the right of the signature field _____



VISA ELECTRON VISA Electron cards are not embossed and may exclusively be processed electronically.

*) If not embossed, then note: electronic use only

2.1.3 JCB

FRONT SIDE

- Hologram - on the front or reverse side
- Chip (optional)
- Embossed card number (16 digits, optional)
- The first four digits of the credit card number must agree with the value printed beneath
- Embossed expiration date (month/year) with apostrophe before the year (optional)
- Embossed name of the cardholder (optional)
- Embossed J symbol (optional)
- Ultraviolet JCB lettering, visible under UV light (optional)
- JCB logo - various placement possibilities including a vertical orientation are possible



REVERSE SIDE

- Signature field on the reverse side with "JCB" imprint in light blue and light green
- Card security code (CAV2) on the signature field or to the right of the signature field (3 digits)





2.1.4 UNION PAY

FRONT SIDE

- Chip (optional)
- Embossed card number (16 digits) (optional)
- Embossed expiration date (month/year)
- Embossed name of the cardholder (optional)
- Possibly logo of a co-branding partner (JCB, Visa, MasterCard, Amex)
- Union Pay logo - various placement possibilities including a vertical orientation are possible



REVERSE SIDE

- Magnetic strips
- Last 4 digits of the card number
- Card security code (CAV2) on the signature field or to the right of the signature field (3 digits)
- Signature strips with signature of cardholder
- Three-dimensional hologram with light reflection with the effect of movement



2.2 ACCEPTANCE

The prerequisite for a payment transaction is that the cardholder is personally present in your business premises with his/her credit card, for only then can you check the signature of the cardholder. That means that, in order to carry out a payment with the card, simultaneously

- » you (or one of your employees) and
- » the cardholder and
- » his/her credit card

must be present in your business premises.

If even a single one of these prerequisites are missing, then no card payment may be carried out.

(For exceptions, see point 6 - Charging in the absence of the cardholder and the card)

2.3 VERIFICATION OF MASTERCARD, VISA, JCB AND UNION PAY CARDS

Before you use the card for the transaction, please verify the following points:

A) Signature

The credit card must bear the signature of the cardholder on the reverse side.

B) Photo

If the credit card shows a photo, the person presenting the card must match this photo.

C) Validity

The card is valid until the end of the given month. If a “valid from” date is listed on the card, then the card is only valid during the specific time-frame.

D) Manipulations

The presented card may not be manipulated, i.e. not visible altered or made unreadable.

E) Credit card number on receipt

Check to see whether the last four digits appearing on the front side of the credit card match the four digits on the receipt printed from the POS terminal.

F) Credit card expiration date on receipt

Check to see whether the expiration date appearing on the front side of the card matches the expiration date on the receipt printed from the POS terminal.

G) Receipt “Approved”

Look to see whether, on the bottom of the printed receipt, the inscription on “**APPROVED**” (Positive Response Code “**RC:001**” or “**RC:000**”) appears. This inscription proves that the transaction was successfully carried out.

Should one or more of the requirements listed here not be fulfilled, then please deny payment with this card.



2.4 PROCESSING WITH POS TERMINALS

While operating the POS terminal, please follow the directions on the terminal display. If, despite these guidelines, you are still having problems with operation, please use the operating instructions that were provided to you during the installation of the POS terminal and/or those which you can find at www.hobex.at. In point 4, the two variants of credit card processing at the POS terminal are described: Processing with PIN and processing with signature. Please pay attention during credit card processing to the provisions agreed to in the “Card Payment Processing Contract”.

During a malfunction of the POS device or the credit card, you cannot process any payments. In this case, you may also not accept the card for a manual transaction. For the processing of card transactions during malfunctions, please make use of the credit card replacement receipts and direct debit replacement receipts at www.hobex.at.

2.5 SETTLEMENT (SUBMISSION) OF PAYMENTS VIA POS TERMINALS

The submission of transactions and/or the transfer of data occurs automatically, insofar as this was requested during installation. Check daily whether your bookings are being carried out properly. For this purpose, the control functions “Closing/Interim Report” (cf. operating instructions) and/or the “Partner Net” on the internet are available to you. The receipt generated during the daily closing stays in your records. Please pay attention to the provisions in the “Card Payment Processing Contract” which you agreed to, particularly regarding the form and regular cycle of data transmission. Please also take into account the retention requirements for documentation and data determined in this contract.

