



## GENERAL CONDITIONS FOR ARZ ELECTRONIC TOLL PAYMENT BY CREDIT CARD STANDING ORDER

### – ENC STANDING ORDER –

1. TERMS
  - 1.1. “ARZ” – means Rijeka-Zagreb Motorway Plc., motorway construction and management company, Širolina 4, Zagreb.
  - 1.2. “General conditions for Electronic toll payment ENC TN by credit card standing order” (hereafter General conditions for ENC TN) – means ARZ's general conditions for electronic payment of ARZ toll by credit card standing order.
  - 1.3. “ARZ electronic toll payment by credit card standing order (ENC TN)” – means the toll payment model using ENC TN device with User’s valid credit card standing order.
  - 1.4. “ENC TN device” – means the device sold by ARZ for a determined vehicle category defined in the User’s invoice-delivery note with User’s valid credit card standing order, for which ARZ maintains an ENC TN account, and it represents an electronic medium for toll payment.
  - 1.5. “Credit card” – means any valid credit card for which the User arranged a standing order with the card provider to pay toll to ARZ on the behalf and for the account of the User.
  - 1.6. “Point of sale” – means toll plaza at the motorway and/or tolled road structure (Krk Bridge) for which it is possible to pay toll using ENC TN device.
  - 1.7. “User” – means adult natural or legal person, or small business owner for whom ARZ maintains an ENC TN account on its central toll collection server, which communicates with all Points of sale where toll is paid using ENC devices.
  - 1.8. “Electronic toll payment system” – means the system with which ARZ maintains an ENC TN account for the User on its central toll collection server, which communicates with all Points of sale where toll is paid using ENC devices. The central server makes a record of every payment and amount spent according to the distance travelled on the motorway. All the data on the central server is recorded in such a way that the system enables creation of a transaction log for ENC TN card and each individual User’s credit card.
  - 1.9. “ENC TN account” – means the account that ARZ maintains on the central toll collection server, on which any expenditure is recorded per distance travelled on the motorway separately for User’s every credit card and ENC device.
  - 1.10. “Toll” – means the amount determined by the ARZ decision in force on the toll amount and toll collection system for the use of tolled motorways and road structures according to the current price list, as well as, in the case of tolled motorways and road structures that are managed by another operator, the amount determined by the other operator’s decision on the toll amount and toll collection system for the use of tolled motorways and road structures according to their current price list. Value added tax is included in the toll.
  - 1.11. “Interoperable payment system” – means that the ENC TN device issued by ARZ is accepted as the electronic payment medium at points of sale of Croatian Motorways Ltd. as well as at



points of sale of Bina-Istria Plc. (with compulsory opening of the user account pursuant to the BINA-Istria conditions).

- 1.12. "Holder" means any adult natural or legal person or small business owner that uses an ENC TN device to pay the toll.

## **2. ENC TN DEVICE PURCHASE**

- 2.1. The ENC TN User can be any legal or natural person or small business owner that signs the Application form and pays the ENC TN device fee, owns a valid credit card with a standing order with the card provider, confirms the receipt of the device, and the credit card validity, and provides all the required documents from the application form. By signing an application form, the User gives a Standing order to the credit card provider through ARZ, which is authorized to accept the standing order on behalf and for the account of the User and in favour of ARZ for the purpose of toll payment.
- 2.2. ARZ decides on the application approval at their own discretion, reserving the right to refuse it and is not obliged to justify its decision.
- 2.3. If ARZ approves the application, it will sell the ENC TN device to the User. The handover of the device to the User takes place in person at the following points of sale:
  - Sales office Lučko phone: 01 6515-298/299
  - Sales office Rijeka phone: 051 433-292/295
  - Sales office Krk Bridge phone: 051 433-621/622
  - Sales office Rupa phone: 051 433-684
- 2.4. By signing the application, the User accepts all rights and obligations from the General conditions for ENC TN.
- 2.5. The date of receipt of the ENC TN device is the commencement date of the ARZ contract on electronic toll collection by credit card standing order ENC TN, and it is the day the contractual relation between ARZ and the User begins. The ARZ contract on electronic toll collection by credit card standing order lasts until the expiry of the credit card, revoking of the credit card and/or cancellation of the standing order. If the User wishes to extend the contractual relation, a new contract will be signed 15 (fifteen) days prior to the contract expiry date at the latest, in accordance with the General conditions for ENC TN.
- 2.6. The User becomes the owner of ENC TN device at the fee that is defined by the ARZ decision in force on the day of contract commencement.
- 2.7. When purchasing the ENC device, the User is given an ENC TN device with a bar code and a serial number, an ENC TN device holder, aluminium protection bag, warranty, General conditions for ENC TN and invoice-delivery note.



