

## Template of Standard Form Contract for the iPASS



Second Edition (2014/07/18)

I hereby purchase the following from iPASS Co., Ltd. (referred to as “iPASS Corporation” or the “Issuer” hereunder):

- A registered iPASS. 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.
- A bearer iPASS: When the Issuer delivers a bearer iPASS, important information should be stated on the back of the card or in another document. A cardholder’s use of a bearer iPASS is construed as his or her consent to the terms and conditions set forth in this Contract.

The iPASS’s Issuer’s information:



1. Issuer’s logo: 「  」 或 「  」
2. Consumer complaint (customer service) hotline: 07-7912000
3. Website: [www.i-pass.com.tw](http://www.i-pass.com.tw)
4. Address: 4F., No.1, Zhong’an Rd., Qianzhen Dist., Kaohsiung City 806, Taiwan (R.O.C.)

### Article 1 Definitions

1. “Electronic stored value card”: 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.
2. “The iPASS”: the contactless, electronic stored value card which is issued by an Issuer in the name of iPASS or the iPASS co-branded card issued by an Issuer and another institution or other electronic means of payment equipped with iPASS functions. As the law prescribes, the cardholder of iPASS may use the stored value card to pay for public transportation, parking fee, small transactions, and other services.
3. “Issuer” (iPASS Co. Ltd): an institution that has been approved by the Competent Authority to issue the iPASS in accordance with the Act Governing Issuance of Electronic Stored Value Card.

4. “Cardholder”: a person holding the iPASS for the purpose of using it.
5. “Use for multiple payment purposes”: using the iPASS to pay for products and services provided by third parties other than the Issuer, or to pay for government fees and other fees as approved by the Competent Authority.
6. “Contracted merchant” : an entity having entered a written contract with an issuer, agreeing that a cardholder may use the iPASS issued by the issuer to pay for products, services, government fees, and other fees as approved by the competent authority.
7. iPASS obtained through lump sum payment: the iPASS which the cardholder purchases from the Issuer or from the institution commissioned by the Issuer to sell the iPASS. The cardholder does not pay for the deposit when purchasing the iPASS or applying for a registered concession card. The cardholder thus cannot demand a refund of the amount paid for the purchase of the iPASS. The preceding provision does not apply to the condition that the iPASS is damaged within the warranty period and such damage is not due to reasons ascribable to the cardholder.
8. The warranty period : the period of time within which iPASS Corporation will provide the cardholder with a new card without any charge, if the iPASS is damaged and such damage is not due to reasons ascribable to the cardholder.
9. Registered iPASS : the iPASS issued by the Issuer for registered cardholders.
10. The bearer iPASS : the iPASS issued by the Issuer for unspecific cardholders.
11. Man-caused damages: obvious man-made scratches, breakage, truncation, punching, and gluing on the card (except gluing approved by the Issuer) or anointment, the protrusion of chips, breaks, undistinguishable card surface and card number, and other conditions considered by the Issuer to be man-caused damages.
12. Deferred goods or services : that the supplier promises to fulfill the obligation of providing the main goods or services in a specified period of time instead of providing them at one time.

## Article 2 Purchase

□The registered iPASS: Purchasers of the registered iPASS 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.

When 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 be abided.

□The bearer iPASS: Purchasers of the iPASS may purchase the electronic stored value card through lump sum payment from the Issuer or from the institution commissioned by the Issuer to sell the card. Purchasers who buy up to 50 cards one time or purchasers whose purchase amounts to more than NT 500,000 shall provide the Issuer with passports or documents which indicate their identities. As the law demands, iPASS Corporation should make records of the names of the purchasers (individual or institutional), their birth date, address, telephone numbers, ID numbers, unified business numbers, the number of iPASS cards purchased, and the iPASS numbers on the cards. If the cardholder purchases iPASS from the third parties who are not approved by the Issuer, the Issuer will not take any responsibility for the malfunction of the iPASS. The cardholder should not claim any rights stipulated in this Contract.