If problems arise during the transaction/closing, please contact the technical hotline (phone number on your terminal).



3 ELECTRONIC DIRECT DEBIT PROCEDURE

The direct debit procedure of hobex enables you to process direct debit payments with bank cards via your POS terminal. The terminal reads the banking information from the bank card's magnetic strip and then generates a direct debit order in amount due to be signed by the customer.

The direct debit procedure can be carried out with all Austrian and German bank cards bearing the Maestro logo. To be certain that the presented card is a Maestro card, please check to see whether the card displays the security features of a Maestro card. The security features are presented in Point 1 "Debit cards: Maestro and V PAY".

3.1 ACCEPTANCE OF MAESTRO CARDS IN ELECTRONIC DEBIT PROCEDURE

The prerequisite for a payment transaction is that the cardholder is personally present in your business premises with his/her credit card, for only then can you check the security features of the card and the signature of the cardholder. That means that, in order to carry out a payment with the card, simultaneously

- » you (or one of your employees)
 - » the cardholder
 - » his/her Maestro card
- must be present in your business premises.

3.2 PROCESSING WITH POS TERMINALS

When charging cards via the POS terminal, please follow the instructions on the terminal display. Should you still have questions, please use the operating instructions that were provided to you on installation of the POS terminal.

At the end of the transaction, your POS terminal and/or your POS cash register system will automatically print out a merchant receipt and a customer receipt. The cardholder must sign the merchant copy (see right) at the specified location.

If even a single one of these prerequisites are missing, then no card payment may be carried out.



**Please check carefully whether**

- » the receipt shows the designation **APPROVED** and does not indicate any possible failure of transaction **TX FAILED** or **PAYMENT FAILED**
- » the signature on the back of the card matches the signature on the receipt
- » the account number and routing number printed on the receipt match the details on the card
- » the name printed on the card can match the cardholder.

If these conditions are fulfilled, then return the card and the customer receipt to the customer at the end of the transaction. The merchant copy with the original signature of the cardholder remains in your records.

If the signature does not match or if the bank card has been visibly altered or made unreadable, then you may not accept any payments using the terminal and/or must immediately cancel the transaction (see terminal operating instructions).

In case of a malfunction of the POS device or the bank card, you can charge direct debit payments by way of a direct debit replacement receipt (available at <http://www.hobex.at/service/downloads>). In this case, pay very close attention to the procedure described on the form.

Only return the card at the end of the transaction, because otherwise a comparison of signatures is no longer possible!

3.3 **SETTLEMENT (SUBMISSION) OF PAYMENTS VIA POS TERMINALS**

The submission of transactions and/or transmission of data occurs via your daily closing (which can be set to occur automatically or manually). Check daily whether your bookings are being carried out properly. The receipt generated during the daily closing stays in your records. Please pay attention to the provisions in the

“Card Payment Processing Contract” which you agreed to, particularly regarding the form and regular cycle of data transmission. Please also take into account the retention requirements for documentation and data determined in this contract.

Depending on the POS terminal and the card used, the cardholder can be identified either with his/her signature or through input of his/her PIN. The terminal automatically specifies which identification the card requires.



4 CARDHOLDER IDENTIFICATION

Depending on the POS terminal and the card used, the cardholder can be identified either with his/her signature or through input of his/her PIN. The terminal automatically specifies which identification the card requires.

4.1 **CARDHOLDER IDENTIFICATION WITH SIGNATURE**

At the end of the transaction, your POS terminal and/or your POS cash register system will automatically print out a customer receipt and a merchant receipt. The cardholder must sign the merchant copy at the specified location.

Please make sure that the receipt was approved and no alert **TX FAILED** has been printed on the merchant receipt.

Please check carefully whether

- » the signature on the back of the card matches the signature on the merchant receipt and
- » the last four digits of the credit card number printed on the receipt match those on the card.

If these conditions are fulfilled, then return the card and the customer receipt to the cardholder at the end of the transaction. The merchant copy with the original signature of the cardholder remains in your records.

If the signature and/or the last four credit card numbers do not match, then you may not accept any payments using the terminal, i.e. you must immediately cancel the transaction (see terminal operating instructions).

Only return the card at the end of the transaction, because otherwise a comparison of signatures is no longer possible!

