Administrative Guide
Version 2.02

GlobalCollect
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2   GlobalCollect Contact Information

Contact us

Headquarters:
GlobalCollect
Planetenweg 43-59
2132 HM Hoofddorp
The Netherlands
Telephone: +31 (0)23 567 1500
Fax: +31 (0) 23 554 8666
E-mail: info@globalcollect.com

USA Office:
Three Embarcadero Center, Suite 1630
San Francisco, CA 94111
Telephone: +1 (415) 975 0969
Fax: +1 (415) 362 9738
E-mail: usa@globalcollectusa.com

Web site

Visit the GlobalCollect website www.globalcollect.com for information about the products and services that GlobalCollect offers. In addition you can watch online demonstrations of the payment platform and an online shop.

3 Goal and Context

The objective of this document is to provide general business and operational information about GlobalCollect's processes and procedures. The Administrative Guide is relevant and of interest to business managers, operations managers, technical managers, and project managers. The document is part of a range of documents published by GlobalCollect that contain additional information on technical, operational, and administrative aspects.

3.1 Overview of important documents

The following set of documents may be relevant.

Implementation Guides

The Implementation Guides contain an overview of information required from the Merchant to configure GlobalCollect's applications and provide an overview of actions to be taken when implementing the GlobalCollect services.

Current Implementation Guides:
Implementation Guide
Application Form
Intake Form
Intake Form – Fraud Screening
Intake Form – CustomerLink
Intake Form – Invoicing
Accreditation Testing – MerchantLink
Accreditation Testing – CustomerLink

Programmers Guides

The Programmers Guides are technical guides detailing interfaces between Merchants and both online as well as offline platforms.

Current Programmers Guides:
Programmers Guide - WebCollect
Programmers Guide - BatchCollect
Programmers Guide – Reporting

Business Guides

The Business Guides give an overview of the basic services GlobalCollect offers. They also describe procedures relevant to the Merchants.

Current Business Guides:
Business Guide – Bank Transfers
Business Guide – Direct Debits
Business Guide – Card Payments
Business Guide – Checks
Business Guide – PayOuts
Business Guide – Risk Management

Business Guide – Invoicing
Business Guide – Real-time Bank Transfer

User Guides

The User Guides are a Manual for applications that can be directly accessed by the Merchant.

Current User Guides:
User Guide - Payment Console
User Guide - File Transfer
User Guide - Call Centre Application
User Guide - Invoicing
User Guide - Fraud Screening

Administrative Guide

This Guide includes a description of GlobalCollect's reconciliation model. It offers in-depth explanations of reporting periods, cut-off times, identifying references in on- and offline interfaces and the relationship between operational and financial reports.

Technical Platform plus Service Levels

These documents contain an overview of the technical set-up of the online and offline platforms of GlobalCollect and GlobalCollect's committed service levels.

Network plus Network Glossary

The Network is a dynamic document detailing country and product availability. It is updated frequently to reflect GlobalCollect's processing capabilities and country presence. The Glossary extensively details all available payment varieties GlobalCollect offers Merchants.

3.2   Version History

The most recent versions of our product documentation are available on the Payment Console. Notification on documentation updates is done through our Newsletter. Please note that this document is normally updated once per quarter; it may therefore not fully reflect the actual situation during this quarter. Adjustments that have been planned during the quarter are included in this document as much as possible.

3.3   Disclaimer

GlobalCollect has given extensive attention to the content of this document but makes no warranties or representations about the accuracy or completeness of it. Neither GlobalCollect nor any of its affiliates shall be liable for any direct, incidental, consequential, indirect or punitive damages arising out of access to or use of any content of this document.

Because of the complexity of the process and the right of Banks to alter conditions, this document can only serve as a description and is subject to modifications.

3.4 Suggestions

Suggestions regarding the content of this document are welcome and may be forwarded to the attention of Gina M. Jetten at gina.jetten@globalcollect.com

4 General Definitions

In order to better understand the sections included in this Administrative Guide, the following general definitions will be helpful (shown in alphabetical order for your convenience).

- **Account:** A GlobalCollect Account is an administrative account (not a bank account) that provides access to the payment methods available through GlobalCollect.
- **API:** API is a generic term for any language and format used by one program to help it communicate with another program. With an API call, these request can be passed through WebCollect and invoke processing or another action (such as process a payment).
- **Authorization:** The process of verifying the credit card has sufficient funds (credit) available to cover the amount of the transaction. An authorization is obtained for every transaction.
- **BatchCollect:** GlobalCollect's former offline batch processing platform. This is no longer available.
- **Chargeback:** A credit card transaction that is billed back to the merchant after the sale had been settled. Chargebacks are initiated by the card issuer on behalf of the cardholder and can be due to product delivery failure, product/service dissatisfaction, etc.
- **Collection Report:** This is provided to each GlobalCollect merchant to summarize the collections per reported currency. This report is also corrected for reversals and refunds
- **Consumer:** the term "Consumer" will be used to indicate a customer of a Merchant (i.e., Online Shopper)
- **Financial Statement:** This is provided to GlobalCollect merchants have multiple Accounts per Merchant, multiple transfer currencies, or withholding invoices and/or deposits. This statement (s) contains a summary of the net amounts to be settled per currency
- **Merchant:** An online retailer, or any other person, firm, or corporation that (pursuant to a Merchant agreement) agrees to accept, when properly presented, payments in trade of goods or services. Merchants form the customer base of Global Collect.
- **Order:** an order is the collection of data that contains all the information about what a shopper ordered at the merchant's shop.
- **Payment:** is an order that has received a payment result. This can be any of the possible payment results (i.e. refused, signed form received, cancelled, etc).
- **Payment Service Provider:** A PSP or Payment Service Provider is a third party enabling online Merchants to outsource the management of their payment collection, processing, and reconciliation. Their function is to integrate e-commerce enabled web

sites with the international payment networks so that orders generated online can be authorized and payment collected.