### Article 3 Confidentiality

The Issuer itself and its contracted merchants should keep the purchasers' application data and cardholders' card use data confidential, unless it is required by law or the competent authority.

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

### Article 4 Basic Obligations of Parties to the Contract and Information for the Cardholder

1. The Issuer should exercise due diligence of a good administrator in paying off transactions of cardholders made with the iPASS and process cardholders' electronic stored value card transactions with the Issuer or contracted merchants.
2. Cardholders should keep and use the iPASS with care, and shall not use the iPASS as a payment instrument for illegal transactions.
3. Unless it is otherwise agreed by the Issuer, cardholders of registered the iPASS may not transfer the possession of the iPASS to a third party or let a third party use the card by means of assignment, loan, furnishing of guarantee, or other means.
4. 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.
5. Since the cardholder purchases or obtains iPASS through lump sum payment, the Issuer does not own the card but retains the right to manage the software and data

stored in the card.

6. Where a cardholder has not added value to or used the iPASS to complete a transaction consecutively for 10 years or longer, the Issuer may terminate the transaction function of the card. However the cardholder may reactivate the transaction functions of the iPASS by adding value to it or by carrying out card activation process.

7. The cardholder shall not alter iPASS by any means without the Issuer's authorization, including but not limited to disassembling the card to extract the chip, the antenna, the stored software and data, or purchasing and obtaining altered iPASS from the third parties who are not approved by the Issuer. Should there be any loss, expense, or damage ascribable to the cardholder who violates the preceding regulations, the Issuer is entitled to demand reasonable fees and/or indemnity and claim NTD1,000 as the payment of liquidated damage.

8. If the cardholder uses an altered or counterfeited iPASS (including but not limited to the card that is made by using the Issuer's trademark or design pattern without its authorization) to carry out transactions with the Issuer or the third parties who are approved by the Issuer, the Issuer will not provide any related services (including but not limited to the services of value-adding, deduction of stored value, the replacement of a destroyed card, loss-reporting, and returning the remaining stored value). If the cardholder fails to complete a transaction or any dispute and controversy shall arise under the preceding subparagraph, the Issuer will not assume the responsibility.

9. Should there be any fee, expense, loss or damage ascribable to the cardholder who doctors, disturbs, or allows other people to doctor or disturb the data of the cardholder's iPASS, the Issuer is entitled to demand reasonable fees and/or indemnity.

10. Apart from the agreement set out in the preceding paragraphs, those who alter or counterfeit iPASS without the Issuer's authorization shall undertake the civil and criminal liabilities prescribed in related laws.

11. Purchasing iPASS or making transactions with iPASS, the cardholder shall recognize the trademark of iPASS Corporation so that his/her right and interests will not be harmed.

12. When the cardholder applies for value-adding, fee-returning, or the deduction of stored value, the staff of the Contracted merchant and the staff of the institution

commissioned to add value or return the card are entitled to demand the cardholder show iPASS. If the cardholder refuses to show iPASS or if the iPASS shown does not bear the logo of iPASS Corporation, the Contracted merchant may refuse to provide related services.

13. When adding value at the points of sale, the cardholder shall show iPASS for the staff to recognize and verify whether the card is issued by iPASS Corporation.

14. Unless it is otherwise approved by the Issuer in writing, the cardholder may not use iPASS in any means as a vehicle on behalf of his/her or other people's benefits and may not add, process, use, manipulate, or appropriate data stored in the electronic card in a way that is beyond what is agreed in this Contract. Should there be any loss, expense, or damage ascribable to the cardholder who violates the preceding regulations, the Issuer is entitled to demand reasonable fees and/or indemnity.

#### Article 5 Scope of Use and Effective Period

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

2. The Issuer may not set a deadline for the use of monetary value stored in the iPASS. The preceding provision does not apply to the iPASS that the Issuer issues to offer concession to the mass transportation enterprise referred to in the Mass Transportation Development Act.