- 2.8. If the ENC TN device is damaged for any reason, except the device malfunction, the User can buy a replacement ENC TN device at the price that is defined by the ARZ decision in force on the day of purchase of the replacement ENC TN device.
- 2.9. The User will promptly inform ARZ in writing about every change of User's data as well as possible change of the responsible person's address and other data from the Application form needed to purchase the ENC TN device.

### **3. USER AND ARZ'S GENERAL LIABILITY**

- 3.1. The User will be liable for expenses incurred with the ENC TN device. The User of the ENC TN device will place the purchased ENC TN device on the inside of the windscreen, as explained in the ENC TN device instructions. For I and II category, the ENC TN User is allowed to use the ENC TN device in multiple vehicles of the same category as the ENC TN device is not linked to the registration plate number. For vehicles of III and IV category, the ENC TN device is exclusive to the registration plate number and only that vehicle is allowed to use it. When the User wishes to use a single device for multiple vehicles, an adequate number of holders will be purchased at the price defined in the ARZ decision in force.
- 3.2. ARZ is not liable for any damages incurred by improper handling or deliberate damaging by the User or a third party, contrary to the provisions hereof.
- 3.3. The ENC TN User undertakes to use the ENC TN device solely for the toll payment for the vehicle category that is listed in the invoice-delivery note and only for the period of credit card validity, provided there is a valid standing order with the credit card provider.
- 3.4. If the ENC TN device is used for payment of toll for a higher category vehicle, the User agrees that ARZ will charge for the difference up to the full toll amount. If at the time of use of the motorway or the road structure, the User has an invalid or revoked credit card, or a credit card without a valid standing order, ARZ reserves the right to charge the toll to the User directly, i.e. all transactions generated after the ARZ was informed by the credit card provider that the credit card is invalid and/or the standing order is cancelled.
- 3.5. ARZ can terminate the contract, i.e. block the device and charge the difference in price to another prepayment account of the User with ARZ, or proceed according to the regulations if the ENC TN device is used more than three (3) times to pay for higher vehicle category toll than the one for which the ENC TN device has been registered.
- 3.6. ARZ is not obliged to repay the overpaid toll if the ENC TN device is used to pay for lower vehicle category toll.
- 3.7. The User will advise each ENC TN Holder to whom the ENC TN device is given of the General conditions for ENC TN. The User will be held liable if the ENC TN User or Holder act contrary to the General conditions for ENC TN, and will repay all thus incurred costs to ARZ.
- 3.8. If the Electronic toll payment system for credit card standard orders breaks down, ARZ will repair the system as soon as possible. ARZ is not liable for any damage suffered by the User



due to inability to use the ENC TN device in the case of such ENC TN system breakdown. ARZ will not be liable for the operation of the interoperable toll payment system and the other operator's activity. The User agrees to provide personal information and sign a statement at the Point of sale, based on which the ENC TN account will be subsequently debited, and authorizes the Holder to provide the mentioned data to ARZ and sign the statement.

