

# Information on CIB Bank Zrt.'s eCommerce (online) card-acceptance service

Effective from 15 March 2014

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*For further information, please visit the following page of CIB Bank's website:*

*[http://www.cib.hu/kis\\_kozep\\_nagy\\_vallalatok/szolgaltatasok/kartyaelfogadas/ecommerce/index](http://www.cib.hu/kis_kozep_nagy_vallalatok/szolgaltatasok/kartyaelfogadas/ecommerce/index)*

## 1. ELECTRONIC COMMERCE AND THE BANK'S ECOMMERCE SERVICE

**Electronic commerce** (e-commerce) represents a trading solution that relies on an electronic network. One type of e-commerce is B2C (business to consumer), which covers retail activity – that is, it represents the sales activity of the retailer towards the shopper.

Internet-based e-commerce provides an opportunity for conducting shopping through an electronic channel, through which products may be purchased and their price settled quickly and conveniently, e.g. through purchase with a bank card – without the physical presence of the card.

### 1.1. What is the eCommerce service?

CIB Bank Zrt. (hereinafter CIB) offers a bank-card payment solution for its corporate clients that conduct sales activities over the internet, which includes the secure execution and settlement of internet-based e-commerce transactions.

The *eCommerce* service is an **internet-based card payment** solution. This service allows the bank's merchant clients to offer their customers the option of shopping in their webstore by card, securely, based on an SSL encryption procedure. To use this service, customers (shoppers) need a bank card that is suitable for online shopping.

### 1.2. Benefits for the merchant and the customer

For merchants who would like to trade on line, CIB's online card-payment service offers numerous advantages over traditional forms of trading:

*Benefits of online bank-card payment:*

- Immediate real-time payment information on transactions
- Transactions can be automated and thus take less time
- Payments can be traced electronically
- Financial events that are easier to plan for than with other payment methods
- Excellent marketing opportunity

*Benefits for customers:*

- Convenient and secure cashless payment method
- International: purchases can be made anywhere in the world regardless of the currency of purchase and the currency of the card account.
- Open for business 24/7
- Purchased products are delivered to the customer's door, and services can be used immediately after purchase, online

## 2. BUSINESS-RELATED INFORMATION

### 2.1. Clients and contracts

→ *Merchant (Card Acceptor) client:*

A company, with or without legal personality, other organisation, business, sole trader or single-member company selling product or service, which accepts bank cards as a means of payment for the goods or services.

→ *Card acceptor agreement:*

A contract between the Bank and the Merchant regarding the authorisation and settlement of bank card payments made in the course of internet-based trading.

→ *Operator:*

A person who operates and maintains an online Place of Acceptance, thereby making online payment by bank card possible.

As a financial institution, our bank only performs transaction authorisation and settlement, and therefore we cannot provide any webshop software applications. Naturally, we can recommend several providers who are capable of developing a payment application for your webshop or webstore, that is, for providing operator services.

## **2.2. Concluding a contract and the preconditions for doing so**

CIB Bank Zrt. concludes eCommerce service agreements **exclusively with resident merchants**. Such agreements are not concluded with private persons.

A **card acceptor agreement** may be signed by merchant clients who intend to open an independent shop on their own website or to rent one within an online department store and where, as part of their **commercial activities** on the site, they would like to enable their customers to pay by card.

- Each application for a card acceptor agreement is subject to **case-by-case assessment**. A card acceptor agreement can only be concluded after the document entitled Form for requesting customised information on the Card Acceptance service has been submitted and approved by the Bank.
- Merchant clients must have a **company history of at least three months**, and an active account-management history with any Hungarian bank of at least three months.
- A further precondition for the provision of the service and for the going into effect of the card acceptance agreement – for the purpose of the settlement of transactions – is the existence of a **current account kept in forint, or in forint and euro**, opened at CIB Bank, which is used at least for the processing and recording of online payments.
- No card acceptor agreement will be concluded with merchants who intend to sell products or services over the internet that are illegal or otherwise inconsistent with the Bank's business interests (e.g. pornographic services, illicit drugs, arms, gambling, etc.).