- **PaymentConsole:** GlobalCollect Merchants have access to this online interface providing full online Merchant services and reporting tools.
- **Reconciliation:** The process of determining which payment belongs to which order. Due to the different ways payment methods work and the way the financial institutions operate, the time it takes for a certain payment to go through the full reconciliation process differs from method to method.
- **Shopper:** see Consumer
- **WebCollect:** The online payment processing platform provided by GlobalCollect

5 Payment Model

GlobalCollect provides a complete payment processing service which includes the contractual and technical connections to local payment processors worldwide, bank account network management, matching, reporting and finally the fund remittance. This is a full service payment model.

6 How It Works

Once a Merchant's website or shopping cart is connected to the WebCollect payment platform they are able to provide the entire payment portfolio to their Consumers. The processing power is provided by the WebCollect platform and to the Consumer, it is transparent.

Interfacing with the WebCollect payment platform is done with a selection of connection APIs including MerchantLink, CustomerLink, and Call Center Application.

7 Transaction Limitations

GlobalCollect has imposed several transaction limitations that are important to highlight.

7.1 General

Maximum Transaction Value

Merchants who submit transactions to WebCollect may send transactions with a maximum value of 5,000 EUR. Transactions sent with a higher value will be rejected.

7.2 Refunds

Maximum Transaction Refund Value
Refunds may be initiated with a maximum value of 100% of the original transaction amount.

Transaction Origin
Refunds can only be initiated on transactions that were originally processed by GlobalCollect.

8 Accounts

A GlobalCollect Account is an administrative account (not a bank account) that gives immediate and unlimited access to the complete GlobalCollect payment method network. Handling of billing and/or collection on behalf of the Merchant can only be provided through Accounts.

Account Opening
Upon approving a Merchant's application and intake, one or more Accounts will be opened to enable one of more of the following: separate operational reporting, separate collection transfers and/or separate invoicing. Merchant accounts, source-id's and terminal-id's will be opened to allow online processing of card transactions per currency per account. In some cases (sub) local Bank accounts will be opened per currency for Direct Debit services. The fee for opening a GlobalCollect Account is charged once, only when the Intake Form is accepted.

Account Closing
Upon the Merchant's written request to terminate an account or multiple accounts, GlobalCollect will continue the usual operational and administrative processes (i.e. refund issuance) for six full calendar months. During this period, new data deliveries for terminated accounts will not be processed. After the termination period, the accounts are considered formally closed. Any transaction collected after this period can only be reported and settled when initiated by the Merchant. Usual processing costs are still applicable. With regards to reversed payments that are processed during this period, GlobalCollect will require the Merchant to fund the value of the transactions involved. The records delivered will be kept online for twelve months after receipt from the Merchant for matching and processing purposes. Closing a GlobalCollect Account, charged either 3 or 6 months after GlobalCollect receives written notification from the Merchant that they wish to close an account, depending on the service provided

9 Remittances

If a Merchant is using the GlobalCollect Network to collect payments, the following arrangements apply for Merchant's collected funds.

9.1 Timing

The Remittance covers the collected payments reported in the previous calendar week period, Monday through Friday, corrected for the reversed and refunded payments reported in the same period. The Remittance may contain transactions that although received, processed and reported to the Merchant, have not yet been credited or debited to GlobalCollect.

In addition to reversals and refunds, invoices and deposits may be withheld from the Remittance.

The net amount to be settled has a minimum of EUR100 or the equivalent in a different currency, per transfer. If the value of a Remittance is below the minimum, the transfer is delayed and added to the following Remittance. The current set of available Remittance Currencies can be found in the Network.

As bank statements can only be processed after closing balance of the statement has been determined, i.e. the business after the day of the statement itself, the timing of the remittance is T+3, i.e. funds will be available for remittance 3 business days after processing and reporting.

Bank Statement	Payment Report (wr1)	Collection Report	Financial Statement	Remittance
MO	TU	TU	WE	FR
TU	WE	WE	TH	MO
WE	TH	TH	FR	TU
TH	FR	FR	MO	WE
FR	MO	MO	TU	TH

- Non-daily remittance periods are based on calendar weeks.
- Financial Statements for merchants on a weekly remittance schedule will be based on a remittance period of Saturday through Friday.
- Financial Statements for merchants on a twice per week remittance schedule will be based on Saturday through Tuesday and Wednesday through Friday.
- Financial Statements for merchants on a daily remittance schedule will be based on the previous day.

9.2 Remittance Costs

Bank costs for European Union remittances will be "shared", (i.e., costs for the transfer from GlobalCollect's bank) to the account of GlobalCollect and any additional costs that may be raised by the Merchant's bank for the receipt of funds will be to the account of the Merchant. Alternatively, bank costs for other remittances (not from within the European Union) will be to the account of GlobalCollect only.

The value date of the transfer can not be guaranteed by GlobalCollect. The day on which GlobalCollect is debited will be the same date as the remittance. However the date the Merchant is credited may vary depending upon the value dating policy of the Merchants bank, the policy and practice of any Intermediary banks that may be involved in the transaction, the efficiency and cut off times of the clearing system or systems that the transaction is routed via and the currency in which the credit transfer is made.

9.3   Currency Conversions

If a Merchant submits transactions in a number of currencies but wishes to receive the remittance in another and/or fewer currencies, then GlobalCollect performs a currency conversion based on the GlobalCollect fx rate.