3. "The iPASS Issued in a Uniform Type" is not subject to any warranty period. "The iPASS Issued in a Non-Uniform Type," which may have a special form, is nevertheless subject to a warranty period as prescribed by each product. "The iPASS Issued in a Non-Uniform Type" may have the following forms:

(1) "The iPASS with different designs": Any iPASS stored value card with different shapes or sizes from the Normal iPASS, such as the semi-circular "Golden Dome Commemorative Card".

(2) "The iPASS without the form of a card": Any iPASS produced without the form of a card, such as "the iPASS hypersim card" for cell phones, "the Metro Wallet," and "the R14 Metro Station Key Ring".

4. The iPASS stored value cards issued according to the proviso in Paragraph 2, Article 2 include Easy Travel Card, Happy Card, and Go Go Card. Their periods of validity and methods of processing after termination are stated as follows:

(1) The period of validity for these cards starts from the first date they are used or the date they are purchased. Dates of validity are indicated on the back of the cards. These cards shall be used consecutively and will be valid from the date these cards are activated until the end of the opening hours of the expiring date.

(2) If the iPASS fails to work for some reason and the card is kept intact without any man-caused damage, the cardholder may apply for a new card during the opening hours at the information desks at all Kaohsiung Metro stations or iPASS Corporation places of business.

(3) If the card is issued by iPASS Corporation inclusively, the cardholder will be charged a fee of NT 20 when returning an unused card. When the cardholder returns a used card, the amount to be deducted from the card will be the same amount of the transactions processed in a normal iPASS. If the card has been used for more than five times, this charge of NT20 will be waived. As for the periodic card issued jointly by iPASS Corporation and transportation institutions, the refund of the periodic card shall be processed in compliance with the regulations made by Transportation institutions. The refund of the iPASS shall be processed in compliance with Article 10 and Article 11.

#### Article 6 Method for Automatic Deduction of Stored Value

1. The method for the deduction of stored value is offline real-time transaction, as is agreed on by the Issuer and the Contracted merchant.

2. Unless it is otherwise agreed between the Issuer and cardholder, the stored value in the iPASS 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.

3. The deduction of the stored value of the iPASS will be processed when the cardholder of the iPASS passes the card over the sensor area of the ticket machine or the deducting equipment.

4. When the amount of a transaction exceeds the remaining stored value in the iPASS, 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.
3. If a cardholder carries two or more iPASS cards (regardless of the situation that the cards are issued by the same issuer) so 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 related

#### Article 7 Card Reloading

1. Cardholders should add value to reloadable iPASS 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.
2. The iPASS co-branded card issued jointly by an Issuer and a bank or a financial service company is equipped with the automatic reloading function. When the amount of a transaction exceeds the remaining stored value in the iPASS co-branded card or when the remaining stored value is below certain amount, the cardholder may add certain amount to the iPASS through automated service machine. The amount will be deducted from the credit limit of the iPASS co-branded card holder and will be credited as account payable.
3. The automatic reloading function of the iPASS co-branded card is activated by default. The available balance is zero by default. This default applies to the issue of a new iPASS co-branded card, a substitute iPASS co-branded card and a replaced iPASS co-branded card. The cardholder should activate his or her credit card before his or her iPASS co-branded card may reload automatically. When wanting to deactivate the automatic reloading function of the iPASS afterwards, the cardholder may apply to the bank which issued the card jointly with iPASS Corporation or the cardholder may comply with the regulations made by iPASS Corporation.
4. The Issuer will not assume responsibility if a cardholder changes the data in the iPASS at his or her discretion, or reload the card with an unauthorized third person.

#### Article 8 Limit of Stored Value

The stored value in each iPASS shall not exceed NT\$ 10,000. The stored value in the iPASS on the card will not accrue interest.

## Article 9 Fees and Charges

The Issuer may charge a cardholder the following fees or proceed to deduct such fees from the stored value on the iPASS:

1. The handling fee for the production of each registered iPASS (including replacement of damaged card) shall be NT\$150, but for registered confession card, the regulations made by the competent authority of the cardholder's registered permanent residence should apply. The handling fee for the production of each bearer iPASS (including replacement of damaged card) shall be NT\$100.

