


Content

Title :	Template of Standard Form Contract for Electronic Stored Value Card 
Date :	2013.11.06
Legislative :	1.Promulgated on July 15, 2009 2.Amended on June 27, 2011 3.Amended on November 6, 2013
Content :	<p>I hereby purchase the following from _____ Co., Ltd. (referred to as the "Issuer" hereunder):</p> <p><input type="checkbox"/> A registered electronic stored value card. The purchaser has taken the Contract home for review on ___ (year) ___ (month) ___ (day) (at least five days should be allowed for contract review) and agreed to the terms and conditions set forth below.</p> <p><input type="checkbox"/> A bearer electronic stored value card: When the Issuer delivers a bearer electronic stored value card, important information should be stated on the back of the card or in another document. A cardholder' s use of a bearer electronic stored value card is construed as his or her consent to the terms and conditions set forth in this Contract.</p> <p>Issuer' s information:</p> <p>1.Issuer' s logo: 2.Consumer complaint (customer service) hotline: 3.Website: 4.Address:</p> <p>Article 1 Scope of Application This Contract applies to all standard form contracts for electronic stored value cards.</p> <p>Article 2 Definitions</p> <p>1. "Electronic stored value card" shall mean an IC chip, card, certificate or other forms of debt obligation that uses electronic, magnetic or optical means to store monetary value and performs the function of data storage or computing, and is used for multiple payment purposes.</p> <p>2. "Issuer" shall mean an institution that has been approved by the Competent Authority to issue electronic stored value cards in accordance with the Act Governing Issuance of Electronic Stored Value Card.</p> <p>3. "Cardholder" shall mean a person holding an electronic stored value card for the purpose of using it.</p> <p>4. "Contracted merchant" shall mean an entity having entered a written contract with an issuer, agreeing that a cardholder may use the electronic stored value card issued by the issuer to pay for products, services, government fees, and other fees as approved by the competent authority.</p> <p>5. "Deposit" shall mean the money paid by a cardholder to the issuer for the use of electronic stored value card to secure cardholder' s obligation to safekeep or return the card.</p> <p>Article 3 Purchase Purchasers of registered electronic stored value cards should fill out their basic information truthfully in the application form and provide authentic and accurate information or identification documents as requested by the Issuer.</p> <p>Where the basic information provided by a purchaser in the application form changes, the purchaser should notify the Issuer. But for special cards issued by the Issuer in compliance with related government regulations, such regulations shall apply (Note: If the Issuer requires notification in writing, it should specify so in the contract) (Note: If the Issuer has specific conditions or requirements for owning an electronic stored value card, it should inform the cardholder at the time of purchase).</p> <p>Article 4 Confidentiality The Issuer itself and its contracted merchants shall keep the purchasers' application data and cardholders' card use data confidential, unless it is</p>

otherwise required by law or the competent authority.

The Issuer shall not use cardholders' data in marketing activities for third parties. Nor shall the Issuer engage in marketing activities for purposes other than the specific purposes of card issuance without the written consent of purchaser.

Article 5 Basic Obligations of Parties to the Contract

The Issuer should exercise due diligence of a good administrator in paying off transactions of cardholders made with an electronic stored value card and process cardholders' electronic stored value card transactions with the Issuer or contracted merchants.

Cardholders should keep and use electronic stored value cards with care, and shall not use electronic stored value card as a payment instrument for illegal transactions.

Unless it is otherwise agreed by the Issuer, cardholders of registered electronic stored value card may not transfer the possession of electronic stored value card to a third party or let a third party use the card by means of assignment, loan, furnishing of guarantee, or other means.

Where a cardholder completes a transaction while violating the agreement set forth in the preceding two paragraphs, the cardholder shall not claim that the deduction or advance payment made thereof for the completed transaction is invalid.

Where a cardholder has not added value to or used an electronic stored value card to complete a transaction consecutively for ___ years or longer (at least 2 years), the Issuer may terminate the transaction function of the card. However the cardholder may reactivate the transaction functions of an electronic stored value card by adding value to it or by carrying out card activation process. (Note: If the Issuer and the cardholder have agreed on a longer inactive period or other manner of activating the card's transaction function, the Issuer should specify so in the Contract).

Article 6 Scope of Use and Effective Period

Cardholders can only use the electronic stored value card at the business places, or on the websites, or automated service facilities of contracted merchants marked with Issuer's logo.

The Issuer may not set a deadline for the use of monetary value stored in the electronic stored value cards. The preceding provision does not apply to electronic stored value cards that the Issuer does not set the number of times a card must be used. For such cards, the Issuer must indicate on the card the duration of use and the method of handling when the use of card is terminated.