The GlobalCollect fx rates, which are daily adjusted for all supported currencies, is based on the Reuters rates of that day. The rates from a particular day are captured in the systems to provide conversion of the processed payments of that day against these rates. A mark-up, which may be volume dependent, is applied to the converted flows. This mark-up covers the costs and risks of the physical trade of currencies that GlobalCollect has to undertake.

Alternatively, the Merchant may ask to receive a multi-currency remittance and trade the currencies with his own Bank in which case the Merchant must pay a remittance fee for each currency remitted and an additional account maintenance fees.

The Collection Transfer can be only in one currency to one fixed Bank account per Account.

9.4   Collection Report

The Collection Report, including collection specifications (appendix .csv file), is provided to summarize the collections per reported currency. This report is corrected for reversals and refunds and is provided on a weekly basis per Account if the Merchant is on a weekly remittance schedule. The Collection Report is available in multiple electronic formats including ASCII, Adobe PDF, and TXT formats in the Merchant SFT directory. Additionally, the Collection Report is available in PDF format for download directly from the Payment Console. The additional TXT format file, which includes the exchange rates, is only available in SFT. This file will include the exact same details as the PDF file, but will be in a text format.

The Collection Report will begin running the same day as processing, covering the processing for that day. It will be provided on SFT before midnight (24:00 CET) on same day as processing. For example, Merchants with a weekly remittance will receive the Collection Report on Friday before 24.00. Please note that there will be no Collection Report if no transactions were processed during the remittance period.

Sample Collection Report

Test Collection Report

COLLECTION REPORT

```
Account       : 9999-Test Collection Report
Report number : 2006-9999-004
Report dat    : 27-01-2006
Report period : 20-01-2006 to 26-01-2006
Appendix      : 999920060126.csv
```

Date due	Amount due	Curr	FX rate	Unit	Amount	Curr	#Trx
25-01-2006	59.99	AUD	1.661521	1	36.11	EUR	1
26-01-2006	72.00	AUD	1.657722	1	43.43	EUR	1
Subtotal	131.99	AUD			79.54	EUR	
20-01-2006	123.59	CHF	1.581894	1	78.13	EUR	1
Subtotal	123.59	CHF			78.13	EUR	
20-01-2006	3,024.03	DKK	7.605011	1	397.64	EUR	7
23-01-2006	1,117.00	DKK	7.609721	1	146.79	EUR	3
24-01-2006	1,825.98	DKK	7.612511	1	239.87	EUR	4
25-01-2006	3,518.83	DKK	7.620328	1	461.77	EUR	7
26-01-2006	4,849.34	DKK	7.612291	1	637.04	EUR	11
Subtotal	14,335.18	DKK			1,883.11	EUR	
20-01-2006	904.96	EUR	1.000000	1	904.96	EUR	15
23-01-2006	282.97	EUR	1.000000	1	282.97	EUR	4
23-01-2006	59.99-	EUR	1.000000	1	59.99-	EUR	1
24-01-2006	943.23	EUR	1.000000	1	943.23	EUR	14
25-01-2006	1,931.00	EUR	1.000000	1	1,931.00	EUR	30
26-01-2006	831.84	EUR	1.000000	1	831.84	EUR	10
Subtotal	4,834.01	EUR			4,834.01	EUR	
20-01-2006	1,638.40	GBP	0.708509	1	2,312.46	EUR	41
20-01-2006	46.00-	GBP	0.708509	1	64.93-	EUR	1
23-01-2006	1,353.27	GBP	0.713025	1	1,897.93	EUR	34
23-01-2006	20.00-	GBP	0.713025	1	28.05-	EUR	1
24-01-2006	961.18	GBP	0.711963	1	1,350.04	EUR	23
24-01-2006	34.99-	GBP	0.711963	1	49.15-	EUR	1
25-01-2006	137.48	GBP	0.710962	1	193.37	EUR	2
26-01-2006	7,016.49	GBP	0.709266	1	9,892.60	EUR	166
26-01-2006	87.48-	GBP	0.709266	1	123.34-	EUR	2
Subtotal	10,918.35	GBP			15,380.93	EUR	
Subtotal					22,255.72	EUR	

customer.services@globalcollect.com

9.5 Financial Statement

In case of (1) multiple Accounts per Merchant, (2) multiple transfer currencies, (3) withholding invoices and/or deposits one or more "Financial Statement(s)" will be made available as well, containing a summary of the net amounts to be settled per currency. There are separate Financial Statements for each transfer currency. They will be made available electronically in the same manner as described above.

Sample Financial Statement

![globalcollect logo]

Test Collection Report

Financial Statement

Fax number				
Reference number	04 / 2006 / 9999			
Date	27-01-2006			
DK	Contract	Description	Currency	Amount
Collection Reports				
20060035-004EUR	9999	20-01-2006 26-01-2006	EUR	29.744,79
				29.744,79
R9999000			Total EUR	29.744,79

This amount in EUR will be transferred to your account NL123456789012345, Testbank, Testcity

9.6 On hold

In the following cases, GlobalCollect will put a Merchants' Account(s) on hold; i.e. not transfer funds and not process refunds:

- Newly opened accounts until required deposit level is reached.
- Accounts of Merchant undergoing risk related investigations.
- A single Account is put on hold if the cumulative Remittance exceeds an amount of minus € 2,000.
- All Accounts are put on hold if the sum of the cumulative Remittances for all Accounts exceeds an amount of minus € 10,000.

The review on flow of funds takes place every Thursday. Funds will continue to be released as soon as the cumulative Remittances are above the limits mentioned above. After Friday review, the released funds are transferred with the Thursday's collection of the following week.

In addition, Accounts may be put on hold for various other reasons such as a sudden increase in rejected, refused, reversed or refunded transactions. Also, Accounts may be put on hold in contracts are not signed, or if invoices are not paid.