2. Loss report fees: When a cardholder reports loss of a registered iPASS 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 will be charged in the following manners for each loss report:

- For iPASS in combination with credit-card, the fee for reporting loss and re-issuance will be NT\$200.
- For iPASS not in combination with credit-card, when it is reported loss without the request for re-issuance, the fee will be NT\$20; If re-issuance is requested, the fee will be NT\$100.

3. 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\$20. When applying for the termination of the Contract, the cardholder of iPASS purchased through lump sum payment (including customized iPASS and registered confession cards) needs to show the card to have it locked. For the iPASS that have been used for more than (including) five times and for more than three months, the service fees are waived. The number of times the card has been used is "the latest six transactions" shown on the reader of iPASS, which excludes the number of times the card has been reloaded. If the card needs to be sent back to iPASS Corporation for further processing and are used for less than five times upon verification, the cardholder will need to pay a fee for terminating the Contract when receiving the returned payment.

4. Transaction record inquiry fees: Aside from inquiring the latest six transaction records and stored value of the iPASS 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\$ 20 handling fee for the first page, and an additional NT\$5 handling fee



for each subsequent page starting from the second page. And each page of the written transaction records, as is mentioned in the preceding statement, shall mean a page of A4 size. When receiving the written transaction records, the cardholder needs to show the iPASS whose card number should be identical with that of the card he or she uses to make inquiry.

5. The fee for re-activating the iPASS: Once the Contract is terminated, the iPASS will be locked and cannot be used or reloaded. If the cardholder wants to re-activate the iPASS, the card needs to be sent to iPASS Corporation for the data to be verified.

(1) For the iPASS issued in a uniform type, the cardholder may send the card to iPASS Corporation and will be charged NT 20 for its re-activation. (For the reactivation of concession cards, the cardholder may need to comply with the regulations in the preceding paragraphs unless it is otherwise regulated by the city or county government.)

(2) For the iPASS issued in a non-uniform type, the card may not be re-activated once it is locked. Thus the cardholder may not send the card to iPASS Corporation for re-activation.

“The iPASS Issued in a Non-Uniform Type” may have the following forms:

1. “The iPASS with different designs”: Any iPASS stored value card with different shapes or sizes from the Normal iPASS, such as the semi-circular “Golden Dome Commemorative Card”.

2. “The iPASS without the form of a card”: Any iPASS produced without the form of a card, such as “the iPASS hypersim card” for cell phones, “the Metro Wallet,” and “the R14 Metro Station Key Ring”.

6. The fee for extending the period of validity: There is a period of validity for each registered concession card. When the expiring date is due, the card will be invalid if the cardholder does not apply for the extension of its period of validity. If the cardholder wants to re-activate the card, he or she needs to apply for the extension of its period of validity and pay a fee of NT 20 for such extension.

7. The fee for registering the card: The cardholder of a bearer iPASS needs to pay a fee of NT 49 for registering the card through the internet. But the cardholder of the iPASS integrated with other registering instruments such as Social Welfare Card, Enterprise Card, and Digital Student ID need to comply with their regulations.

Example 1: A-I does not want to use the bearer iPASS for some reason. When A-I wants to terminate the Contract and apply for a refund, the remaining value of A-I's iPASS is NT 100. A-I wants to go to Kaohsiung Metro Station to return his card and ask for a redemption of its remaining stored value. Upon verification, the card has been used for less than five times, the payment returned thus will be NT 80 = the remaining value NT 100 - the fee for terminating the Contract NT 20.

Example 2: Miss Katty wants to apply for a copy of the transactions of her iPASS in writing. The period she inquires is May 5 through May 30. All the transactions are printed in one page and Miss Katty will be charged a handling fee of NT 20.

Example 3: Mr. Dong wants to apply for a copy of the transactions of her iPASS in writing. The period he inquires is from May 5 through August 30. All the transaction are printed in four pages and Mr. Dong will be charged a handling fee of NT 35, which is calculated as follows: the first page NT20 + the second page NT5 + the third page NT5 + the fourth page NT5 = NT 35.