Article 7 Method for Automatic Deduction of Stored Value

Unless it is otherwise agreed between the Issuer and cardholder, the stored value in the electronic stored value card should be denominated in New Taiwan Dollar (round off to the nearest dollar). Cardholders shall pay for transactions with the remaining stored value in the card in a manner announced by the Issuer. (Note: If an electronic stored value card allows online real-time transaction or other offline real-time transaction, the transaction methods should be specified in the Contract).

When the amount of a transaction exceeds the remaining stored value in the electronic stored value card, the transaction will not be completed and no partial deduction will be made, unless under the following circumstances:

1. The cardholder and the Issuer have entered an agreement that the Issuer would make a one-time advance payment for the cardholder when the card is used to pay for the fare of mass transportation service referred to in the Mass Transportation Development Act or parking fees.
2. The Issuer allows a cardholder to cover the shortfall from the transaction with cash or coupon at the same time.

If a cardholder carries two or more electronic stored value cards (regardless whether the cards are issued by the same issuer) such that the card reader would detect two or more cards at the same time, resulting in redundant deduction, the Issuer should assist the cardholder in solving the dispute arising therefrom.

Article 8 Card Reloading

Cardholders should add value to reloadable electronic stored value card at a manual service counter or automated service machine set up or authorized by the Issuer or on Issuer's website, and should immediately check whether

the stored value after reloading is correct, (Note: If the Issuer provides other reloading methods, such methods should also be specified in the Contract). The Issuer will not be held responsible if a cardholder changes the data in an electronic stored value card at his or her discretion, or reload the card with an unauthorized third person.

Article 9 Limit of Stored Value

The stored value in each electronic stored value card shall not exceed NT\$ _____. (Note: The Issuer and the cardholder may agree on a maximum for the stored value, which however shall not exceed NT\$10,000.)

The stored value in an electronic stored value card and the deposit on the card will not accrue interest. (Note: This clause should be depicted in boldfaced characters or highlighted with different color).

Article 10 Fees and Charges (Note: This entire clause should be highlighted in red)

The Issuer may charge a cardholder the following fees or proceed to deduct such fees from the stored value and deposit on the electronic stored value card:

1. The handling fee for the production of each registered electronic stored value card (including replacement of damaged card) shall be NT\$_____;

The handling fee for the production of each bearer electronic stored value card (including replacement of damaged card) shall be NT\$_____;

2. Loss report fees: When a cardholder reports loss of a registered electronic stored value card because the card is lost, stolen, robbed, lost in a swindle, or taken possession by a third person other than the cardholder (collectively referred to as "lost or stolen"), a fee of NT\$_____ will be charged in the following manners for each loss report:

For electronic stored value card in combination with credit-card, the fee for reporting loss and re-issuance will be NT\$_____ (not to exceed NT\$200).

For electronic stored value card not in combination with credit-card, when it is reported loss without the request for re-issuance, the fee will be NT\$_____ (not to exceed NT\$20); If re-issuance is requested, the fee will be NT\$_____ (not to exceed NT\$100).

3. Redemption service fees: When a registered holder of electronic stored value card applies to the Issuer for redeeming in part or in whole the amount of stored value, the cardholder should pay each redemption service fee in the amount of NT\$_____ (not to exceed NT\$30). However, for redemption methods involving cash collected from the ATM of a non-issuer, the fee will be NT\$_____ (not to exceed NT\$6). For inter-bank transfer, the fee will be NT\$_____ (not to exceed NT\$17) (Note: If the Issuer makes the return of electronic stored value card as a condition for the redemption of stored value and deposit, such condition shall be stated in the contract).

4. Contract termination service fee: When a cardholder applies to the Issuer for contract termination, the cardholder should pay a service fee in the amount of NT\$_____ (not to exceed NT\$20). However, for electronic stored value cards that have been used for more than (including) five times and for more than three months, the service fees are waived. When a cardholder applies for the redemption of all remaining stored value and termination of contract at the same time, the Issuer may only charge either the redemption fee or contract termination fee.

5. Transaction record inquiry fees: Aside from inquiring the transaction record and stored value of the electronic stored value card at the automated service machine of the Issuer free of charge, a cardholder may also ask the Issuer to provide written transaction records from the past five years by paying a fee according to the following fee schedule: NT\$_____ handling fee for the first page (not to exceed NT\$20), and an additional NT\$_____ handling fee for each subsequent page starting from the second page (not to exceed NT\$5).