Putting an Account on hold, does not necessarily imply that the operational process is completely stopped.

10 Deposits

A deposit may be required by GlobalCollect as a condition of providing Services to you. The initial amount of such deposit shall be set per account by us following reasonable discussion with you and will be based upon your business model, processing history, the specific type and nature of the payments to be collected, the duration of liability of your good or service and our assessment of the potential risk of loss to GlobalCollect.

If a deposit is required, it may be funded by one or more of the following:

- a payment from the Merchant to GlobalCollect prior to processing
- an extended settlement period for remittance of funds to the Merchant
- one or more deductions or offsets to any payments otherwise due to the Merchant;
- Merchants delivery to GlobalCollect of a Bank guarantee; any such guarantee shall be issued by a financial institution acceptable to GlobalCollect and shall be in a form satisfactory to GlobalCollect.

The deposit is ordinarily settled twelve months after request for account closure. GlobalCollect reserves the right to review and adjust the amount of the deposit regularly during the term of the Agreement on the basis of the actual risks identified per account. GlobalCollect shall return the deposit to the Merchant after deduction of any amounts due from the Merchant after twelve months from the date of expiration or termination of Agreement and without payment of any interest, costs or charges. If however local legislation and/or card scheme rules change, GlobalCollect is entitled to extend the twelve months period based on actual facts and circumstances of charge-back claims.

Any deposit may be held by GlobalCollect for twelve (12) months after termination of this Agreement or for such period of time as is consistent with the liability for reversal of transactions in accordance with the duration of liability of the goods and services supplied to the Merchant and the applicable rules and laws of the payment instrument used. GlobalCollect reserve the right to review the level of the deposit at any time.

Deposits will be held in EUR, USD and GBP only.

11 Reconciliation

This part of the document describes the reconciliation models for several payment methods. It gives the Merchant more, information about the reporting models, the relation between the different reports, reconciliation, and explains the total amount that is remitted to the Merchant every week.

Each transaction and each payment processed by GlobalCollect triggers reports being created and send to the Merchant. These reports give the Merchant information about the payments processed and the total amount in different currencies that has been collected. It helps the Merchant to update its order administration and reconcile the reported payments with the orders.

11.1 Reports vs Remittances

GlobalCollect has a three-layer reporting model for WebCollect transactions. The three-layer model consists of online reporting, daily offline operational reports and weekly financial reports.

Online transactions are always online reported with a confirmation message that also includes an approval or rejection.

The daily Payment Reports give an overview of all payments that are processed during that day. These reports report on transaction level.

The Collection Reports and Financial Statements are provided for the transactions reported during the remittance period, usually covering 5 days, and include an overview of the total amount collected during that period per currency. The financial reports consist of two components: Collection Report and Financial Statement. The Financial Statement reflects the exact amount that will be transferred to the Merchant's Bank account (one Financial Statement is provided per Bank account).

Report	When	Contents
Online	After each online transaction	Online confirmation Online transaction and authorization result in case of credit cards online
Payment Report (wr1)	Daily Mo-Fr, before Midnight 12:00 a.m. CET	Payment report Each payment separately
Collection Report	Daily Mo-Fr, before Midnight 12:00 a.m. CET, same day as the Payment Report	Collection report Totals per currency / account
Financial Statement	Daily Mo-Fr, before Midnight 12:00 a.m. CET, calendar day following Collection Report	Financial Statement Totals of all collection reports for the same Merchant +/- non-operational additions/deductions

11.2 Settlement of payments

Each payment processed by GlobalCollect will be settled at a certain date. This date differs per payment method.

Card Payments/Direct Debits/Checks - These payments will be made available for remittance on the basis of processing and reporting the settlement of these payments to GlobalCollect by the Bank, i.e. 2 or more days after sending in the transactions to the Bank for settlement. With each bank clearing times have been agreed in advance which may differ per payment type and currency.

Bank transfer - These payments will be made available for remittance on the basis of processing and reporting the settlement of these payments to GlobalCollect by the Bank. The amount of time between generating the order and receiving the payment is determined by the Customer, the Customers Bank and the time involved in clearing the payment.

Card Payments/Checks on Order - For open orders/invoices paid by card payments or checks, GlobalCollect considers these payments as bank transfers, i.e. they are processed and reported on the basis of receipt of the payment information and made available for remittance prior to the actual clearing of the payment. These payments are therefore in effect pre-funded by GlobalCollect.

Reversals and Refunds - Reversals are Refunds are debited upon processing and reporting, i.e. after they have been debited to GlobalCollect.

11.3 Cut-off time BatchCollect

For all incoming files and transactions –online and offline- a cut-off time has been defined of 12.00 CET. In practice, this means that transactions processed before that time will be send for settlement the same day, transactions received after that time will be send for settlement the next business day.

12 Invoicing

The "Invoice Statement" covers the amount to be paid for the GlobalCollect Services provided, based on the volumes processed during the previous calendar month. In case of Invoice Statements for various Accounts of a particular Merchant, a "Summary Invoice" is provided.

The Invoice Statement can be in one of the following currencies: USD, GBP, EUR, depending on what has contractually been agreed. The total amount due will be deducted from the first available Collection Transfer(s).

The Invoice Statement and Summary Invoice are sent monthly by priority mail, within three weeks after the last day of the invoice period.

Conversions for invoicing of card products where the Merchant service fee (which is referred to by GlobalCollect as the Network fee) is a percentage of the collected flow are made using the daily GlobalCollect rates. These daily invoice amounts are then summed up and charged to the Merchant on a monthly base. The invoiced amounts will be based on the collected flow (once the conversion fee has been taken out). In this way the reporting on funds collected shown on the collection reports and the flows on the invoice will be reconcilable.