- 3.9. ARZ guarantees discretion and protection of all data pertaining to the payment and use of funds in the Electronic toll payment system in accordance with the business ethics code.
- 3.10. The User will be charged a contractual penalty of two toll amounts for the adequate vehicle category for the longest distance from the motorway exit if they:
- reach the exit plaza without the electronic record of the point of entry,
  - reach the exit plaza with the electronic record of the entry of more than 36 hours ago, without a proof of reason for the detainment on the motorway,
  - do not use the data from the electronic device with which they entered the motorway.

#### **4. USE OF THE ENC TN DEVICE AND PREPAYMENT**

- 4.1. The User is allowed to use the ENC TN device for toll payment for the period in which the credit card and the standing order are valid.
- 4.2. If the purchased ENC device comes with a (2-year) warranty, the batteries need to be activated by placing the device in the appropriate holder. The device needs to be mounted on the right spot on the windscreen, as described in the Mounting conditions. If the User does not follow the instruction manual, any complaints concerning double billing due to multiple devices in the vehicle will be rejected.
- 4.3. The ENC TN User will keep distance of at least 10 meters from the previous vehicle when passing through the ENC tollgate. If the tollgate bar fails to rise (negative account balance, device malfunction etc.), the User of the closed toll collection system will take the magnetic card and hand it to the tollbooth operator at the exit. If the User fails to adhere to the herein described procedure, a contractual penalty will be charged as per paragraph 6 of the Toll collection regulations.
- 4.4. ARZ reserves the right to limit or revoke the use of the ENC TN device without explanation.
- 4.5. The User can cancel the use of the ENC TN device in writing without explanation.
- 4.6. In the case of ENC TN device cancellation, expiration of time to which the ENC TN device is limited, revocation of the credit card or the cancellation of the standing order, the User will refrain from any attempt at using the ENC TN device. The User bears any costs of ENC TN device cancellation or revocation, as well as any costs incurred by unauthorized use of the ENC TN device from this paragraph and all other cases of ENC TN device use contrary to the General conditions for ENC TN.



- 4.7. All expenses arisen from the situations from paragraph 4.6. hereof will be paid by the User to ARZ directly within seven days from the transaction. If not, ARZ will send the User a letter before action and then start the claims collection action. The debt is considered to be settled once the money is transferred to the ARZ account.
- 4.8. The ENC TN device can be used as an electronic medium for toll payment on the following motorways: A1: Zagreb – Split – Čarapine; A3: Bregana – Zagreb – Lipovac; A4: Zagreb – Goričan; A5: Beli Manastir – Osijek – Svilaj; A6: Zagreb – Rijeka; A7: Rupa – Rijeka; D102: Krk Bridge, and on the sections managed by Bina-Istria Plc. (with compulsory opening of the user account pursuant to the BINA Istria conditions).
- 4.9. The User can be issued multiple ENC TN devices per credit card. The User can have multiple credit cards and separate ENC TN accounts for each of them. All information on ENC TN account is available by a free call to 0800-0111 and on the company's web site, [www.arz.hr](http://www.arz.hr).
- 4.10. To settle the User's debt, ARZ is allowed to withdraw money from the User's other prepayment accounts recorded in the ARZ accounts. The User's account can also be debited to settle any debt from registered passage transactions (decision no. 8-24-11/11).
- 4.11. If the purchased ENC TN device comes with a 2-year warranty (from the date of purchase), the replacement of a malfunctioning device is free of charge, provided the User acted in accordance with the General conditions for ENC TN and provides proof of purchase. After the warranty period, the replacement is charged at market price. Refund is not possible for the returned ENC TN device.
- 4.12. In the case of ENC TN device replacement, a new ENC TN account will be opened for the User in accordance with 2.1. hereof. When replacing the device, the User will provide the warranty and proof of purchase. After the warranty period, the replacement will be charged at the market price. Refund is not possible for the returned ENC TN device.
- 4.13. At the time of purchase of the ENC TN device, the User will be issued a bill stating the ENC TN device fee with VAT included. When using the ENC TN device passing through the Point of sale, the toll amount for the covered distance will be charged.
- 4.14. The ENC TN device can be used to pay toll on motorway sections managed by ARZ immediately, and on sections managed by Croatian Motorways Ltd. two hours after the activation of the standing order.
- 4.15. At the User's request by the 15<sup>th</sup> day of the month, ARZ will provide an R1 invoice to credit VAT on input stating all account transactions for the previous month.
- 4.16. The ENC TN User obtains the following discount:
- I and II category = 13.04% of the toll amount
- III and IV category:
- EURO 3 = 30.43% of the toll amount
- EURO 4 = 33.43% of the toll amount