(Note: The Issuer shall specify so in the contract if it has other charge items or a different fee schedule for the aforementioned charge items).

Article 11 Deposit

(Note: This entire clause should be highlighted in red)

If the Issuer does not charge the cardholder handling fees for card production, it may collect a deposit in the amount of NT\$_____ from the cardholder before issuing the electronic stored value card (the issuer may

choose either one of the two options). (Note: The types of electronic stored value card that the Issuer may collect deposit or handling fee for card production and fee schedule should be stated in the Contract).

A cardholder who has paid a deposit may request the refund of deposit when he or she returns the electronic stored value card to the Issuer. But if the card has advances that are not yet cleared, the Issuer may deduct the unsettled debt from the deposit. If the card returned by the cardholder is damaged or seriously smudged, the Issuer may deduct the expenses arising thereof from the deposit and refund the remainder to the cardholder.

Article 12 Refund

If a cardholder has any of the following situations, the Issuer should refund the remaining stored value in the electronic stored value card after verifying the stored value in the card and that the card is free of questionable charges, and after deducting the agreed fees:

1. A cardholder of registered electronic stored value card presents the card or completes the formalities for reported loss according to Article 15, and then asks the Issuer to redeem part or all of the remaining stored value, or terminate the Contract.

2. A cardholder of bearer electronic stored value card presents the card and asks the Issuer to terminate the Contract.

(Note: If the Issuer makes the return of electronic stored value as a condition for refund and when the refund includes the deposit, It shall be stated so in the Contract)

When a cardholder asks for redemption or termination of contract according to the agreement set out in the preceding paragraph, the Issuer may enter an agreement with the cardholder that the cardholder will pay for the postage (or wire transfer fee) for the mailing or remittance of refund.

Article 13 Consumer Protection Mechanism Provided by the Issuer (The Issuer should post the following consumer protection mechanisms on the company website and terminals or other conspicuous places)

For money received in advance by a bank issuer in connection with the electronic stored value cards it issues, the bank shall comply with the provisions in Paragraph 2, Article 29 of the Act Governing Issuance of Electronic Stored Value Cards.

For money received in advance by a non-bank issuer in connection with the electronic stored value cards it issues, the issuer shall set aside reserves in compliance with Paragraph 1, Article 18 of the Act Governing Issuance of Electronic Stored Value Cards, and take the following actions for the remainder:

Has declared trust in full.

(Note: “1. When the Company puts the money received by the Company from issuing electronic stored value cards into a trust pursuant to Paragraph 2, Article 18 of the Act Governing Issuance of Electronic Stored Value Cards, the trustor and the beneficiary of the trust is the Company, not the cardholders. Thus the trust enterprise manages and disposes the trust assets on behalf of the Company, not cardholders. However cardholders may ask for a copy of relevant clauses of the trust agreement from the Company or the trust enterprise” ; 2. Claims arising from electronic stored value cards against trust assets under the trust of trust enterprise have precedence over other claims against the Company and shareholders’ rights)

Has obtained full guarantee from a bank.

Article 14 Keeping of Transaction Data and Secure Processing

The Issuer should ensure the confidentiality and security of transaction data, and be responsible for the accuracy of data transmission, exchange and processing.

When a cardholder makes online transaction using an electronic stored value card, the Issuer and the cardholder should ensure the security of electronic message, and prevent illegal entry into the system, and prevent theft, unauthorized alteration or destruction of business records and data.

Article 15 Lost, stolen or damaged electronic stored value card (Note: This entire clause should be highlighted in red)

A cardholder of bearer electronic stored value card is not allowed to report card loss or request stop payment when the card is destroyed, lost or stolen.

When a registered electronic stored value card is lost or stolen, the cardholder should promptly notify the issuer or an institution designated

by the issuer by phone or other means to report card loss and request stop payment, and pay a loss report fee according to Article 10 herein (Note: An issuer may decide on its own whether to charge loss report fee, but should explicitly specify its practice (of charging or not charging loss report fee) in the Contract). However if deemed necessary by the issuer, the issuer may notify the cardholder within 10 days after accepting the card loss report, asking the cardholder to file a report with the local police in 3 days after receiving the notice or send a make-up report in writing to the issuer.

When a cardholder of registered electronic stored value card reports card loss by phone or by other means according to the provisions in the preceding paragraph, the loss report formality is considered completed, and the issuer shall assume loss incurred from unauthorized use of the card thereafter. However, the cardholder shall still be held responsible for loss incurred from unauthorized use of the card in off-line real-time transactions taken place within ___ hours (not over 12 hours) after completing the loss report formality as described in the preceding paragraph.