The Merchant can again choose to open accounts per currency or to have one account and allow GlobalCollect to convert all collected flows to one currency for invoicing. Account fees are, however, applied to each account that is opened.

13 Fees Structure and Definitions

GlobalCollect's fee structure consists of two parts:

- Gateway Fees, which are charged to cover the processing costs of transactions by GlobalCollect
- Network Fees, which are charged to cover the costs charged by the suppliers that make up the external part of GlobalCollect's billing and collection infrastructure.

Volume brackets are applied for some products. The volumes of brackets are based on the combined volumes of all Accounts of a Merchant. Brackets are determined by expected initial monthly volume and may be adjusted without notification after three consecutive months of higher or lower then expected volumes.

The GlobalCollect Rate Chart contains an overview of the prices charged for the various GlobalCollect payment services. The Rate Chart is usually revised once a year, with changes taking effect per January 1st. Prices, however, may be changed at time while respecting the contractually agreed notification period.

The GlobalCollect base currency rate is EUR. However, Merchants are free to choose to be invoiced in a limited range of alternative currencies where an FX-rate is determined. To be covered for a deterioration of FX-rates, GlobalCollect adds a 5%-point margin to the FX-rate determined.

Invoicing takes place on a monthly basis for each calendar month of services. The due invoice amounts are netted with the weekly remittances[1]. The invoice is therefore mailed as a notification only[2].

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[1] For which purpose the remittance currency and the invoice currency need to be the same.

[2] On an exception basis, invoice amounts will not be netted. If this is the case, invoices may be paid by either local or cross-border bank transfer (cf. Administrative Procedures).

13.1 Gateway fees

The Gateway Fees are intended to cover the costs of the value-added services that GlobalCollect provides. Any Transactions which are processed outside of the back-office systems will not be invoiced. Gateway fees comprise the following categories:

13.1.1 Account Fees

A GlobalCollect Account is an administrative account (not a bank account) that gives immediate and unlimited access to the complete GlobalCollect payment method network. The charges for such an Account are:

Account Opening - Opening a GlobalCollect Account, charged once when Intake Form is accepted.

Account Maintenance - Maintaining a GlobalCollect Account, charged every month for the preceding month for the duration of having the Account; a certain maximum fee will apply that is discounted if warranted by processing revenue.

Account Closing – This is the fee for closing a GlobalCollect Account. Fee is charged either 3 or 6 months (depending on the service provided) after GlobalCollect receives written notification from the Merchant that they wish to close an account.

Customized Solutions – Is charged in case GlobalCollect supports a customized solution agreed to in advance with the Merchant. The customization may be related to data exchange, payment processing, printing and postage, remittances, etc. The charges are applied separately per month per Account for each Customized Solution. GlobalCollect currently supports the following customized solutions:

- **Customized Solutions – processing.** This includes batch processing via sft/WebCollect, batch via sft/BatchCollect, losse Payment Report, customized Payment Report, invoice specification, management reports, and contract payments.
- **Customized Solutions – remittance.** This includes multiple currency remittance and other currency, not from remittance accounts.
- **Customized Solutions – invoicing.** This includes blended, settlement other currency, settlement other account, and no settlement.
- **Customized Solutions - risk management.** This includes Retail Decision rules, change in PCI rules, bank guarantee, and max amount for refunds.
- **Customized Solutions – other.** This includes items such as customized markup and data capture.

Account Maintenance Quantity Discount - Discount is applied if other revenues on the account exceed the minimum Account Maintenance fee.

13.1.2 Processing Fees

Processing Fees cover the processing costs as incurred by hosting partners, telco's etc.

The following fees are distinguished:

Online Processing – Orders

Online Processing – Orders is a flat per-transaction fee that is charged for every payment transaction submitted to WebCollect including CustomerLink, MerchantLink, and Call Center Application, regardless of the payment type and processing result. This includes all orders and additional payment attempts on the same order, regardless of the payment status. Merchants who are processing through both WebCollect and BatchCollect will also see this processing fee for all submitted payment requests.

Additionally, Refunds initiated through WebCollect will also be charged as Online Processing – Orders.

The following API calls used to trigger actions in WebCollect will be charged as Online Processing – Orders see Appendix for explanation of APIs:
- INSERT_ORDER
- INSERT_ORDERWITHPAYMENT
- DO_REFUND
- DO_ORDERPAYMENT

Offline Processing

An Offline Processing fee is charged on a flat per-transaction fee for all transactions that are settled to our back office systems. Only authorized credit card payments are sent for settlement by our back office systems. This includes Merchants who are processing with only BatchCollect.

Other Online Processing

An Other Online Processing fee is charged on a flat per-transaction fee basis for all other API Calls not listed above. Please inquire further for a full list of all possible API calls that may be invoiced as Other Online Processing

13.1.3 Handling and Inquiry Fees

Handling Fees cover the automated, semi-automated, and manual GlobalCollect activities that add value to the basic billing and collection process. The following fees are distinguished:

File Handling - Fee charged for every file or batch-delivery processed, irrespective of type of delivery (invoice, direct debit, card, check) and irrespective of the number of records or items in that file or batch; the charge does not apply to transactions delivered directly through the WebCollect-platform.

Response Handling - Fee charged for handling responses to invoices either by mail or by fax; handling those responses (collecting responses, opening envelopes, and sorting) is charged per response processed; as the responses typically include many non-payments and payments that can not be processed, the actual amount of responses is calculated by multiplying the number of received check and card

payments by a factor two (this factor is based on careful analysis over a longer period and across many different Merchants).

Data Capture - Fee charged for every transaction where primary data capture is required, i.e. all check payments (except when delivered in batches), invoice payments by card, reversed check, refunded bank transfers; the fee does not apply for possible secondary data capture from bank statements and other transaction reports.