#### Article 10 Refund

1. If a cardholder has any of the following situations, the Issuer should refund the remaining stored value in the iPASS after verifying the stored value in the card and that the card is free of questionable charges, and after deducting the agreed fees, the mailing postage, and the wire transfer fee:

(1) A cardholder of registered iPASS presents the card or completes the formalities for reported loss according to Article 13, and then asks the Issuer to terminate the Contract. The cardholder of the registered iPASS may apply for the refund of the remaining stored value even if the card is damaged.

(2) A cardholder of the bearer iPASS presents the iPASS, asks for the termination of the Contract, and then applies for a refund. If the bearer iPASS is damaged yet readable or its overall appearance and number is identifiable, the Issuer may handle the refunding of the remaining stored value upon verification.

2. The fee for terminating the Contract is charged according to Paragraph 3, Article 9 of this Contract. If the cardholder requests the refund to be mailed or remitted, he or she will pay for the mailing postage or the wire transfer fee. If there is no special problem to be handled, the iPASS Corporation will refund the cardholder via a mailed check or a wire transfer ten days after the cardholder's application has been accepted.

3. The Issuer shall not refund the cardholder of the bearer iPASS with all or part of the remaining stored value at the cardholder's request unless the cardholder applies for the termination of the Contract.
4. When the cardholder applies for the termination of the Contract, only the remaining value of the iPASS is returned. If the total amount of the refund exceeds NT 5,001 or if the card is damaged and the equipment of the institution commissioned (to reload or to refund the card) cannot read the remaining value, the cardholder shall fill in a form of request and the institution commissioned (to reload or to refund the card) shall receive the card and send it back to the Issuer for further processing. If the total amount of the refund is (or below) NT 5,000 and the card is readable, the refund can be processed in the institution commissioned to refund the card. Alternatively, the cardholder may send the iPASS back to the Issuer in the self-addressed stamped envelope provided by the Contracted merchant. The cardholder shall pay for the mailing postage or the wire transfer fee. Yet the cardholder need not pay for the preceding fees if the card's damage is not man-caused.
5. After terminating the Contract for the iPASS purchased through lump sum payment, the cardholder will receive the card. But for registered confession card, the regulations made by the competent authority of the cardholder's registered permanent residence should apply. If the cardholder requests the card to be mailed, he or she shall not be held liable for the mailing postage.

#### Article 11 Consumer Protection Mechanism Provided by the Issuer

1. For money received in advance by a non-bank issuer in connection with the iPASS 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 declare trust in full.
2. When the Company puts the money received by the Company from issuing the iPASS 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.
3. Claims arising from the iPASS against trust assets under the trust of trust enterprise have precedence over other claims against the Company and shareholders' rights.

#### Article 12 Keeping of Transaction Data and Secure Processing

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

2. The Contracted merchant shall provide the cardholder with a certificate of transaction that shows the deducted amount and the remaining stored value of the iPASS for the cardholder's verification, unless the Contracted merchant is the mass transportation enterprise or the parking enterprise referred to in the Mass Transportation Development Act and the Contracted merchant can show the deducted amount and the remaining stored value when the cardholder makes transaction using the iPASS.

#### Article 13 Lost, stolen or damaged iPASS

1. A cardholder of bearer iPASS is not allowed to report card loss or request stop payment when the card is destroyed, lost or stolen. Article 725 and the first proviso of the Article 720 of the Civil Code do not apply here.

2. When a registered iPASS 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 9 herein. 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.

3. When a cardholder of the registered iPASS 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 3 hours after completing the loss report formality as described in the preceding paragraph.

4. If a cardholder of the registered iPASS 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.

5. If the iPASS is damaged, or the registered iPASS 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 the iPASS that has the same graphic pattern, material, shape or size as the lost or damaged.

6. If the damage of the iPASS or the loss, theft or destruction of the registered iPASS 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 14 Use Restriction and Handling of Dispute

1. 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 13 herein, or the contract is cancelled or terminated.

(3) The Issuer has temporary blocked cardholder's right to use the electronic stored value card pursuant to Article 4 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.