EURO 5 = 35.43% of the toll amount

## 5. USER'S RESPONSIBILITY

- 5.1. The ENC TN User undertakes to make sure that at the time of the ENC TN transaction the ENC TN device is not cancelled, that the time to which the ENC TN device is limited has not expired, the credit card has not expired, that it has not been revoked or the standing order terminated. In the case of any of the above circumstances, the User agrees that electronic toll payment using the ENC TN device be denied at the Point of sale.
- 5.2. For any use of the ENC TN device after the time to which the use of the ENC TN device is limited, after the revocation of the ENC TN device, ARZ will invoice the User directly for such an unauthorized use of the ENC TN device, and the User will settle the debt within 8 days. For any use of the ENC TN device after the receipt of the credit card provider's notice on the credit card revocation, credit card expiry, or standing order cancellation, ARZ will invoice the User directly for such an unauthorized use of the ENC TN device, and the User will settle the debt within 8 days.
- 5.3. The User is liable for any unauthorized or illegal use of the ENC TN device. At the request of the tollbooth operator, the Holder will present the identity card or passport. ARZ can, but is not obliged, to determine the Holder's identity.
- 5.4. In case of loss or theft of the ENC TN device, the User will promptly inform ARZ thereof in writing (telegram, e-mail, telefax etc.).
- 5.5. In case of loss or theft of the ENC TN device, ARZ will block the device at the User's request. The User can purchase a new device in accordance with paragraph 2.8. hereof.
- 5.6. If the loss or theft is not reported, ARZ will not be liable for any transactions or damages incurred with the ENC TN device after the loss or theft, and will not compensate the User.
- 5.7. The User will compensate ARZ for any expenses incurred in the use of the ENC TN device in case of its loss or theft before ARZ is notified thereof in accordance with paragraph 5.4. hereof, and will cover any transaction within 30 days. Should the User fail to do so, ARZ will send the User a letter before action and then start the claims collection action. The debt is considered to be settled once the money is transferred to the ARZ account.
- 5.8. The User is responsible for any mechanical damage to the ENC TN device that renders the device unusable in the electronic toll payment system and interoperable payment system, as well as for loss or theft of the ENC TN device. The User will pay the replacement ENC TN device fee at the price defined by the ARZ decision in force on the day of purchase of the replacement ENC TN device.
- 5.9. User agrees that using ENC TN device that is contrary to these General Conditions of ENC TN is rendered impossible by placing ENC TN device on the "stop list" in the interoperable toll collection system on all indicated motorways.



## 6. FINAL PROVISIONS

- 6.1 In order to protect its operation or for any other justifiable reasons, ARZ can change the General conditions for ENC TN, of which it will inform the User through ARZ's web site in due time.
- 6.2 On the day these General conditions come in force, the previous cease to be valid. These General conditions come into force and are implemented as of June 20<sup>th</sup>, 2014.
- 6.3 The discounts hereof are operational as of June 8<sup>th</sup>, 2012.

## 7. COMPLAINTS

- 7.1 The complaint period is six (6) months from the day of the disputable transaction date. Complaints after the above period will not be processed (Management decision no. 15-06-05/11 of June 7<sup>th</sup>, 2011).
- 7.2 Complaints regarding the collected toll can be made on toll-free telephone number 0800 0111 or by email on [reklamacije@arz.hr](mailto:reklamacije@arz.hr).

## 8. JURISDICTION

- 8.1 In the event of dispute, the competent court is the court of Zagreb.