## **2.3. Procedure**

Clients wishing to use the *eCommerce* service may apply for and start using the online card-payment system in their webshop as follows:

1. *General information* (CIB24 – 06-40-242-242, [cib@cib.hu](mailto:cib@cib.hu) – verbally/in writing, or at any branch, list of branches: [http://www.cib.hu/elerhetosegek/fiokok\\_bankautomatak/index](http://www.cib.hu/elerhetosegek/fiokok_bankautomatak/index))
2. *Application for the eCommerce service*
  - By visiting the bank branch where they have chosen to open and keep their account, and presenting their company documentation (original articles of association, specimen signature, and a company-register extract issued not more than 30 days previously. List of CIB branches: [www.cib.hu](http://www.cib.hu)).
  - Completing an application form, providing it with an authorised signature, and submitting it at the given branch.
3. *Assessment of the application*
  - The Bank verifies the company data on the basis of the application form in accordance with the requirements of the Card Companies.
  - Feedback from the customer relationship officer, and agreeing on a date and time for concluding the agreement in person
4. *Opening a corporate bank account, concluding the Card Acceptor Agreement*
  - The company's authorised representative(s) visit(s) the branch in order to conclude the agreement, at the same time presenting the above-mentioned company documents

### *5. Technical arrangements*

Liaison by the Bank with the Operator:

- Sending of the technical specifications to the email address specified in the contract
- Performance of the tasks described in the technical specifications
- Reporting of the completion of the technical works to the Bank
- Testing period

### *6. Going live*

- Handing over of the encrypted final key required for the bank-card payment function to go live on the merchant's website



#### 2.4. Accepted bank cards

Within the context of the eCommerce service, CIB Bank accepts and settles transactions performed using MasterCard or Visa cards. From among the cards suitable for shopping purposes, the following may be used for initiating online transactions via CIB's system:

- **MasterCard**
- **VISA**
- **VISA Electron**
- **Maestro**

Using cards over the internet is subject to the consent of the card-issuing bank. (The issuing bank decides whether to allow the use of the card in 'card not present', or CNP, transactions.)

- **Virtual bank cards** specifically designed for online payment (e.g. [CIB Internet Card](#))

#### 2.5. Interpretations related to bank-card transactions

International card companies differentiate between two types of transactions initiated by card. One of them is the "card present" transaction, where the card is physically present during the transaction. The other is the "**card not present**" (CNP) transaction, where the card is not physically present when the transaction is initiated. These include transactions made via an electronic channel (the internet), during which the card holder simply provides his or her card data (the number, expiry date, and validation code of the card) when initiating the transaction.

#### 2.6. Functions and features of the CIB eCommerce service

→ *Forint and euro-based transaction and settlement:*

The eCommerce service can be **authorised and settled both in forint and in euro**.

Accordingly:

- in the case of euro-based transactions, it is a statutory obligation to indicate prices in forint even for foreign customers,
- the amount of the payment by card in the chosen currency is credited to the Merchant's current account kept with the Bank in the same currency.

Naturally, cards linked to a bank account kept in a currency other than forint or euro can also be used for payment – that is, by any card suitable for online purchases, issued by any bank in the world – thus not only by a forint or euro-based bank card.

→ *Transaction control options:*

*Cancellation (item cancellation/refund)*

CIB's system allows the cancellation of an already debited item (cancellation of a purchase amount already deducted from the card holder's account), or the cancellation of a partial amount.

Example in practice: following an online purchase transaction, the customer cancels the purchase, the order, or a part of it.

→ *Electronic account statement of transactions and payments*

As part of the free supplementary services we offer, our customers can ask for their Merchant Statements, which are provided to them in paper-based format anyway, to be made available to them electronically as well. The merchant's e-statement contains the data of successful transactions processed on the given day, which can be monitored through an installed program – the *CIB Soft Business Terminal* or the *CIB Üzleti Terminál*.

→ *Multilingual payment page*

We enable our merchant clients to customise the standard payment page provided, by inserting any header of their choice.