If a cardholder of registered electronic stored value card fails to provide the document requested by the issuer, refuses to assist in investigation, fails to file a report with the local police in 3 days after receiving the notice as provided in Paragraph 2 hereof, or has other actions that are against the principle of good faith after completing the loss report formality, the cardholder shall assume all losses incurred from unauthorized use of his or her card

If an electronic stored value card is damaged, or a registered electronic stored value card is lost, stolen or destroyed, the cardholder may apply to the issuer for a replacement. With due reasons, the issuer is not obliged to issue an electronic stored value card that has the same graphic pattern, material, shape or size as the lost or damaged.

If the damage of an electronic stored value card or the loss, theft or destruction of a registered card could be attributed to the fault of the issuer or contracted merchant, the issuer or contracted merchant shall not ask the cardholder to pay handling fee for card replacement.

Article 16 Use Restriction and Handling of Dispute

In any of the following circumstances, a contracted merchant of the Issuer may refuse to accept the electronic stored value card presented by a cardholder for transaction:

1. The electronic stored value card is suspected of forgery or alteration, or is cracked, chipped, punched with a hole, or distorted.
2. The electronic stored value card is past its expiration date, or has been reported loss in accordance with Article 15 herein, or the contract is cancelled or terminated.
3. The Issuer has temporarily blocked cardholder's right to use the electronic stored value card pursuant to Article 5 herein.
4. The person presenting a specific registered electronic stored value card is not the cardholder as required by the Issuer.
5. The machine or network connection equipment of the contracted merchant cannot read or identify the data in the electronic stored value card presented.
6. The cardholder requests transaction off the business hours of the contracted merchant.
7. The Issuer has reasonable doubt supported by specific facts that the cardholder is engaging or has engaged in illegal or irregular transactions.

When a cardholder used electronic stored value card to purchase a product or service, but the contracted merchant did not provide the product or service, the product or service was defective, the product was returned or the service was cancelled, or the payment was wrong, the cardholder should first contact the contracted merchant to try to resolve the problem. The Issuer should also provide transaction data to assist in the resolution of dispute.

If it is found that the service of the contracted merchant mentioned in the preceding paragraph was defective, the Issuer should charge the contracted merchant the transaction record inquiry fee. Otherwise, the Issuer should charge the cardholder inquiry fee according to Article 10 herein.

When a cardholder makes a purchase online, which results in consumer

dispute for the contracted merchant did not provide the product or service, the contracted merchant and the issuer that signs up the contracted merchant should bear the burden of proof.

Article 17 Termination/Modification of Contract

A cardholder may terminate the Contract by notifying the Issuer at any time. After the Contract is terminated, the cardholder may still apply for the refund of deposit in accordance with Article 11 and for the return of remaining stored value in the card after deducting fees and charges in accordance with Article 12. (Note: If an issuer has special provisions requiring the cardholder to return the electronic stored value card, or to terminate the contract in writing or by other means, the issuer should explicitly specify so in the contract).

If the clauses of the Contract are modified, added or deleted, the Issuer shall announce simultaneously in a conspicuous manner and in specific language on a local newspaper, its website and at every business place the change items, the content of the new and old clauses, the date the new clauses take effect, and that cardholders may express objections before the change items take effect.

If a cardholder does not raise objection and notify the Issuer of the termination of the Contract in 30 days after the aforesaid announcement is made, it is construed that the cardholder accepts the modification or addition/deletion of contract clauses.

Article 18 Notices

If a cardholder of registered electronic stored value card changes his or her mailing address or other contact methods stated on the application form but does not notify the Issuer, the mailing address last notified by the cardholder or the mailing address shown on the application form shall be the address where the Issuer will send correspondence. When the Issuer sends business-related document or required notices to the mailing address last notified by the cardholder or the mailing address shown on the application form, such documents or notices are deemed legally served after normal delivery time.

Article 19 Governing Law

The Contract shall be governed by the laws of the Republic of China. When claim or debt arises under the Contract, the essential elements for any legal action thereof, the validity and methods of legal action shall be governed by the laws of the Republic of China.

Article 20 Court of Jurisdiction

In case litigation arises out of the Contract, the parties hereto agree that _____ District Court be the court of jurisdiction for the first instance, unless the law provides special provisions for exclusive jurisdiction.

Article 21 Business Outsourcing

The cardholder agrees that when necessary, the Issuer may commission appropriate third parties to handle the following matters:

1. _____.
2. _____.

(Note: Outsourced matters should be explicitly specified)