Matching Payments- GlobalCollect provides an important component of A/R management by automatic and manual reconciliation of collected invoice payments to open invoice records, and matching reversed and refunded payments to collected payments; there is no charge if the payment wasn't already cleared initially, i.e. for matching of rejected and refused direct debit payments; the charge is applied to all matched transactions –both automatic and manual- based on weighted average matching cost per transaction; correcting payments that were matched incorrect, is free of charge and also includes reversing previous Network charges.

Special Handling - Fee that applies to manual processing of particular transactions, namely, manually authorizing referred payments, refunded bank transfers and reversed check and card payments.

Payment Inquiry - Applies to processing of Inquiries received form both Merchants and Customers about transactions that were not matched by GlobalCollect as a result of an error by the Customer, its Bank or by the Merchant.

Dispute Inquiry - Applies to processing of Inquiries on transactions disputed either by the Customer or by the Merchant.

13.1.4 Implementation/Development

Implementation Fee - Certain activities will be charged at an hourly rate and will be specified as:
- Programming
- Testing
- Artwork
- Implementation

Following completion and signing of an agreement activities mention above will commence. Charging of costs will start and will apply to all hours worked not covered by other fees such as Change Requests, unless specifically agreed otherwise, and will be charged in the current invoice period. An estimation of the hours prior to the activities can only be indicative and depends largely on the specific requirements of the Merchant. Costs will be charged on a retrospective basis. If no further information is available, charges will be to the first Account opened.

To limit the administration of such costs, standard implementation fees are charged:

MerchantLink – A single charge for the implementation of a MerchantLink when a contract is signed - includes 20 hours of Implementation.

CustomerLink - A single charge for the implementation of a CustomerLink when a contract is signed - includes 20 hours of Implementation.

Call Center Application - A single charge for the implementation of a CallCenterLink when a contract is signed - includes 20 hours of Implementation.

> External expenses related to the Gateway activities will be charged at actual costs plus a percentage to cover administrative costs. Other expenses (travel etc.) will be charged at actual costs, only if agreed in advance.

Consultancy - Consultancy activities will be charged at an hourly rate agreed in advance.

Change Request - Charged for every Merchant request resulting in a change of configuration including but not limited to: change of invoice address, change of bank account, change of email address

13.2 Network fees[3]

The Network Fees are applied to cover the costs of the suppliers that form part of the GlobalCollect billing and collection network. Any Transactions which are processed outside of the back-office systems will not be invoiced.

13.2.1 Card-Based Payments

Visa including Visa Electron, Visa Delta, Dankort, Carta Si
MasterCard
American Express
Diners Club International
JCB
Carte Bleue
Discover

Charged based on the gross cash flow (i.e. not including refunds and reversals);

Solo
Maestro
Laser

Charged per settled transaction.

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[3] Cf. GlobalCollect Network on the availability of payment methods.

13.2.2 Bank Fees

Bank Transfer - Charged per collected local bank transfer, includes checks that are sent directly to the GlobalCollect bank and can therefore not always be recognized as such.

Direct Debit - Charged per collected direct debit.

Mandate Registration / Messaging - Charged for every mandate registered with a bank or financial institution.

Regular Check - Charged per regular check (in a regular currency drawn on a bank in a country with the same regular currency) received by GlobalCollect.

Bank Transfer Cross Border - Charged per collected bank transfer (originating from another country).

Semi-regular Check - Charged per check (in a regular currency drawn on a bank in a country with another regular currency), received by GlobalCollect.

Irregular Check - Charged per check (in a regular currency drawn on a bank in a country with a non-regular currency), received by GlobalCollect.

PayOut by Bank Transfer - Charged per distributed PayOut.

13.2.3 Reversals and refunds

Reversed Card Payment - Charged per reversed card payment.

Reversed Direct Debit - Charged per reversed direct debit; occasionally banks may refuse a transaction prior to settlement in which case there is no charge; direct debits refunded on request of the Merchant are also reported as Reversed Direct Debit but invoiced as Refunded Bank Transfer.

Reversed Check - Charged per reversed check (including items returned for NSF); occasionally banks may refuse checks after clearing which are also charged as reversed items.

Refunded Card Payment - Charged per refunded card payment.

Refunded Bank Transfer - Charged per refunded bank transfer; occasionally bank transfers are reversed and charged as refunded bank transfers.

Refunded Bank Transfer Cross Border - Charged per refunded cross-border bank transfer; occasionally bank transfers are reversed and charged as refunded bank transfers.

13.2.4 Remittances

Remittance - Charged for every individual remittance if made to a country and in a currency supported for remittance as specified within the Network, i.e. USD to a US bank account, or EUR to a ES bank account;

Remittance Cross Border - The cross-border remittance applies to remittances made in currencies to a country with another currency and to remittances made outside the network of countries specified in the Network, i.e. GBP to a US bank account, or EUR to a AU account;

13.2.5 Risk Management

GlobalCollect offers a range of value added risk management services, usually on the basis of partnerships with companies that focus on these services.

Fraud Prevention - In partnership with RetailDecisions, a world leader in card fraud prevention, GlobalCollect offers its Merchant the option to minimize the risk of fraudulent transactions. Transactions are checked prior to authorization, approving, challenging or declining a transaction. For each transaction checked, GlobalCollect charges a fee.

Bank Account Validation - In partnership with Eiger Systems, a world leader in fraud prevention, GlobalCollect offers its Merchant the option to minimize the risk of fraudulent transactions. Transactions are checked prior to authorization, either approving, challenging, or declining a transaction. For each transaction checked, GlobalCollect charges a fee.