(8) The amount of the cardholder's single transaction exceeds NT1,000 or the accumulated amount of the cardholder's transaction(s) in a day exceeds NT3,000,

unless the cardholder's transaction is the payment of government fees, the fare of public utilities (referred to in Article 2 of the Privately Owned Public Utilities Supervisory Act), tuition and fees, medical expenses, the fare of mass transportation services (including gondola, bicycle rental, and other services referred to in Article 2 of the Mass Transportation Development Act), parking fees or the cardholder's transaction is to comply with the government's policy and is to provide public benefit as approved by the competent authority.

2. When a cardholder used iPASS 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.

3. 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 9 herein.

4. If the cardholder who makes a transaction of deferred goods or services with the Contracted merchant via the iPASS does not receive the goods or services and the Contracted merchant does not settle the dispute, the Issuer should assume the responsibility of returning the related payment after verifying the certificates of transaction (for example, the original order form of deferred goods or services, the original invoice, and other certificates that can prove the fact of transaction) and the card used to purchase the goods or services.

#### Article 15 Termination/Modification of Contract

1. 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 return of remaining stored value in the card after deducting fees and charges in accordance with Article 10.

2. 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.

3. 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 16 The Protection of Personal Information

When collecting personal information from the cardholder of the iPASS, the Issuer should exercise due diligence of a good administrator in storing the information and process and use the information according to the Personal Information Protection Act and other related regulations.

#### Article 17 Mass Purchase of the iPASS and Banking Services

1. The iPASS is designed to be a means of providing multiple payment and related services instead of a means of remitting or wiring payment. When a single cardholder who purchases up to fifty iPASS cards or the amount of the purchase by a single cardholder reaches NT 500,000, the cardholder needs to show the document that can prove his or her identification, as is required by the competent authority, and the Issuer shall register the purchase. The Issuer is authorized to denounce the rights to the multiple, high-value, and duplicate purchase proposed by an individual or organization.

2. The Issuer provides auto-reloading service jointly with certain banks or financial service companies, the cardholder may apply for other related services through any of these joint banks or financial service companies. Before applying for auto-reloading service, the cardholder needs to review the independently attached terms and conditions set out by these joint banks or financial service companies for auto-reloading service and decides whether to agree to these terms and conditions.

#### Article 18 Notices

1. 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.

2. If the Issuer is commissioned by the government institution to issue the registered iPASS, the government institution will be responsible for the preceding notification and its service.

#### 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 Kaohsiung District Court be the court of jurisdiction for the first instance, unless the law provides special provisions for exclusive jurisdiction. But the application of the Article 436-9 of the Code of Civil Procedure and the Article 47 of the Consumer Protection Act is not excluded.

#### Article 21 Business Outsourcing

1. The cardholder agrees that when necessary, the Issuer, after being approved by the Competent Authority, may commission appropriate third parties to handle specific matters in accordance with the Act Governing Issuance of Electronic Stored Value Card.

2. The applicant or cardholder of the iPASS agrees that when necessary, the Issuer may commission appropriate institutions according to the law to handle the following businesses cooperatively, including the services provided by the commissioned institutions such as the sale and reloading of the bearer iPASS, the processing of the returned bearer iPASS, the development of maintenance of the information system, and other outsourced businesses approved by the competent authority. The cardholder should also agree that the Issuer may provide the commissioned institution with his or her personal information as far as it relates to the outsourced business. The Issuer should not offer the cardholder's personal information to any third party other than the preceding institutions.

3. When commissioning the third party to handle related businesses jointly according to this Article, the Issuer should explicitly specify the outsourced businesses and their important contents on the Issuer's official website and its place of business.



## Article 22 Miscellaneous

The terms and conditions in this Contract are set forth for the cardholder of the normal iPASS. The cardholder of the card equipped with the functions of the iPASS and issued jointly or cooperatively with iPASS Corporation (for instance, the iPASS co-branded card) should refer to the company which issues the card jointly or cooperatively with iPASS Corporation for related rights and obligations.