Available language versions: Hungarian, English, German, French, Italian, Spanish, Czech, Polish, Portuguese, Romanian, Slovakian

**eCommerce**  
Üdvözljük a CIB Bank fizetőoldalán!

Verified by **VISA** **MasterCard SecureCode.** **VeriSign Secured**

**Kizárólag tesztlésre alkalmas oldal, éles fizetési tranzakciók indítása nem lehetséges!**

1 A fizetés adatainak megadása 2 Ellenőrzés, a fizetés jóváhagyása 3 A tranzakció végrehajtása

Ön a(z) **Inter-Könyvesbolt** honlapjáról érkezett. A fizetéshez kérjük, adja meg kártyaadatait. Az Internetes vásárlásról és a biztonságos fizetésről bővebben [itt olvashat](#).

A fizetendő összeg **10,- HUF**  
Ez hozzávetőleg 0.05 USD/ 0.04 EUR.  
Figyelem, az USD/EUR árák tájékoztató jellegűek!

Tranzakciós azonosító (TRID): **0608430203132444**  
Az adott tranzakcióra vonatkozó egyedi számkód, mely a fizetés későbbi azonosításában lehet az Ön segítségére. Kérjük, jegyezze fel az azonosítót!

Kérjük írja be **kártyaszámát** és **lejárat dátumát**

hónap: 06 év: 11

AUTHORISED SIGNATURE / ALÁÍRÁS

UCAF:  EC/MC kártyák esetén az Ön kártyakibocsátó bankjától esetlegesen kapott egyedi kód.

**VISA**  
**MasterCard**  
**Maestro**

### 3. INTERNET SECURITY

#### 3.1. SSL protocol

The encryption of online transactions is ensured by SSL technology.

SSL is the abbreviation of the accepted **Secure Sockets Layer** encryption procedure. Our bank has a **128-bit cryptographic key** that protects the communication channel, based on which we ensure the use of SSL-based encryption. At present, this encryption method is used in most e-commerce transactions the world over. The 128-bit encryption protects messages from unauthorised access by building a secure channel, which – at current technical levels – guarantees the integrity of the messages. The browser used by the shopper encrypts the card holder's data before forwarding it, and thus the data arrives at its destination in an encoded format, preventing unauthorised persons from being able to interpret it.



#### 3.2. Security in data management

In electronic commerce, in the course of card payments, data is handled by our bank separately, and thus it can only arrive at the appropriate destination:

- The financial data (card number) is forwarded directly to the bank, and thus the merchant is only notified of whether the transaction has been successful,
- Only the merchant has access to the data related to the service or the product sold; the data is not available to the bank.

During the communication phase, the data travels in an encrypted format. CIB uses 128-bit SSL coding, and the server has been certified by VeriSign.

#### 3.3. MasterCard SecureCode and Verified by VISA – 3D Secure

In order to reduce the risk to which online merchants are exposed, CIB has joined the **MasterCard SecureCode** and the **Verified by Visa system**, a solution provided by Visa International for securing online card transactions.

The MasterCard SecureCode and the Verified by Visa systems, which are **designed for internet transactions and serves to verify the identity of card holders**, considerably reduce the likelihood of internet fraud, and enhance overall confidence in online shopping. Card holders registered in the MasterCard SecureCode and Verified by Visa systems can specify or are given a dynamic password by the card-issuing bank to identify themselves in the course of online shopping, which provides protection against the unauthorised use of cards.

The logo for MasterCard SecureCode, featuring the word "MasterCard" in red and "SecureCode" in orange.The logo for Verified by VISA, featuring the words "Verified by" in blue and "VISA" in blue with a yellow swoosh.

By reducing risks, merchants can strengthen the confidence of shoppers in e-commerce transactions, as the MasterCard SecureCode and Verified by Visa logos certify that the merchant meets the security requirements prescribed by MasterCard and Visa and handles card information securely. In addition, card holders can be sure that nobody else will use their card at a merchant that uses the Verified by Visa system, as nobody else knows the password.