4.2 **CARDHOLDER IDENTIFICATION WITH PIN**

Turn your POS terminal or PIN PAD in the direction of the cardholder so that he/she can input the PIN (Personal Identification Number). Check carefully whether the last four digits of the credit card number printed on the merchant receipt match those on the card. Hand over the customer receipt to the cardholder. The merchant receipt remains in your records.





5 APPROVAL AND LIMITS (APPROVAL LIMITS)

Card payments must be processed exclusively via the POS terminals or POS cash register systems provided by hobex. Processing with an imprinter is not permitted. The POS terminal electronically secures a transaction approval, unless another agreement has been made in writing with hobex.

Important: The transaction can only be guaranteed in case of an orderly operation of the terminal (see operating instructions) and when all of the other provisions regarding card payment processing have been adhered to. In case of securing approval by phone, pay attention especially to the correct input of the authorization code in upper and lower cases, otherwise the transaction can be denied and returned by the credit card institutions after submission.

If you are asked during a credit card payment to call for authorization (“call for auth”, “issue a call”), please follow the instructions in our operating manual.

Calling from Austria

0810-10 25 16

Calling from all other countries

0049-911-9458354

6 INFORMATION FOR HOTELS AND OTHER ACCOMODATION PROVIDER

6.1 PREAMBLE: CHARGING IN THE PRESENCE OF A GUEST

It was contractually agreed to by hobex AG and the Contracting Company (CC) in the “Special Conditions for the Processing of Credit Card Payments” that cards may only be charged if, among other reasons:

- » the card has been actually presented
- » and the charge receipt has been confirmed via signature or PIN by the cardholder in the presence of a representative of the CC.

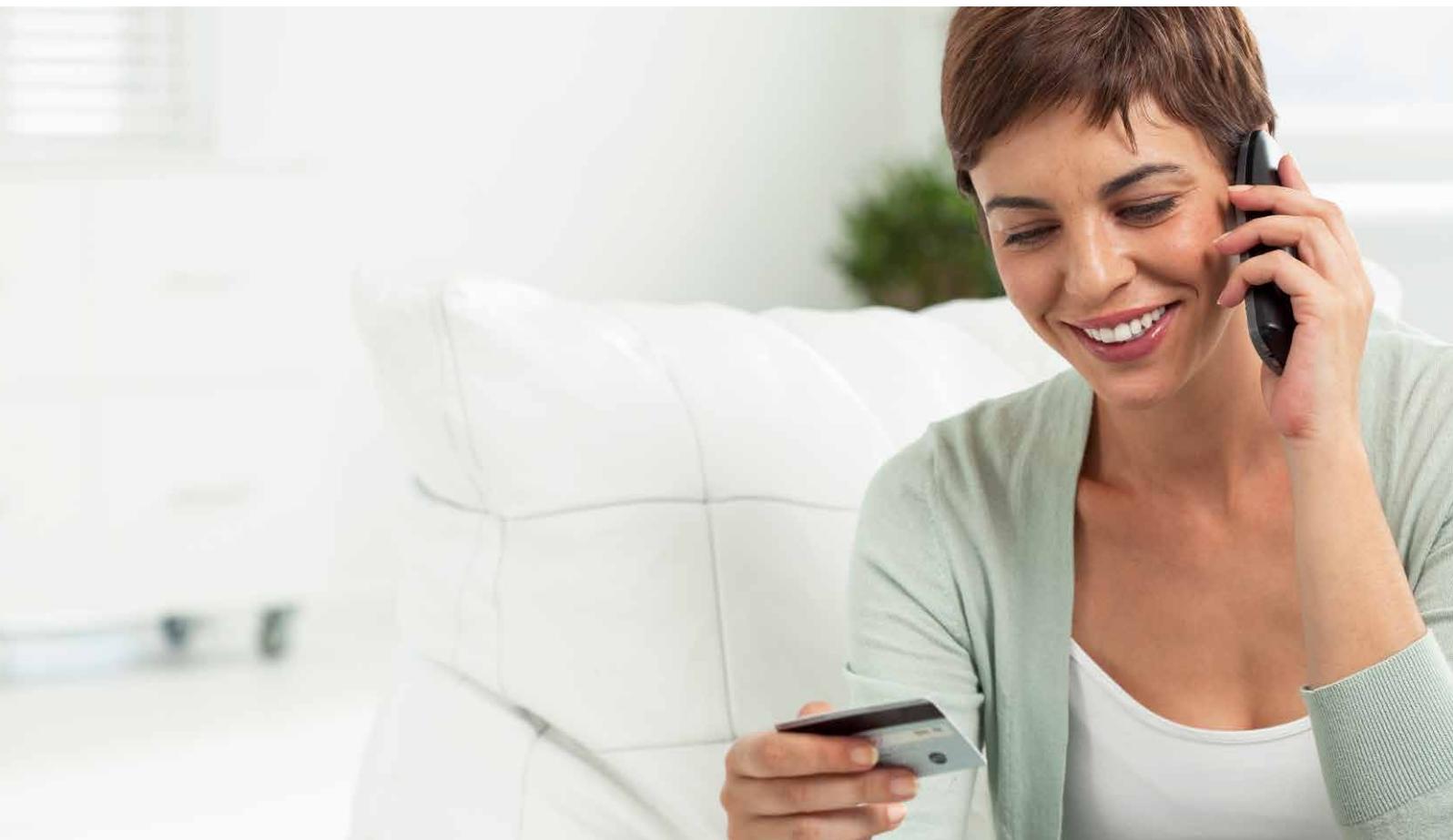
After arrival and the use of services by the guest, the concluding payment via credit card must take place by presenting and swiping/inserting the card in the terminal. The printed charge receipt must be signed by the cardholder if the charge has not been confirmed by PIN.