Cardholder Authentication - In partnership with Cybersource, a world leader in card fraud prevention, GlobalCollect offers its Merchant the option to minimize the risk of fraudulent transactions. Cardholders are authenticated prior to authorization, either approving, challenging, or declining a transaction. For each transaction checked, GlobalCollect charges a fee.

Bad Debt collection - In a partnership with Intrum Justitia, Europe's leading collection agent, GlobalCollect offers its Merchant the possibility to offer files and/or individual records with amounts that require collection. Every record delivered is processed and invoiced as an invoice record, although the collection mechanism may be by phone. Collection costs are netted from the payment itself, usually resulting in an underpayment.

Guaranteed rates - In partnership with E4X, a leading provider of dynamic currency conversion, WebCollect Merchant are offered the option of getting guaranteed order amounts, whilst allowing the Customer to pay in local currency. E.g. a US Merchant wants guaranteed USD-amounts for its products, it sets prices in USD, GlobalCollect converts to local currency of the Customer, collects in local currency but remits the original amount in USD.

13.2.6 Printing and Postage

Hosted Invoicing - GlobalCollect offers a Hosted Invoicing Service which provides an online interface for managing invoice templates, searching and accessing archives of all printed invoices and enabling multi-channel delivery of the invoices (i.e., by fax, email, sms, web-posting, etc.) A fee per record is charged on top of the fees for Printing and Postage.

Standard Invoice - Charged per mailpack, consisting of standard envelope, printed invoice, and reply envelope, including stationary.

Electronic Invoice - Charged for each "printed side" which is reported in PDF file; either in addition to the Standard Invoice or in lieu of.

Additional Page - Charged for every additional page, personalized or non-personalized, including stationary and fulfillment.

Insert - Covers automatic inserts, manual inserts charged as Other Printing Expenses; stationary and warehousing will be charged at actual costs plus a percentage to cover administrative costs.

Payment Form - Charged per printed payment form, including stationary.[4]

Other Printing Expenses - Charged at actual costs plus a percentage to cover administrative costs.

Postage 0-20 grams - Charged for every letter mail item, irrespective of destination; if more than 50% is in one weight category (i.e. the mail pack contains more than an average of 1.2 pages), the charge of that category applies to all items mailed.

Postage 20-50 grams - Charged for every letter mail item, irrespective of destination; if more than 50% is in one weight category (i.e. the mail pack contains more than an average of 1.2 pages), the charge of that category applies to all items mailed.

Postage-IBRS - Charged for every response received by IBRS, irrespective of origin; the actual amount of IBRS-envelopes is calculated by multiplying the number of received check and card payments by a factor two (this factor is based on careful analysis over a longer period and across many different Merchant).

Other Postage Expenses - E.g. mail items > 50 grams, penalties, receiver pays etc.: charged at actual costs plus a percentage to cover administrative costs.

Express Service - Charged at actual costs plus a percentage to cover administrative costs.

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[4] Please note the Austrian payment form is a separate form and therefore charged as an additional page

Postage-PO Box - Charged for every response received by PO Box, irrespective of origin; the actual amount of PO Box-envelopes is calculated by multiplying the number of received check and card payments by a factor two (this factor is based on careful analysis over a longer period and across many different Merchant).

13.2.7 External Implementation Costs

Some external implementation costs, usually related to artwork, will be charged will be charged at actual costs plus a percentage to cover administrative costs. If no further information is available, charges will be to the first Account opened. An estimation of the costs prior to the activities can only be indicative and depends largely on the specific requirements of the customer. Other expenses (travel etc.) will be charged at actual costs, only if agreed in advance.

13.2.8 Other Network Expenses

This may cover banking costs not normally covered by the Network Fees described below, such as: correspondent charges, account maintenance fees etc. External expenses will be charged at actual costs plus a percentage to cover administrative costs.

13.3 Gateway/Network Matrix

Processing and Handling Fees are applied as follows:

Payments

Payments Fees	Real-time Bank Transfer	Credit Card	Debit Card	Direct Debit	Bank Transfer	Check	Cash at Outlet	Prepaid Methods	eWallet
Online Processing - Orders	✓	✓	✓	✓	✓	✓	✓	✓	✓
Offline Processing	✓	✓	✓	✓	✓	✓	✓	✓	✓
Percentage		✓						✓	✓
Per transaction	✓		✓	✓	✓	✓	✓		
Data capture						✓			
Matching	✓				✓	✓	✓	✓	✓
Response Handling		✓[1]				✓			

1 - if card details were received by mail or fax.

Refund Payments

Refund Fees	Credit Card	Bank Transfer
Online Processing - orders	✓	✓
Offline Processing	✓	✓
Refunded bank transfer		✓
Refunded card payment	✓	
Data capture		
Matching	✓	✓
Response Handling		
File Handling		

Reversed Payments

Reversal Fees	Card Charge back	Direct Debit reversal	Reversed Check
Reversed card payment	✓		
Reversed Direct Debit		✓	
Reversed check			✓
Data capture			✓
Matching	✓	✓	✓
Special Handling			✓

- Data capture only applies to single checks
- Refused Direct Debits are not charged separately
- No charge for corrections
- WebCollect-Merchant does not pay for File processing

13.4 VAT

Below is a diagram of the types VAT that appear on the GlobalCollect's sales invoices. For Products such as Bank Transfer (100300) the product is deemed to be an exempt service and therefore VAT is <u>never</u> applied under this product code (VAT code 0).

Alternatively For products such as Print Standard Invoice (100200) the Product is deemed to be VAT applicable and VAT is therefore <u>always</u> applied on this product (VAT Code 1).