The cardholder has the right at any time to review a transaction on his/her credit card. For this purpose, the cardholder’s card-issuing bank sends a receipt inquiry which if forwarded to the hotel by hobex.

In case of a receipt request, the following documentation must be submitted:

1. Reservation documentation
2. Filled-out and signed registration formRechnungskopie
3. Receipt copy
4. Merchant receipt
5. Any written notes/statements/documents concerning the transaction

The submission of these documents to hobex must occur within 7 days of the request date!



6.2 CREDIT CARD BOOKING IN THE ABSENCE OF THE CARD

In the following exceptional cases, a credit card booking can be carried out in the absence of the credit card and the cardholder by manually inputting the card data into the terminal (= "manual transaction"). However, for these kinds of manual transactions, due to the regulations of the credit card institutions, there is no payment guarantee.



Booking of a deposit



**Charging in cases of
Guest no-show**



**Additional
charges**

6.2.1 BOOKING AN ADVANCE DEPOSIT

If a reservation/booking is made via email or telephone, then a charge can be made in the absence of the credit card. The cardholder in this case provides you with all necessary data (card number, expiration date, CVV2/CVC2).

6.2.1.1 REQUIREMENTS FOR BOOKINGS IN THE ABSENCE OF THE CARD

The following must be reported to the guest in the hotel offering:

1. Terms of reservations (preferably with guest confirmation by signature)
2. Total costs for the reserved time frame
3. Payment conditions
4. Deposit amount
5. Reservation number

Another requirement for the charging of the deposit in the correct recording of the following data:

6. Name of the cardholder (according to credit card)
7. Address and telephone number of cardholder
8. Credit card number
9. Expiration date of credit card
10. Written approval of the cardholder for the charging of his/her credit card (preferably directly on the hotel offering)

6.2.1.2 EXECUTION

Now deposit booking over the credit card can take place. On the charge receipt printed from the terminal, the term “deposit” must additionally be noted in the signature field.

Afterwards, a copy of the receipt as well as a booking confirmation incl. confirmation number must be sent to the guest within three business days.

If a deposit was charged to the card, then an additional “no-show” charge is not permitted.

Important: Adhering to these requirements does not constitute 100% security from a reversal debit, however, because despite all measures, manually processed transactions are not ensured in cases of dispute.

If such an “advance deposit” charge should be disputed by the cardholder, then the transaction amount will be charged back to the hotel by hobex AG. With the presentation of the above-mentioned documents, hobex can attempt to avert the chargeback, but in many cases this fails. The deposit amount can then only be asserted by the hotel itself against the guest in civil court. As a basis for this, the accommodation contract and payment conditions would be of use.



6.2.2 CHARGING IN CASE OF GUEST NO-SHOW

In case of guest no-show despite a previous reservation, the guest can be charged for cancellation costs, if the guest was informed of this upon reservation in the cancellation policy. (Only if no deposit has previously been booked.) Due to the manual input, there is also no payment guarantee for this transaction.