Products identified under VAT Type 2 are considered to be 'Reversed charged' products. In the case of these products VAT is applied to Merchants that are based in the Netherlands, but is not raised for foreign Merchants. The location of the Merchant is determined by the address in the Legal Sales agreement and/or the invoice address (VAT code 2).

For Merchants based outside of the Netherlands, GlobalCollect does not apply a rate of 19% to these Reversed charge products (VAT code 2 on our sales invoices).
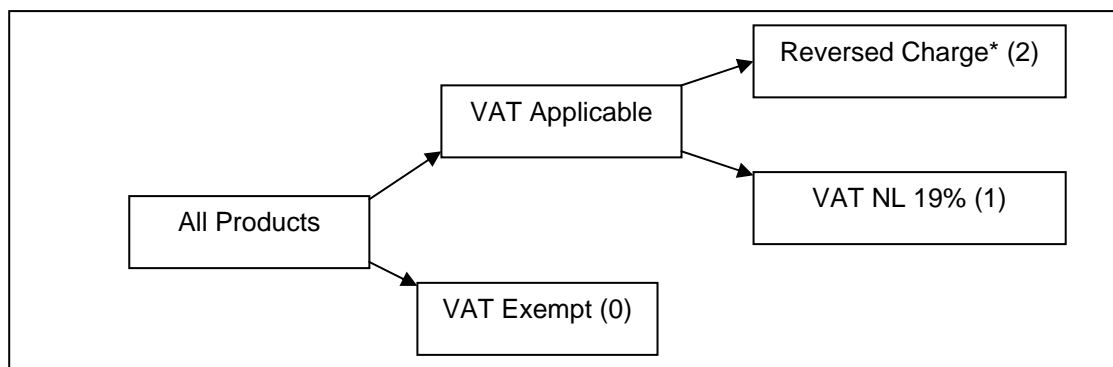
Figure 3. Type of VAT GlobalCollect applies on sales invoices

Reversed charge rule is applied based on the Dutch Tax rule: WET OB Art. 6.2.d. sub. 3.

Further information can be found on the website of the Dutch Tax office (Belastingdienst) by following the following link below:

http://www.belastingdienst.nl/variabel/buitenland/en/buitenland_en-347.html

14 Appendix 1

14.1 What is an API?

When using the MerchantLink connection to the WebCollect payment platform, you must design your payment pages to capture the order and payment information (through your web store, by call center employees, etc) then send the appropriate information to the WebCollect system and use a trigger to process that payment (or other action).

Requests (orders, refunds, etc.) from your payment pages will be sent to WebCollect by using an API call. API is a generic term for any language and format used by one program to help it communicate with another program. With an API call, these request can be passed through WebCollect and invoke processing or another action (such as process this payment).

There are two standard processes for sending an order to WebCollect for payment processing:

1. Using the API INSERT_ORDERWITHPAYMENT

2. or a multi-step process that allows you to build your payment page(s) in a more dynamic and flexible way so that when new payment options are added you do not need extensive development. These steps include:

   a. first insert the order information with the INSERT_ORDER API.
   b. then retrieve information from GlobalCollect about the available payment methods, payment types, countries and currencies and show these options to your customer.
   c. Once the Shoppers enters the payment details, the next step is a INSERT_ORDERWITHPAYMENT or DO_PAYMENT API which would, consequently, send the specific payment details to WebCollect to carry out the actual processing action.

14.2 Description of APIs invoiced as Online Order

1. **INSERT_ORDERWITHPAYMENT and INSERT_ORDER_WITH_PAYMENT -** Upfront your system will have to know which payment methods, payment types, countries, and currencies for that specific customer/order and send this information along with the API call. This is a single API call to trigger a payment to be processed.
2. **INSERT_ORDER –** For sending an order to WebCollect without specifying the payment information right away. With INSERT_ORDER no payment information is sent yet. The payment options are retrieved from WebCollect and presented to the Shopper. This must be used in combination with a second API call that would provide the actual payment details to trigger the payment processing.

3. **DO_ORDERPAYMENT –** This is the second API call used in combination with INSERT_ORDER and will send the payment details related to the order and trigger the processing.
4. **DO_REFUND –** This API call will send a request to WebCollect to carry out a refund to a Shopper.
5. **DO_PAYOUT –** This API call is used when a PayOut transaction is requested through WebCollect

14.3 Description of APIs invoiced as Online Orders – Other

Besides the API calls that are invoiced as Online Orders, there are also a number of additional API calls that are reported in the invoice with productcode 100103 Online Orders – Other.

These API calls include:

- GET_DIRECTORY
- DO_PAYMENT
- DO_FINISHPAYMENT
- DO_EMAIL_REMINDER
- DO_CONTINUEPAYMENT
- DO_BINLOOKUP
- DO_BANKVALIDATION
- DO_AUTHORIZE
- CONVERT_AMOUNT
- CANCEL_SET_PAYMENT
- GET_MERCHANTPRODUCTCURRENCIES
- CANCEL_REFUND
- GET_ORDER
- GET_ORDERSTATUS
- GET_PAYMENTDATA
- GET_PAYMENTINFO
- GET_PAYMENTPRODUCTFIELDS
- GET_PAYMENTPRODUCTNAMES
- GET_PAYMENTPRODUCTS
- GET_PERIOD_DESCRIPTIONS
- ACCEPT_ORDER
- GET_BANKNAME
- PROCESS_PAYMENTCONFIRMATION_RTAUSTRIA
- MODIFY_ORDER
- PROCESS_CHALLENGED
- PROCESS_RETURNED
- REJECT_REFUND
- CANCEL_PAYMENT
- SET_PAYMENT

- SET_REFUND
- GET_CUSTOMERPAYMENTSTATUS
- END_ORDER
- DO_VALIDATE
- CANCEL_ORDER
- GET_EVENTTYPES