6.2.2.1 REQUIREMENTS

The hotel must gather the information named above in **6.2.1.1** in sections 6 to 10. The hotel must gather the information named above in **6.2.1.1** in sections 1, 2 and 5. **In addition, the guest must be precisely informed about the cancellation conditions.** In this case, the hotel can decide whether to use its own cancellation conditions or those of the Visa and MasterCard umbrella organizations:



Variant 1: Cancellation conditions of the respective hotel

The guest must be informed in detail in the hotel's offering about its cancellation conditions, especially concerning the exact amount of cancellation costs and whether/until then a free cancellation is possible.

Variant 2: Cancellation conditions of Visa and MasterCard umbrella organizations ("no-show")

*The guest must be informed of the following cancellation conditions of Visa and MasterCard: If the guest cannot arrive at the agreed-upon date, then he/she is required to cancel the reservation/booking. The cancellations must take place by 18:00 (local time at hotel) on the agreed-upon arrival date. If these conditions are not fulfilled, then the hotel is entitled to charge via credit card the amount for **one** night.*

The cardholder must have been verifiably informed of the cancellation conditions and have agreed to any cancellation costs from his/her credit card. The verification preferably takes place via a signature from the cardholder on a corresponding fax directly beneath the printed cancellation conditions.

6.2.2.2 EXECUTION

If the cancellation occurs too late or not at all, then the card may be charged. The hotel is then entitled, by way of the guest's credit card data, to charge either the individual cancellation costs (see Variant 1 above) or the amount for one night (see Variant 2 above). Because in this case the credit card and cardholder are not present, the following conditions must be fulfilled in addition to the above-mentioned requirements in order to minimize the risk of a chargeback:

» **Information about charging before carrying out the transaction**

Before the card is charged, the cardholder must be informed about the carrying out of the charge by the sending of a corresponding invoice (by fax, email, or postal mail).

If using the cancellation conditions of Variant 2, the indication "No-Show" must also appear on the invoice.

» **Charge receipt**

If using the cancellation conditions of Variant 2, the indication "No-Show" must appear on the signature field of the charge receipt.

In case of a receipt request, the following documentation must be submitted:

1. Printout of the reservation
2. Printout of the cancellation conditions
3. Consent to the cancellation requirements
4. 4. Copy of the receipt (if applicable, with indication of "no-show") with sending confirmation
5. Copy of the charge receipt (if applicable, with label "no-show")
6. Any emails or telephone notes, other information

If such a charge should be disputed by the cardholder, then the transaction amount will be charged back to the hotel by hobex AG. With the presentation of the above-mentioned documents, hobex can attempt to avert the chargeback, but in many cases this fails. The deposit amount can then only be asserted by the hotel itself against the guest in civil court. As a basis for this, the accommodation contract and cancellation conditions would be of use.

Important: Adhering to these requirements does not constitute 100% security from a reversal debit, however, because despite all measures, manually processed transactions are not ensured in cases of dispute.

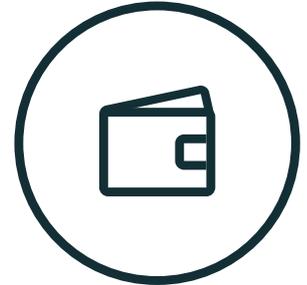
The submission of these documents must occur within 7 days of the request date!

6.2.3 ADDITIONAL CHARGES

Subsequent manual charges to the guest's credit card are generally not permitted. Additional charges due to any damages are especially forbidden; the amounts of such transactions are always charged back to the hotel in case of a dispute by the guest.

In exceptional cases, costs for the minibar, food, room costs, or similar items can be manually charged. One prerequisite for this is that a written agreement with the guest is present to the effect that all hotel costs may be charged to his/her credit card (with input of the card number) or that the guest has specifically authorized this additional charge. Another prerequisite is that such an additional charge may only be carried out within 90 days of the actual hotel cost transaction.

Important: Adhering to these requirements does not constitute 100% security from a reversal debit, however, because despite all measures, manually processed transactions are not ensured in cases of dispute.

**hobex AG**

Josef-Brandstätter-Straße 2b
5020 Salzburg
Austria

T +43 662 2255-333

F +43 662 2255-399

M office@hobex.at

www.hobex.at

 facebook.com/hobex

